



E/5945  
E/CEPAL/1030/Rev.1



# **ECONOMIC COMMISSION FOR LATIN AMERICA**

## **ANNUAL REPORT**

(7 May 1976 - 6 May 1977)

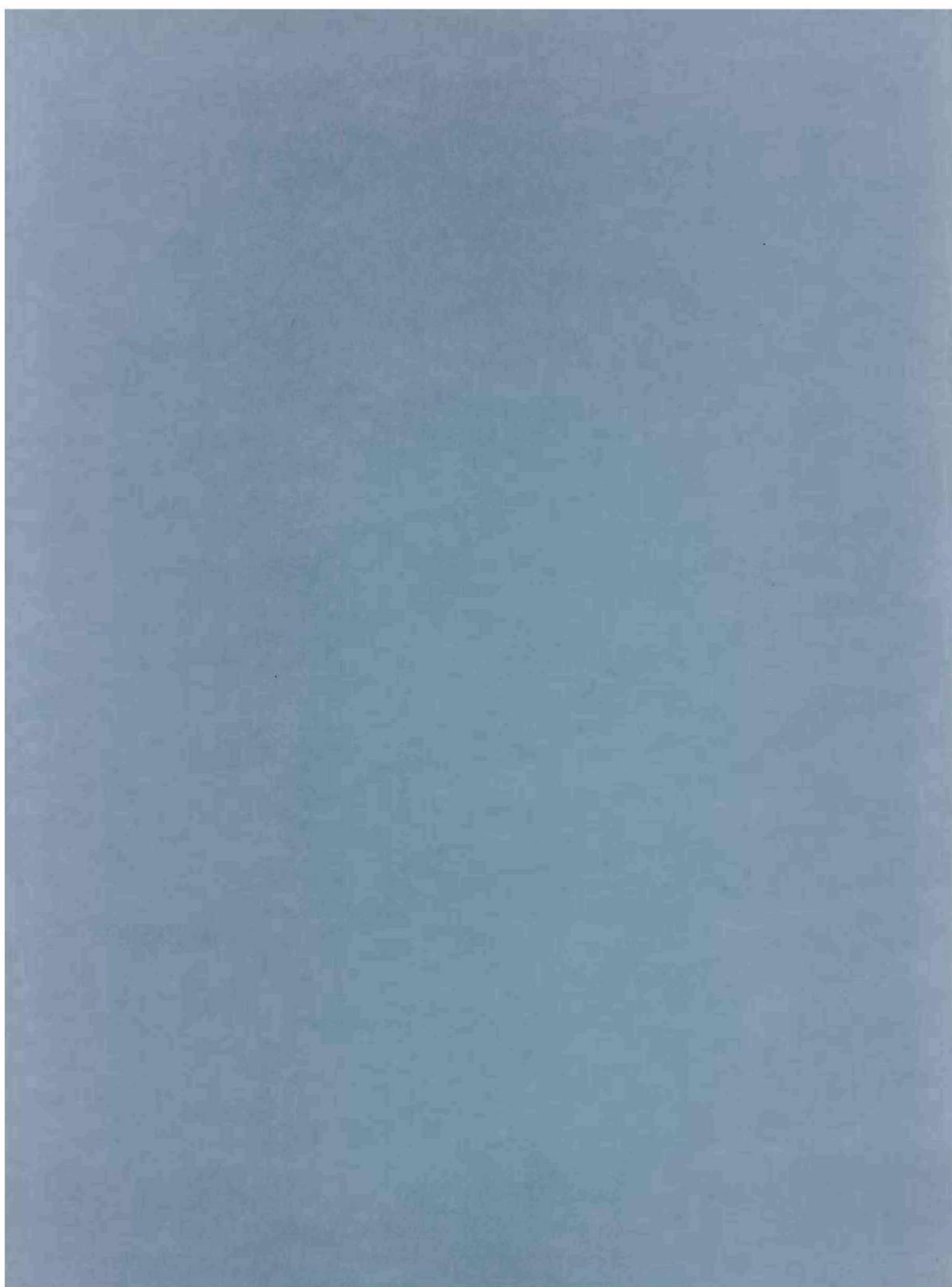
### **VOLUME I**

**ECONOMIC AND SOCIAL COUNCIL**

**OFFICIAL RECORDS: SIXTY-THIRD SESSION**

**SUPPLEMENT No. 11**

**UNITED NATIONS**





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**New York, 1977**

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.

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## INTRODUCTION

1. This twenty-eighth annual report of the Economic Commission for Latin America (CEPAL) covers the period from 7 May 1976 to 6 May 1977. It is submitted to the Economic and Social Council for consideration at its 63rd session 1/ in accordance with paragraph 12 of the Commission's terms of reference.

