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# COMMITTEE FOR INDUSTRIAL DEVELOPMENT

## REPORT ON THE FOURTH SESSION

(2-19 March 1964)

ECONOMIC AND SOCIAL COUNCIL  
OFFICIAL RECORDS : THIRTY-SEVENTH SESSION  
SUPPLEMENT No. 6

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CONTENTS

<u>Chapter</u>	<u>Paragraphs</u>	<u>Page</u>
I. ORGANIZATION OF THE SESSION . . . . .	1 - 14	1
Membership and attendance . . . . .	1 - 5	1
Rules of procedure . . . . .	6	2
Election of officers . . . . .	7	2
Agenda . . . . .	8	2
Organization of work . . . . .	9 - 14	3
II. SUMMARY OF THE GENERAL DEBATE . . . . .	15 - 26	4
III. ACTIVITIES OF THE INDUSTRIAL DEVELOPMENT CENTRE AND CONSIDERATIONS RELATING TO ITS PROGRAMME OF WORK .	27 - 92	7
Programming and policies of industrial development . . . . .	27 - 37	7
Industry studies and manuals . . . . .	38 - 43	9
Small-scale industry and industrial estates . . . . .	44 - 46	11
Transfer and adaptation of industrial technology. . . . .	47 - 58	12
Role of patents in the transfer of technology . . . . .	59 - 64	14
Financing of industrial development . . . . .	65 - 73	15
Industrial training and management . . . . .	74 - 82	17
Social aspects of industrialization . . . . .	83 - 88	18
Activities related to United Nations programmes of technical co-operation . . . . .	89 - 92	20
IV. INDUSTRIAL DEVELOPMENT AND THE FORTHCOMING UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT . . . . .	93 - 96	22
V. INTERNATIONAL AND REGIONAL SYMPOSIA ON INDUSTRIAL DEVELOPMENT . . . . .	97 - 118	24
Resolution 1 (IV) . . . . .	118	29

(Continued on page 3 of cover)

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.

E/3869  
E/C.5/65



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COMMITTEE FOR INDUSTRIAL DEVELOPMENT

Report to the Economic and Social Council on the fourth session of the Committee held at United Nations Headquarters from 2-19 March 1964 inclusive<sup>1</sup>

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I. ORGANIZATION OF THE SESSION

Membership and attendance

1. The following members of the Committee were represented: Algeria, Argentina, Australia, Austria, Brazil, Cameroon, Central African Republic, Chile, Colombia, Czechoslovakia, Ecuador, France, Federal Republic of Germany, India, Iraq, Japan, Luxembourg, Madagascar, Mexico, Pakistan, Philippines, Poland, Senegal, Sweden, Tunisia, Union of Soviet Socialist Republics, United Arab Republic, United Kingdom of Great Britain and Northern Ireland, United States of America, Yugoslavia.
2. The following States sent observers to the Committee: Canada, Denmark, Israel, Italy, Nepal, Romania, Ukrainian Soviet Socialist Republic.
3. The following specialized agencies were represented: International Labour Organisation (ILO), Food and Agriculture Organization of the United Nations (FAO), United Nations Educational, Scientific and Cultural Organization (UNESCO), World Health Organization (WHO) and the International Bank for Reconstruction and Development (IBRD). The International Atomic Energy Agency (IAEA) was also represented at the session.
4. The following non-governmental organizations were represented:  
  
Category A: International Chamber of Commerce, World Federation of Trade Unions, International Organization of Employers.
5. A list of the representatives, alternates, advisers and observers attending the session will be found in annex I.

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<sup>1/</sup> The previous activities of the Committee have been reported to the Economic and Social Council in the following documents: report of the first session (27 March-21 April 1961) [Official Records of the Economic and Social Council, Thirty-first Session, Supplement No. 2 (E/3476/Rev.1)], report of the second session (5-28 March 1962) [ibid., Thirty-third Session, Supplement No. 2 (E/3600/Rev.1)], and report of the third session (13-31 May 1963) [ibid., Thirty-sixth Session, Supplement No. 14 (E/3781)].

### Rules of procedure

6. In accordance with rule 26 of the rules of procedure of the Economic and Social Council, the proceedings of the Committee were governed by rules 26, 41, 42 and 47 to 70 inclusive of those rules of procedure.

### Election of officers

7. At its 29th and 30th meetings, on 2 and 3 March 1964, the Committee elected the following officers: Chairman: Mr. Hortencio J. Brillantes (Philippines); First Vice-Chairman: Mr. Hassouna Ben Amor (Tunisia); Second Vice-Chairman: Mr. Hugo Cubillos (Chile); Rapporteur: Dr. Franz Weidinger (Austria).

### Agenda

8. At its 29th meeting, on 2 March 1964, the Committee unanimously adopted the following agenda:

1. Election of officers.
2. Adoption of the agenda.
3. Review of the activities of the Industrial Development Centre and considerations relating to its future programme of work:
  - (a) Research activities;
  - (b) Activities related to United Nations programmes of technical co-operation.
4. Social aspects of industrialization.
5. Participation of the Industrial Development Centre in the United Nations Conference on Trade and Development.
6. International and regional symposia on industrial development (General Assembly resolution 1940 (XVIII), operative paragraph 5).
7. United Nations machinery in the field of industrial development (General Assembly resolution 1940 (XVIII)).
8. Activities of the United Nations system in the field of industrial development.
9. Consideration and approval of the Committee's report to the Economic and Social Council.

### Organization of work

9. At its 29th and 30th meetings, held on 2 and 3 March 1964, the Committee considered the question of the organization of its work. It was decided to have a general debate and afterward to set up two working groups, whose fields of competence would be roughly analogous to those of the working groups established during the Committee's third session. Items 3, 4, 5 and 6 were allocated to Working Group I and items 7 and 8 to Working Group II.

10. The Chairman of the Committee designated the representatives of Algeria, Australia, Austria, Brazil, Cameroon, Chile, Czechoslovakia, France, Federal Republic of Germany, India, Iraq, Japan, Pakistan, Poland, Sweden, Tunisia, USSR, United Arab Republic, United Kingdom, United States and Yugoslavia to serve on Working Group I. The First Vice-Chairman of the Committee, Mr. Hassouna Ben Amor (Tunisia), was designated to serve as Chairman of Working Group I.

11. The Chairman of the Committee named the representatives of Algeria, Argentina, Austria, Brazil, Cameroon, Chile, Colombia, Czechoslovakia, Ecuador, France, Federal Republic of Germany, India, Iraq, Japan, Luxembourg, Madagascar, Mexico, Pakistan, Philippines, Poland, Senegal, Sweden, Tunisia, USSR, United Arab Republic, United Kingdom, United States and Yugoslavia to serve on Working Group II. The Second Vice-Chairman of the Committee, Mr. Hugo Cubillos (Chile), was designated as Chairman of Working Group II. Subsequently, Australia became a member of this working group.

12. Working Group I elected Mr. Kazimierz Laski (Poland) as its Vice-Chairman and held seven meetings between 5 and 13 March 1964.

13. Working Group II elected Mr. A. Ramaholimihaso (Madagascar) as its Vice-Chairman and held six meetings between 5 and 13 March 1964.

14. At its 30th to 32nd meetings, on 2 and 4 March, the Committee had a general debate in which twenty-one speakers participated. At its 38th meeting, on 19 March, the Committee considered and unanimously adopted its draft report (E/C.5/L.35 and Add.1-16) as amended at that meeting.

## II. SUMMARY OF THE GENERAL DEBATE

15. The general debate opened with a statement by the Commissioner for Industrial Development (E/C.5/L.32). The Commissioner referred to the substantial amount of research work undertaken by the Industrial Development Centre during the past year, and, in particular, to the interregional symposium on the application of modern technical practices in the iron and steel industry to the developing countries, held in Prague and Geneva in November 1963, and to the studies for the United Nations Conference on Trade and Development, the preparation of which had absorbed a considerable portion of the Centre's resources. There had been a slight expansion of the Centre's activities in providing substantive support to the technical assistance and Special Fund operations in industry, and intensified efforts were needed in this area. A systematic assessment should be made of the needs of the developing countries in the field of industrial development and continuous contacts should be established between the Centre and the agencies, institutions and individuals, in both the advanced and the developing countries, which were actively engaged in the industrialization effort; the group of senior advisers attached to the Centre should be expanded; staff members or consultants of the Centre might be seconded for short periods to assist the Resident Representatives of the Technical Assistance Board in the preparation and review of technical assistance programmes; and continuous and active consultation should be maintained within the United Nations family. The resources of the Centre should be commensurate with an increased technical co-operation programme. Its central position should permit it to play a catalytic role in promoting the flow of financial and technical aid to the developing countries; it could make a useful contribution by identifying gaps in the structure of assistance to these countries which might be filled not only by the United Nations but also by other sources of foreign aid.

16. The Commissioner felt that the international symposium on industrialization referred to in General Assembly resolution 1940 (XVIII), and the regional and sub-regional symposia which would precede it, would add to the fund of knowledge in the field of industrialization, provide a basis for initiating work in certain important areas, facilitate the assessment of the needs of the developing countries and the undertaking of concerted national and international action to accelerate industrial development. Close co-operation of the participating countries and of the organizations of the United Nations family would be required in preparing the symposia.

17. After referring to the Centre's activities relating to dissemination of information, which might include the preparation of fact sheets on current developments and, eventually, of a world industrial development survey, the Commissioner discussed the question of co-ordination of the activities of the United Nations system in the field of industry. The Centre was a focal point for such co-ordination. The Commissioner felt that there were no difficulties in achieving concerted action on specific projects, but that co-ordination in the larger sense required the allocation of adequate resources to the Centre as the co-ordinating body. He pointed out the connexions which existed between the Centre's functions of co-ordination, research, exchange of information and promotion of policies, projects and assistance in the field of industrial development.

18. In the course of the ensuing debate, the members of the Committee made statements on a wide range of problems including policies and programmes of industrialization, industrial development and foreign trade, the implementation of the work programme of the Centre, the present role of the Centre and the organizational questions relating to the United Nations machinery in the field of industrial development. These problems were further discussed at the meetings of the working groups set up by the Committee.

19. Many representatives expressed their appreciation of the amount and quality of the work done by the Centre, despite its limited resources and felt that, on the whole, the projects undertaken by the Centre were of use to the developing countries. Some representatives felt that a systematic assessment of the needs of these countries would give a better orientation both to the research work and the technical assistance operations in the field of industry. It was also pointed out that, in eliciting the needs of individual developing countries, the Centre could provide useful guidance, based on its general knowledge and experience of industrialization processes and problems. For this reason, the members of the Committee agreed that the Centre should assume the functions of a link between the agencies and persons concerned with industrialization in the developing countries and those in the advanced countries that could be of assistance. In this way the direct assistance which the Centre is able to extend would be supplemented by the multiplier effect of its co-ordinating and clearing house functions. One representative compared the Centre's function to that of certain planning bodies whose role was not so much to take action themselves as to induce others to adopt concerted programmes or orient their action towards the achievement of common goals. Its role was principally to initiate, promote and co-ordinate programmes, projects and assistance in the field of industrial development.

20. One pre-condition for such action was the existence, in the developing areas, of national or regional institutions - governmental, private, or mixed - for the formulation and implementation of industrial policies, plans and programmes, for technological research, assistance and servicing, and for financing, the strengthening or establishment of which could be assisted, in particular, by the Special Fund and the International Bank for Reconstruction and Development. The Centre could play a useful role in stimulating projects of this type and assisting Governments in formulating requests for help in their implementation.

21. There was general support of the measures proposed by the Commissioner for intensifying the promotional activities of the Centre, especially as regards formulation of requests for technical co-operation, and its information-sharing action. Several delegations pointed out that the Centre could not discharge these functions unless adequate funds were available to enable its staff to travel to the countries concerned for consultations and discussions with the competent authorities. One delegation proposed the inclusion in the United Nations budget of a special provision for travel funds for personnel of the Centre, which might be supplemented through project funds of the regular and expanded programmes of technical assistance and preparatory allocations of the Special Fund. In the course of the debate, this proposal was supported by many other delegations. The same delegation, subsequently supported by other members, thought that it would be helpful if the Secretary-General invited the Commissioner for Industrial Development to join in the Technical Assistance Board's consideration of biennial programmes. Several representatives endorsed the suggestions of the Commissioner regarding arrangements for the dissemination of information on industrial

technology (E/C.5/51). Other members felt that, in view of the enormous amount of information available today, the proposed measures would not be adequate and should be further elaborated. A certain number of representatives thought that the Centre should define more clearly the purpose and use of certain of its studies, in particular, the industry manuals and, in a more general way, ascertain that information and studies were actually disseminated to those who needed them. The proposed symposia would help in determining effective ways and means of exchanging information.

22. Some members of the Committee suggested that the Centre should concentrate its work on certain key impact areas such as planning and programming, formulation of industrialization policies, industry studies and pre-investment manuals, and training of managers and technical specialists. The importance of work on small-scale industries was also stressed. The Commissioner's suggestions to issue periodic fact sheets and, later on, to prepare, at certain intervals, a world survey of industrial development, were generally supported.

23. There was a consensus of opinion that the symposia referred to in General Assembly resolution 1940 (XVIII) would be of great value. Several representatives emphasized the need for active participation of the regional economic commissions in their organization. The precise formulation of topics and the careful preparation of documentation were prerequisites to their success. It was suggested that resources be allocated for these projects.

24. Several representatives pointed out that there was no disagreement in the Committee on the need to industrialize the developing countries and that the main problem was that of finding appropriate national and international means of promoting and accelerating industrial development. Members referred to the measures for expanding exports of manufactures from the developing countries and commended the Centre for the studies submitted to the United Nations Conference on Trade and Development. One member urged the Centre to stimulate requests for technical assistance in such fields as market surveys, establishment of trade agencies abroad, product design, quality control and certification of export goods, and the establishment of export promotion organizations. Several representatives emphasized the effectiveness of regional and interregional groupings of developing countries in the development of markets and in expanding their foreign trade. The role of private foreign investment in the manufacturing sector of the developing countries in connexion with the promotion of exports of manufactures was stressed by some members. One representative considered that a major problem was how to take best advantage of the international division of labour in order to assist the industrialization of the developing countries on the basis of the planned development of the State sector and to help them to achieve their economic independence; in his view, industrialization required, above all, a mobilization of national resources which called for domestic efforts rather than for foreign aid.

25. Several delegations referred to the question of the institutional framework of United Nations activities in the field of industrial development, and their views have been reflected in chapter VI below, where a comprehensive report of the Committee's consideration of this question may be found.

26. One delegation suggested that the next session of the Committee for Industrial Development should be held in Geneva. It was held that the choice of this city would have the advantage of bringing the Committee closer to a certain number of institutions which were dealing with problems of industrialization and planning in Europe. The experts from those institutions would therefore be able to follow more closely the work of the Committee and would contribute to reinforce its technical character.



### III. ACTIVITIES OF THE INDUSTRIAL DEVELOPMENT CENTRE AND CONSIDERATIONS RELATING TO ITS PROGRAMME OF WORK

#### Programming and policies of industrial development

27. The Committee had before it a general review of the work of the Industrial Development Centre prepared by the Secretariat (E/C.5/39), a note on the status of replies to the questionnaire on industrial planning and development (E/C.5/40) and notes by the Secretariat on experience in planning, programming and promoting industrial development (E/C.5/41), some aspects of methodology in the formulation of industrial development programmes and policies (E/C.5/42 and Corr.1) and manufacture of industrial machinery and equipment in developing countries (E/C.5/43 and Corr.1).

28. The Committee expressed general satisfaction with the work done by the Centre in the field of industrial programming and policies. Many delegates considered that the documents prepared by the Centre represented, on the whole, a desirable balance between the theoretical and empirical, and the general and specific aspects of industrialization, especially in view of the widely varying situations encountered from country to country. In particular, the importance of studying the problems relating to the manufacture of capital goods and to the machine-building industries was stressed. Some delegations noted with satisfaction the studies on the experience of socialist countries in industrial planning and suggested that further emphasis should be placed by the Centre on the experience of socialist countries in its future research.

29. Several delegates emphasized the importance of taking into account the needs and wishes of developing countries in formulating the Centre's programme of research activities. Other delegates pointed out that it was the task of the Centre to provide the necessary leadership by studying the situation in those countries, by identifying their needs, and by selecting and concentrating its research activities on the most important issues.

30. The Committee noted the fact that some developing countries, with valuable experience in the field of industrial programming and development, had not yet replied to the questionnaire on industrial planning. Some delegates expressed the opinion that the questionnaire was too elaborate and comprehensive and included many difficult questions, so that the preparation of the replies required an input of considerable resources in manpower and the work of many departments. Thus many developing countries had found it difficult to prepare the replies. They maintained that it would be advisable to send a simple and short questionnaire dealing with one specific topic and aimed solely at collecting quantitative information. Other delegations, on the other hand, felt that there was also need for qualitative information, including information on planning methods used by countries, in addition to statistical information. In their opinion, qualitative information was essential in order to obtain a clear picture of the relevant problems of developing countries and for a mutually beneficial exchange of experience between different countries. It was suggested in this connexion that the Centre should enlist the co-operation of the regional economic commissions to assist developing countries in the preparation of their replies to the questionnaire. Many delegations felt that this could be best done, wherever necessary, by sending a staff member.

31. Some delegates expressed disappointment that the Centre had not prepared a systematic comparative analysis of the material contained in the replies to the questionnaire on industrial planning and development so far received. Other delegates suggested that the Centre should make a special effort to obtain replies from a number of countries whose experience is deemed interesting, such as Argentina, Chile, Greece, India, Mexico, Turkey, the United Arab Republic and Yugoslavia. They proposed that the Centre should undertake a detailed comparative analysis as soon as replies from these countries were received. It was considered that such an analysis of the material submitted by Governments on their experience in industrial planning and development would help the Centre to identify the problems and needs of developing countries which, in turn would contribute to the orientation of the work of the Centre and help to determine the priorities in its work programme. It would in addition make a valuable contribution to the developing countries themselves in their efforts to promote industrial development.

32. The Secretariat recalled that the initiative for the preparation of the questionnaire on industrial planning and development lay with the Committee. Three experts from India, Netherlands and Poland had helped the Secretariat in the formulation of the questionnaire. Despite the unsatisfactory situation regarding the replies, the questionnaire had already fulfilled a useful purpose by providing a number of extremely valuable reports on the progress and problems of industrialization in a number of countries. It was further pointed out that it was only at the third session that the suggestion for a comparative analysis of the material contained in the replies was made by some delegations. Such an analysis had not yet been undertaken because it was felt that, in the absence of replies from many key developing countries with extremely valuable experience in the field of industrial planning, it would lose much of its value.

33. Several delegates attached great importance to expanding the studies of experience in the field of industrial planning and development to more countries and pointed out that such comprehensive research on the concrete experience of many countries would enable the Centre to derive a certain number of useful generalizations which would lead to the formulation of various alternative solutions to the problems and methods of planning suitable for countries at different stages of development. The suggestion was made that the studies relating to France, India and Japan submitted at the previous session should be suitably revised and published; similar studies could be undertaken with advantage for other countries, for example Brazil, the Philippines and some African countries. A suggestion was made that the study on the experience of Japan in the public financing of certain industries, such as steel, would be of considerable interest to many developing countries. It was pointed out that the Centre's description of the French economy as one primarily based on private enterprise was open to question, since, in several years in the recent past, public investment had represented more than 40 per cent of total investment in France.

34. Several delegates commended the Industrial Development Centre for evaluating the experience of countries with centrally planned economies. It was considered by the delegations that the study on the economic integration and industrial specialization among countries which were members of the Council of Mutual Economic Assistance would be of special interest, in view of the fact that many developing countries with small populations, narrow markets and limited resources would require varying degrees of integration and specialization for initiating and developing important branches of industry based on modern technology requiring large-scale production methods.

