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UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

Second General Conference of the United Nations
Industrial Development Organization

Report of the Executive Director

1. The General Assembly, in resolution 3087 (XXVIII) of 6 December 1973, took note of the recommendations of the Industrial Development Board at its seventh session relating to the Second General Conference of UNIDO 1/ and of the report of the Executive Director of UNIDO (A/9072) on the progress of the preparatory work for the Conference and requested the Board and the Executive Director to report to the General Assembly at its twenty-ninth session, through the Economic and Social Council, on the further progress of the preparatory work for the Conference.
2. Acting as intergovernmental Preparatory Committee for the Second General Conference, in accordance with General Assembly resolution 2952 (XXVII) of 11 December 1972, the Permanent Committee of the Industrial Development Board, at its third session, in December 1973, reviewed the preparatory arrangements for the Second General Conference. The Committee gave special attention to the guidelines set down in paragraphs 2 and 3 of General Assembly resolution 3087 B (XXVIII) and, in particular, their bearing on the documentation for item 6 of the provisional agenda of the Conference. 2/ The Committee also considered the need for additional financial resources to carry out proposed activities related to the preparation of the Conference and adopted by consensus a statement in which the Permanent Committee, inter alia, asked the Executive Director of UNIDO to transmit to the Secretary-General a request for an additional allocation of funds in 1974 for this purpose amounting to \$260,000 (see ID/B/139 and Corr.1, paras. 76-125).

* A/9700.

1/ See Official Records of the General Assembly, Twenty-eighth Session, Supplement No. 16 (A/9016), chap. III.

2/ Ibid., para. 67.

3. Further, the Permanent Committee established an intergovernmental sub-committee, consisting of 11 members, to assist it in carrying out the functions of the Preparatory Committee between the third and fourth sessions of the Permanent Committee. The intergovernmental sub-committee held three meetings, in December 1973, February 1974 and March 1974, and reported (ID/B/C.3/L.19) to the Permanent Committee at its fourth session.

4. The Permanent Committee at its fourth session, in April 1974, and the Industrial Development Board at its eighth session, in May 1974 (concurrently the third and fourth sessions of the Preparatory Committee (see ID/B/145)), discussed administrative arrangements for the Second General Conference, action to be taken by the UNIDO secretariat in preparation for the Conference, in particular in respect of documentation, and future arrangements for intergovernmental consultations with, inter alia, regional commissions and other regional bodies or groupings. It was considered that, as adequate preparation for the Conference was vital to its success, appropriate arrangements should be made for intergovernmental consultation between the end of the fourth session of the Preparatory Committee and the opening of the Conference. The Board decided that the fifth session of the Preparatory Committee should be held in December 1974 and January 1975, coinciding with the fifth session of the Permanent Committee. During this session, appropriate facilities would be provided for meetings of regional groups. 3/ In the period between the fourth session of the Preparatory Committee in April 1974 and the fifth session in December 1974, the representatives of the various regional geographical groups and the officers of the Board would remain in contact with one another in order to deal with any problem that might arise; the President of the Board would assume responsibility for initiating any necessary consultations among them. At the fifth session of the Preparatory Committee, consideration would be given to further arrangements for continuous intergovernmental consultation, including the possible revival of the intergovernmental sub-committee (see ID/B/145, para. 45).

5. At the third and fourth sessions of the Preparatory Committee, a preliminary exchange of views took place on action arising out of paragraphs 2 and 3 of General Assembly resolution 3087 B (XXVIII) and the preliminary note, entitled "Preparatory arrangements for the Second General Conference of UNIDO - Suggestions for a comprehensive plan of action", prepared by the UNIDO secretariat (ID/B/L.167) in that connexion. The opportunity that would be afforded by the Second General Conference to re-examine the activities of UNIDO in the light of the new economic relationship that was emerging between the developed and the developing countries was welcomed. The Conference would make it possible to open the way to more rapid development through the establishment of the basic principles for an international declaration on industrial development and co-operation and the formulation of a comprehensive plan of action for assisting the developing countries, in particular the least developed among them, in their efforts to accelerate their industrialization and achieve a more equitable share of industrial activity in the context of a new international division of labour related to industry.

3/ Ibid., Twenty-ninth Session, Supplement No. 16 (A/9616), para. 221.