### PART I

#### WORK OF THE COMMISSION SINCE 7 MAY 1976

##### A. ACTIVITIES OF SUBSIDIARY BODIES AND SPECIAL COMMITTEES

2. This section of the Report summarizes the activities of the Committee on Central American Economic Co-operation (including its Inter-Agency Commission), the Caribbean Development and Co-operation Committee, and the Committee of High-Level Government Experts.

##### Committee on Central American Co-operation - Inter-Agency Commission

3. While the Committee itself did not schedule any meetings during the period under review, the Inter-Agency Commission for the implementation of the decisions taken by the tenth session of the Central American Economic Co-operation Committee held its third and fourth sessions in pursuance of its mandate.

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1/ For the twenty-seventh annual report of the Commission, see Official Records of the Economic and Social Council, Sixty-first Session, Supplement No 10 (E/5784).

### Third Session of the Inter-Agency Commission

4. The third session of the Inter-Agency Commission was held in two separate stages: the first in Cancun, Mexico, in May 1976, in conjunction with the Meeting of the Board of Governors of the Inter-American Development Bank, and the second in Guatemala City in June 1976. The following organizations were represented:

Permanent Secretariat of the General Treaty for Central American Economic Integration - SIECA; Central American Bank for Economic Integration - BCIE; Executive Secretariat of the Central American Monetary Council - CMCA; Central American Institute for Research and Industrial Technology - ICAITI; Central American Institute of Public Administration - ICAP; Central American and Panamanian Institute for Nutrition - INCAP.

5. The Economic Commission for Latin America was represented by the Director of the Mexico Subregional Office, which also acts as the Secretariat of the Committee on Central American Economic Co-operation and its subsidiary bodies.

6. At this session, the participants discussed the report presented by the Director of the CEPAL Mexico Subregional Office, covering the manner in which resolution 163 (X/CCE) "International Technical Co-operation" was being carried out. In addition, consideration was given to the work carried out in fulfilment of the other resolutions adopted during the tenth session of the Committee. Specifically, the participants took note of the report from the United Nations Development Programme to the effect that UNDP was no longer in a position to provide financial support for the limited number of projects previously agreed upon. The Commission therefore decided to explore the possibility of obtaining external financing from other sources such as the Canadian International Development Agency, the Swedish International Development Agency, the Federal Republic of Germany or the Netherlands.

7. Those present also discussed the responsibility of each institution in the execution of the various resolutions adopted at the tenth session.<sup>2/</sup>

#### Fourth Session of the Inter-Agency Commission

8. On 4 March 1977 the fourth session of the Inter-Agency Commission was convened to examine the progress made in the intervening period. The Inter-Agency Commission also met in extraordinary session on two separate occasions in order to prepare a joint presentation for submission to the Meeting of the Board of Governors of the Inter-American Development Bank to be held in San Salvador at the end of May 1977. Both of these special sessions were held in San Salvador, the first in August and the second in November 1976.

#### Activities of the Caribbean Development and Co-operation Committee

9. The Caribbean Development and Co-operation Committee was established in 1975, in accordance with CEPAL resolution 358 (XVI), "to act as a co-ordinating body for activities relating to development and co-operation and as a consultative organ of the Executive Secretary [of CEPAL]" on Caribbean matters. The first session, held from 31 October to 4 November 1975, determined that the CEPAL Subregional Office for the Caribbean would act as the secretariat of the CDCC and a programme of work including an order of priorities was established.

10. In the intervening period since its establishment, in accordance with the mandate, the first few months were devoted to obtaining additional human and material resources from United Nations Headquarters in order to enable the Subregional Office in Port of Spain to deal with the additional responsibilities entrusted to it. The approval of the Budgetary Committee of the General Assembly was obtained, and recruitment of suitable personnel was virtually completed during the period under review.

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<sup>2/</sup> The official report of the meeting is to be found in document E/CEPAL/CCE/377, dated June 1976.

