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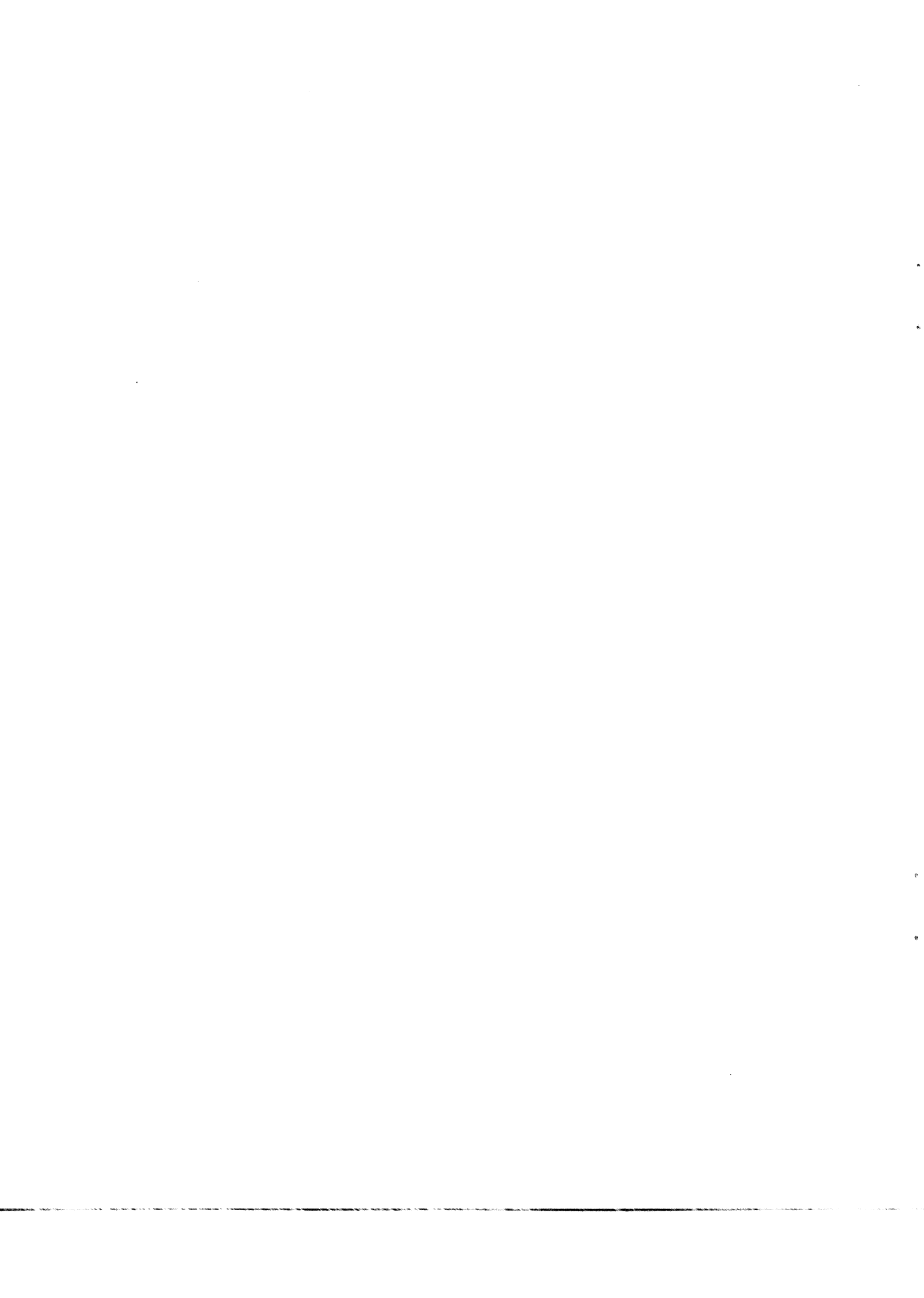
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LIBRARY & DOCUMENT SECTION
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**REPORT OF THE EXECUTIVE SECRETARY
ON THE ACTIVITIES OF THE COMMISSION**