35. The Committee attached particular importance to the study on the maturation period of investment in the context of industrial programming, in view of its implications in terms of locking up resources and of the susceptibility of developing economies to inflationary pressures. The Secretariat mentioned that the present study was preliminary in nature and that there was need for broadening the research in terms of the experience of other countries not covered in the study. It was mentioned that the further elaboration of this study would require comprehensive inquiry, through a questionnaire circulated to a certain number of countries, and an appeal was made for the co-operation of Governments in providing the necessary information.

36. Some delegates considered that the Centre should attach considerable importance to its work on such questions as the role of the public sector, fiscal and monetary policy, the distribution of national income between consumption and investment and among different income groups, and the methodology of industrial planning in developing countries and institutional problems.

37. The Secretariat stated that the comments and suggestions made during the debate would be taken into account in the current and future work programme of the Centre.

#### Industry studies and manuals

38. The Committee had before it two notes containing a review of the Centre's activities on industry studies (E/C.5/44) and industry manuals (E/C.5/45). The Secretariat introduced the discussion by stating that these studies were aimed primarily at developing a set of economic and technological data for various industries which would be useful for the formulation and evaluation of industrial projects in developing countries. As a by-product they were also intended as teaching materials in industrial planning. The Centre's work on specific industries included so far, cement, aluminium, food canning, iron and steel, the assembly industries, fertilizers, petrochemicals and machine tools. The study of economies of scale and minimum economic capacity was considered particularly important in connexion with problems of regional industrial integration, since most developing countries were characterized by markets which were too small to sustain efficient units of production for a great number of industrial goods.

39. The Committee reviewed the Secretariat's work in this field. It appreciated the efforts of the Secretariat in preparing the studies on specific industries and noted in particular the difficulties encountered in obtaining the necessary economic and technical data. In this connexion it recommended that member States arrange for the appropriate agencies in their respective countries to provide assistance to the Secretariat in this respect. It further recommended that the Secretariat, for its part, establish and strengthen its contacts with such agencies as well as with other institutions concerned with industrial development and research.

40. Some delegations expressed certain doubts about the immediate practical application of the industry data; they also held that a great deal of pertinent information existed in the form of published material available from various industrial and official sources. They felt that these studies were useful only

to the extent that they dealt with precise aspects of a given industrial project, such as factory sites, the choice of raw materials, the assessment of precise capital requirements, the financial plan, manpower requirements, the lay-out of the plant, the examination of tenders and the drawing-up of contracts. Certain delegations further suggested that it might be necessary to ascertain from the developing countries the type of industries, as well as the nature of the information that those countries would find most useful. Other delegations maintained that, while it was desirable to take account of the wishes of the developing countries, the United Nations had also to display initiative and furnish leadership in this matter.

41. One delegation felt that the Centre was dispersing its efforts by taking up the study of many subjects instead of concentrating on a few topics; and that, furthermore, most projects had been undertaken without much regard to real priorities in the light of the importance attached by the developing countries to those studies. Other delegations felt that, although the documents prepared by the Centre might be criticized in detail on one point or another, the work of the Secretariat was, on the whole, well balanced, and made allowance for the widely varying situations encountered from country to country, and that it preserved a necessary balance between theoretical studies and the specific practical aspects of industrialization.

42. As to the industries to be selected for those studies, certain representatives took the view that priority should be given to dynamic industries, such as production of machinery and equipment, whereas others maintained that the so-called light industries, mainly non-durable industrial consumer goods, should be emphasized at the early stages of development.

43. In replying to comments made during the debate, the Commissioner for Industrial Development admitted that difficulties were being encountered in obtaining the relevant information and that efforts would be made to establish closer links with the developing countries which would also be helpful in elucidating the necessary data. With respect to the coverage and scope of the Centre's work, he pointed out that the Secretariat aimed at attaining a balance in its work programme, which was dictated on the one hand by the limited manpower and financial resources at its disposal, and on the other hand, by the complexity of the problem and the wide variety of topics which had to be explored. To achieve such a balance involved a highly selective approach which at the same time would take into account the variety of needs and conditions. Certain assumptions with respect to existing needs had to be made by the Secretariat at the outset, in order to develop a minimum programme of work, but in the final analysis the countries themselves, which were the users of the results of the research, would determine the nature and the scope of the work. Some of the studies that have been circulated to various interested agencies and persons had elicited useful suggestions, which would be taken into account in its future work. In the same way the comments and suggestions made by members of the Committee would be taken into consideration in the subsequent work.

## Small-scale industry and industrial estates

44. The Committee commended the Centre for the work carried out in the field of small-scale industry and endorsed the programme of work set out in the note by the Secretariat (E/C.5/46 and Corr.1). In accordance with the Committee's recommendation, in its report on its second session (see E/3600/Rev.1, para. 72), most of the projects were in the form of regional and interregional seminars organized in co-operation with the regional economic commissions, and most of the research studies already carried out or planned were closely linked with these seminars. An important result expected from the seminars and studies was that the interest of Governments would be stimulated in undertaking certain types of projects to which inadequate attention appeared to have been paid. In the field under consideration, this objective was especially important in connexion with projects relating to industrial estates and certain types of servicing and assistance institutions. It was expected, in particular, that the seminars on industrial estates would help in evolving guidelines for the formulation and implementation of policies, programmes and standards for industrial estate projects, in the light of regional conditions and needs, and would encourage Governments to set up industrial estates, availing themselves, if need be, of the assistance offered by the United Nations under the Expanded Programme of Technical Assistance and the Special Fund. The Committee expressed interest in the questionnaire on industrial estates sent by the Centre to Governments having plans or projects in this field, and in receiving a comparative analysis of international experience emerging from their replies.

45. The Committee agreed that, to be effective, the measures for the promotion of small-scale industries should be of an integrated nature, that is, that assistance, servicing and training should cover all aspects of the establishment and operation of these industries - technology, finance, management, marketing and labour productivity. This approach was stressed in the Centre's projects on industrial estates, technical services and facilities for small-scale industries, financing and mechanization of small-scale industries, and rural industrialization, as well as in the study of promotion of exports of small industry products from developing countries. <sup>2/</sup> One representative laid stress on the importance of co-operative and complementary arrangements among small industries and of the relationships between large and small industries, in particular in connexion with subcontracting arrangements on a national and international basis, and invited the Secretariat to give high priority in its programme of work to projects in this area.

46. It was the view of some delegations that technical assistance and Special Fund operations relating to small-scale industries and, in particular, industrial estates, had accounted for a relatively small proportion of all technical co-operation projects in industry. This was explained in part by the inadequate knowledge on the part of Governments of the types of projects for which United Nations assistance might be made available. The Committee supported the idea of preparing a brochure describing in detail United Nations facilities available

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<sup>2/</sup> This study (E/CONF.46/33) was submitted to the United Nations Conference on Trade and Development.

to assist Governments in the field of small-scale industries and industrial estates, and the procedures for obtaining such assistance. Similar brochures might be prepared on facilities available in other areas of industrial development. This would meet the relevant recommendation made by the Committee in paragraph 113 of its report on its third session (E/3781).

#### Transfer and adaptation of industrial technology

47. The Committee considered notes by the Secretariat on the interregional symposium on iron and steel (E/C.5/47) and on the Conference on the development of the fertilizer industry in Asia and the Far East (E/C.5/48 and Corr.1) as well as studies entitled "Institutes of industrial technology and development" (E/C.5/49), "Recent United Nations action concerning the application of science and technology to industrial development" (E/C.5/50), and "Arrangements for the dissemination of information on industrial technology" (E/C.5/51 and Corr.1).

48. In introducing these documents, the representative of the Secretariat explained that the Centre's work in the field of transfer and adaptation of technology was tackled at three different levels: namely, research, inter-governmental seminars and conferences, and operational activities. Some of the important research projects, notably industry manuals (E/C.5/45) and the study on equipment industries (E/C.5/43 and Corr.1) had already been covered in preceding sections of this report.

49. With regard to the transfer of information on industrial technology, the Centre proposed to assist Governments in formulating the criteria for the establishment and operation of information services; it would collaborate in the training of personnel, would help the latter to locate sources of documentation on industrial technology and would consider what other means should be taken to improve the exchange of information on that subject.

50. The Committee concurred with the emphasis that had been given to the problems of transfer and adaptation of technology. Some delegations emphasized the importance of the transfer of advanced management techniques and suggested an intensive investigation of the available facilities in the form of turn-key projects and provision of management advisory services.

51. The Committee found the interregional symposium on the application of modern technical practices in the iron and steel industry to the developing countries and the Conference on the development of the fertilizer industry in Asia and the Far East of practical value. In the opinion of one delegation, it was necessary to keep in mind the existence of a buyers' market in steel, in setting up new steel plants in developing countries. Another delegation considered this a purely temporary phenomenon and expressed the view that there was a likelihood of a substantial increase in demand for steel, warranting the absorption of existing world capacity as well as its further expansion in the developing countries.

52. The Committee took note of the conclusions of the Conference on the development of the fertilizer industry in Asia and the Far East (E/C.5/48 and Corr.1) and endorsed the emphasis on the importance of augmenting fertilizer production in developing countries. It was felt that the current plans and programmes for increasing fertilizer production should not be held up pending the recommended establishment of plants to manufacture fertilizer equipment.

53. The Committee also stressed the role which research institutes for industrial technology can play in transferring industrial technology to the developing countries and in adapting it to meet local conditions. The Committee welcomed the idea of multi-service institutes in view of the limited resources of developing countries and endorsed the work programme of the Centre (see E/C.5/49, para. 17).

54. The question was raised as to whether the world directory of technological institutes might be compiled by the Centre in co-operation with UNESCO. Another delegation thought it would be useful to identify the technical resources in the developed countries which were available to the developing countries through technical assistance programmes.

55. The representative of UNESCO informed the Committee that there was no reason to fear any overlapping between the Centre's activities and those of UNESCO, as was clear from the statement made by the Director-General of UNESCO at the opening of the third regional meeting of representatives of national scientific research bodies in South and Southeast Asia, held at Canberra in February 1964; the Director-General had said that the task of adapting knowledge and "know-how" and integrating them in the country's productive activities in accordance with the objectives of the general development plan did not fall within the sphere of competence of UNESCO, and that other United Nations bodies, such as the Industrial Development Centre and FAO, were actively engaged in that area.

56. On the other hand, since 1960, UNESCO has been engaged in building up the scientific and technical potential of member States, including the study of problems raised by the planning of scientific development, the establishment of higher education institutions concerned with science and technology, the setting up of research laboratories, standards institutes, organizations for the construction of scientific apparatus and the development of scientific documentation centres.

57. In connexion with its consideration of arrangements for the dissemination of information on industrial technology, the Committee took note of the analysis contained in the report by the Secretariat entitled "Arrangements for the dissemination of information on industrial technology" (E/C.5/51 and Corr.1-2) and in particular of the observations therein on the role of the Industrial Development Centre (ibid., paras. 19-36), namely that:

(a) Governments should be assisted in the placement of national (or possible regional) information officers on industrial technology and that the Centre should assist Governments, on request, in formulating criteria for the establishment and operation of information services on industrial technology;

(b) An appropriate training programme for information officers on industrial technology from the developing countries should be formulated and an effort should be made to ensure that facilities for implementing this programme are made available in the industrial countries and that means of financing the programme are also made available, including fellowships through the United Nations system; and

(c) Co-operation between the Centre and other international and regional bodies should be intensified in furtherance of the task of providing documentary information on industrial technology to the developing countries.

58. The Committee considered that the analysis contained in the report by the Secretariat provided a sound and practical basis for approaching the complex task of increasing the efficiency with which relevant information on industrial technology might be obtained by developing countries to meet the particular needs of their programmes and projects of industrial development. It noted that in the report of its first session (see A/3866, para. 33), the Advisory Committee on the Application of Science and Technology to Development, when considering the structure of institutions required by the developing countries, had reached essentially the same conclusion as those contained in the Secretariat's report (see E/C.5/51 and Corr.1-2, para. 20), namely that efforts to centralize a vast mass of technological information faced great practical problems and that emphasis should be placed rather on providing international assistance to strengthen the local capacity of developing countries to draw upon external sources of information on industrial technology and to take an active role in making such information available for local industrial projects. The Committee endorsed the main proposals for action by the Centre (ibid., para. 36).

#### Role of patents in the transfer of technology

59. The report by the Secretary-General entitled "The role of patents in the transfer of technology to under-developed countries" (E/C.5/52 and Add.1-5) was introduced by the representative of the Secretariat who explained that the report had been prepared under General Assembly resolution 1713 (XVI), adopted on 19 December 1961, which called for its submission to the Committee for Industrial Development, the Economic and Social Council and ultimately to the General Assembly. According to General Assembly resolution 1935 (XVIII), the report is also being presented for discussion to the forthcoming United Nations Conference on Trade and Development. Resolution 1713 (XVI) requested the Secretary-General, inter alia, to make a recommendation on the advisability of holding an international conference in order to examine the problems regarding the granting, protection and use of patents, taking into consideration the provisions of existing international conventions. In the absence of indications from the Member Governments consulted by him, the Secretary-General had come to the conclusion that the convening of such a conference would not be useful, especially since the question of patents was closely linked with other questions relating to the transfer of technology, and it was difficult to dissociate patented technology from unpatented technology. For the same reason, the question of patents should be examined and developed, first of all, within the wider framework of the related problems of the transfer of technology, which were under consideration by the Advisory Committee on the Application of Science and Technology to Development, to whose attention it might be useful to bring the analysis presented in the report.

60. Delegations making statements on this item expressed their satisfaction with the report, considered it to be balanced and objective, and expressed their general agreement with its conclusions.

61. Some delegations referred specifically to the usefulness to developing countries of regional patent arrangements and of various national legislative and administrative measures discussed in the report. Some delegations noted



with interest the proposal concerning the examination of patents by international authorities such as the International Patent Institute, The Hague. The recent activities in this area of the International Union for the Protection of Industrial Property were also mentioned.

62. One delegation referred specifically to the position of developing countries in more advanced stages of economic development, which could benefit more readily from the latest technological developments, provided their access to this technology was not hampered by obsolete patent provisions. In some cases, a country's industry could not compete unless it used the most up-to-date methods and it would be regrettable, therefore, if the advantage the developing countries enjoyed in having an abundant supply of cheap labour were to be nullified by their technological backwardness. Unfavourable effects of licence agreements on the balance of payments of developing countries, such as excessive royalties and high prices for spare parts and services supplied by the patentees, were also mentioned. It was suggested that the United Nations Conference on Trade and Development should study the possibility of reducing that burden by, inter alia, applying the methods of various assistance schemes mentioned in the report.

63. Other delegations stressed the benefits of the patent system to developing countries and expressed the hope that the abuses which might have crept into the system would soon disappear.

64. Some delegations stressed that their observations on such a complex subject could, in the absence of experts, only be preliminary, and that the report deserved further and more detailed consideration, which might take place at the forthcoming United Nations Conference on Trade and Development.

#### Financing of industrial development

65. The representative of the Secretariat pointed out that, in its survey activities on the national and international aspects of industrial financing, the Secretariat had benefited greatly from the guidance provided by the Committee at its third session.

66. It was recalled that the Industrial Development Centre, in order to secure maximum utilization of the limited staff resources available to the Secretariat, had relied on the co-operation of the Fiscal and Financial Branch, which had been for several years engaged in research and survey of the broader aspects of development financing. Also, co-operation had been established with the regional economic commissions, particularly with regard to the studies needed on the internal aspects of industrial financing referred to in the note by the Secretariat entitled "Financing of industrial development: review of activities" (E/C.5/58), which contains a progress report on the work programme in the field of industrial financing.

67. As economic plans reached the implementation stage, the question of financing became more important. The Governments of developing countries were intensifying their efforts to increase the funds allocated to the different economic sectors. They had sought to complement their direct financial assistance to the industrial sector by strengthening or introducing investment guarantee schemes, tax incentive measures and financial arrangements leading to

a more effective mobilization of domestic savings and attracting a greater flow of foreign development capital for investment in desirable industrial activities. The growing interest in institutional aspects of development financing was reflected in the establishment of an increasing number of industrial development banks and industrial finance and credit corporations.

68. The Committee's attention was drawn to the fact that the provision of export credits for the acquisition of capital goods was playing an increasingly important role in financing the industrialization of the developing countries. In this connexion, it was indicated that the import component of capital formation was high, particularly in the case of industrial development.

69. Some representatives expressed their satisfaction with the work programme of the Secretariat relating to the financing of industry, and stated that they were looking forward to the surveys of external sources of development finance undertaken by the Secretariat in response to General Assembly resolution 1715 (XVI) and the forthcoming report of the Secretariat on the promotion of the international flow of capital. <sup>3/</sup> One delegate pointed out that the developing countries had to supply the bulk of the capital essential to their development and that in his country 75 per cent of the investment was already of domestic origin. He recognized that foreign capital played an indispensable part, as was pointed out in United Nations studies. It was up to the recipient countries to take appropriate steps to seek the expansion of the volume of foreign capital, particularly by taking appropriate institutional and other measures that would lead to the successful utilization of the financial assistance they obtained from developed countries. The establishment of development banks and development finance companies was a good way of mobilizing external and internal finance for development. The developing countries recognized the importance of the assistance they were already receiving, but they needed long-term credits on softer terms.

70. In respect to the terms and conditions under which export credits were granted, one representative specially emphasized the distinction between commercial credit, which was part of normal trading mechanisms, and economic aid, which was designed to meet the problems of developing countries.

71. Another representative stressed the significance of export credit as a source of external financing but emphasized that this form of assistance had the drawback of placing the recipient in some cases in a state of close dependence on the supplier to the extent that a developed country was able to control the direction and pattern of the expansion of the developing country.

72. A number of representatives offered suggestions and changes in the statistical data and descriptive references contained in the report by the Secretariat entitled "Export credits for the financing of capital goods requirements of developing countries" (E/C.5/64 and Corr.1) and other representatives promised to supply comments and further information for which the Secretariat expressed its gratitude.

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<sup>3/</sup> In this connexion, see document E/C.5/58.

73. Several representatives attached great importance to the question of the working capital requirements of industrial enterprises but thought the study contained in the note by the Secretariat on this subject (E/C.5/57) was too brief and that its scope and coverage might be expanded on the basis of the available data in the developed and developing countries. A number of representatives agreed on the need to obtain additional financial resources but not so much to finance investments as to increase the supply of working capital. This problem had to be taken into account in financial planning and in the assessment of the availability of resources to the enterprise. One representative stated that it would be useful if an annotated bibliography on industrial financing were compiled in order to serve as a reference point for the developing countries which needed documentation in this field.

#### Industrial training and management

74. The Committee, in dealing with problems of training and management, noted that limits to industrial growth in the developing countries are set by the inventiveness and the technical know-how of its nationals. The role of training national technical personnel at all levels in this context assumes great significance. In order to assist the developing countries in training, international assistance on a large scale was considered necessary. The Committee emphasized in this connexion, as in previous sessions, the need to organize training programmes in the developing countries themselves as far as possible. There was also a need to take full advantage of training facilities in the industrialized countries, particularly in the case of training in highly specialized engineering and technical skills.

75. The Committee had before it the following papers in industrial training, prepared by the Centre in accordance with the recommendations of the previous sessions of the Committee: "Role of the United Nations in training national technical personnel for accelerated industrialization of the developing countries: note by the Secretariat" (E/C.5/53); "Preparation of teaching materials in economic and industrial development: note by the Secretariat" (E/C.5/54); "In-plant training of graduate engineers in developing countries: note by the Secretariat" (E/C.5/55). In the field of management, it also had a report entitled "In-plant standardization in developing countries" (E/C.5/56 and Add.1).