11. Another important step was taken in June 1976 when an Interagency Meeting was held at United Nations Headquarters in New York in order to establish the responsibility of each agency to carry out the work programme of the CDCC in their respective fields of competence. Emphasis was placed on setting up an effective, highly operational programme involving the joint efforts of the agencies represented at the meeting.
12. The report of the meeting, which was written in such a way as to emphasize the operational side of the various projects, was then sent to each organization for its consideration. Among the projects discussed were several already under way such as the Subregional Documentation Centre, UNESCO/CEPAL projects to promote the elimination of language barriers, and others now already operational.<sup>3/</sup>
13. Subsequently, a joint programming exercise involving the secretariats of UNEP and CEPAL, held in Santiago, Chile, in February 1977, discussed in detail several projects relating to environmental problems in the Caribbean area involving CDCC Member States.
14. Finally, the second session of the Caribbean Development and Co-operation Committee was held in Santo Domingo, Dominican Republic, from 16 to 22 March 1977. The agenda of the meeting included consideration of the report of the Inter-Agency Meeting mentioned above, consideration of action taken by the secretariat since the first session of the CDCC, and the programme of activities established for the year ahead.

#### The Committee of High-Level Government Experts

15. A special session of the Committee of High Level Government Experts, limited to developing member countries of CEPAL, was convened from 9 to 15 March 1977 in Santo Domingo, Dominican Republic. The main focus of this meeting centred on the regional appraisal of the International Development Strategy and the establishment of a New

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<sup>3/</sup> See report of United Nations Inter-Agency Meeting on Co-ordination for Implementation of the Work Programme of the Caribbean Development and Co-operation Committee (E/CEPAL/CDCC/11).

International Economic Order. A document prepared by the secretariat entitled "The Economic and Social Development and External Relations of Latin America" (E/CEPAL/1024) was prepared for the consideration of the meeting.

16. The agenda prepared for this meeting also included consideration of the report prepared by the Executive Secretary of CEPAL on the question of human settlements and in particular on the institutional arrangements to deal with this problem. The conclusions and recommendations of this Committee, included in the regional appraisal, constitute one of the main points to be discussed at the seventeenth session.

## B. OTHER ACTIVITIES

### Activities of the Secretariat

17. This and the following section deal with the activities of the secretariat not directly related to the work of the Commission's subsidiary bodies. The activities carried out are listed under the various secretariat Divisions; but this inevitably involves some risk of duplication since many activities involved work by several different Divisions.

### ECONOMIC DEVELOPMENT DIVISION

#### Economic Survey of Latin America, 1976

18. The preliminary version of the Economic Survey of Latin America, 1976 (E/CEPAL/1026) was prepared. This Survey describes the evolution of the Latin American economy during 1976. One of the main conclusions of the Survey is that the rate of economic growth in Latin America showed a marked increase in that year, although it failed to match rates recorded in the first half of the current decade.

19. In approximately two-thirds of the 19 Latin American countries for which estimates are available, the upturn in economic growth was accompanied by a larger increase in the product in 1976 than in the previous year.

20. In addition, the overall economic picture of the region shows, with the obvious exception of a few countries, a marked improvement in the external sector mainly due to the more favourable performance of export. This led to a slight reduction in the deficit on current account, thereby reversing the sharp upward trend recorded in previous years.

21. However, inflation once again flared up in the region as a whole.

22. It may be noted that the Economic Survey for 1976 provides wider and more systematic coverage of the Latin American economies, particularly as regards the country notes.

#### Analysis of Latin American development 1950-1975

23. A study was prepared of the Latin American economy between 1950 and 1975, identifying the intermediate stages and the growth patterns of the main internal and external factors. Industrialization was given special attention.

#### Inflation in Latin America

24. During the period under review CEPAL and the Central Bank of Venezuela organized a seminar on recent inflation in Latin America which was held in Caracas, Venezuela, from 29 November to 3 December 1976. The following documents were presented at the seminar: "La inflación reciente en América Latina" (ST/CEPAL/Conf.60/L.2); "La inflación argentina en los años setenta" (ST/CEPAL/Conf.60/L.3); "La inflación interna y las causas de la devaluación del peso mexicano" (ST/CEPAL/Conf.60/L.4); "Algunas determinantes de la inflación reciente en Colombia 1971-1976" (ST/CEPAL/Conf.60/L.5); "La reciente experiencia inflacionaria en Guatemala" (ST/CEPAL/Conf.60/L.6), and "La inflación reciente en Venezuela" (ST/CEPAL/Conf.60/L.7).

25. Two studies prepared by the Economic Development Division which also dealt with this subject were published in the CEPAL Cuadernos series: "Inflación en los países centrales" and "La inflación importada y América Latina 1972-1974".

#### Transnational corporations

26. Information was prepared for a study of the effects of transnational corporations on manufacturing industry in Latin America. The study in question is designed to serve as a background document for future studies on the effects of the activities of transnational corporations, and concentrates on the evaluation of the information available on the impact of transnational corporations in the countries of the region.

27. In addition, the impact of the second session of the ECOSOC Commission on Transnational Corporations was studied as regards the programme of work of the CEPAL Joint Unit on Transnational Corporations.