**PROGRESS MADE IN THE IMPLEMENTATION OF THE
PROGRAMME OF WORK FOR THE BIENNIUM 1992-1993**

Assistance to existing industries



I. SYNOPSIS OF THE PROGRAMME AND ITS OBJECTIVES

1. In accordance with the requirements of industrial development in the region and with the wishes and priorities of officials in the region, the Industry Division of ESCWA has created the industrial development programme element "Assistance to existing industries", which aims at assisting member States to achieve high levels of industrial productivity by improving ways in which the available productive capacities are used and by providing assistance through diagnostic field studies which aim at confronting issues and obstacles facing industrial plants.

II. PROGRAMME OUTPUT

2. This programme element aims at providing technical assistance and does not include financing the purchase of equipment or raw materials. The programme output consists of diagnostic studies which include the following:

(a) Thorough examination and analysis of the technical, administrative and marketing aspects of the industrial plants in order to become acquainted with the problems which they face and to determine the causes of those problems and obstacles;

(b) Recommendations for solving those problems and the measures which must be taken for that purpose, including the development of technological capacities and the training of staff;

(c) Providing assistance in defining supportive or corrective measures, such as technical guides and preparing training programmes;

(d) Follow up and assessment of the progress achieved in implementing the above-mentioned recommendations.

III. IMPLEMENTATION OF THE PROGRAMME

3. The implementation of the programme begins when ESCWA is requested by the Government of one of its member States to provide technical assistance to a specified industry. Upon receipt of the request, ESCWA takes the following steps:

(a) First phase

(i) An exploratory field visit is undertaken by one or more of the regional advisers of ESCWA to diagnose existing problems, to discuss with the concerned authorities ways of overcoming those problems, and to determine the requirements for doing so as well as the obligations of each side, including the financial aspects.

(b) Second phase

(i) Establishment of a working group of ESCWA regional advisers and experts in the relevant fields;

- (ii) The working group thus constituted conducts field visits to the concerned industrial plants. A detailed diagnostic field study is then prepared, a more accurate assessment is made of the problems facing the plant, and the reasons for those problems are determined;
- (iii) Preparation of a draft report which includes conclusions, recommendations for dealing with the problems at hand;
- (iv) Preparation of the final report in the light of the discussions held with the concerned authorities regarding the draft report, and formulating a plan to confront the problems and obstacles in the light of the conclusions and recommendations contained in the report.

(c) Third phase

- (i) Implementation by the beneficiary of the plan, including the recommendations, with the assistance of ESCWA; that is, the implementation of the solutions proposed in the second stage;
- (ii) Follow-up and assessment by ESCWA of the progress achieved in the implementation of the plan.

4. ESCWA implements these activities in the light of the available financial resources and in the light of the financial contribution made by the concerned industrial plants, member States, Arab funds and financial institutions.

IV. AREAS COVERED BY THE PROGRAMME

5. The programme covers existing industries, although preference is given to national industrial projects and major industrial projects.

6. The programme will include all industrial sectors in the long run. In the short term, priority will be given to industries facing major problems, subject to the availability of funds.

7. The programme covers private- and public-sector projects, but any request for assistance to a private industrial plant must be made by an official authority in the concerned country, as is the case for public-sector projects.

V. MAIN ACTIVITIES IMPLEMENTED

8. Since this activity was resumed in 1993, the Industry Division has provided assistance to existing industries in the region through its experts. The most important activities carried out in this respect are the following:

(a) A mission was undertaken during the period 10-23 May 1993 to the United Arab Emirates at the request of the General Industry Corporation in Abu Dhabi, during which field visits were made to the following industrial plants:

Al Ain Cement Factory

Al Ain Mineral Water Bottling Factory

Abu Dhabi Flour and Animal Feed Mills
Abu Dhabi Plastic Pipe Factory

The examination of production in those factories of the relevant documents, data and reports, in addition to the detailed discussions which were held with the managers of those factories and at the headquarters of the General Industry Corporation led to the formulation of a number of recommendations which included the need for detailed studies to be undertaken by specialized consultancy agencies about several issues including determining modalities of work in one of the production lines at the Al Ain Cement Factory in order to save energy, increase productivity and reduce pollution. Among the recommendations was also the need to open channels of communication with scientific and technological circles, and with similar plants in the Gulf area so as to share expertise and cooperate in overcoming similar problems faced by those plants. It is also intended to follow up the implementation of these recommendations; the other factories of the Corporation will also be visited, and reports will be prepared. In addition, specialized consultancy services in ways of operating cement furnaces, will be provided for a limited period of time.

(b) A mission was undertaken to the Syrian Arab Republic during the period 6-8 April 1993, and contacts were made with the General Enterprise for Cement at the request of the Ministry of Industry. During this mission, the requests made by the competent authorities in the Syrian Arab Republic were discussed, as was the assistance which ESCWA could extend in accordance with the available means and the priorities of the competent Syrian authorities. It was also agreed during the visit to begin providing consultancy services as soon as possible and to give priority to the training and development of human resources through the following:

- (i) Organizing training courses in the cement industry in order to develop technical capabilities at various levels, with the participation of foreign and local cadres;
- (ii) Making efforts to upgrade the qualifications of all workers in the cement industry through training courses, specialized workshops, and other activities undertaken by international and regional organizations;
- (iii) Striving to benefit from the services of the training centre for the cement industry at the General Enterprise for Cement, after examining its activities. In order to diagnose the existing problems and propose ways of dealing with them, it was agreed that two regional advisers in industrial development and science and technology would make field visits to a number of cement factories and training and industrial research centres in Damascus in order to prepare a report on the productivity, the technological level and the training process in that industry, which would facilitate the formulation of a practical programme of assistance from ESCWA and other relevant organizations. In addition, there is the possibility for ESCWA advisers or experts appointed for that purpose to participate in the evaluation of the situation in other industries in the Syrian Arab Republic in order to provide consultancy services to the paper factory at Deir Azzour, to study the possibility of finding alternatives to raw materials and to production technologies.

(c) A visit was made to Lebanon during the period 28 June - 13 July 1993, at the request of the Beirut Chamber of Commerce and Industry, in order to examine production and technology in a number of industrial plants, to identify the main problems facing those plants, and to assist the Chamber in carrying out a comprehensive field survey of the member industries.

- (i) In this respect, after examining the preliminary survey forms prepared by experts from the Chamber and the results of previous surveys, and in the light of the goals set for the survey and the extensive discussions which were held with the concerned parties, new forms were prepared to survey the following sectors:

Industry

Commerce

Financial institutions (banks, exchange offices, insurance companies)

Transport and freight

Professional and consultancy services.

- (ii) Field visits were made to various industrial plants, which included the Lebanese Company for Chemicals and Fertilizers, a paper factory, a detergent and perfume factory, a ready-made clothes factory, an audio cassette factory, a leather goods factory and a stocking factory. The managers of those factories were made aware of remarks about productivity which resulted from the visit, and the Chamber was presented with a report on this subject which included several remarks about the problems currently facing Lebanese industries. A number of recommendations on financing issues, rising costs and competition from imported goods were made.

VI. RESOURCES ALLOCATED TO THE PROGRAMME

9. In view of the limited resources allocated to this programme (the amount allocated from the regular budget for the biennium 1992-1993 was only US\$ 6,000.00), ESCWA met most requests from the budget for regional advisers and for that reason, consultancy services were limited to the first and second phases.

10. Since requests were received from Yemen, Qatar, the Syrian Arab Republic, Iraq and Lebanon, this activity will continue at the present pace in the foreseeable future. At the same time, ESCWA has prepared a project document aimed at including this activity in the UNIDO programme for Arab countries, and it is hoped that this project will be approved and that sufficient funds will be allocated to the textile-industry sector as a first step. In this case, the activities of the programme could be extended to cover all phases of implementation.