

**No. 999**

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**UNITED NATIONS  
(UNITED NATIONS INDUSTRIAL  
DEVELOPMENT ORGANIZATION)  
and  
LATIN AMERICAN ECONOMIC SYSTEM**

**Note of Agreement (with annex). Signed at Caracas on  
27 February 1985**

*Authentic text: English.*

*Filed and recorded by the Secretariat on 1 March 1988.*

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**ORGANISATION DES NATIONS UNIES  
(ORGANISATION DES NATIONS UNIES  
POUR LE DÉVELOPPEMENT INDUSTRIEL)  
et  
SYSTÈME ÉCONOMIQUE LATINO-AMÉRICAIN**

**Note d'accord (avec annexe). Signée à Caracas le 27 février  
1985**

*Texte authentique : anglais.*

*Classée et inscrite au répertoire par le Secrétariat le 1<sup>er</sup> mars 1988.*

UNIDO-SELA NOTE OF AGREEMENT<sup>1</sup>

In accordance with the content of the Note of Intent signed by the Executive Director of the United Nations Industrial Development Organization (UNIDO) and the Permanent Secretary of the Latin American Economic System (SELA), in Vienna, Austria, in August 1984 on the occasion of the Fourth General Conference of UNIDO, a Work Session was held between both Secretariats during the visit by Dr. Abd-El Rahman Khane to the Permanent Secretariat of SELA in Caracas, from 26 to 27 February 1985.

On that occasion, both Secretariats reiterated their agreement to intensify co-operation and harmonize their efforts towards industrialization in Latin America.

To co-ordinate the co-operative actions agreed on, it is hereby agreed to set up an Inter-Secretariat Working Party which will meet annually.

The talks led to the preliminary identification of a range of activities for co-operation among both organizations. In order to specify the form and specific content of that co-operation, as well as the resources needed, and based on the preparatory work completed, it was agreed to hold a joint work session at the UNIDO Headquarters in Vienna, on a date to be set between the second half of April and the second half of May 1985.

The following preliminary areas have been [identified] as part of the initial activities of co-operation, as indicated in Memorandum No. 1:

- Industrialization in Latin America;
- Regional Consultation on industrial issues in Latin America and the Caribbean;
- A programme to strengthen state procurement of capital goods and engineering and consultancy services in Latin America and the Caribbean;
- Agro-industry development;
- Indigenous and empirical technology.

Caracas, 27 February 1985

[Signed]

Dr. ABD-EL RHAMAN KHANE  
Executive Director  
of UNIDO

[Signed]

SEBASTIÁN ALEGRETT  
Permanent Secretary  
of SELA

## UNIDO - SELA MEMORANDUM No. 1

By way of follow-up to the Note of Intent signed in Vienna on 17 August 1984, the Executive Director of UNIDO and the Permanent Secretary of SELA, meeting in Caracas on 26 and 27 February 1985, reached preliminary agreement on the following co-operative activities

<sup>1</sup> Came into force on 27 February 1985 by signature.

### I. INDUSTRIALIZATION IN LATIN AMERICA

Analysis and evaluation of the industrialization process in Latin America and the Caribbean, taking account of the industrial restructuring process in developed countries, its impact on the region's industrial structure and the requirements and guidelines necessary for restructuring the region's industrial sector. In this context, special preference shall be given to SELA's participation — in co-ordination with ECLAC and UNIDO — in the Regional Co-operation Programme for Industrial Restructuring. These studies shall be submitted for the consideration of the next regular meetings of the Latin American Council.

### II. REGIONAL CONSULTATION ON INDUSTRIAL ISSUES

Preparation of possible regional consultation in sectors of interest to Latin America and the Caribbean.

### III. PROGRAMME TO STRENGTHEN STATE PROCUREMENT OF CAPITAL GOODS AND ENGINEERING AND CONSULTANCY SERVICES IN LATIN AMERICA AND THE CARIBBEAN

*General Objective:* To promote regional co-operation in state procurement of capital goods and engineering and consultancy services originating in Latin America.

#### *Principal Actions of the Programme*

a) Possible establishment, within the SELA framework, of a mechanism for canvassing information on engineering and consultancy and capital goods manufacturing firms in the region, organized on a sectoral basis and endowed with facilities for the standardization and systematic updating of the information, so as to render it uniform and comparable.

*Objective:* Providing a regional focal point for information on the region's consultancy and engineering and capital goods manufacturing firms.

b) Design of a mechanism to gather and distribute information on demand for consultancy and engineering services and capital goods in the region.

*Objective:* To promote regional, subregional and national procurement.

c) Preparation of a study on methods for the breakdown of technologies in investment projects.

*Objective:* That the findings of the breakdown may be considered for inclusion in the terms and conditions for public bidding, thus facilitating participation by Latin American machinery and equipment manufacturing concerns and engineering and consultancy firms.

d) Conducting a study on international and regional experience in the matter of Subcontracting Exchanges and steps for their region-wide establishment among capital goods manufacturing and Consultancy and Engineering firms.

*Objective:* To stimulate the intraregional market for the purchase and sale of technology and capital goods and to foster greater horizontal integration by means of subcontracting among capital goods concerns and engineering and consultancy firms.

### IV. CO-OPERATION IN AGROINDUSTRY

*Objective:* Support for the Co-operation Programmes for Latin America's agroindustrial development, with emphasis on the Central American subregion, and within the framework of the objectives and work programmes of the Action Committee in Support of the Economic and Social Development of Central America (CADESCA), the Action Committee on Regional Food Security (CASAR), and the Latin American Fisheries Development Organization (OLDEPESCA).

#### *Principal Actions:*

a) It would be necessary to examine, jointly with the authorities of the SELA co-operation bodies mentioned, priority agroindustrial activities which would receive UNIDO support, through its technical co-operation projects.

b) Identifying projects in the agroindustrial field which could be eligible for joint support from UNIDO and CADESCA, CASAR and OLDEPESCA.

#### V. CO-OPERATION ON HIGH TECHNOLOGY

*Objective:* To identify a UNIDO/SELA/ECLAC Work Programme on high technology which embraces the following areas: microelectronics, biotechnology, informatics, new materials.

*Principal Actions:*

a) Technical UNIDO/SELA/ECLAC Meetings to draw up a Work Programme on high technology, including co-operation to establish Latin American networks for the development of the technologies mentioned.

b) Bearing in mind the objectives pursued by the organizations participating in the proposed work programme, deciding on the relevant actions for implementation.

#### VI. CO-OPERATION IN INDIGENOUS AND EMPIRICAL TECHNOLOGIES

*Objective:* To promote technical co-operation and information sharing in respect of indigenous and empirical technologies.

a) Support for the creation of a Pilot Project on empirical technology, aimed at its identification, promotion and dissemination.

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