28. Work also continued on the following studies: (a) An evaluation of the international subcontracting activities of transnational corporations; (b) Industrial integration in the Andean countries and the present and future role of transnational corporations in that process; (c) The presence of transnational corporations and their impact on export commodities, and (d) Transnational corporations' trading and export commodities: a comparison of the impact on economic development in Latin America and South East Asia.

#### SOCIAL DEVELOPMENT DIVISION

29. On the basis of the concept of integrated development outlined in the International Development Strategy (IDS) and subsequently in the Quito and Chaguaramas Appraisals, the Social Development Division focused its attention on two broad topics: styles of development, and social change in Latin America.

30. Its projects were generally directed towards the interpretation, through a unified approach, of the development alternatives open to the region in the context of the processes of social change.

31. In connexion with those projects, the studies now in progress include employment stratification, housing and urban services, women and their integration in development, the problems of employment, the dynamics of income distribution, rural social development, and the situation of the family in Latin America.

#### Styles of development

32. The aim of the studies in this field is to increase the understanding of development as a global process of interrelated societal changes; to devise and test methods for measuring the extent to which national variations in objectives and strategies of development are viable and compatible with human well-being; to design a more appropriate conceptual framework for the future evaluation of development trends in Latin America, and to make possible the provision of more realistic and complete advisory services to governments on the policy alternatives open to them and the place of economic and social programmes in general policy.

33. The Division revised two documents prepared for internal distribution: "The concrete utopias and their confrontation with the world of today" (CEPAL/DRAFT/DS/134), and "Poverty as a social phenomenon and as a central issue for development policy" (CEPAL/DRAFT/DS/133), while two other documents were prepared: "Latin America in the possible scenarios of détente" <sup>4/</sup> and "Las propuestas de un Nuevo Orden Económico Internacional en perspectiva" (CEPAL/BORRADOR/DS/148). All of these examine various prospective aspects of Latin American development.

#### Social change in Latin America

34. A study was prepared entitled "Types of income concentration and political styles in Latin America" (CEPAL/DRAFT/DS/138) and after internal circulation was subsequently published in CEPAL Review No 2 (second half of 1976). In this study the different degrees of income concentration were linked with the different types of political systems.

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<sup>4/</sup> Later published in CEPAL Review No 2, Second half of 1976.

35. The Division's contribution to the secretariat document "The economic and social development and external relations of Latin America" (E/CEPAL/1024) was completed.

36. During this period the document "La vivienda en América Latina: una visión de la pobreza crítica" (CEPAL/BORRADOR/DS/142) was circulated internally. This study shows the disproportionate allocation of public funds in the region to housing for the middle-income sectors, and the very limited impact of public programmes in reducing the deficit in housing for the poor.

37. The Division collaborated with the Regional Employment Programme for Latin America and the Caribbean (PREALC) in the preparation of the Regional Preparatory Meeting for the ILO World Conference on Employment, Income Distribution and Social Progress, and the International Division of Labour, sponsored by the ILO and CEPAL and held in Cartagena, Colombia, from 3 to 7 May 1976. Subsequently, the Division further collaborated with PREALC in the preparation of the position to be adopted by the region in the World Conference on a wide range of topics related to employment policy.

38. The integration of women in development in Latin America is a relatively new issue which received a major stimulus from the World Conference on the subject (Mexico, June 1975) and which has generated intense activity in the Social Development Division. A work programme on the participation of women and their integration in development in Latin America was prepared and circulated among the United Nations specialized agencies. Officials of the Division attended two inter-agency meetings convened by the CEPAL secretariat for the purpose of implementing a joint inter-agency programme based on the World Plan of Action in respect of women (Santiago, December 1976). Pursuant to previous mandates and recommendations the secretariat convened a technical consultative meeting (Mexico, January 1977) which was attended by experts invited, in consultation with their governments, for the purpose of preparing a draft Regional Plan of Action to be considered at forthcoming regional meetings.

39. Two technical assistance missions to Ecuador were carried out in the period under review for the purpose of providing advisory services to the National Planning Board on its social programme and collaborating in the preparation of a draft study on rural social change.