76. Several members of the Committee expressed the view that a good beginning had been made by the Centre in the field of industrial training and management. The choice of areas of work, as noted by the representative of the Secretariat in introductory remarks, was, in the first instance, to fill the gaps in the work undertaken by the agencies and other organizations. The Committee expressed its satisfaction at the orientation given to the various projects and approved generally the lines of further work as indicated in the relevant documents mentioned above. On the other hand, several delegations considered that more needed to be done and that the Centre should build upon its present modest programme of work.

77. The Committee took note of the progress of work regarding the Secretary-General's report pursuant to General Assembly resolution 1824 (XVII) and the contribution made by the Centre to it. A request was made by a representative of one country that the results of the analysis based on questionnaires on the

progress of training of national technical personnel in the developed countries should be made available to the members of the Economic and Social Council, in advance of its thirty-seventh session.

78. The Committee noted that the documentation on training submitted by the Industrial Development Centre covered two areas; namely, (a) the formulation of a training programme for economic administrators and managerial personnel, and (b) a training programme for engineers and technicians at the plant level.

79. With regard to the formulation of a training programme in industrial development (E/C.5/54), the Committee attached importance and urgency to the project and suggested that early implementation of the project was desirable. In this connexion, they suggested that, in preparing for the interregional meeting of experts, the directors of the training institutions to whom the questionnaires were sent, should be further requested to submit an outline of the training programme in industrialization. Also, similar requests should be made to the various training organizations, both public and private, in the developing countries. Another delegation suggested that the questionnaire contained in document E/C.5/54 be sent to the institutions in the centrally planned economies.

80. Several delegations attached particular importance to in-plant training of graduate engineers. They considered that it was a significant area of work for the Industrial Development Centre and that every effort should be made to promote such projects for assistance by the Special Fund. In this connexion, reference was made to the role of the United Nations in this field and the Committee endorsed, on the whole, the proposals formulated in section III of document E/C.5/55. The Centre was asked to prepare case studies on the experience of the United States and Chile with regard to the training of higher technical personnel. The delegates of the countries concerned offered co-operation in the preparation of such studies, on the specific nature of their experiences.

81. The Committee attached great importance to the establishment of regional in-plant training institutions for the training of engineers from the developing countries. The opinion was expressed that the Centre should initiate work in this field and subsequently report to the Committee.

82. A few delegations suggested that a group of experts should be convened to review available information and to propose measures for establishing and improving in-plant training programmes, both at the national and the regional level. The Committee also felt that this area of work should receive favourable consideration by the Special Fund for financing within the general framework of Special Fund assistance in the field of technical training.

### Social aspects of industrialization

#### General aspects

83. The representative of the Secretariat called attention to the projects on social aspects of industrialization contained in document E/C.5/60 and observed that, in planning these projects, the Secretariat had been guided by recommendations of the Committee. Preparations were well advanced for the inter-regional seminar on social aspects of industrialization, to be held in Minsk, in August, 1964, which

would provide an opportunity to study major aspects of social development in relation to industrialization, within the general context of planning for balanced economic and social development. A study on social planning in relation to industrial development would be submitted to the fifth session of the Committee. It would include consideration of those aspects that contribute to rapid industrial growth of the less developed countries. Consistent with other recommendations of the Committee, the Secretariat was undertaking case studies of cities and localities that have gone through or are undergoing rapid industrialization; three studies - in Africa, Asia and Latin America - were planned.

84. The Committee took note of the projects related to the social aspects of industrialization. Some members of the Committee particularly emphasized the importance of the study on social planning in relation to industrial development and the study of incentives to industrial growth. It was stressed that economic development, and especially industrial development, should be accompanied by social action. In this context, special reference was made to the importance of using the tripartite mechanism within industry - that is, co-operation between government at all levels, workers, and employers, and their respective organizations. The reference was made to the first inter-regional seminar on the health aspects of industrialization at Dacca, East Pakistan, in 1963. The Seminar had reached the conclusion that industrialization offered new opportunities for improving public health, provided that steps were taken to prevent or minimize the adverse health factors, and that those problems could best be tackled on the basis of a co-ordinated plan which took into account the interdependence of economic, social and health factors.

85. Attention was drawn to the important and complex role of social factors, and to the desirability of concentrating the research work on social problems which are directly related to industrialization and whose solution would help developing countries to accumulate rapidly necessary resources, accelerate industrial development and thereby promote economic and social progress successfully. In this connexion, various delegations expressed views as to subjects for future study. These were: the impact of democratic agrarian reform on industrialization; the impact of changes in social structure and of the policy of nationalization on the accumulation of resources for industrial development; the role of the state in social planning and in the introduction of social change; the impact of the redistribution of national income on industrial development and the promotion of scientific and technical revolution; the role and responsibility of those entrusted with the planning of each new industry; the role of trade-unions, youth organizations, women's organizations and other voluntary organizations in the planning and implementation of programmes of industrial and social development. It was emphasized that the United Nations should collect the experience of different industrialized countries and, on this basis, suggest methods of approaching social aspects of industrialization in the developing countries in order that the latter could learn from the successes and avoid the failures of the developed countries.

#### Housing, building and planning

86. The report of the second session of the Committee on Housing, Building and Planning (E/3858) was considered by the Committee in compliance with Economic and Social Council resolution 903 C (XXXIV). The Committee noted that,

among the items of high priority and interest to the Committee on Housing, Building and Planning, was the industrialization of building. The Committee noted that the increasing interest of the international community in this sector of development reflected the growing need throughout the world for a faster rate of construction, which was required to cope with the problems of rapid urbanization and industrialization. Another factor was the growing scale of building required and, consequently, the need for industrial methods and more building capacity.

87. The Committee took note of the conclusions of the Committee on Housing, Building and Planning, that the industrialization of the building sector must be planned within the framework of general industrial development; that construction and building materials industries should be created in the developing countries so as to reduce their foreign currency requirements for imported materials and components; that the different phases of building should be integrated and building types, designs and materials standardized. The Committee also noted the importance accorded by the Committee on Housing, Building and Planning to the transfer of technology and to the adaptation of the results of scientific and operational building research to the social and economic conditions and cultural setting in the developing countries, and to the role of pilot projects and practical demonstrations as suitable means for developing new approaches less demanding on funds, time, and technical and administrative skills.

88. With respect to the organization and administration of the United Nations programme in housing, building and planning, the Committee noted that the establishment of a separate centre for housing, building and planning in the Department of Economic and Social Affairs was recommended and that it would co-operate closely with the Industrial Development Centre and with the other units of the United Nations Secretariat at Headquarters and in the regional economic commissions.

#### Activities related to United Nations programmes of technical co-operation

89. The Committee had before it a report by the Secretariat on the activities of the Industrial Development Centre relating to the technical assistance and Special Fund programmes (E/C.5/59). In introducing the report, the representative of the Secretariat drew the attention of the Committee to the fact that support of operational activities accounted for a substantial part of the Centre's work. During the past year the Centre had continued its efforts to assist governments to re-orient their programmes of technical assistance towards integrated missions, dealing with the various aspects of industrialization in a comprehensive and integral way. As was stressed in the report submitted to the Committee, it was considered that in this way the relatively limited resources of technical assistance at the disposal of the United Nations could be most effectively utilized. The Centre also assisted governments in formulating their requests for assistance in the field of industrialization. It was in that sense that there had been organized during the year a number of exploratory missions whose role was to discuss with Governments, and to develop programmes of technical assistance in industry which would best serve their needs. The Secretariat further drew attention to the link existing between the research and operational support activities, since a number of

studies made by the Centre had been and were being used for the briefing and documentation of experts in the field. Finally, it mentioned that the Centre had been hampered in the scope of its support activities by the lack of correspondence between the increasing claims of the programmes and the staff resources allocated for that purpose.

90. In the following discussion, the Committee considered that the Centre should play a greater role in the support activities of the technical assistance and Special Fund programmes and that full use should be made of the recent resolution of the Technical Assistance Committee concerning an increase in the amount of funds available for industrial projects under the regular programme, including, whenever necessary, the preparation of Government requests for assistance under the Expanded Programmes of Technical Assistance and the Special Fund. In this connexion, some representatives urged that the Centre should be provided with appropriate funds for staff travel in order to assist Governments of the developing countries in the formulation of such requests. One delegation felt, however, that such travel should be limited to newly independent countries who were particularly in need of that kind of assistance. One delegation mentioned some progress in Special Fund activities in the field of assistance to industrialization of the developing countries. Another delegation, however, pointed out that only in nine cases had the United Nations been designated as executive agency, thus showing that the Centre was still playing a minor role in these operations.

91. Opinions were expressed supporting the general orientation of technical assistance in industry toward integrated missions to deal with such problems as the formulation of industrialization policies and programmes, the planning of investment and production in important industrial sectors, and the selection of high priority industrial projects and preparation of bankable projects for submission to financing institutions. Some delegations questioned the rationale of limiting the operational activities of the Centre to pre-investment projects and expressed the opinion that the United Nations should play an important role in rendering assistance also in the phase of the implementation of industrial projects.

92. In reply to questions put forward by one delegation, the Secretariat gave an account of the nature of the supporting activities of the Centre, including evaluation of candidates for expert posts and fellowships, evaluation of requests for technical assistance, and of the procedure under which reports by experts are being made available for general circulation. Information was also provided on the status of the implementation of the Special Fund projects for which the Centre had assumed substantive responsibility.

IV. INDUSTRIAL DEVELOPMENT AND THE FORTHCOMING UNITED  
NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

93. The representative of the Secretariat introduced the documentation by stating that the papers submitted by the Secretariat to the United Nations Conference on Trade and Development included a general study, a series of country studies, and several industry studies.

94. The general study dealt with the problem of exports of manufactures in relation to the process of industrial development. The process of development was bound to produce increasing pressures upon the balance of payments position of the developing countries because of the increasing requirements of imports. A projection of the balance of payments gap by 1970 showed that it was unlikely that that gap would be closed by prospective exports of primary raw materials and that a far-reaching diversification of exports was necessary. The study further pointed out that the trends in demand for the "traditional" exports of manufactured goods from the developing countries, such as textiles or the products of light industry, were similar to those which now characterized exports of primary goods. In the longer run such exports were facing relatively stagnant markets; moreover, they met with considerable resistance on the part of the importing countries since they were in direct competition with the generally stagnant similar industries in those countries. The developing countries were advised to engage in a policy of orientation of exports towards products of more dynamic industries such as, for example, machine-building, chemicals and other intermediates, which offered a buoyant demand and held out promise for a continued expansion in the future. The general study, in addition to examining the present obstacles to exports of manufactures from developing countries, dealt with the means and forms of national and international action to promote the development of export industries in that direction. The problem of export promotion was intimately connected with the general problem of industrialization since the promotion of the export industries would provide opportunities for developing industrial sectors which could not be developed on the basis of the domestic markets.

95. The country studies prepared by the Centre were designed to provide a cross-section of countries' experience in promoting exports of manufactured goods. A few representative industries were selected for study with the same object in mind. A study on the promotion of exports of small industry products was also prepared.

96. During the discussion of this item, many delegations expressed their appreciation of the work accomplished by the Centre in preparing the documentation for the Conference. One delegation took the view that the documentation prepared by the Centre had not stressed sufficiently the role of regional industrial integration as a means of providing adequate markets for industries subject to economies of scale and in this way promoting industrial specialization. The Latin American Free Trade Association was cited as an outstanding example of efforts in that direction and attention was drawn in this connexion to the work of the Economic Commission for Latin America in the field of the industrial integration of that region. Another delegation suggested that the Centre engage



in a study dealing with export capabilities of certain developing countries with respect to semi-manufactures and simple manufactures; it was suggested that the Centre examine the various aspects of this problem as regards measures of promotion and elimination of trade barriers. One delegation drew the attention of the Committee to the review of trends of production, demand and trade in engineering products (E/C.5/39, annex, para. 22) prepared by the Economic Commission for Europe, and suggested that the Centre, following the Conference, should undertake this project on a world-wide basis in co-operation with the regional economic commissions. Finally, some delegations pointed out that certain subjects falling within the area of exports of manufactures might be properly studied by other agencies in co-operation with the Centre, in particular those related to tariffs and other restrictions on trade.

## V. INTERNATIONAL AND REGIONAL SYMPOSIA ON INDUSTRIAL DEVELOPMENT

97. The Committee had before it General Assembly resolution 1940 (XVIII) which, in its operative paragraph 5, requested the Secretary-General "to initiate consultation and studies with States Members of the United Nations and members of the specialized agencies, with the specialized agencies, the International Atomic Energy Agency, the regional economic commissions and the Committee for Industrial Development, on the advisability of holding, not later than 1966, an international symposium, preceded, as appropriate, by regional and sub-regional symposia, relating to the problems of industrialization of developing countries". The Committee also had before it a note by the Secretariat (E/C.5/L.31 and Add.1) reflecting the initial response to the consultations undertaken by the Secretary-General with the specialized agencies, the International Atomic Energy Agency and the regional economic commissions.

98. In introducing the subject, the Commissioner pointed out that the resolution of the General Assembly was concerned primarily with the advisability of holding the proposed international symposium. The views of member countries had been requested by the Secretary-General but very few replies so far had been received; to allow them a minimum of time for the consideration of this question, the countries were asked to reply by the end of March. In respect to the consultations already carried out with the specialized agencies and the regional economic commissions, as well as in personal contacts with a number of organizations and Governments, he noted that some reservations had been expressed, but the general consensus seemed to favour strongly the holding of international meetings on industrial development. He also had had consultations with the executive secretaries of the regional economic commissions on the preparation of studies mentioned in the resolution and views have been exchanged on the broad outlines of the activities and studies to be undertaken at the regional and country levels.

99. With regard to the holding of regional symposia, an empirical approach had been adopted and different arrangements were being worked out by each regional commission to suit best the requirements and circumstances prevailing in each region. The regional activities would be undertaken within the framework of the proposed international meeting, where the problems and prospects for industrialization of the developing countries could be viewed within a broader context, particularly in connexion with a series of world-wide studies by industrial sectors which would be prepared for the international symposium. In this respect it will be essential to secure the active participation of the advanced countries who were the main sources of technical information, capital and experience.

100. To dispel some reservations which have been voiced in the past, the Commissioner stated that an international meeting need not be per se unmanageable. He believed that, if properly organized and carefully prepared, the international symposium would provide a unique opportunity for the study and discussion of the problems of industrial development, sector by sector and country by country, from the standpoint of both the advanced and the developing countries, with full awareness of the variety and complexity of the problems to be solved.

101. The scope and organization of the symposia would have to reflect the practical needs of the developing countries. If the competent organs decided to support in principle the advisability of holding an international symposium, preceded as appropriate by regional or sub-regional meetings, the Secretariat would undertake the necessary studies and prepare specific proposals concerning the topics to be considered and the organization of the meetings. He also pointed out that, to carry out this undertaking, adequate resources would have to be provided on the basis of such recommendations as the Committee might make.

102. During the discussions of this item delegations generally stressed that the practical value of the proposed symposia would depend on their agenda and the participants who would attend these meetings. It was also pointed out that they should deal as far as possible with specific subjects in such a manner as to permit their detailed examination. Some delegations expressed the view that the holding of regional and sub-regional symposia would be extremely useful, as it would make it possible to deal with the problems of industrialization at the source and thus define more clearly the problems and the needs of the developing countries. They felt that an international symposium should be viewed rather as an objective to be attained following the results of regional and sub-regional symposia. It was further suggested that, to avoid excessive generalizations and to limit the number of participants at each meeting, it might be better to hold a number of separate symposia on different subjects at the international level.

103. It was pointed out that, in view of the large amount of resources which the organization of such symposia was likely to require, it was important that they should produce concrete results and would therefore have to be very carefully prepared. Some delegations expressed the opinion that, in order to avoid additional expenditures, the purposes of the symposia should be achieved as an integral part of the meetings of existing United Nations bodies. Specifically it was suggested that the regional symposia should be assimilated to the regular sessions of the committees on industry and natural resources of the regional economic commissions, while the sixth session of the Committee for Industrial Development could be held as an international symposium, possibly with broadened participation. Other delegations felt that, while every effort should be made to avoid duplications and waste of resources, the importance and nature of the proposal was such that special meetings were indeed in order.

104. A number of delegations pointed out the importance of promoting further contacts on industrial questions between the more advanced and the developing countries. They also suggested that, while the Economic Commission for Europe might make a significant contribution to studies of specific branches of industry, these should be under the central direction of the Commissioner in order to ensure that they were directly related to the problems of the developing countries. Moreover, the important developments in the major branches of industries were not limited to member countries of the Commission.

105. Some views were also expressed in respect to the topics that should be discussed at the symposia. These included the need for an evaluation of the national industrialization plans and the possibility of their co-ordination at a regional or sub-regional level; consideration of the technological conditions

and the financial requirements for the establishment of new industries; the problems of establishing priorities designed to achieve accelerated industrialization; means of increasing the effectiveness of international assistance to help the developing countries in their efforts to industrialize; consideration of the needs for training, demonstrations and pilot projects and similar programmes. Problems of choice of technical methods were stressed. The possibility of discussing organizational questions at the symposia was also mentioned.

106. The preparation of country studies and surveys was particularly stressed. As far as possible these studies should be undertaken by the developing countries themselves but the Centre should assist them as might be required.

107. Some delegations pointed out that a number of advanced countries would also participate in the regional and sub-regional meetings organized primarily by the regional economic commissions.

108. A delegation expressed the view that the holding of regional and sub-regional symposia would be a useful supplement to the studies undertaken by the secretariats of the regional economic commissions and their technical committees. The same delegation expressed the view that a final decision on the convening of an international symposium could not usefully be taken until the results of the United Nations Conference on Trade and Development were known and until the new role which it was desired that the Industrial Development Centre should play was defined.

109. The view was expressed that the symposia should concentrate on the subjects covered by the definition of industrialization approved at the Committee's third session (E/3781, para. 89) and that the discussion of the structural problems of industrialization was important. It was also felt by some delegations that, since the organization of an international symposium was a complex matter involving considerable resources, its aims should be carefully defined. These delegations questioned whether the Centre, with its limited resources, was at present in a position to undertake effectively the heavy tasks involved.

110. Many delegations felt that the idea of holding an international symposium was an important step towards focusing attention on the problems of industrialization. They hoped that the symposia would also be helpful in solving some of the concrete problems in this field. With this in mind, the preparatory studies should be of a practical as well as of a theoretical value, and should cover the current situation of the developing countries as well as their prospects of industrialization, together with an analysis of the needs and resources by country and by branch of industry. It was pointed out that the different symposia were viewed as an extensive process of consultation which would culminate in a world-wide symposium. They felt that this was a major project which, if handled in a practical manner, would enable the United Nations to make a decisive contribution to industrial development.