6. The Preparatory Committee for the Second General Conference also attached importance to item 8 of the provisional agenda, which deals with the institutional arrangements of UNIDO. It noted, in that connexion, Industrial Development Board resolution 42 (VIII) of 13 May 1974 in which, inter alia, the Board recommended that the relevant sections of the reports of the Group of High-Level Experts on a Long-Range Strategy for UNIDO (ID/B/133) and of the Ad Hoc Committee on a Long-Range Strategy for UNIDO (ID/B/142 and Corr.1) should be referred to the Second General Conference together with a full report on the discussions and decisions of the General Assembly on that matter. The Committee took note of the fact that the report of the Secretary-General, called for by the General Assembly in resolution 3086 (XXVIII) of 6 December 1973 and referring to Industrial Development Board decision II (VII) of 14 May 1973 on the administrative autonomy of UNIDO, would be relevant.

7. In the preparation of the documentation for the Conference relating to items 6 to 9 of the provisional agenda, the opinions expressed by the States Members of the United Nations or members of the specialized agencies or of the International Atomic Energy Agency will be taken into account and specific summaries of their points of view and comments will be provided.

8. In addition, the UNIDO secretariat will make available, for the fifth session of the Preparatory Committee, a revised version of its note (ID/B/L.167) containing factual and analytical material for the preparation of a plan of action and a note containing a compilation of basic principles of industrial development and co-operation relating to industrialization, as contained in various resolutions and declarations, other relevant documents that have been adopted by regional or international meetings and statements submitted to the UNIDO secretariat by States Members of the United Nations or members of the specialized agencies or of IAEA.

9. Meetings at the ministerial level relating to the Second General Conference have been held or are planned in the four developing regions. The Second Conference of African Ministers of Industry, which was convened at Cairo in December 1973, adopted a declaration entitled "Industrialization in Africa: principles and guidelines for co-operation and development" which will be transmitted to the Second General Conference. The Third Conference on Industrial Development for Arab States, which met at Tripoli in April 1974, adopted a number of recommendations and a declaration which will be transmitted to the Second General Conference. Meetings are being scheduled in October and November 1974 for the ECAFE and ECLA regions. UNIDO is also maintaining contact with the Council for Mutual Economic Assistance (CMEA), the European Economic Community (EEC) and the Organisation for Economic Co-operation and Development (OECD), which have indicated their preparedness to contribute to the Conference. Conference documents are being prepared jointly with FAO and with the ILO.

10. The major importance of industrialization in the development process was recognized in the deliberations of the General Assembly at its sixth special session, which was devoted to questions of raw materials and development. The Programme of Action on the Establishment of a New International Economic Order (resolution 3202 (S-VI) of 1 May 1974, adopted at the session, included a section on

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industrialization (section III) in which the General Assembly requested that all efforts should be made by the international community to take measures to encourage the industrialization of the developing countries. Further, as part of an over-all review to implement the Programme of Action related to strengthening the role of the United Nations system in the field of international economic co-operation (section IX), the General Assembly requested that the Second General Conference of UNIDO and other relevant current or planned activities of the United Nations system should be so directed as to enable the special session of the General Assembly on development, called for under General Assembly resolution 3172 (XXVIII) of 17 December 1973, to make its full contribution to the establishment of the new international economic order.

11. The Industrial Development Board, in resolution 43 (VIII) of 14 May 1974, requested the Executive Director to submit a report to the Permanent Committee at its fifth session on the possible role, activities and programmes of UNIDO for fulfilling the objectives set out in the Declaration on the Establishment of a New International Economic Order and the Programme of Action on the Establishment of a New International Economic Order, as adopted by the General Assembly in resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, particularly where those objectives were also recommended for action in the report and conclusions of the Ad Hoc Committee on a Long-Range Strategy for UNIDO (ID/B/142 and Corr.1, para. 39).

12. The documentation to be prepared by the UNIDO secretariat for the Conference will also include a report on action relevant to the subject of the Conference arising from (a) the World Food Conference to be held at Rome in November 1974 and (b) the outcome of current negotiations for agreement on a draft Charter of Economic Rights and Duties of States, called for by the General Assembly in resolution 3082 (XXVIII) of 6 December 1973.

13. The Committee for Development Planning, at its tenth session, held at Vienna from 25 March to 3 April 1974, examined the principal aspects of industrialization in developing countries as the main substantive item on its agenda. ^{4/} Its report will be included in the documentation for the Second General Conference. The Ad Hoc Working Group on Appropriate Technology of the United Nations Advisory Committee on the Application of Science and Technology to Development, which met at Vienna in June 1974, decided that a document on industry and technology would be considered at its next meeting, in October 1974, for submission to the Second General Conference.

^{4/} Official Records of the Economic and Social Council, Fifty-seventh Session, Supplement No. 4 (E/5478).