#### CEPAL/UNIDO JOINT INDUSTRIAL DEVELOPMENT DIVISION

#### The future of industrial development and the New International Economic Order

40. Within the frame of reference provided by United Nations General Assembly resolutions 3201 (S-VI) and 3202 (S-VI) relating to the establishment of a New International Economic Order and the Lima Declaration and Plan of Action on Industrial Development and Co-operation adopted at the Second General Conference of UNIDO and ratified by the General Assembly at its seventh special session, this Division prepared two studies relating to the past evolution of industry in Latin America and the outlook for the immediate future. These studies, entitled "El proceso de industrialización latinoamericana en el último cuarto de siglo" and "La industria latinoamericana durante el actual decenio y sus perspectivas" served as a basis for the preparation of the chapters on the industrial sector in the secretariat document entitled "The economic and social development and external relations of Latin America" (E/CEPAL/1024).

#### Chemical industries

41. Work continued on the preparation of a study on the supply of fertilizers in Latin America.

#### Capital goods industries

42. A draft was completed for internal discussion on the situation, trends and medium-term prospects of the demand for capital goods in the region. For this purpose account was taken of the rapid development of this sector in some Latin American countries and of the possibilities existing in the region for expanding and diversifying the production of these goods.

43. In addition, talks were held with UNIDO to define the terms of collaboration of the Joint Division in the preparation of a series of consultative meetings at the government level on the capital goods sector in general and several specific branches of it. This series of meetings is scheduled to begin in 1978.

44. Furthermore, the possibility of collaborating with the Latin American Railways Association (ALAF) in a regional study on the manufacture of railway equipment in Latin America is under consideration.

#### Agroindustries

45. A draft was completed for internal discussion on the importance of agroindustrial activities in a regional strategy for balanced economic development and the potential of these activities for future growth.

46. Close contacts were maintained with UNIDO to define the terms of collaboration of the Joint Division in the organization at CEPAL headquarters of two regional preparatory meetings for the first consultative meetings on vegetable fats and oils and leather and leather manufactures, planned for June 1977.

47. A document on agroindustrial activities in Latin America is being prepared for these meetings in collaboration with the CEPAL/FAO Joint Agriculture Division. This document examines, in particular, the possibilities of international co-operation in order to increase the share of the products of these activities in world production by the year 2000.

#### Forest industries

48. Several reports were prepared on the development possibilities of the pulp and paper industry in several countries of the region, with special attention to the identification of new projects. These studies were carried out in collaboration with the FAO group on the planning and development of forest industries in Latin America, and form part of a programme being carried out at the world level by that organization and UNDP. In addition to their use in that programme, these reports, together with other background material which is being collected, will serve as a basis for a wider study which has already been started by the Division.

## Definition of the work programme of the CEPAL/UNIDO Joint Industrial Development Division

49. Talks have continued with UNIDO to define the work programme of the CEPAL/UNIDO Joint Division and the resources it will have at its disposal.

50. From 8 to 12 November, the Director of the Industrial Development Division attended a series of meetings in Vienna at which the work programme 1978-1979 for the UNIDO International Industrial Studies Centre was discussed and certain areas of interest were singled out for future collaboration. On the basis of these general guidelines a start has been made on the definition of specific projects.

### Meetings and seminars

51. During this period several officials of the CEPAL/UNIDO Joint Industrial Development Division attended the following meetings as representatives of CEPAL: Second Latin American Congress on the Fertilizer Industry (Caracas, 23-26 August); Latin American Technical Congress on Pulp and Paper (Buenos Aires, 8-12 November), and the First Latin American Petrochemical Congress (San Carlos de Bariloche, Argentina, 14-20 November), organized by the Asociación para el Desarrollo de los Fertilizantes en América Latina (ADIFAL). In addition, one of the officials of the Division attended, as an observer, the sectoral meetings of LAFTA held in conjunction with the XIV Plenary Meeting of the Asociación Latinoamericana de la Industria Eléctrica y Electrónica (São Paulo, Brazil, 5-15 July 1976). The Joint Division also participated in the First Consultation Meeting on Fertilizer Industries (Vienna, 17-21 January 1977) and the First Consultation Meeting on Iron and Steel (Vienna, 7-11 February 1977).

### Technical Co-operation

52. During the period under review a mission was undertaken to Argentina with a view to analysing the prospects for the development of the pulp and paper industry and several specific projects in this sector.

53. The Division also collaborated with the Government of Paraguay in the preparation of a technical assistance programme to be carried out by CEPAL and UNIDO.

## CEPAL/FAO JOINT AGRICULTURE DIVISION

54. The sudden changes that have taken place at the international level in commodity markets and prices and in the supply and prices of inputs for agriculture have prompted the governments of the region to concern themselves more with the role that agriculture should play in the economic development of each country and to revise their agricultural policies with a view to adjusting their strategies and laying down new guidelines for their sectoral development programmes.