111. At the 34th meeting, the representative of Iraq, on behalf also of the representatives of Chile, Philippines and Tunisia introduced a draft resolution (E/C.5/L.36) which read as follows:

"The Committee for Industrial Development,

"Recalling General Assembly resolution 1940 (XVIII) which in operative paragraph 5 requested the Secretary-General 'to initiate consultations and studies with States Members of the United Nations and members of the specialized agencies, with the specialized agencies, the International Atomic Energy Agency, the regional economic commissions and the Committee for Industrial Development, on the advisability of holding, not later than 1966, an international symposium, preceded, as appropriate, by regional and sub-regional symposia, relating to the problems of industrialization of developing countries',

"Bearing in mind the key role of industrial development in achieving higher standards of living, full employment and economic and social progress,

"Considering further the variety and complexity of the problems involved in the process of industrialization,

"Convinced that to accelerate the process of industrial development of the less developed countries, additional efforts will be required from the developing as well as from the developed countries,

"Noting the favourable response of the regional economic commissions, the specialized agencies and the IAEA to the consultations undertaken by the Secretary-General in compliance with the General Assembly's request,

"1. Affirms the need of holding an international symposium on industrial development preceded, as appropriate, by regional and sub-regional symposia;

"2. Requests the Secretary-General to continue his consultations with Member Governments and report on their results to the Economic and Social Council at its thirty-seventh session and the General Assembly at its nineteenth session, and to pursue the preparatory studies with Governments, the regional economic commissions, the specialized agencies and the IAEA;

"3. Requests further the Secretary-General to submit to the Economic and Social Council and the General Assembly, in the light of the discussions in the Committee and the replies to the consultations referred to above, proposals concerning the organization of the symposia and the subjects to be discussed at these meetings as well as budgetary estimates for their adequate financing;

"4. Invites the Member Governments of the United Nations and the specialized agencies, the regional economic commissions and the specialized agencies to co-operate with the Industrial Development Centre in the preparatory work for the symposia;

"5. Further invites the Governments of the developing countries to prepare surveys and studies of their industrialization process for submission at the regional and international symposia;

"6. Directs the Industrial Development Centre to assist Governments in the preparation of the country studies mentioned in paragraph 5 above."

112. The representative of Argentina subsequently joined as a co-sponsor of the draft resolution (E/C.5/L.36).

113. During the discussion of the five-Power draft resolution, the following amendments were submitted:

(a) The representative of the United States of America orally proposed the deletion of the word "favourable" following the words "Noting the" in the last paragraph of the preamble.

(b) The representative of the Union of Soviet Socialist Republics orally proposed the addition of the following phrase at the end of the first operative paragraph: ", using for this purpose, in particular, the regular sessions of the corresponding organs of the regional economic commission and also the Committee for Industrial Development."

(c) The representatives of France and Japan submitted amendments (E/C.5/L.39) to operative paragraphs 1 to 5 which read as follows:

"1. Reword operative paragraph as follows:

'Welcomes the suggestion to hold a series of regional and sub-regional symposia on industrial development, as an essential prerequisite for the holding of the international symposium mentioned in the preamble.'

"2. In operative paragraph 2, replace the text after the words 'Economic and Social Council' by the following text:

'... so that the Council may consider them at its thirty-seventh session and make recommendations to the nineteenth session of the General Assembly'.

"3. In operative paragraph 3, replace the words 'and the General Assembly' by the words: 'so that it may consider them and make recommendations to the General Assembly'.

"4. In operative paragraph 4, replace the words 'the regional economic commissions, and the specialized agencies' by the words 'the regional economic commissions, the specialized agencies and the IAEA'.

"5. Reword the end of operative paragraph 5 to read: 'at the regional symposia and the international symposium'."

114. The representative of Poland also suggested an addition to the text of the draft resolution which would indicate the advisability of inviting interested industrialized countries to participate in the regional and sub-regional symposia proposed under the draft resolution and it was agreed that this suggestion be included in the report.

115. At the 35th meeting, the representative of Iraq, on behalf of the co-sponsors accepted the following changes in their draft resolution:

(a) The oral amendment by the United States to delete the word "favourable" after "Noting the" in the last paragraph of the preamble was accepted.

(b) Operative paragraph 1 was revised to read: "Welcomes the suggestion of holding symposia on industrial development and regards regional and sub-regional symposia as preliminary steps for holding of the international symposium referred to in resolution 1940 (XVIII), utilizing for this purpose, as far as possible, the facilities of the regional economic commissions and those of the Committee for Industrial Development."

(c) Amendments No. 2, 3, 4 and 5 submitted by France and Japan (E/C.5/L.39) were also accepted.

116. In its consideration of this draft resolution, the Committee had before it a statement, submitted by the Secretary-General, to the financial implications (see annex V) of the draft resolution.

117. The Committee then adopted the draft resolution (E/C.5/L.36), as revised by the sponsors, unanimously.

118. The text of the resolution, as adopted by the Committee at the 35th meeting on 17 March 1964, read as follows:

1 (IV). INTERNATIONAL AND REGIONAL SYMPOSIA ON INDUSTRIAL DEVELOPMENT

The Committee for Industrial Development,

Recalling General Assembly resolution 1940 (XVIII), dated 11 December 1963, which, in paragraph 5 requested the Secretary-General "to initiate consultations and studies with States Members of the United Nations and members of the specialized agencies, with the specialized agencies, the International Atomic Energy Agency, the regional economic commissions and the Committee for Industrial Development, on the advisability of holding, not later than 1966, an international symposium, preceded, as appropriate, by regional and sub-regional symposia, relating to the problems of industrialization of developing countries",

Bearing in mind the key role of industrial development in achieving higher standards of living, full employment and economic and social progress,

Considering further the variety and complexity of the problems involved in the process of industrialization,

Convinced that to accelerate the process of industrial development of the less developed countries additional efforts will be required from the developing as well as from the developed countries.

Noting the response of the regional economic commissions, the specialized agencies and the International Atomic Energy Agency to the consultations undertaken by the Secretary-General in compliance with the General Assembly's request,

1. Welcomes the suggestion of holding symposia on industrial development and regards regional and sub-regional symposia as preliminary steps for holding of the international symposium referred to in resolution 1940 (XVIII), utilizing for this purpose, as far as possible the facilities of the regional economic commissions and those of the Committee for Industrial Development;
2. Requests the Secretary-General to continue his consultations with Member Governments and report on their results to the Economic and Social Council so that the Council may consider them at its thirty-seventh session and make recommendations to the nineteenth session of the General Assembly;
3. Requests further the Secretary-General to submit to the Economic and Social Council, so that it may consider them and make recommendations to the General Assembly, in the light of the discussions in the Committee and the replies to the consultations referred to above, proposals concerning the organization of the symposia and the subjects to be discussed at these meetings as well as budgetary estimates for their adequate financing;
4. Invites the Governments of States Members of the United Nations and members of the specialized agencies, the regional economic commissions, the specialized agencies and the International Atomic Energy Agency to co-operate with the Industrial Development Centre in the preparatory work for the symposia;
5. Further invites the Governments of the developing countries to prepare surveys and studies of their industrialization process for submission at the regional symposia and the international symposium;
6. Directs the Industrial Development Centre to assist Governments in the preparation of the country studies mentioned in paragraph 5 above.



## VI. ORGANIZATIONAL QUESTIONS

### Activities of the United Nations system in the field of industrial development

119. The Committee had before it reports giving information regarding the activities in the field of industrial development of the Industrial Development Centre (E/C.5/39); the International Bank for Reconstruction and Development/International Development Association/International Finance Corporation (E/C.5/62 and Corr.1); the Food and Agriculture Organization of the United Nations (E/C.5/62/Add.1); the International Atomic Energy Agency (E/C.5/62/Add.2); the World Health Organization (E/C.5/62/Add.3); the United Nations Educational, Scientific and Cultural Organization (E/C.5/62/Add.4); the Expanded Programme of Technical Assistance (E/C.5/63 and Corr.1); and the Special Fund (E/C.5/63/Add.1). The Committee's attention was also drawn to a report on the subject (A/5535) submitted by the International Labour Organisation to the General Assembly at its eighteenth session.

120. The information contained in the above-mentioned reports was supplemented by several statements.

121. The representative of the United Nations Educational, Scientific and Cultural Organization observed that his organization's interest in industrial development lay in three fields: education and training; technological research; and the dissemination of information. Supplementing the information contained in document E/C.5/62/Add.4, he described the nature of UNESCO's work in the field of scientific and technical documentation, which consisted of activities at the national, regional and international levels. UNESCO had assisted in the establishment of national scientific and technical documentation centres. It had organized regional seminars and courses on particular aspects of scientific documentation. In the field of co-ordination, its object was to promote a better knowledge of existing publications and facilities, to improve co-ordination among primary periodicals, abstracting and indexing publications and in general to improve, through concerted action, scientific and technical documentation in all its aspects.

122. The representative of FAO drew attention to a resolution of the twelfth session of the FAO Conference (resolution 28/63) in which the FAO was requested to give particular attention to strengthening those aspects of the organization's activities which could assist the developing countries to achieve an expansion of industries either based on renewable natural resources or designed to meet food and nutritional needs. He noted that the processing of agricultural raw materials was an item on the agenda of three regional FAO conferences to be held in 1964. FAO had established the necessary machinery for close co-ordination with other United Nations agencies concerned with industrial development, including the Industrial Development Centre and looked forward to closer co-operation on specific problems with the Centre and with the regional economic commissions.

123. The representative of the International Labour Organisation observed that his organization participated in the common effort for industrial development in three fields: the training of manpower, management development and small industries. He informed the Committee that ILO expected to open its international centre for advanced training at Turin, Italy in 1965. He noted that ILO maintained ten industrial committees, five of which were concerned directly with industrial development, and stated that increased participation in their work by the Industrial Development Centre would be welcome.

124. The Commissioner for Industrial Development observed that there should be no basic difficulty in establishing better co-ordination with the specialized agencies. He pointed out that effective co-ordination would of necessity imply a certain degree of consultation and co-operation on a number of subjects of mutual interest, and that at present resources and staff were not sufficiently available to the Centre for this purpose.

#### United Nations machinery in the field of industrial development

125. The Committee had before it General Assembly resolution 1940 (XVIII) (see annex IV), paragraphs 1 and 2 of which read as follows:

"1. Endorses the view of the Advisory Committee of Experts on the Industrial Development Activities of the United Nations System that the present institutional framework of United Nations activities in the field of industrial development is not satisfactory and that existing resources are not adequate;

"2. Declares that there is a need to carry out changes in the existing United Nations machinery so as to provide an organization capable of dealing with the problems of the developing countries, in order to intensify, concentrate and expedite United Nations efforts for industrial development;"

In the resolution, the Committee was instructed:

"... to consider, in the light of the report of the Advisory Committee of Experts 4/ and of the views expressed at the eighteenth session of the General Assembly, 5/ the establishment of such an organization for industrial development, including its structure and functions ... and to submit its report to the [Economic and Social] Council at its thirty-seventh session and to the [General] Assembly at its nineteenth session, for a final decision; ..."

The Committee also had before it a working paper (E/C.5/L.30), prepared in pursuance of paragraph 4 of the General Assembly resolution 1940 (XVIII), tracing the consideration of the question of United Nations machinery in the field of industrial development by the Assembly and other United Nations organs and the corresponding changes made in such machinery.

4/ E/3781, annex VIII.

5/ See Official Records of the General Assembly, Eighteenth Session, Second Committee, 926th, 929th to 932nd, 934th to 936th, 938th and 939th meetings.

126. The discussion in the Committee revealed an area of general agreement on certain aspects of the question and a divergence of views on other aspects.

127. There was unanimous agreement on the desirability of assuring that existing United Nations programmes in the field of industrial development were in a position to draw on increased financial resources. There was also general agreement on the need to strengthen, without prejudice to any other subsequent changes of an organizational nature, the operational capacity of the Industrial Development Centre and its contribution to the co-ordination of the United Nations system in the field of industrial development.

128. There was a divergence of views concerning the nature of additional organizational changes required in order to carry out paragraph 2 of General Assembly resolution 1940 (XVIII).

129. Some delegations held that only a specialized agency for industrial development within the United Nations system, with adequate operational capacity and appropriate financial resources, could meet the need. The agency would fill a gap in the existing structure of United Nations specialized agencies, none of which was specifically charged with the responsibility of promoting the development of the manufacturing sector. It was held that its size and autonomy would permit the agency to exercise the central leadership and authority which was lacking in the existing arrangements and to deal with the inherently complex problems in a more integrated manner. The functions of the organization would include the collection, analysis, interpretation and dissemination of information on industrial development and the provision of advice on industrial programming and policies. It would provide technical assistance through its own regular budget, as well as through funds allocated by the Expanded Programme of Technical Assistance and the Special Fund. The structure of the agency would be modelled on that of other specialized agencies. Appropriate arrangements could be made to establish close co-ordination with the regional economic commissions, as was done by other specialized agencies in their respective fields. Co-ordination of the work of the proposed agency with that of other specialized agencies would be provided by an extension of existing effective inter-agency arrangements. Since there was general agreement that additional organizational resources were required for industrial development, the issue of organization should not be prejudiced by raising doubts about where the required funds could be obtained. These views were reflected in a draft resolution which was submitted (E/C.5/L.34).

130. With regard to the objections raised during the debate against the establishment of a specialized agency for industrial development, those delegations favouring such an organization argued that it was precisely because of the complexity and importance of industrial development activities to the developing countries that these activities should be concentrated in a single organization. They argued that such was the opinion of the Advisory Committee of Experts, when it stressed the need for central leadership in its report (E/3781, annex VIII). When a new industrial development organization was established, it could take over some of the functions now performed by various specialized agencies, but there would be no significant overlapping because the new organization, unlike the other specialized agencies, would concentrate primarily on the manufacturing sector. As to the point that industrial development activities were already being financed by the International Bank for Reconstruction and Development, these same

delegations pointed out that the Bank also devoted substantial funds to agriculture and forestry, to shipping, ports and waterways, and to communications, without rendering superfluous the Food and Agriculture Organization of the United Nations, the Inter-Governmental Maritime Consultative Organization and the International Telecommunication Union. As to the contention that the Statistical Office and the Economic Projections and Programming Centre would have little to do if the specialized agency were established, the same argument regarding the specialized agencies applied in this case, for those offices do not deal exclusively and primarily with industrial activities.

131. These delegations held that the Committee should recommend that the Economic and Social Council, at its thirty-seventh session, and the General Assembly, at its nineteenth session, should take immediate action on the establishment of a specialized agency for industrial development within the framework of the United Nations family. Further, the Secretary-General should be requested to prepare a study, to be submitted to the nineteenth session of the General Assembly, on the scope, structure and functions of such an agency, including draft statutes and information on the steps required to bring such an organization into operation.

132. Certain other delegations, while supporting the general reasoning of those delegations advocating immediate action for the establishment of a specialized agency, held that such an agency did not appear to command sufficient support to be immediately feasible. They held that the creation of a subsidiary organization within the United Nations, along the lines recommended by the Advisory Committee of Experts, would serve as a useful starting point, and that this could be done without prejudice to the ultimate object of establishing a specialized agency, which should be studied further. The issue should be further clarified, it was held, by the symposia on industrial development suggested in General Assembly resolution 1940 (XVIII). In the meantime, substantial improvements could be made in the existing structure by taking advantage of the generally shared view that United Nations industrial development activities should command additional resources.

133. Certain delegations supported in principle the establishment of a specialized agency, subject to its purposes, membership, financing and scope being correctly determined. The purposes of the agency should include the provision of assistance in promoting the state sector of industry and in curbing the influence of foreign monopolies. Its membership should not be restricted to States Members of the United Nations or members of the specialized agencies, but should conform to the principle of international universality. Its technical assistance operations should be financed exclusively by voluntary contributions through the Expanded Programme of Technical Assistance, the Special Fund or similar sources and its regular budget should be used exclusively to meet its own administrative expenses.

134. Pending the establishment of such an agency, these delegations held, a number of specific changes could be made to increase the effectiveness of the Industrial Development Centre as now constituted. A closer integration of research and operational activities within the main divisions of the Centre was desirable and should be reflected in the internal organization of the Centre. The Centre should also take steps to increase its effectiveness by assuming the role of genuine co-ordination of United Nations activities in the field of industrial development involving the regional economic commissions, the specialized agencies

and other bodies. Its scope should include the area of activities encompassed by the Resources and Transport Branch of the Department of Economic and Social Affairs. The requisite additional funds for intensifying the United Nations industrial development activities should be found in existing sources, such as the Expanded Programme of Technical Assistance, Special Fund and budgetary expenditures, including reallocation of those related to technical assistance funds from part V of the regular budget of the United Nations in pursuance of the recent decision of the Technical Assistance Committee (E/3849, annex IV). It was also suggested by one delegation that the Commissioner for Industrial Development should prepare new terms of reference for the Industrial Development Centre on the basis of decisions taken by the Economic and Social Council, the General Assembly and various United Nations economic bodies, including the Committee for Industrial Development.

135. Other delegations expressed serious doubts about the advisability of establishing a specialized agency. They noted that industrial development covered a broad and complex area, virtually as broad as economic development itself. It included financing, in which the International Bank for Reconstruction and Development, the International Finance Corporation and the International Development Association were active on a massive scale; monetary policy, which was the concern of the International Monetary Fund; the training of labour and managers, which was the responsibility of ILO; the transfer of technology, in which UNESCO had a major interest; and the development of industries based on agricultural, forestry, livestock or fishing products, for which FAO had constitutional responsibility. It was unrealistic to expect that these functions would be taken away from established agencies and unwise to duplicate them. Moreover, industrialization involved planning and projections; fiscal policy; housing, building and physical planning; natural resources and transport; international trade; and social development; all of which were the responsibilities of existing parts of the United Nations Department of Economic and Social Affairs. If these functions were all assumed by a new specialized agency, it would involve either wasteful duplication or the virtual elimination of the United Nations Department of Economic and Social Affairs. Since the secretariats of the regional economic commissions were part of that Department, any attrition of its functions and resources would also affect them adversely. Finally, the creation of a specialized agency would not increase the resources available to perform such functions since, in their opinion, none of the developed countries had yet specifically indicated their willingness to support a new agency with funds.

136. These delegations held that there was need for a substantial improvement of the present organizational arrangements and that this could be accomplished most effectively by retaining an organization within the framework of the United Nations Secretariat. The basis for defining the area of activity in which a modification in the existing organization might be useful could be found in the conclusions of the Advisory Committee of Experts (E/3781, annex VIII) concerning the need for: (a) the application of more resources to the development of manufacturing industry, (b) increased promotional effort to activate the formulation of projects in the field of industry, (c) improved measures to facilitate the exchange of technical data and information and (d) central leadership in and co-ordination of the technical programmes of the various agencies of the United Nations system. These objectives could be attained most efficiently

by strengthening the Industrial Development Centre and by encouraging it to make any necessary changes in its organization and procedures, including its connexion with other units in the United Nations carrying out important industrial development activities. In particular, the Centre's role as a link between the developing countries and the sources of assistance in the industrial countries should be enhanced by closer contacts in both directions by the staff of the Centre, and the resources needed for an effective performance of this function should be made available, including adequate funds for travel by members of the staff of the Industrial Development Centre. It would thus improve its activities in the collection, analysis and dissemination of information on industrial development and in the provision of advice on industrial programming and policies. Also, it would greatly increase its promotional work and on-the-spot assistance to Governments in the preparation of projects in the field of industrial development, to be financed from the regular budget and from allocations by the Expanded Programme of Technical Assistance and the Special Fund, with the objective of activating a great increase in the amount of resources devoted to assistance for industrial development. These views were reflected in a draft resolution (E/C.5/L.33).

137. The view was expressed by one delegation that the question of organization could be most usefully approached by defining the functions of the Industrial Development Centre as follows: to study, co-ordinate, advise and stimulate. Particular emphasis should be placed on the co-ordinating role of the Centre. The status of the Centre as a co-ordinating body might be enhanced by establishing an advisory committee to the Commissioner along the lines of the Technical Assistance Board, composed of the executive heads of the various agencies and units concerned. If increased autonomy within the United Nations Secretariat were needed to increase the effectiveness of the Centre and of the Commissioner for Industrial Development, this matter should be explored, perhaps along the lines of certain aspects of the office of the High Commissioner for Refugees. The same delegation also stated that study should be made of the conditions under which certain pilot projects could be financed in part through voluntary contributions.

