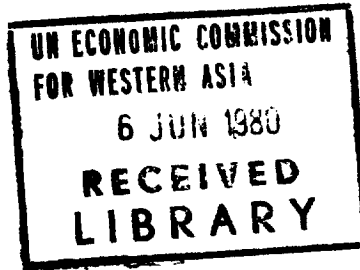




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THIRD GENERAL CONFERENCE OF THE  
UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

80-3125

THIRD GENERAL CONFERENCE OF  
UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

The Third General Conference of UNIDO was held at New Delhi (India) from 21 January to 8 February 1980. The involvement of ECWA in the preparation for this Conference started early in 1978 when the Industry Division undertook the responsibility of preparing jointly with UNIDO in-depth studies on industrial growth and its prospects in selected countries of the ECWA region. These studies covered Iraq, Jordan, Syria, Kuwait, Saudi Arabia, and Lebanon.

The efforts deployed by ECWA towards preparing the background documentation of the Conference were intensified when, at the request of the Industrial Development Centre for Arab States, (IDCAS) staff members of the Industry Division were called upon to assist in preparing the basic documentation of the Fifth Conference on Industrial Development for Arab States which was held in Algiers from 16 to 20 November 1979 in preparation for UNIDO III.

The General Conference of UNIDO convened at a particularly difficult time for the international community. A time characterized by galloping inflation, instability in the international monetary system, a continuously rising unemployment, food and energy shortages and widespread political unrest. Furthermore, the Conference was meeting against a background reflecting the very little and indeed insufficient progress made towards the attainment of the Lima target. Having achieved so little in the past, and in view of the widespread recognition of international interdependence, mutuality of interests and equality among countries, the international community was expected to come out in the Third Conference with a framework for international action capable of achieving the legitimate objectives of the developing countries. This, unfortunately, did not materialize. The Conference has indeed reviewed these economic forces that have contributed to the slow pace in changing the world industrial map, that are likely to influence further the

pattern of industrial growth over the next two decades. It has also recognized the need to rectify existing imbalances through restructuring of world industry. For that purpose, a number of approaches to international industrial cooperation were proposed. These related to trade, access to technology, new forms of production cooperation, finance and training. The Conference, however, failed to reach a consensus over appropriate forms of industrial cooperation that would involve specific action on the part of the advanced industrialized countries. Thus, the proposal of the Group 77 to ensure a substantial increase in the flow of additional resources from developed to developing countries through the establishment of a global fund with a total capital reaching \$ 300 billion by the year 2000, has been rejected by the developed countries. Furthermore, most of the measures and action proposed by the Group of 77 in the priority areas of industrial technology and trade did not meet the approval of the majority of developed countries.

In spite of the inability of the Conference to reach agreement on international action in various crucial areas, it has nevertheless succeeded in formulating a plan of action which established specific guidelines for the continued action of United Nations agencies to develop and carry out new measures for international industrial cooperation with a view of restructuring of world industry in the context of the New International Economic Order. Some of the elements included in the Plan of Action are of particular relevance to ECWA and would certainly provide guidance for future action on the part of its secretariat. These include:

- (a) The disaggregation of the Lima global target into mid-term regional as well as sectoral targets for major industrial sectors;
- (b) Widening the scope of the System of Consultations to cover all important industrial sectors and include global consultations on industrial financing, industrial technology, manpower development, and other major topics. At the request of the countries concerned, hold regional and inter-regional consultations.

It is worth clarifying, in this connexion, that the system of consultation is the proposed instrument through which the United Nations Industrial Development Organization (UNIDO) is to serve as a forum for developing and developed countries in their contacts, consultations and, at the request of the countries concerned, negotiations directed towards the industrialization of developing countries.

Consultations at the regional level may cover in particular:

- (i) Problems related to the industrial development of the region;
  - (ii) Any topic or industrial sector relevant to the region with a view of enabling the states within the region to undertake concerted action;
  - (iii) Any topic or industrial sector on which sectoral or global consultations have been held, in order to facilitate the implementation at the regional level of any recommendations formulated herein.
- (c) Promoting the establishment and strengthening of production capacities in basic, integral and processing industries to meet the requirements of population in developing countries and to rapidly develop local production.
- (d) Adoption of appropriate industrialization policies and strategies with a regional outlook aimed at creating complementarities of industrial growth, through the development on a regional or subregional basis, of a wide range of productive capacities in capital, intermediate and consumer goods and technological capacities in engineering, chemical and electric equipment industries.
- (e) Strengthening the cooperation among developing countries through the setting up of multinational production enterprises among them and extending their scope on the basis of complementarity.

(f) Formulating and implementing medium and long-term national manpower development strategies to train and up-grade the human resources that are necessary for industrialization as a major element of national economic planning.

(g) Take the necessary measures to accelerate the implementation of the decision taken by the Industrial Development Board at its twelfth Session on the sending of a group of experts to the West Bank and the Gaza Strip to carry out a full study with a view to the development of existing industries, and the identification of new industries to be established, in order to improve the economic and social situation of the inhabitants of these regions, with the aim of allowing the Palestinian people to participate in giving effect to the provisions and guidelines of the Lima Declaration.

At this point, it is worth emphasizing that the carrying out of the Mandates of the Third Annual Conference of UNIDO would require the active cooperation of the member states of the Commission with the secretariat of ECWA and other organizations of the United Nations system.

At the level of the secretariat, steps will have to be taken to ensure that its activities as well as programme of research will be carried out to make a maximum contribution to implementing the New Delhi Plan of Action. Thus, additional resources will have to be devoted to formulate, in cooperation with UNIDO regional and sectoral targets within the context of Lima's global target. Furthermore, the necessary studies on sectors and topics covered by regional consultations should be initiated. The present efforts aiming at strengthening the industrial basis of the region and promoting regional cooperation will also have to be intensified. It is worth noting, in this connexion, that the secretariat of ECWA proposes to expand further its on-going work on industrial regional integration strategies and policies including the identification of inter-country projects in the field of capital goods and engineering industries. The possibility of setting up a UNDP assisted project for that purpose is under

consideration. Possibilities of coordinating industrial development efforts between the developing countries or regions should be given more consideration. In this connexion, it is worth referring to the cooperation that has recently started between ECWA and ESCAP with a view to promoting South-South dialogue. It is envisaged that such dialogue will continue in the future and will extend to cover other regional Commissions.

Finally, greater attention will have to be given to the identification, in cooperation with ILO, of priority topics and sectors for industrial training on the basis of the needs of the region.

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