55. In view of the predominant role of the agricultural sector in the majority of the countries of the region and the interrelationships between that sector and other sectors of the economy, CEPAL has given high priority to the analysis of the effects of the international economic situation on agriculture in the countries of the region.

56. The CEPAL/FAO Joint Agriculture Division has endeavoured to assist the governments in this connexion. It has analysed the effects of the above situation on the region, particularly in the food sector, and the way in which it has been faced by Latin American agriculture.

57. In the first half of 1976 the Division's activities centred on the preparations for the CEPAL/FAO Latin American Food Conference, which was held at Lima from 26 to 29 April 1976. The documents prepared for this Conference and the Division's co-operation in connexion with other documents prepared by the FAO Regional Office and by consultants entailed a concentration of efforts and the fulfilment of a tight work schedule.

58. The resolutions adopted at the Conference and the content of the reports, which reproduced the main statements made by the countries on the subjects discussed, provided guidelines for the current activities of the CEPAL/FAO Joint Agriculture Division.

59. The Division also worked on an analysis of the main features of agricultural development in the past 25 years and the course it followed in the years 1970-1976. This analysis forms part of

the secretariat document entitled "The economic and social development and external relations of Latin America" (E/CEPAL/1024).

60. The document "La cooperación internacional en el ámbito de los productos básicos agrícolas: convenio sobre productos y asociaciones de productores" (CEPAL/BORRADOR/CEPAL/FAO/147) was prepared and distributed for comments. In addition to evaluating the progress of existing commodity agreements, this document explores what action could be taken by producers' associations to improve the prices of their respective commodities.

61. Contact was once again established with the Permanent Secretariat of the Latin American Economic System (SELA) and with the Board of the Cartagena Agreement, which have expressed their desire that the Division should continue to collaborate with them in the implementation of their work programmes in the fields of food and agriculture. After the Third Regular Meeting of the Latin American Council, SELA will submit to CEPAL and FAO a detailed request for the Division's co-operation. The Board of the Cartagena Agreement has requested the Division's collaboration in carrying out the activities decided on by the Ministers of Agriculture of the Andean Group at their Second Meeting.

62. The Division advised and co-operated with the Latin American Free Trade Association (LAFTA) and the Caribbean Community (CARICOM) in connexion with their work programmes in the agricultural sector, and advised the Government of Paraguay in a review of the problems encountered in the marketing of meat and other agro-industrial products.

#### NATURAL RESOURCES AND ENVIRONMENT DIVISION

63. The Division's activities during the period under review have focussed mainly on the organization of the Regional Preparatory Meeting of the Countries of Latin America and the Caribbean for the United Nations Water Conference, which was held at Lima, Peru, from 30 August to 3 September 1976.

64. A document entitled "The water resources of Latin America. Regional report" (ST/CEPAL/Conf.57/L.2) was prepared for this Meeting. The participating countries presented national reports offering a realistic evaluation of their water resources, so that the Conference can consider the countries' real needs.

65. After the Meeting, the report was reviewed and completed and then distributed to the countries of the region under the title of "Report of the Regional Preparatory Meeting of the Countries of Latin America and the Caribbean for the United Nations Water Conference" (E/CEPAL/1020).

66. This document contains the recommendations which the countries of the region presented in the form of "Action Proposals: The Lima Consensus on Water Problems" at the United Nations Water Conference, held from 14 to 25 March 1977 at Mar del Plata, Argentina.

Water, Development and the Environment  
in Latin America (ADEMA)

67. The aim of this project is to improve the planning and management of water resources in Latin America, by attempting to reconcile the satisfaction of the needs of rapid economic development with the protection of the environment, one of the most important components of which is precisely water. UNEP is playing an important part in this project in a common effort to make some practical contributions and provide planners and decision-makers with some useful indications regarding the harmful consequences of certain approaches and the best action to take in order to achieve positive environmental effects through the future utilization of water resources in Latin America.

68. The Division prepared the report "Agua, desarrollo y medio ambiente" (E/CEPAL/L.148), which contains general recommendations together with the case studies that have been completed for Brazil, Chile, Colombia, Mexico, Peru and Venezuela.

69. A meeting of experts which was held on this subject in March 1977 analysed the document and made some suggestions for completing and improving the report. A summarized version of the report entitled "Water, Development and the Environment in Latin America" (E/CEPAL/L.15...), was presented at the United Nations Water Conference.

#### Economic aspects of energy in Latin America

70. The Division completed the energy section of the secretariat study entitled "The economic and social development and external relations of Latin America" (E/CEPAL/1024).

71. Estimates were made of the global demand for energy and of the demand for electrical energy, on the basis of a study of the primary sources of supply.