138. The Committee took note of the request contained in General Assembly resolution 1940 (XVIII), paragraph 3, that in studying the question of organization, it should pay due regard to the close relationship between industrial development and the utilization of natural resources. Some delegations held that the problems of the development of natural resources, energy and transport, and the problems of developing manufacturing industry were so closely linked that this relationship called for the unification of United Nations responsibility for these two aspects of development in a single administrative body, whether it be a new specialized agency or a reorganized Industrial Development Centre or similar body within the United Nations Secretariat. Others held that the area of the development of natural resources had wider affinities than that of industrialization which, it was pointed out, had been defined by the Committee at its third session (E/3781, para. 89) in such a way as to specify the area of concentration of the Centre's activities to be in the field of manufacturing. A merger of two units having disparate areas of responsibility would, it was held, not be in the interest of administrative efficiency.

139. During the discussions in Working Group II, the representative of the United States of America submitted a draft resolution (E/C.5/L.33), for submission to the Economic and Social Council, which related to the United Nations machinery in the field of industrial development and which read as follows:

"The Economic and Social Council,

"Recalling General Assembly resolutions 1712 (XVI) and 1821 (XVII) and Economic and Social Council resolutions 873 (XXXIII) and 969 (XXXVI),

"Responding particularly to General Assembly resolution 1940 (XVIII),

"Noting the conclusions of the Advisory Committee of Experts E/3781, annex VIII/ concerning the need for (a) application of more resources to the development of manufacturing industry, (b) increased promotional effort to activate the formulation of projects in the field of industry, (c) improved measures to facilitate the exchange of technical data and information, and (d) central leadership in and co-ordination of the technical programmes of the various agencies of the United Nations system, in the field of industrial development,

"Bearing in mind the definition of industrial development decided upon by the Committee for Industrial Development at its third session, which states that the Industrial Development Centre should generally concentrate its activities on manufacturing industries,

"Expressing its appreciation for the significant contribution made by the Industrial Development Centre, under the leadership of the Commissioner for Industrial Development, to the intensification and improvement of United Nations activities in the field of industrial development,

"1. Requests the Secretary-General to make any necessary changes in organization and procedures required in order that the Industrial Development Centre may carry out and intensify, without prejudice to the continuation of activities now being performed by the Centre and other parts of the United Nations system, the following functions:

"(a) Promotion of industrial development projects through the provision of assistance in the formulation of requests by Governments for technical assistance under the programmes of the Special Fund, the Expanded Programme of Technical Assistance, and the regular United Nations programmes of technical assistance;

"(b) Evaluation of project requests submitted to the Special Fund and the Expanded Programme of Technical Assistance for United Nations administration in the field of industrial development;

"(c) Serving as a catalyst and activating force in the collection, analysis and transmission of technical data which are of importance to the developing countries;

"(d) Assistance in the development and strengthening of national and regional institutions for the acceleration of industrial development;

"(e) The building of links between those in developing countries directly concerned with industrialization and those who can help them;

"(f) Concentrated assistance in key impact areas, such as industrial programming and the formulation of industrialization policy;

"(g) Contributing to co-ordination of the technical assistance activities of the United Nations system in the field of industrial development through the utilization of effective means of consultation with the specialized agencies giving such assistance, which would send reports on such activities, through the Commissioner, to the Committee for Industrial Development;

"(h) Provision of research which would be of practical use to the developing countries, through the preparation or contracting of specific studies and by providing a channel through which studies from the research facilities of States Members of the United Nations or members of the specialized agencies may be made available to the developing countries;

"2. Recommends that provision be made for adequate funds for the travel of members of the staff of the Industrial Development Centre in order to assist Governments in the formulation and implementation of programmes and projects in the field of industrial development and to maintain close co-operation with the regional economic commissions;

"3. Recommends further that the Secretary-General maintain flexibility with respect to the programming and administration of activities in the field of industrial development, in keeping with their complex nature and changing requirements;

"4. Welcomes the resolution of the Technical Assistance Committee E/3849, annex IV which urges the allocation, from the regular United Nations programmes of technical assistance, of a greater share for industrial projects, which may in turn prepare for larger projects to be financed by the Expanded Programme of Technical Assistance and the Special Fund;

"5. Recommends to the Secretary-General that the Commissioner for Industrial Development be invited to participate in the deliberations of the Technical Assistance Board;

"6. Invites the attention of Governments of developing countries to the opportunities for obtaining increased assistance for their industrial development, within their over-all development programmes, from various elements of the United Nations system through the formulation of new projects requests;

"7. Requests the authorities of the Special Fund to provide for the liberal use of preparatory allocations to assist in the formulation of projects in the field of industrial development."



140. The representatives of Algeria, Argentina, Brazil, Chile, Colombia, Ecuador, Iraq, Tunisia and Yugoslavia also submitted the following draft resolution (E/C.5/L.34) to Working Group II which read as follows:

"The Committee for Industrial Development,

"Bearing in mind the view of the General Assembly, expressed in its resolution 1940 (XVIII), that there is a need to carry out changes in the existing United Nations machinery so as to provide an organization capable of dealing with the problems of developing countries, in order to intensify, concentrate and expedite United Nations efforts for industrial development,

"1. Takes note with appreciation of the working paper by the Secretariat on United Nations machinery in the field of industrial development [E/C.5/L.30];

"2. Declares that there is an urgent need to establish a specialized agency for industrial development within the framework of the United Nations family, in order to assist developing countries in the promotion and acceleration of industrialization;

"3. Requests the Secretary-General to transmit the present resolution and the report of the fourth session of the Committee for Industrial Development to the United Nations Conference on Trade and Development in order to facilitate and expedite the consideration of the industrial aspects of economic development by the Conference;

"4. Recommends to the Economic and Social Council, at its thirty-seventh session, and to the General Assembly, at its nineteenth session to take immediate action on the establishment of this organization;

"5. Requests further the Secretary-General to prepare a study on the scope, structure and functions of this agency, including draft statutes and information on the steps required to bring such an organization into operation, taking into account the views expressed by the Committee at its fourth session, and the relevant discussions and recommendations of the United Nations Conference on Trade and Development, and to submit this study to the nineteenth session of the General Assembly;

"6. Calls upon States Members of the United Nations or members of the specialized agencies to give increased financial support to existing United Nations programmes in the field of industrial development, without prejudice to immediate action on the establishment of a specialized agency."

141. Following a discussion, Working Group II decided to refer action on the two draft resolutions (E/C.5/L.33 and E/C.5/L.34) to the Committee for decision.

142. The representatives of Algeria, Argentina, Brazil, Chile, Colombia, Ecuador, Iraq, Tunisia and Yugoslavia subsequently submitted a revised text (E/C.5/L.34/Rev.1) which read as follows:

"The Committee for Industrial Development,

I

"Recommends to the Economic and Social Council the adoption of the following draft resolution:

"The Economic and Social Council,

"Bearing in mind the view of the General Assembly, expressed in its resolution 1940 (XVIII), that there is a need to carry out changes in the existing United Nations machinery so as to provide an organization capable of dealing with the problems of developing countries, in order to intensify, concentrate and expedite United Nations efforts for industrial development,

"1. Takes note with appreciation of the working paper by the Secretariat on United Nations machinery in the field of industrial development [E/C.5/L.30];

"2. Declares that there is an urgent need to establish a specialized agency for industrial development within the framework of the United Nations family, in order to assist developing countries in the promotion and acceleration of industrialization;

"3. Recommends to the General Assembly, at its nineteenth session, to consider the deliberations of the Committee for Industrial Development at its fourth session, of the United Nations Conference on Trade and Development, and of the Economic and Social Council at its thirty-seventh session, with a view to ensuring immediate action towards the establishment of such an organization;

"4. Requests further the Secretary-General to prepare a study on the scope, structure and functions of this agency, including draft statutes and information on the steps required to bring such an organization into operation, taking into account the views expressed by the Committee on Industrial Development at its fourth session, by the United Nations Conference on Trade and Development, and by the Economic and Social Council at its thirty-seventh session, and to submit this study to the nineteenth session of the General Assembly;

"5. Calls upon States Members of the United Nations or members of the specialized agencies to give increased financial support to existing United Nations programmes in the field of industrial development, without prejudice to immediate action on the establishment of a specialized agency.

II

"Requests the Secretary-General to transmit the above draft resolution, as well as the report of the fourth session of the Committee for Industrial Development, to the United Nations Conference on Trade and Development, in order to facilitate and expedite the consideration of the industrial aspects of economic development by the Conference."

143. The representatives of Algeria, Argentina, Brazil, Chile, Colombia, Ecuador, Iraq, Tunisia and Yugoslavia submitted the following amendments (E/C.5/L.37) to the draft resolution submitted by the United States (E/C.5/L.33):

1. Add the following preambular paragraph at the end of the paragraphs of the preamble:

"Believing that existing United Nations programmes in the field of industrial development should not suffer any interruption in the transitional stage preceding the final establishment of a specialized agency for industrial development,".

2. Reword the first part of operative paragraph 1 as follows:

"Requests the Secretary-General to make any necessary changes in organization and procedures required in order that the Centre, pending the final establishment of the specialized agency, may carry out, inter alia, the following functions:".

3. Add the following new operative paragraph 2 and renumber the next paragraphs accordingly:

"Requests further the Secretary-General to review the functions outlined above as soon as the specialized agency for industrial development enters into effective operation."

144. The representative of the United States subsequently submitted a revised text (E/C.5/L.33/Rev.1) of his draft resolution which read as follows:

"The Committee for Industrial Development

"Recommends to the Economic and Social Council the adoption of the following draft resolution:

"The Economic and Social Council,

"Recalling General Assembly resolutions 1525 (XV), 1712 (XVI), 1821 (XVII) and 1940 (XVIII) and Economic and Social Council resolutions 873 (XXXIII) and 969 (XXXVI),

"Bearing in mind the recommendations of the Committee for Industrial Development at its fourth session concerning organizational changes in the field of industrial development, in response to General Assembly resolution 1940 (XVIII),

"Bearing further in mind the recommendations of the Committee for Industrial Development at its earlier sessions concerning general guidelines for the work of the Industrial Development Centre, and in particular the provisional definition of industrialization set forth in the report of the third session,

"Expressing its appreciation for the significant contribution made by the Industrial Development Centre, under the leadership of the Commissioner for Industrial Development, to the intensification and improvement of United Nations activities in the field of industrial development,

"1. Requests the Secretary-General to make any necessary changes in organization and procedures required in order that the Industrial Development Centre may carry out, without prejudice to the continuation of activities now being performed by the Centre and other parts of the United Nations system, and taking into account the views expressed in the Committee for Industrial Development at its fourth session, a dynamic programme of activities involving inter alia the following principles and functions:

"(a) The essential modus operandi of the Centre would be that of an activating and catalytic agent, centrally concerned with developments and over-all progress in the field of industrialization and capable of promoting appropriate arrangements by the developing and advanced countries with a view to meeting the opportunities and needs of industrialization through the availability of adequate facilities and services;

"(b) Promotion of industrial development projects through the provision of assistance, in consultation with the resident representatives, in the formulation of requests by Governments for technical assistance under the programmes of the Special Fund, the Expanded Programme of Technical Assistance, and the regular United Nations programmes of technical assistance;

"(c) Study of the technical problems of industrialization with the assistance, where appropriate, of panels of scientists and technical specialists of recognized standing in various sectors of industry, whose views on technical problems of the developing countries would be sought by correspondence;

"(d) Establishment of ad hoc working groups of high level experts to deal with technical subjects which are intended for submission to the Committee for Industrial Development, with the purpose of providing the Committee with a technical evaluation of the work of the Centre in the respective field of the ad hoc working group, as well as an assessment of the general orientation and progress within that field;

"(e) Assistance to the developing countries in the establishment and strengthening of national institutions, such as industrial development boards, programming offices, industrial promotion centres, engineering and technological institutes, that could provide special stimulus to the growth of industry;

"(f) Establishment of close contacts with those in the developing countries directly concerned with industrialization and those in the advanced countries who can help them, with a view, inter alia, to promoting arrangements for carrying out joint or participation projects;

"(g) Establishment of a more adequate documentation service to maintain contacts with the sources and users of technical data, and provision of assistance in the establishment or strengthening of adequate technical information services in the developing countries, including the organization of training programmes for technical information officers;

"(h) Development of a periodic world industrial development survey to provide a review and assessment of developments which may be significant for the industrialization programmes of the developing countries and to review the over-all progress achieved in the field;

"(i) Effective co-ordination by the United Nations system of its activities in the field of industrial development; to that effect, the Centre should follow closely the activities of the various organizations, undertake joint projects and make arrangements for adequate reporting to the Committee for Industrial Development and the Economic and Social Council;

"(j) Provision of research which would be of practical use to the developing countries, through the preparation or contracting of specific studies and by providing a channel through which studies from the research facilities of States Members of the United Nations or members of the specialized agencies may be made available to the developing countries;

"2. Decides that the Committee for Industrial Development shall, in co-operation with the Economic and Social Council, be responsible for providing general policy guidance to the Commissioner for Industrial Development;

"3. Recommends that adequate budgetary provisions be made for the Industrial Development Centre so as to provide it with the necessary operational strength to fulfil the requirements of a dynamic programme as outlined above;

"4. Recommends further that provision be made by the Secretary-General for adequate funds for the travel of members of the staff of the Centre in order to assist Governments in the formulation and implementation of programmes and projects in the field of industrial development and to maintain close co-operation with the regional economic commissions;

"5. Recommends further that the Secretary-General maintain flexibility with respect to the programming and administration of activities in the field of industrial development, in keeping with their complex nature and changing requirements;

"6. Requests the Secretary-General, in connexion with his annual budget estimates and in consultation with the Advisory Committee on Administrative and Budgetary Questions as required, to identify in a separate annex the resources provided in those estimates for industrial development activities;

"7. Further requests the Secretary-General to remind Governments of States Members of the United Nations and members of the specialized agencies to his authority to receive voluntary contributions for special purposes in accordance with sections 7-2 and 7-3 of the United Nations financial regulations, and to inform them that such voluntary contributions may be made for activities in the field of industrial development;

"8. Welcomes the decision taken by the Technical Assistance Committee at its session held on 12-13 December 1963 designed to make available for industrial development additional funds from part V of the regular budget /E/3849, annex IV/;

"9. Invites the attention of Governments of developing countries to the opportunities for obtaining increased assistance for their industrial development, within their over-all development programmes, from various elements of the United Nations system through the formulation of new project requests;

"10. Invites Governments of developing countries to apply to the Special Fund to provide preparatory allocations to assist in the formulation of projects in the field of industrial development;

"11. Decides that the foregoing arrangements are subject to review in the light of any other organizational changes in the field of industrial development that may be deemed necessary."

145. The representatives of Algeria, Argentina, Brazil, Chile, Colombia, Ecuador, Iraq, Tunisia and Yugoslavia thereupon withdrew their amendments (E/C.5/L.37) to the draft resolution submitted by the United States (E/C.5/L.33).

146. During its consideration of the two draft resolutions, various delegations stated their positions on the revised texts (E/C.5/L.33/Rev.1 and E/C.5/L.34/Rev.1) and made a number of observations which are reflected in the summary records of the 33rd to 38th meetings of the Committee (E/C.5/SR.33-38). Specific proposals and suggestions for changes in the texts before the Committee were made as indicated below.

147. The representative of the Soviet Union made the following suggestions and proposals with regard to the draft resolution contained in document E/C.5/L.33/Rev.1:

(a) To include a reference to the definition of industrialization in the third paragraph of the preamble;

(b) In operative paragraph 1, to add after the words "the United Nations system" the following phrase "in accordance with the resolutions of the Economic and Social Council, the General Assembly, and other bodies of the United Nations dealing with industrial development";

(c) In operative paragraph 1 (b), to delete the words at the end of the text which read, "and the regular United Nations programmes of technical assistance";

(d) In operative paragraph 1 (c) to add the words "economic and" after the words "study of the" and to delete the word "technical" between the words "view of" and "problems.";

(e) In operative paragraph 1 (d), to delete the word "technical" in two places; first after the words "deal with" and second, after the words "committee with a";

(f) To add, after the words "field of industrial development" in operative paragraph 1 (i), the phrase "in order to avoid unnecessary duplication of the work which is carried out by the United Nations family";

(g) To delete operative paragraph 4;

(h) In operative paragraph 7, to replace the words "Governments of States Members of the United Nations and members of the specialized agencies" by "all Governments";

(i) To delete operative paragraph 10.

148. The representative of India proposed the deletion of the word "significant" following the words "appreciation for the" in the last paragraph of the preamble of draft resolution E/C.5/L.33/Rev.1.

149. The representative of France requested a separate vote on operative paragraphs 6 and 7 of draft resolution E/C.5/L.33/Rev.1, and suggested revision of the French text in operative paragraph 1 (f) to add the words "persons and institutions" after the words "contacts with those".

150. The representative of Poland appealed for the inclusion in draft resolution E/C.5/L.33/Rev.1 of the proposal suggesting the merger of the Natural Resources and Transport Branch with the Industrial Development Centre. He proposed also to replace the word "developments" by the words "development policy" in operative paragraph 1 (a) and to replace the words "technical problems" by the words "social technical and institutional problems" in operative paragraph 1 (c).

151. With regard to the nine-Power draft resolution (E/C.5/L.34/Rev.1), the representative of the Union of Soviet Socialist Republics suggested the following changes:

(a) To invert the order to operative paragraphs 4 and 3, so that they would be new paragraphs 3 and 4 respectively;

(b) To add in the new operative paragraph 4 the words "and the study requested in paragraph 3 above" after the words "thirty-seventh session".

152. The representative of India proposed the replacement of the word "ensuring" by "expediting" in operative paragraph 3 of the draft resolution (E/C.5/L.34/Rev.1).

153. At the 37th meeting, the representative of the United States announced that his delegation had accepted the following changes in draft resolution E/C.5/L.33/Rev.1:

(a) In the first preambular paragraph of the draft resolution submitted for adoption by the Economic and Social Council, to replace the phrase "1821 (XVII) and 1940 (XVIII)" by "and 1821 (XVII)";

(b) In the last preambular paragraph to delete the word "significant" following the words "appreciation for the";

(c) In the introductory part of operative paragraph 1, following the words "of the United Nations system," to add "in accordance with relevant resolutions";

(d) To replace the word "developments" in operative paragraph 1 (a) by the words "industrial development policy";

(e) In operative paragraph 1 (c) to add the words "economic and" after the words "study of the" and to delete the word "technical" between the words "views on" and "problems";

(f) To replace the words "a technical" in operative paragraph 1 (d) by "an";

(g) In operative paragraph 1 (f) to add the words "persons and institutions" after the words "contacts with those";

(h) To add, after the words "field of industrial development" in operative paragraph 1 (i), the words "in order to avoid unnecessary duplication of the work which is carried out by the United Nations family";

(i) In operative paragraph 7 to replace the word "remind" by "draw the attention of" and to add at the end of the paragraph the following words, "including joint or participation projects.";

(j) In operative paragraph 10, to add the words "the attention of" after the word, "Invites" and to replace the word "apply" by the words "the possibility of applying".

154. The representative of India proposed the amalgamation of the third and fourth operative paragraphs into a single paragraph with the revised text to read as follows:

"3. Recommends that adequate budgetary provision be made for the Industrial Development Centre so as to provide it with the necessary operational strength to fulfil the requirements of a dynamic programme as outlined above, including provision for the travel of members of the staff of the Centre in order to assist governments, whenever necessary, in the formulation and implementation of programmes and projects in the field of industrial development and to maintain close co-operation with the regional economic commissions."