72. An agreement was concluded between the Latin American Energy Organization (OLADE) and CEPAL which identifies some areas of co-operation between the two institutions and establishes general procedures and mechanisms for this purpose.

#### Mining in Latin America

73. The Division prepared a study and notes on the mining sector for the secretariat document entitled "The economic and social development and external relations of Latin America".

74. Projections of consumption up to the year 2000 were prepared for the following mining products: copper, lead, zinc, aluminium, nickel, silver, sulphur, phosphates, fluorite and iron. A study was made of the region's production, and also of the volume of reserves and possible exports.

#### Environment

75. The report "El medio ambiente en América Latina" (E/CEPAL/1018) was distributed. This project also provided a considerable volume of information material for consultation in the secretariat: 3,000 cards containing summaries for the individual countries, reports by 13 consultants on 20 countries, and approximately 400 publications collected in the course of missions to various countries. These activities

will be followed up by the regular compilation of data and periodical reports on the state of the environment. A memorandum containing the agreement under which the CEPAL/UNEP Environment Unit is to be set up was signed in February 1977. Both institutions are now preparing a work programme for the next few years.

#### TRANSPORT AND COMMUNICATIONS DIVISION

76. In line with its programme of work, this Division has continued to collaborate with member Governments and international organizations which have so requested and to prepare studies of general interest on problems common to the whole of Latin America. The three main areas in which the Division is currently working are: (a) facilitation of transport in international trade; (b) bases for the improvement of transport planning; and (c) application of appropriate technology in Latin American transport.

##### Facilitation of transport in international trade

77. World attention is being increasingly focussed on the study and analysis of non-tariff barriers hampering international trade and transport. Thus, activities have been carried out in the region aimed at facilitating transport in the region's international trade.

78. The most important problems to be solved are those of the co-ordination and harmonization of the requirements applicable to international trade and transport and the simplification of procedures and documentation.

79. The Division is preparing a document on the establishment and promotion of international land transport services in the Andean subregion within the context of the agreement between CEPAL and the Andean Development Corporation (CAF) and with the collaboration of the Board of the Cartagena Agreement. This document has two addenda, the first concerning an inventory of infrastructure and projects for the central axis of the Andean trunk highway system, and the second

- which has already been circulated for comments - presenting an appraisal of the effect of restricting the maximum permissible weight per axle on the cost of road transport in the Andean subregion (CEPAL/BORRADOR/TRANS/145/Rev.1).

80. In connexion with the studies prepared by the Division on the carriage of goods to Bolivia through Chilean ports, talks have been held with the Bolivian and Chilean authorities on the functioning of the Integrated Transport System (SIT) which is currently in use between Arica and La Paz. In addition, at the request of the Bolivian institutions, a methodology was prepared for the fixing of a tariff to be applied by the Administración Autónoma de Almacenes Aduaneros (AADAA) to goods imported into Bolivia through the port of Arica. Once this tariff has been approved, Bolivian importers will be able to know in advance the total cost of goods delivered to their destination in Bolivia.

81. This Division also participated in the Second Latin American Regional Meeting on a Convention on International Intermodal Transport, which was attended by representatives of 13 Latin American countries with the purpose of examining the present state of the negotiations in Geneva and establishing Latin America's position vis-à-vis the topics to be considered at the second session of the Intergovernmental Preparatory Group on this Convention. The following documents were prepared for this Meeting: "Evolution of the Latin American position regarding the negotiations for a convention on international multimodal transport" (E/CEPAL/L.141); "Remarks on the provisional agenda of the Second Latin American Regional Preparatory Meeting on the International Convention on Multimodal Transport" (E/CEPAL/L.145) and "Reglas uniformes para un documento de transporte combinado" (E/CEPAL/L.145/Add.1) prepared by the International Chamber of Commerce.

82. At the Seventh Meeting of Ministers of Public Works and Transport of the Southern Cone of South America, CEPAL was requested to prepare a draft Latin American convention on the civil responsibility of land transport operators and a study on the standards to be met by multimodal transport operators in Latin America. In connexion with multimodal transport, CEPAL prepared the document entitled "El transporte multimodal internacional en

el cono sur y sus necesidades de apoyo institucional" (E/CEPAL/L.139), which was presented as a working document at the above-mentioned Meeting.

83. In this same field of facilitation, the Division has collaborated closely with the Latin American Railways Association (ALAF) and has completed a study entitled "An appraisal of the technical assistance received by Latin American railway companies" (E/CEPAL/1019).

84. Technical assistance has been provided to the countries of the region in the establishment of national groups for the facilitation of transport and promotion of the simplification and standardization of the procedures and documentation required in connexion with international transport and trade.