The subsequent paragraphs would be re-numbered accordingly. The proposal of the representative of India was accepted by the representative of the United States.

155. The representative of the Union of Soviet Socialist Republics requested a separate vote on operative paragraph 6 (operative paragraph 7 of E/C.5/L.33/Rev.1). The representative of France withdrew his request for a separate vote on operative paragraphs 5 and 6 (operative paragraphs 6 and 7 of E/C.5/L.33/Rev.1). Other proposals and suggestions were not pressed to the vote following the revision of the text of draft resolution E/C.5/L.33/Rev.1.

156. The representative of Brazil, on behalf of the co-sponsors of the nine-Power draft resolution (E/C.5/L.34/Rev.1), accepted the following proposals and suggestions:

(a) To invert the order of operative paragraphs 4 and 3 of draft resolution E/C.5/L.34/Rev.1 so that they would be paragraphs 3 and 4 respectively;

(b) To add in the new operative paragraph 4 the words "and the study requested in paragraph 3 above" after the words "thirty-seventh session";



(c) To replace the words "ensuring immediate" by "expediting" in the new operative paragraph 4;

(d) To delete the word "further" in new operative paragraph 3.

157. The Committee had before it statements by the Secretary-General on the financial implications of draft resolutions E/C.5/L.33/Rev.1 and E/C.5/L.34/Rev.1 (see annex V). The Secretariat informed the Committee that the request by one delegation for further details on the way in which the new operative paragraph 5 would be implemented would be referred to the Controller, and that a note on this matter would be submitted to the Economic and Social Council at its thirty-seventh session.

158. By 21 votes to 4, with 3 abstentions, the Committee voted to retain paragraph 6 of the draft resolution (E/C.5/L.33/Rev.1) as revised by the United States delegation, on which a separate vote had been requested by the representative of the Union of Soviet Socialist Republics. The Committee then adopted unanimously the draft resolution as a whole, as revised.

159. By 19 votes to 9, with no abstentions, the Committee adopted draft resolution E/C.5/L.34/Rev.1, as revised by the co-sponsors, as a whole.

160. The texts of the two draft resolutions adopted by the Committee at its 37th meeting, on 18 March 1964, read as follows:

## 2 (IV) UNITED NATIONS MACHINERY IN THE FIELD OF INDUSTRIAL DEVELOPMENT

### The Committee for Industrial Development

Recommends to the Economic and Social Council the adoption of the following draft resolution:

For the text of the draft resolution, see chapter VII below, draft resolution I.

## 3 (IV) UNITED NATIONS MACHINERY IN THE FIELD OF INDUSTRIAL DEVELOPMENT

### The Committee for Industrial Development

#### I

Recommends to the Economic and Social Council the adoption of the following draft resolution:

For the text of the draft resolution, see chapter VII, below, draft resolution II.

## II

Requests the Secretary-General to transmit the above draft resolution as well as the report on the fourth session of the Committee for Industrial Development to the United Nations Conference on Trade and Development in order to facilitate and expedite the consideration of the industrial aspects of economic development by the Conference.

### Inter-Sessional Working Group

161. The question was raised as to whether documents could be distributed sufficiently early to enable experts in member countries to examine them before the Committee meets. It was suggested that more frequent meetings of the Inter-Sessional Working Group might help in providing advance information on items to be discussed by the Committee.
162. It was recalled by another delegation that, at its third session, the Committee had decided that the main task of the Inter-Sessional Working Group should be to establish the provisional agenda for the next session.
163. It was also pointed out that considerable preparations would be required for the forthcoming symposia and that the Inter-Sessional Working Group could be helpful in this respect if Governments were to send experts to its meetings. Other delegations, however, felt that some Governments were unable to send experts to such meetings. They suggested that certain of the matters dealt with by the Inter-Sessional Working Group would be covered by the closer contacts that were to be established between the Centre and institutions and persons at the national level.
164. The Committee decided to continue the Inter-Sessional Working Group for a further period of one year. At the 38th meeting the Chairman appointed the delegations of Argentina, Austria, Brazil, Chile, France, India, Iraq, Japan, Madagascar, Pakistan, Philippines, Poland, Sweden, Tunisia, United Arab Republic, United Kingdom of Great Britain and Northern Ireland, United States of America, Union of Soviet Socialist Republics and Yugoslavia to be members of the Inter-Sessional Working Group for 1964-1965.

VII. DRAFT RESOLUTIONS FOR ACTION BY THE  
ECCNOMIC AND SOCIAL COUNCIL

I

United Nations machinery in the field of industrial development

The Economic and Social Council,

Recalling General Assembly resolutions 1525 (XV), 1712 (XVI), and 1821 (XVII) and Economic and Social Council resolutions 873 (XXXIII) and 969 (XXXVI),

Bearing in mind the recommendations of the Committee for Industrial Development at its fourth session concerning organizational changes in the field of industrial development, in response to General Assembly resolution 1940 (XVIII),

Bearing further in mind the recommendations of the Committee for Industrial Development at its earlier sessions concerning general guidelines for the work of the Industrial Development Centre, and in particular the provisional definition of industrialization set forth in the report of the third session (E/3781, para. 89).

Expressing its appreciation for the contribution made by the Industrial Development Centre, under the leadership of the Commissioner for Industrial Development, to the intensification and improvement of United Nations activities in the field of industrial development,

1. Requests the Secretary-General to make any necessary changes in organization and procedures required in order that the Industrial Development Centre may carry out, without prejudice to the continuation of activities now being performed by the Centre and other parts of the United Nations system, in accordance with relevant resolutions and taking into account the views expressed in the Committee for Industrial Development at its fourth session, a dynamic programme of activities involving inter alia the following principles and functions:

(a) The essential modus operandi of the Centre would be that of an activating and catalytic agent, centrally concerned with industrial development policy and over-all progress in the field of industrialization and capable of promoting appropriate arrangements by the developing and advanced countries with a view to meeting the opportunities and needs of industrialization through the availability of adequate facilities and services;

(b) Promotion of industrial development projects through the provision of assistance, in consultation with the resident representatives, in the formulation of requests by Governments for technical assistance under the programmes of the Special Fund, the Expanded Programme of Technical Assistance, and the regular United Nations programmes of technical assistance;

(c) Study of the economic and technical problems of industrialization with the assistance, where appropriate, of panels of scientists and technical specialists of recognized standing in various sectors of industry, whose

views on the problems of the developing countries would be sought by correspondence.

(d) Establishment of ad hoc working groups of high level experts to deal with technical subjects which are intended for submission to the Committee for Industrial Development, with the purpose of providing the Committee with an evaluation of the work of the Centre in the respective field of the ad hoc working group as well as an assessment of the general orientation and progress within that field;

(e) Assistance to the developing countries in the establishment and strengthening of national institutions, such as industrial development boards, programming offices, industrial promotion centres, engineering and technological institutes, that could provide special stimulus to the growth of industry;

(f) Establishment of close contacts with those persons and institutions in the developing countries directly concerned with industrialization and those in the advanced countries who can help them, with a view, inter alia, to promoting arrangements for carrying out joint or participation projects.

(g) Establishment of a more adequate documentation service to maintain contacts with the sources and users of technical data, and provision of assistance in the establishment or strengthening of adequate technical information services in the developing countries, including the organization of training programmes for technical information officers.

(h) Development of a periodic world industrial development survey to provide a review and assessment of developments which may be significant for the industrialization programmes of the developing countries and to review the over-all progress achieved in the field;

(i) Effective co-ordination by the United Nations system of its activities in the field of industrial development in order to avoid unnecessary duplication of the work which is carried out by the United Nations family; to that effect, the Centre should follow closely the activities of the various organizations, undertake joint projects and make arrangements for adequate reporting to the Committee for Industrial Development and the Economic and Social Council;

(j) Provision of research which would be of practical use to the developing countries through the preparation or contracting of specific studies and by providing a channel through which studies from the research facilities of States Members of the United Nations or members of the specialized agencies may be made available to the developing countries;

2. Decides that the Committee for Industrial Development shall, in co-operation with the Economic and Social Council, be responsible for providing general policy guidance to the Commissioner for Industrial Development.

3. Recommends that adequate budgetary provisions be made for the Industrial Development Centre so as to provide it with the necessary operational strength to fulfil the requirements of a dynamic programme as outlined above, including provision for the travel of members of the staff of the Centre in order to assist Governments whenever necessary, in the formulation and implementation of programmes

and projects in the field of industrial development and to maintain close co-operation with the regional economic commissions;

4. Recommends further that the Secretary-General maintain flexibility with respect to the programming and administration of activities in the field of industrial development, in keeping with their complex nature and changing requirements;

5. Requests the Secretary-General, in connexion with his annual budget estimates and in consultation with the Advisory Committee on Administration and Budgetary Questions as required, to identify in a separate annex the resources provided in those estimates for industrial development activities;

6. Further requests the Secretary-General to draw the attention of Governments of States Members of the United Nations and members of the specialized agencies to his authority to receive voluntary contributions for special purposes in accordance with sections 7-2 and 7-3 of the United Nations financial regulations, and to inform them that such voluntary contributions may be made for activities in the field of industrial development, including joint or participation projects;

7. Welcomes the decision taken by the Technical Assistance Committee at its session held on 12-13 December 1963 designed to make available for industrial development additional funds from part V of the regular budget (E/3849, annex IV);

8. Invites the attention of Governments of developing countries to the opportunities for obtaining increased assistance for their industrial development, within their over-all development programmes, from various elements of the United Nations system through the formulation of new project requests;

9. Invites the attention of Governments of developing countries to the possibility of applying to the Special Fund to provide preparatory allocations to assist in the formulation of projects in the field of industrial development;

10. Decides that the foregoing arrangements are subject to review in the light of any other organizational changes in the field of industrial development that may be deemed necessary.

## II

### United Nations machinery in the field of industrial development

#### The Economic and Social Council,

Bearing in mind the view of the General Assembly, expressed in its resolution 1940 (XVIII), that there is a need to carry out changes in the existing United Nations machinery so as to provide an organization capable of dealing with the problems of developing countries, in order to intensify, concentrate and expedite United Nations efforts for industrial development,

1. Takes note with appreciation of the working paper by the Secretariat on United Nations machinery in the field of industrial development (E/C.5/L.30);

2. Declares that there is an urgent need to establish a specialized agency for industrial development within the framework of the United Nations family, in order to assist developing countries in the promotion and acceleration of industrialization;

3. Requests the Secretary-General to prepare a study on the scope, structure and functions of this agency, including draft statutes and information on the steps required to bring such an organization into operation, taking into account the views expressed by the Committee on Industrial Development at its fourth session, by the United Nations Conference on Trade and Development, and by the Economic and Social Council at its thirty-seventh session, and to submit this study to the nineteenth session of the General Assembly;

4. Recommends to the General Assembly, at its nineteenth session, to consider the deliberations of the Committee for Industrial Development at its fourth session, of the United Nations Conference on Trade and Development, and of the Economic and Social Council at its twenty-seventh session, and the study requested in paragraph 3 above, with a view to expediting action towards the establishment of such an organization;

5. Calls upon States Members of the United Nations or members of the specialized agencies to give increased financial support to existing United Nations programmes in the field of industrial development, without prejudice to immediate action on the establishment of a specialized agency.

ANNEXES

Annex I

LIST OF DELEGATIONS

Members of the Committee

ALGERIA

Representative

Mr. Mourad Castel,  
Head of the Division of Industrial Planning,  
Office of the Plan

Alternate Representatives

Mr. Kemal Hacène,  
First Secretary,  
Permanent Mission

Mr. Abdelkadar Boukhari,  
Attaché  
Permanent Mission

ARGENTINA

Representative

Mr. Raúl A.J. Quijano,  
Envoy Extraordinary and Minister Plenipotentiary,  
Permanent Mission

Alternate Representative

Mr. Luis Miguel Caraballo,  
Economic Attaché,  
Permanent Mission

AUSTRALIA

Representative

Mr. R. Daniel,  
Assistant Secretary, Department of Treasury,  
Australian Representative to the  
International Monetary Fund

AUSTRALIA (Cont'd)

Alternate Representatives

Mr. E.R. Pocock,  
Second Secretary,  
Permanent Mission

Mr. A.C. Wilson,  
Third Secretary,  
Permanent Mission

AUSTRIA

Representative

Mr. Franz Weidinger,  
Counsellor of Embassy,  
Deputy Permanent Representative to the United Nations,  
Permanent Mission

Alternate Representative

Mr. Georg Reisch,  
Secretary of Embassy,  
Permanent Mission.

Experts

Mr. Nikolaus Hoyos,  
Austro-Plan Inc., Mexico

Mr. Hermann Rigele,  
Consultant to the "Vereinigte  
Cesterreichische Eisen - und  
Stahlwerke A.G."

BRAZIL

Representatives

Mr. Geraldo de Carvalho Silos,  
Deputy Permanent Representative to the United Nations,  
Permanent Mission

Mr. Oscar Soto Lorenzo Fernandez,  
Counsellor,  
Permanent Mission

Mr. Sergio Paulo Rouanet,  
Second Secretary,  
Permanent Mission



BRAZIL (Cont'd)

Advisers

Mr. Mario Augusto Santos,  
Second Secretary,  
Permanent Mission

Mr. Arrhenius Fabio Machado de Freitas,  
Third Secretary,  
Permanent Mission

CAMERCON

Representative

Mr. Henri Djengué-Ndoubé,  
Commercial Counsellor

Alternate Representatives

Mr. Salomon Bakoto,  
First Secretary,  
Permanent Mission

Mr. François Ndine Ebakissé,  
Second Secretary,  
Permanent Mission

CENTRAL AFRICAN REPUBLIC

Representative

H.E. Mr. Michel Gallin-Douathe,  
Permanent Representative to the United Nations

CHILE

Representative

Mr. Hugo Cubillos,  
Second Secretary,  
Permanent Mission

Alternate Representatives

Mr. José Zabala,  
Head of the New York office,  
Corporacion de fomento de la Producción de Chile (CORFO)

Mr. Gregorio Waissbluth,  
Executive Vice-President,  
Compañía de Acero del Pacífico

COLOMBIA

Representative

Mr. Pedro Olarte,  
Minister Plenipotentiary,  
Permanent Mission

Adviser

Mr. Alfonso Venegas,  
First Secretary,  
Permanent Mission

CZECHOSLOVAKIA

Representative

Mr. Ladislav Smíd  
Deputy Permanent Representative to the United Nations,  
Permanent Mission

Alternate Representatives

Mr. Drahoš Schejbal,  
Head of Department,  
State Planning Commission

Mr. Jiří Švab,  
Ministry of Foreign Affairs

ECUADOR

Representative

Mr. Gonzalo Alcívar,  
Counsellor,  
Permanent Mission

Alternate Representative

Mr. Hugo Játiva,  
First Secretary,  
Permanent Mission

FRANCE

Representative

Mr. Philippe Bernard,  
Chargé de mission au Commissariat général du plan  
d'équipement et de la productivité

FRANCE (Cont'd)

Alternate Representative

Mr. Jean-Claude Renaud,  
Commercial Counsellor,  
Permanent Mission

Advisers

Mr. Georges Moulias,  
Secretary of Embassy,  
Permanent Mission

Mr. Daniel George,  
Commercial Attaché

FEDERAL REPUBLIC OF GERMANY

Representative

Mr. Karl Barte,  
First Secretary,  
Foreign Office

Alternate Representatives

Mr. Guido Brunner,  
Second Secretary,  
Office of the Permanent Observer  
to the United Nations

Mr. Walter Stock,  
Federal Ministry for Economics,  
Bonn

INDIA

Representative

Mr. S.L.N. Simha,  
Alternate Executive Director,  
International Monetary Fund,  
Washington

Adviser

Mr. J.R. Hiremath,  
First Secretary,  
Permanent Mission

IRAQ

Representative

Mr. Burhan Nouri,  
First Secretary,  
Permanent Mission

Alternate Representatives

Miss Faiha Kamal,  
Second Secretary,  
Permanent Mission

Mr. Abdul Hussein Alisa,  
Third Secretary,  
Permanent Mission

JAPAN

Representative

H.E. Mr. Koh Chiba,  
Deputy Permanent Representative to the United Nations

Alternate Representative

Mr. Hiroshi Yokota,  
Counsellor,  
Permanent Mission

Adviser

Mr. Ryoza Mogi,  
Third Secretary,  
Permanent Mission

LUXEMBOURG

Representative

H.E. Mr. Maurice Steinmetz,  
Permanent Representative to the United Nations

Alternate Representatives

Mr. Jan Hendrik Lubbers,  
Counsellor of Embassy

Mr. Jules Woulbroun,  
Economic Counsellor

MADAGASCAR

Representative

Mr. A. Ramaholimihaso,  
Economic Counsellor,  
Permanent Mission

MEXICO

Representative

Mr. Manuel Bravo Jiménez,  
Adviser to the Board,  
Bank of Mexico

Alternate Representatives

Mr. José Arango Rojas,  
Assistant Director-General for Industry,  
Secretariat of Industry and Commerce

Mr. José Calvillo Treviño,  
First Secretary,  
Permanent Mission

PAKISTAN

Representatives

H.E. Mr. Syed Amjad Ali,  
Permanent Representative to the United Nations

Mr. S.A.M.S. Kibria,  
Second Secretary,  
Permanent Mission

PHILIPPINES

Representative

H.E. Mr. Joaquin M. Elizalde,  
Ambassador,  
Permanent Mission

Alternate Representative

Mr. Hortencio J. Brillantes,  
Minister,  
Permanent Mission

PHILIPPINES (Cont'd)

Advisers

Mr. Pablo A. Suarez, Jr.,  
Consul,  
New York

Mr. Francisco M. Rodriguez,  
Technical Assistant,  
Permanent Mission

POLAND

Representative

Mr. Kazimierz Laski,  
Central School of Planning and Statistics,  
Warsaw

Alternate Representatives

Mr. Wlodzimierz Natorf,  
First Secretary,  
Permanent Mission

Mr. Witold Jurasz,  
Embassy,  
Washington

SENEGAL

Representative

H.E. Mr. Ousmane Socé Diop,  
Permanent Representative to the United Nations

Alternate Representatives

Mr. Abdou Ciss,  
Counsellor,  
Permanent Mission

Mr. Charles Delgado,  
Secretary of Embassy, Economic Affairs,  
Permanent Mission

SWEDEN

Representative

Mr. Bertil Bolin,  
Director for International Affairs,  
Swedish Confederation of Trade Unions

SWEDEN (Cont'd)

Alternate Representatives

Mr. Jan Ryden,  
Head of Department of Economics,  
Federation of Swedish Industries

Mr. Orjan Berner,  
Second Secretary,  
Permanent Mission

Adviser

Miss Irène Larsson,  
Attaché,  
Permanent Mission

TUNISIA

Representative

Mr. Hassouna Ben Amor,  
Chief,  
Industrial Statistics Section

Alternate Representative

Mr. Mohamed Gherib,  
Third Secretary,  
Permanent Mission

UNION OF SOVIET SOCIALIST REPUBLICS

Representative

Mr. D.M. Gvishiani,  
Deputy Chairman of the State Committee on Co-Ordination  
of Scientific and Research Matters in the USSR

Alternate Representative

Mr. E.N. Makeev,  
Counsellor,  
Permanent Mission

Advisers

Mr. S.S. Gabelko,  
Counsellor,  
Permanent Mission

UNION OF SOVIET SOCIALIST REPUBLICS (Cont'd)

Advisers (Cont'd)

Mr. V.A. Gnevashev,  
First Secretary,  
Ministry of Foreign Affairs

Mr. E.V. Kudryavtsev,  
Second Secretary,  
Permanent Mission

Mr. N.A. Filimonov,  
Secretary,  
Permanent Mission

UNITED ARAB REPUBLIC

Representative

Mr. Yehia S. El-Molla,  
Under-Secretary,  
Ministry of Industry

Alternate Representative

Mr. Ahmed T. Khalil,  
Counsellor,  
Permanent Mission

Adviser

Mr. Ibrahim Allam Ibrahim Allam,  
Third Secretary,  
Permanent Mission

UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

Representative

Mr. E.S. Hiscocks,  
Director, Tropical Products Institute,  
London

Alternate Representative

Mr. W.E.H. Whyte,  
First Secretary,  
Permanent Mission



UNITED STATES OF AMERICA

Representative

Mr. Seymour M. Finger,  
Senior Adviser, Economic and Social Affairs,  
Permanent Mission

Advisers

Mr. Frank W. Brecher,  
Economic and Social Affairs,  
Permanent Mission

Mr. Frederick G. Draper,  
Deputy Director for Industrial Development,  
Office of Human Resources and Social Development,  
Agency for International Development

Mr. James L. Gorman,  
Office of Economic and Social Affairs,  
Department of State

Mr. Erwin C. Hannum,  
Director,  
Office of Industrial Equipment,  
Business and Defense Services Administration  
Department of Commerce

Mr. Christopher Thoron,  
Political and Security Affairs,  
Permanent Mission

YUGOSLAVIA

Representative

Mr. Ljubo Babić,  
Head of Department,  
Federal Secretariat for Industry

Alternate Representative

Mr. Branko Radivojević,  
Third Secretary,  
Permanent Mission

Members of the United Nations represented by observers

CANADA

Observer

Mr. Roy W. MacLaren,  
Second Secretary,  
Permanent Mission

DENMARK

Observer

Mr. Børge V. Blønd,  
Secretary of Embassy,  
Permanent Mission

ISRAEL

Observer

Mrs. Fanny Ginor,  
Counsellor,  
Permanent Mission

ITALY

Observer

Mr. Michelangelo Pisani Massamormile,  
Second Secretary,  
Permanent Mission

NEPAL

Observer

Mr. Ram C. Malhotra,  
First Secretary,  
Permanent Mission

ROMANIA

Observer

Mr. Aurel Costescu,  
Second Secretary,  
Permanent Mission

UKRAINIAN SOVIET SOCIALIST REPUBLIC

Observer

Mr. Y.N. Kochubei,  
Second Secretary,  
Permanent Mission

Specialized agencies

International Labour Organisation

Mr. Henri Reymond,  
Director, Liaison Office with the United Nations

Mr. Luis Segovia,  
Liaison Officer with the United Nations

Food and Agriculture Organization of the United Nations

Mr. J.L. Orr,  
Director, Liaison Office with the United Nations

Mr. A. Aten,  
Rural Industries Specialist

United Nations Educational, Scientific and Cultural Organization

Mr. V. Kovda,  
Director, Natural Sciences Department

Mr. A. Gagliotti,  
Director,  
Liaison Office with the United Nations

Mr. A. Salsamendi,  
New York Office

World Health Organization

Dr. O. Leroux,  
Medical Liaison Officer

International Bank for Reconstruction and Development

Mr. Enrique López Herrarte,  
Liaison Office with the United Nations

Mr. Leonard Hall,  
Adviser on Special Projects

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International Atomic Energy Agency

Mr. John Burt,  
Public Information Officer,  
Liaison Office with the United Nations

\*\*\*\*\*

Non-governmental organizations

Category A

International Chamber of Commerce: Mr. Stephen P. Ladas, Mrs. Roberta M. Lusardi

International Confederation of Free Trade Unions: Mr. Irving Brown, Mr. Paul Barton

International Organization of Employers: Mr. James Tanham, Mr. Earl F. Cruickshank

World Federation of Trade Unions: Mr. Philip M. Connelly

Annex II

TERMS OF REFERENCE OF THE COMMITTEE

For the text of the terms of reference of the Committee, see E/3600/Rev.1, Annex II/.

Annex III

LIST OF DOCUMENTS BEFORE THE COMMITTEE AT ITS FOURTH SESSION

- E/3858                    Committee on Housing, Building and Planning: report of the second session (Official Records of the Economic and Social Council, Thirty-Seventh Session, Supplement No. 12)
- E/C.5/38                Provisional agenda
- E/C.5/38/Add.1        Provisional agenda: addendum to the annotations in the annex
- E/C.5/39                Report of the activities of the Industrial Development Centre
- E/C.5/40                Note on the status of replies to the questionnaire on industrial planning and development
- E/C.5/41                Experience in planning, programming and promoting industrial development: note by the Secretariat
- E/C.5/42 and  
Corr.1                Some aspects of methodology in the formulation of industrial development programmes and policies: note by the Secretariat
- E/C.5/43 and  
Corr.1                Manufacture of industrial machinery and equipment in developing countries: note by the Secretariat
- E/C.5/44                Industry studies: note by the Secretariat
- E/C.5/45                Manuals on industry: note by the Secretariat
- E/C.5/46 and  
Corr.1                Development programmes for small-scale industries: note by the Secretariat
- E/C.5/47                Inter-regional symposium on the application of modern technical practices in the iron and steel industry to the developing countries: note by the Secretariat
- E/C.5/48 and  
Corr.1                Conference on the development of the fertilizer industry in Asia and the Far East: note by the Secretariat
- E/C.5/49                Institutes of industrial technology and development: note by the Secretariat
- E/C.5/50                Recent United Nations action concerning the application of science and technology to industrial development: note by the Secretariat

- E/C.5/51 and  
Corr.1-2 Arrangements for the dissemination of information on industrial  
technology: report by the Secretariat
- E/C.5/52 and  
Add.1-5 The role of patents in the transfer of technology to under-  
developed countries: report by the Secretary-General
- E/C.5/52/Rev.1  
(E/3861) The role of patents in the transfer of technology to under-  
developed countries: report by the Secretary-General
- E/C.5/53 Role of the United Nations in training national technical  
personnel for accelerated industrialization of the developing  
countries: note by the Secretariat on the implementation of  
General Assembly resolution 1824 (XVII)
- E/C.5/54 Preparation of teaching materials in economic and industrial  
development: note by the Secretariat
- E/C.5/55 In-plant training of graduate engineers in developing countries:  
note by the Secretariat
- E/C.5/56 and  
Add.1 In-plant standardization in developing countries
- E/C.5/57 Working capital requirements of industrial enterprises: note  
by the Secretariat
- E/C.5/58 Financing of industrial development - Review of activities:  
note by the Secretariat
- E/C.5/59 Report by the Secretariat on the support activities of the  
Industrial Development Centre relating to the technical  
assistance and Special Fund programmes
- E/C.5/60 Social aspects of industrialization: note by the Secretariat
- E/C.5/61 Participation of the Industrial Development Centre in the United  
Nations Conference on Trade and Development: note by the  
Secretariat
- E/C.5/62 and  
Corr.1 Report submitted by the International Bank for Reconstruction and  
Development, the International Development Association and the  
International Finance Corporation
- E/C.5/62/Add.1 Report submitted by the Food and Agriculture Organization of  
the United Nations
- E/C.5/62/Add.2 Report submitted by the International Atomic Energy Agency
- E/C.5/62/Add.3 Report submitted by the World Health Organization
- E/C.5/62/Add.4 Report submitted by the United Nations Educational, Scientific  
and Cultural Organization

- E/C.5/63/and  
Corr.1 Industrial development activities under the Expanded Programme  
of Technical Assistance
- E/C.5/63/Add.1 Report by the Managing Director on the activities of the United  
Nations Special Fund in the field of industrial development
- E/C.5/64 and  
Corr.1 Export credits for the financing of capital goods requirements  
of developing countries: report by the Secretariat
- E/C.5/L.30 United Nations machinery in the field of industrial development -  
Development of United Nations activities and organization in  
the field of industry: working paper prepared by the Secretariat
- E/C.5/L.31 and  
Add.1 International and regional symposia on industrial development:  
note by the Secretariat
- E/C.5/L.32 Statement by Dr. I.H. Abdel-Rahman, Commissioner for Industrial  
Development, at the 29th meeting of the Committee
- E/C.5/L.33 United Nations machinery in the field of industrial development -  
United States of America: draft resolution
- E/C.5/L.33/Rev.1 United Nations machinery in the field of industrial development -  
United States of America: revised draft resolution
- E/C.5/L.34 United Nations machinery in the field of industrial development -  
Algeria, Argentina, Brazil, Chile, Colombia, Ecuador, Iraq,  
Tunisia and Yugoslavia: draft resolution
- E/C.5/L.34/Rev.1 United Nations machinery in the field of industrial development -  
Algeria, Argentina, Brazil, Chile, Colombia, Ecuador, Iraq,  
Tunisia and Yugoslavia: revised draft resolution
- E/C.5/L.35 and  
Add.1-16 Consideration and approval of the Committee's report to the  
Economic and Social Council: draft sections submitted to  
the Committee
- E/C.5/L.36 International and regional symposia on industrial development -  
Argentina, Chile, Iraq, Philippines and Tunisia:  
draft resolution
- E/C.5/L.37 United Nations machinery in the field of industrial development -  
Algeria, Argentina, Brazil, Chile, Colombia, Ecuador, Iraq,  
Tunisia and Yugoslavia: amendments to document E/C.5/L.33
- E/C.5/L.38 Statement of financial implications of the draft resolution  
contained in document E/C.5/L.36: note by the Secretary-  
General
- E/C.5/L.39 International and regional symposia on industrial development -  
France and Japan: amendments to document E/C.5/L.36



E/C.5/L.40

Statement of financial implications of the revised draft resolution contained in document E/C.5/L.34/Rev.1: note by the Secretary-General

E/C.5/L.41

Statement of financial implications of the revised draft resolution contained in document E/C.5/L.33/Rev.1: note by the Secretary-General

Annex IV

GENERAL ASSEMBLY RESOLUTION 1940 (XVIII)  
ACTIVITIES IN THE FIELD OF INDUSTRIAL DEVELOPMENT

The General Assembly,

Recalling its resolution 1712 (XVI) of 19 December 1961, as well as Economic and Social Council resolutions 873 (XXXIII) of 10 April 1962 and 969 (XXXVI) of 25 July 1963,

Mindful of the aims expressed in the Preamble of the Charter of the United Nations to employ international machinery for the promotion of the economic and social advancement of all peoples, and of the provisions of Articles 55 and 56 of the Charter, which place upon the Organization the responsibility for promoting higher standards of living, full employment and conditions of economic and social progress and development,

Recognizing that a dynamic industrial sector is of strategic importance in diversifying the economies of developing countries generally, in raising the per caput income of their populations and in assuring a more balanced economic and social structure,

Considering the priorities which are being given to industrial development in the national economic plans of developing countries,

Bearing in mind that the developing countries need the greatest possible international assistance and co-operation in the solution of technical, financial, economic, commercial and social problems connected with industrial development,

Convinced of the need to expand the means of providing advice, information and assistance through the United Nations system to the developing countries in the planning and execution of their industrial development,

Having considered the report of the Advisory Committee of Experts on Industrial Development Activities of the United Nations System, a/ established under Council resolution 873 (XXXIII), and all other relevant documentation,

1. Endorses the view of the Advisory Committee of Experts on the Industrial Development Activities of the United Nations System that the present institutional framework of the United Nations activities in the field of industrial development is not satisfactory and that existing resources are not adequate;

2. Declares that there is a need to carry out changes in the existing United Nations machinery so as to provide an organization capable of dealing with the problems of the developing countries, in order to intensify, concentrate and expedite United Nations efforts for industrial development;

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a/ E/3781, annex VIII.

3. Recommends the Economic and Social Council at its resumed thirty-sixth session to instruct the Committee for Industrial Development to consider, in the light of the report of the Advisory Committee of Experts and of the views expressed at the eighteenth session of the General Assembly, the establishment of such an organization for industrial development, including its structure and functions, having due regard both to the close relationship between industrial development and the utilization of natural resources and to the advisability of close co-operation between this organization on the one hand, and the regional economic commissions, the specialized agencies and the International Atomic Energy Agency on the other hand, and to submit its report to the Council at its thirty-seventh session and to the Assembly at its nineteenth session, for a final decision;

4. Requests the Secretary-General to prepare a working paper on the subject referred to in paragraph 2 above for submission to the Committee for Industrial Development at its fourth session;

5. Requests the Secretary-General, without prejudice to the need for organizational changes, to initiate consultation and studies with States Members of the United Nations and members of the specialized agencies, with the specialized agencies, the International Atomic Energy Agency, the regional economic commissions and the Committee for Industrial Development, on the advisability of holding, not later than 1966, an international symposium, preceded, as appropriate, by regional and sub-regional symposia, relating to the problems of industrialization of developing countries, and to report to the Economic and Social Council at its thirty-seventh session and to the General Assembly at its nineteenth session.

1276th plenary meeting,  
11 December 1963.

Annex V

FINANCIAL IMPLICATIONS OF THE RESOLUTIONS ADOPTED BY THE  
COMMITTEE AT ITS FOURTH SESSION

A. INTERNATIONAL AND REGIONAL SYMPOSIA ON INDUSTRIAL DEVELOPMENT

Resolution 1 (IV) adopted by the Committee (see paragraph 118  
of the report, above)

1. The draft resolution contained in document E/C.5/L.36, which was adopted by the Committee as resolution 1 (IV), inter alia calls for the holding of an international symposium preceded, as appropriate, by regional and sub-regional symposia. The preparation of detailed cost estimates for the symposia presents difficulties due to the lack of information on the provisional agenda, their place and duration, and the nature and extent of participation. It is hoped that the consultations currently in progress with the specialized agencies and with Member Governments would serve to provide clarifications on most of these points, and that relevant cost estimates could be provided at the time of the consideration of this question by the Economic and Social Council at its thirty-seventh session.

2. In regard to the international symposium, without implying a comparison, the Committee might wish to note the order of magnitude of the cost of some of the major international conferences organized in the past by the United Nations, as follows:

United Nations Conference on Trade and Development (estimated costs) . . . . .	\$3,000,000
Second International Conference on the Peaceful Uses of Atomic Energy (estimated costs) . . . . .	3,500,000
United Nations Conference on the Application of Science and Technology for the Benefit of Less Developed Areas (estimated costs) . . . . .	2,100,000

3. The costs in respect of the regional and sub-regional symposia can be separated into two parts: (i) the preparatory work at the country, sub-regional and regional levels, as well as by sectors of industry; this work involves the preparation of studies covering selected industries, selected countries and groups of countries; and (ii) the substantive and conference servicing of the meetings themselves. In so far as the preparatory work is concerned, it is anticipated that there will be need for the services of several specialists-consultants to work closely with the regional secretariats and the Governments concerned in the preparation of the individual studies. A recent symposium held in Prague in November 1963 on one industry only, namely the iron and steel industry, involved preparation of basic studies the cost of which amounted to about \$30,000 and, in addition to that, several papers were contributed to the symposium free of charge.

4. The cost of servicing the sub-regional and regional symposia would naturally depend upon the number of participants, the languages used, the cost of publications and other items needed. For the above-mentioned symposium on iron and steel industry the number of participants was about sixty, the cost of the meeting itself was about \$75,000. It is expected that the regional symposia would be attended by about 200 participants and that sub-regional symposia may involve about forty to fifty participants each.

5. The expenditures relating to the participation of member Governments in the symposia at the sub-regional and regional levels would, it is assumed, be the responsibility of the respective Governments.

6. These above costs would be spread over the years 1965-1966-1967 (in the last year the items to be covered would be mainly the publication of the results of the symposia and selected studies).

#### B. UNITED NATIONS MACHINERY IN THE FIELD OF INDUSTRIAL DEVELOPMENT

Resolution 2 (IV) adopted by the Committee (see chapter VII of the report, above, draft resolution I for action by the Economic and Social Council)

7. Paragraph 1 of draft resolution E/C.5/L.33/Rev.1, adopted by the Committee as its resolution 2 (IV), requests "the Secretary-General to make any necessary changes in organization and procedures required in order that the Industrial Development Centre may carry out" the functions referred to in the draft resolution. The changes called for in the draft resolution, particularly the functions set out for emphasis, require the development of a dynamic integrated programme comprising, in addition to the present activities of the Centre, the following elements:

Expansion of operational programmes

8. Efforts would need to be made to increase substantially the programmes of technical assistance and Special Fund projects in the field of industry. The panel of senior industrial advisers, established on an experimental basis in 1963, would need to be retained and expanded. However, the panel of senior advisers is only one instrument, the effectiveness of which depends to a large extent on the existence of an adequate servicing machinery for the technical co-operation activities. An increase in the staff of the Centre would be necessary, both at Headquarters and for assignment of a number of officers to the regional economic commissions, to assist in the formulation and implementation of programmes and projects in the field of industry based on the countries' needs. In a number of cases, staff from the Centre at Headquarters and the regional secretariats may have to work in the offices of the resident representatives of the Technical Assistance Board for short periods, in order to assist them and the countries they serve in formulating an effective programme for technical assistance activities in the field of industrialization.

Mobilization of experience and know-how for assistance  
in industrial technology

9. Knowledge of the vast number and variety of manufacturing processes is spread throughout the various countries of the world, and the experience of specialists is usually related to a specific branch of industrial technology. In order to assist effectively in the establishment of manufacturing industries in the developing countries, the Centre must develop ways of reaching this manifold store of knowledge and to make use of it in all the work and assistance related to industrial technology. The two arrangements proposed in the draft resolution which are discussed below would permit the Centre both to draw on the experience in various countries of the world and to cover as needed the different branches of industry.

(a) Panels of scientific and technical advisers

10. A panel of high-level specialists of recognized standing for each of the major sectors of industry could be established. Each panel, consisting of no more than fifteen to twenty experts, would be drawn from as many countries as possible and consultations with the members of the panels would be by correspondence or through the means of a questionnaire. Assuming a dozen industries for which panels are established, the total number of specialists who would be drawn into the programme would be in the neighbourhood of 200. Among them they would represent the industrial experience of almost all the countries and the range of specialized knowledge related to the various branches of industry. The Centre could obtain their advice and views on specific technical problems as they arise and could also ask for their evaluation of technical programmes and projects. Furthermore, the membership of all the panels would jointly provide a valuable cross-section of opinion representing the various sectors of industrial activity for the assessment of over-all questions of industrialization.

11. Members on these panels would receive for their services a small annual retainer plus travel and per diem when minor research or fact-finding has to be undertaken.

(b) Ad hoc technical working groups

12. In certain circumstances, such as the need to undertake a major survey in a specific branch of industry or to assess the applicability of certain technological developments, it may be desirable to bring together for a short session an ad hoc working group of high-level experts. Depending upon the specific requirements and circumstances, members of these working groups (about ten to fifteen experts) might be drawn either from the panels of scientific and technical advisers or may be entirely independent specialists. Such ad hoc working groups could be called on to deal in particular with technical subjects prior to their submission to the Committee for Industrial Development, so as to provide the Committee with an authoritative technical evaluation of the work of the Centre or other units as well as an assessment of the general orientation and progress within the respective field.

### Collection and dissemination of technical data

13. For this purpose, a reference unit within the Centre and an appropriate documentation service would be necessary. Furthermore, in order to deal with the great mass of technical information that developing countries may have to use, it may be necessary to provide assistance to them in establishing or strengthening appropriate technical information services. It may also be desirable to consider the organization of a training programme for information officers from the developing countries. Activities in these directions will necessarily call for additional staff as well as the provision of necessary services and materials.

### Institutional development for industrialization

14. One of the important areas in which assistance is particularly required by the developing countries is the establishment and strengthening of national and regional institutions such as industrial development boards, programming offices, industrial promotion centres, and engineering and technological institutes that can provide special stimulus to the growth of industry within each country. In this respect the Centre's role would be mainly that of building adequate links between those in the developing countries directly concerned with promoting industrial development and those in the advanced countries whose experience and network of institutional arrangements may be of particular value. The mechanisms involved here would include such arrangements as the establishment of special points of contact (correspondents) in the developing countries and the undertaking of projects with joint financial participation.

### World industrial development survey

15. This would be a most valuable instrument for providing a comprehensive assessment of developments of significance for the industrialization programme of the developing countries and to provide an over-all review of the progress that is being achieved in this direction. Closely connected with such a periodic survey is the building up of a body of factual knowledge, different from technical data but related to the mechanisms of the industrialization process (institutional aspects, governmental plans, aid programmes, matters related to managerial know-how, training and industrial financing), which would provide a useful basis for dealing with the problems of industrial development in their specific setting. The collection and dissemination of this type of information would require the follow-up of developments related to industry.

16. The Centre would also undertake the publication of an industry fact sheet for the dissemination of the factual data mentioned above, including information on the activities of the organizations within the United Nations system in the various fields of industry.

### Co-ordination and guidance of the activities of the United Nations system

17. To carry out effectively these functions the Centre would require a small group of staff members to work closely with the specialized agencies on matters relating to industrialization. Such staff could also be seconded to the agencies

reporting to the Committee for Industrial Development and the Economic and Social Council on the activities of the United Nations system of organizations in the field of industrial development.

18. To give effect to the Centre's role as a focal point for the United Nations efforts in the field of industrial development, would require that it be represented at the meetings of technical committees and scientific groups within the United Nations system on matters related to industrial development, and that joint projects or similar arrangements be established on problems of mutual concern to one or more of the specialized agencies and the Centre (as for example the problems related to a balanced relationship between industrial and agricultural development). Such arrangements would also entail an increase in staff resources of the Centre, and funds for travel.

19. The programme for the expansion of the Centre's activities set out above should be regarded as a whole in which the various activities are closely inter-related and mutually supporting.

Financial requirements

20. From the foregoing it will be clear that for the Centre (at Headquarters as well as in the regional secretariats) to play a dynamic role, as called for in the draft resolution, a significant increase in the level of the resources currently available to it is necessary. It is estimated that the increase required would be of the order of \$1,100,000 for 1965. This amount would cover the following main items:

- (i) Staff, salaries, related allowances, recruitment travel and common staff costs . . . . . \$ 500,000

The total of twenty-seven staff comprises: some eight Professional Staff for the operational activities described in paragraphs 8 and 14 above, three Professional Staff for servicing the technical panels and working groups referred to in paragraphs 9 to 12, four Professional Staff for the collection and dissemination of information (para. 13), six Professional Staff to initiate work in the surveys of industrial development at the world level (paras. 15 and 16) and some six Professional Staff for performing the functions referred to in paragraphs 17 and 18 above. A complement of twenty-seven General Service posts (secretaries, statistical clerks) are required to service these Professional Staff and the technical advisers and consultants proposed.

- (ii) Honoraria, and incidental travel and per diem for panels of scientific and technical advisers . . . . . 200,000
- (iii) Travel to attend meetings and per diem for ad hoc technical working groups . . . . . 50,000



(iv)	Lump-sum provision for costs to the United Nations in respect of joint participation projects . . . . .	\$ 100,000
(v)	Materials, publication and printing for technical reference service, industry, fact-sheets, etc. . . . .	40,000
(vi)	Short-term consultants to assist on specific items of the work programme . . . . .	30,000
(vii)	Travel . . . . .	50,000
(viii)	Increase in senior advisers programme . . . . .	<u>130,000</u>
		<u>\$1,100,000</u>

21. Having regard to the fact that a substantial part of the programme proposals set out in the foregoing paragraphs relate to direct assistance to member Governments, it will be the Secretary-General's intention, in the event the draft resolution is adopted, to bring the programme proposals to the attention of the Technical Assistance Committee at its next session and seek its advice on the extent to which regular budget provisions for technical programmes (part V of the Budget) could be applied to industrial development activities, and base his revised estimates for 1965 on the advice of that Committee.

Resolution 3 (IV) adopted by the Committee (see chapter VII of the report, above, draft resolution II for action by the Economic and Social Council)

22. Draft resolution E/C.5/L.34/Rev.1, adopted by the Committee as its resolution 3 (IV), inter alia declares that "there is an urgent need to establish a specialized agency for industrial development within the framework of the United Nations family", and requests the Secretary-General "to prepare a study on the scope, structure, and functions of this agency, including draft statutes and information on the steps required to bring such an organization into operation...". Such a study is to be submitted to the nineteenth session of the General Assembly.

23. The preparation of a study of the nature called for may require the use of consultants and some travel by senior officials of the Secretariat for consultations with the regional secretariats and the specialized agencies interested in the field of industrial development. The Secretary-General would hope that he can, within the total resources available for 1964, meet these expenditures.

24. As regards the specialized agency itself, it is assumed that its organization and functions would be comparable to those already existing in the fields of health, labour, education or agriculture. The current annual budget levels for the specialized agencies working in these fields are:

Food and Agriculture Organization of the United Nations	- \$19,500,000
International Labour Organisation	- \$17,000,000
United Nations Educational, Scientific and Cultural Organization	- \$20,000,000
World Health Organization	- \$34,000,000

## Annex VI

### CONDENSED VERSION OF THE STATEMENT MADE BY THE COMMISSIONER FOR INDUSTRIAL DEVELOPMENT AT THE OPENING MEETING OF THE COMMITTEE, ON 2 MARCH 1964

During the past year, a considerable portion of the resources of the Industrial Development Centre were devoted to the preparatory work of the United Nations Conference on Trade and Development. A number of studies prepared by the Centre have dealt with the role of exports of manufactured goods in the process of industrialization of the developing countries, particularly in augmenting foreign exchange receipts. The prospects for the exports of manufactures from developing countries and the adoption of measures in the importing as well as the exporting countries for their promotion will be one important subject to be taken up by the Conference on Trade and Development when it is convened. Although it is early at this stage to anticipate the conclusions of the Trade Conference, it is likely that the Industrial Development Centre will be expected to provide follow up for certain activities related to trade in manufactured and semi-manufactured goods produced in the developing countries.

The Centre's activities in providing substantive support to the technical assistance and Special Fund programmes have shown a slight expansion. The establishment of a group of senior advisors has been a step in the right direction. It provides a basis for maintaining a minimum of promotional activity and permits a somewhat larger degree of flexibility. However, this is only a beginning. If a significant growth in promoting requests from the Governments for technical assistance is to be accomplished in line with recommendations of the Committee at its previous sessions, the number of advisors will have to be increased considerably. The experience obtained, so far, in this experiment indicates the need to modify somewhat the underlying concepts with regard to specializations required of the experts. It is becoming more necessary to recruit under this programme technical people with a general background, rather than narrower specialized expertise; in view of the fact that industrial development encompasses a large number of specializations, and in order to meet the requests of the Governments in specific fields of technology, it will be necessary to secure at relatively short notice the services of short-term experts in these highly specialized fields.

The process of industrialization is a highly complex one. It requires a new attitude on the part of the people and it is at the same time instrumental in changing existing attitudes. The formulation of an industrial development programme as a part of the over-all plan for development is itself affected by the current political and social considerations in the countries concerned. The establishment and operation of industries involves an interaction of many disciplines which themselves are subject to a large number of specializations and skills. In other words, industrialization implies a broad spectrum of requirements. Any effective assistance which the United Nations can give to the countries is then dependent on making their needs as specific as possible. In ascertaining the needs of the countries, much remains to be done. The systematic assessment of the needs in the field of industrial development will not only provide

direction to the United Nations effort, but will also help define the efforts required on the part of both developed and developing countries.

There has been an increase in the requests by the Governments for broad industrial survey missions such as those undertaken by teams of experts organized for Singapore, Burma, etc. Considerable work on the part of the Centre is involved in programming and organizing such missions. On the other hand, there are a large number of technical assistance requests of a short-term nature. They are related to immediate problems arising in connexion with the implementation of specific programmes or the establishment of physical facilities for industrial production. While the longer term projects may indeed form the bulk of the assistance delivered and make up the larger parts of expenditures under the programmes, it is these short-term requirements which are of a particularly crucial importance in solving a number of bottle-necks. It is also in relation with our ability to meet these short-term requests of Governments in good time that sometimes sensitive attitudes and situations arise. While there is no doubt that an "across the board" increase in the over-all operational activities is required, very close attention will have to be devoted to our ability to meet requests for assistance on short notice. One step in that direction has been the establishment of a group of senior and regional advisors in industry. However, as I have already pointed out, their number is too small to serve the needs for assistance arising over the wide range of industrial problems, even within a number of key sectors. To be able to respond to such requests from Governments, it would be necessary to establish a system of continuous contacts with the countries and to maintain close liaison with the various individuals or institutions in each country who are actively engaged in the industrialization effort. This has been recognized by the Committee in previous sessions. Closer contacts between the Industrial Development Centre and the developing countries would naturally be useful and necessary for improving and expanding the aid operations financed through the technical assistance programmes and the Special Fund.

Another important aspect in this connexion is the large variety of subjects on which the Centre may be called by Governments to provide assistance. Appropriate servicing would thus require a highly diversified machinery capable of handling and evaluating requests in each of a large number of technical fields. Ad hoc establishment of such machinery may not be feasible even with much larger resources than are available at present to the Centre. However, as in any operational situation, a certain equilibrium between the over-all size of the operation and the resources devoted to servicing it is essential. In this particular case, the solution would have to be approached from both ends; on the one hand, because of the discontinuities involved, the servicing machinery cannot be below a certain minimum size. On the other hand, to make full use of this machinery, the over-all size of the technical assistance programmes in industry would have to be increased considerably. Until such minimum levels are achieved, the whole operation will perforce continue to function at less than optimum efficiency.

In the last few months I had occasion to visit a score of developing countries in Africa, Asia and the Far East. These visits, though short, were extremely instructive for me, particularly because of the opportunity they provided for meeting the people, in and outside government, directly concerned with industrialization efforts. There is no doubt that the results achieved in industrialization so far vary greatly from one country to another and that any

generalization would greatly over-simplify reality. But quite apart from the degree of industrialization already achieved or even the degree of success in implementing existing industrial programmes, I could not help detecting, in general, a certain dissatisfaction with current efforts. This feeling of inadequacy, curiously enough, seems to parallel the sense of dissatisfaction with our own efforts which has been evidenced in United Nations discussions and found its latest expression in resolution 1940 (XVIII) of the General Assembly. There is no doubt that the very complexity of the process of industrialization is in large measure responsible for this uneasiness. But the case cannot be left resting there. New ways of action more adequate for coping with the inherent difficulties in this field will have to be found. Perhaps the Gordian knot in the field of industry, whether at the national or international level, is represented by the need to maintain an effective balance between the essentially integrated approach required in terms of an over-all policy framework and the myriad of individual factors and specialized activities requiring decisions for implementation within a complex structure of authority and interests not particularly limited to purely economic or technical considerations.

Some adjustments in the approach and procedures of work of the Industrial Development Centre, as well as additional and more flexible resources will be necessary, in particular:

(1) Ways and means should be found to establish direct and close contacts between the Centre and the developing countries so as to follow their industrialization efforts, ascertain their requirements and evolve a realistic approach to programming United Nations aid to them, which would be best fitted to their specific situations.

(2) We have to develop better contacts with the agencies and institutions interested in the industrialization of the developing countries which exist in the advanced countries whether public or private, academic, professional or business.

(3) The activities of the Industrial Development Centre should, as much as possible, be directed towards the promotion of the flow of financial and technical aid in the field of industrialization to the developing countries out of the existing resources and towards the better utilization of the national and foreign resources that may be mobilized for this purpose. The establishment and strengthening of national institutions, both private and public, in the developing countries concerned with industrial policies and decisions is most essential.

The multiplicity of channels through which various types of technical and financial assistance for industrial development are being and can be provided has been frequently noted. The Centre is aware that its own activities, including those for which it is responsible through the United Nations technical assistance programme and the Special Fund, represents only a fraction of the total sources of assistance. But, its central position should, it is felt, permit it to make a useful contribution not merely in relation to those activities for which it is directly responsible, but also in forming a consistent and integrated view of the totality of assistance being brought to bear on a particular country or region from the multiplicity of available sources. It can thus identify gaps in the structure which may be filled not necessarily by itself but by others who are particularly qualified to do so.

In the past, emphasis has been placed on the desirability of developing a system for the exchange of information relating to the processes of industrial development. The country reporting system, whose full coverage should include both advanced and developing countries, would make it possible to implement that proposal on a much wider scale. At the same time efforts will have to be made to build up a body of factual knowledge different from technical data but closely related to the mechanisms of the industrialization process, which should provide a foundation for dealing with the problems of industrial development in their specific setting and for following developments related to industry throughout the world. This together with the country reporting to be undertaken in connexion with the industrial development symposia may eventually lead to a world industrialization survey, to be published at intervals of one or two years. It could contain, in addition to factual information, an analysis of the major trends leading to an assessment of the over-all progress in this field. Pending the development of such a world survey it might be possible to undertake at an early date the publication of a brief fact sheet at more frequent intervals, which would contain current information on developments concerning industry in the advanced as well as in the developing countries, developments related to the activities of the Centre, the regional economic commissions and the specialized agencies and possibly other international organizations and institutions.

The network of contacts with Governments and organizations may also be extended to include the kind of promotional work that the Committee proposed at its last session for the purpose of expanding the operational programmes. It may be further supplemented, for the specific purpose of aid programming, by seconding a staff member or a consultant of the Centre to assist for a short period the resident representatives of TAB in the preparation and review of technical assistance programmes in the field of industry. The network of contacts with developing countries would also serve the basic purpose of dissemination of technical information concerning data on requirements for specific industries, advice on sources of technical and managerial know-how and appraisal possibilities of available assistance for a variety of specific purposes.

In summary, the basic problem we are facing has two aspects. On the one hand, there is a need to increase the resources of the Centre and the flexibility of their utilization so as to achieve a minimum operational viability. On the other hand, since we are not likely to reach in the near future a level which will permit the Centre to attend directly to the large number and variety of problems involved in industrialization, it will be necessary to devise new ways of utilizing the available resources so as to achieve a multiplier effect by using them as an activating and promotional force rather than attempting to cover inch by inch the vast areas involved.

I would like to take this opportunity to submit some views on how the international symposium on industrialization, referred to in General Assembly resolution 1940 (XVIII), can not only clarify the various problems I have posed before this Committee, but also provide a sound basis for initiating work in certain important areas. The work culminating in the international meeting may help to add to the knowledge of the complexities involved in the process of industrialization and thereby facilitate concerted national and international action in attacking various problems involved in the process of rational and accelerated industrial development. It will be an opportunity, I am sure, for

the countries themselves to look back on their efforts and to project their requirements for aid and international assistance. From the point of view of international organizations, the symposium will provide a better opportunity to assess the nature and validity of the needs of the developing countries. As I had indicated earlier, the appreciation of the needs will provide a certain sense of depth and reality to the work of the United Nations and other organizations active in assisting industrial development. The international symposium on industrialization will help to focus world attention on the problems of industrial development.

There would have to be a number of studies covering the major industrial sectors in terms of the world-wide situation as regards output, markets, supply of raw materials, changing technology, etc. A precise knowledge of the circumstances prevailing at present in the various industrial sectors and the major trends of their future development would seem an indispensable element of judgement in the formulation of industrialization projects in each country or region. Such studies may be prepared jointly with the Economic Commission for Europe and the industrially advanced countries, giving experiences and programmes of bilateral aid towards the industrialization of the developing countries, and indicating measures to mobilize those efforts so as to achieve the maximum impact and effectiveness. It is not only a question of increasing amounts of aid, but it is also important to make the maximum use of available opportunities and to assure the most rational and effective utilization of the facilities, both private and public, which have been established in the advanced countries in coping with their own problems of industrial development and in implementing their programmes of aid.

The regional symposia would review the country surveys and, where appropriate, would view within a regional context certain aspects of industrial development. The international symposium will review the results of the deliberations of the regional symposia and take up the problems that arise within a broader context. Thus, the international meeting will have before it not only a complete and realistic picture of the experiences and prospects of the developing countries, but also a picture of the full range of the relevant experiences, instruments and facilities which are available in the advanced countries. From the confrontation of these two sets of data, the concerted action that must result from such confrontation would serve not only for the most economical and efficient utilization of past experiences and existing means, but should help the developing countries to have a better appreciation of the broad spectrum of problems and activities involved in their own programmes of industrialization. They would gain a better knowledge, hence increasing accessibility to the services and facilities existing in the advanced countries, interested in the industrialization of the developing countries.

The industrially advanced countries, on the other hand, through the international symposia and its preparatory studies and meetings would become better acquainted with the conditions and requirements of industrialization obtaining in the developing countries; and would consequently develop and improve their efforts and procedures in transferring technology and giving aid to the developing countries.

The establishment of the Industrial Development Centre itself as a focal point for co-ordination of the activities of the United Nations system in the field of industry affords an illustration of the concern of the Committee and the Economic and Social Council for providing an integral approach to the problems of industrialization. On grounds of efficiency as well as because of the Centre's own extremely limited resources, it is the policy of the Centre to make use of the existing apparatus of the United Nations system of agencies whenever possible.

From my recent contacts with the regional commissions and the specialized agencies, I would say that there appeared to be no difficulties for achieving concerted action on any of a number of projects that lend themselves to joint or co-ordinated undertaking. But the general function of co-ordination may well go beyond the undertaking of joint projects. And for carrying out these responsibilities in the larger sense co-ordination becomes a specific function of the co-ordinating body. As such it requires the allocation of specific resources. In particular if we are going to make a serious effort at co-ordination of the far-flung activities of the United Nations bodies in so far as they relate to industry we will need to have an adequate capacity, in terms of staff resources, to follow, almost on a round-the-clock basis, developments under the various programmes which are being co-ordinated. At this point, there is a clear connexion between the functions of co-ordination and the establishment of a system of exchange of information and the development of a body of factual knowledge. I would further add that a third element that dovetails clearly with these two activities is the catalytic and promotional role that the Centre should be playing as a means of maximizing the use of its resources.

CONTENTS (continued)

<u>Chapter</u>	<u>Paragraphs</u>	<u>Page</u>
VI. ORGANIZATIONAL QUESTIONS . . . . .	119 - 164	31
Activities of the United Nations system in the field of industrial development . . . . .	119 - 124	31
United Nations machinery in the field of industrial development . . . . .	125 - 160	32
Resolution 2 (IV) . . . . .	160	47
Resolution 3 (IV) . . . . .	160	47
Inter-Sessional Working Group . . . . .	161 - 164	48
VII. DRAFT RESOLUTIONS FOR ACTION BY THE ECONOMIC AND SOCIAL COUNCIL . . . . .		49
ANNEXES		
I. List of delegations . . . . .		53
II. Terms of reference of the Committee . . . . .		67
III. List of documents before the Committee at its fourth session . . . . .		68
IV. General Assembly resolution 1940 (XVIII): Activities in the field of industrial development . . . . .		72
V. Financial implications of the resolutions adopted by the Committee at its fourth session . . . . .		74
A. International and regional symposia on industrial development . . . . .		74
B. United Nations machinery in the field of industrial development . . . . .		75
VI. Condensed version of the statement made by the Commissioner for Industrial Development at the opening meeting of the Committee, on 2 March 1964 . . . . .		80



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