85. During this period, the Division has continued to prepare and circulate Boletín FAL on the facilitation of trade and transport in Latin America, which comes out every two months with information on, among other things, documents simplified and standardized in accordance with the rules established by the Economic Commission for Europe, which eliminate the need to make use of consular services, and new receipt and dispatch formalities in Latin American ports.

86. A meeting of the railway enterprises which are members of ALAF was held at CEPAL headquarters from 30 August to 3 September 1976 to consider the regulations for the implementation of the Multinational Rail Traffic Agreement (MULTILAF).

#### Bases for improving transport planning

87. In previous years, attention was centered on improving the production of information and the processing of statistical material on the transport sector. However, there is also an evident need to improve the transfer of information from the producers to the users, and vice-versa. Two modern instruments which may bring about significant improvements in the decision-making process in the

transport sector are: (a) system of information for the handling of decision-making; and (b) planning models which provide a strict methodology for such decision-making.

88. During the period under review the document entitled "Information Classification Manual for the Transport Sector" (E/CEPAL/1008/Rev.1) was prepared.

89. Within the framework of the joint project with the World Bank, the Division continued to collaborate with and provide assistance to member countries in establishing planning methodologies in specific areas of the transport sector; defining the information requirements for the planning systems desired by governments; and defining and evaluating the institutions which produce information and recommending means for channelling it to the planning centres.

90. In connexion with this project, studies were carried out with a view to preparing for the installation in CEPAL of the Integrated Scientific Information System (ISIS) for information retrieval. This information system is already producing results in the form of the printing of addresses by computer.

Application of appropriate technology in  
Latin American transport

91. Within the context of the OAS/CEPAL agreement on maritime transport, working meetings were held with the Chilean Ministry of Transport regarding the possible establishment in Chile of the roll-on/roll-off system. The port code document and VOYCHAR (voyage charter) file were reviewed.

92. A revised version of the document entitled "Technical aspects of the unitization of cargo and the new maritime transport modes" (E/CEPAL/L.143) was prepared and presented at the Second Latin American Regional Preparatory Meeting on a Convention on International Intermodal Transport.

Other collaboration activities with international agencies  
and technical assistance provided to countries  
of the region

93. At the request of SELA, a mission visited this institution's headquarters in Caracas where some subjects in the transport area were suggested for possible inclusion in the SELA work programme.
94. A technical assistance mission visited the Government of Ecuador in connexion with the study prepared by a consortium on the national railway company.
95. At the request of the Brazilian Training Centre for Economic Development, three talks were given on transport problems common to the Latin American countries and on international transport in Latin America. A reply to the questionnaire on urban transport was prepared for the Second Andean Meeting on Transport which was held in Caracas from 28 June to 1 July 1976.
96. At the request of the Government of Chile, the Division collaborated in the preparation of a proposed amendment to the Chilean merchant marine legislation. In response to a request for co-operation from ALAF, an analytical study was prepared of various options for establishing a unit of account which would facilitate accounting for transactions carried out under the Multinational Rail Traffic Agreement (MULTILAF). This study will be considered by the railway enterprises at a meeting to be held shortly at Santa Cruz de la Sierra, Bolivia.
97. Technical assistance was provided to Brazil in connexion with transport planning in the State of Minas Gerais.

## INTERNATIONAL TRADE AND DEVELOPMENT DIVISION

98. During the period under review the Division's activities focussed on the following subjects:

### International economic relations

99. A study was prepared as Part Two of the secretariat document entitled "The economic and social development and external relations of Latin America (E/CEPAL/1024). It examines the world setting in which Latin America's relations are developing; the principal changes occurring in the industrial centres and in the Latin American countries themselves and the problems of financing and external indebtedness; and the relations with the United States, the European Economic Community and other areas (Japan and the socialist countries), identifying in the first two cases the principal problems which exist. This is followed by a chapter in which Latin America's progress and prospects in economic integration are evaluated, and the study ends with a set of ideas for action covering some aspects of international trade policy, financing and external indebtedness, direct external investment, technology and integration.

100. In this same field of international relations, mention should also be made of the preparation of a preliminary (unpublished) report on Latin America's trade with the countries of the Council for Mutual Economic Assistance (CMEA), and the formulation of a project concerning research on economic relations with those countries, with the collaboration of the UNCTAD secretariat and support from UNDP. In addition, the secretariat of CEPAL was co-sponsor, in conjunction with the Japan External Trade Organization (JETRO), of a seminar on the Japanese experience in export promotion, with the participation of government officials from Argentina, Brazil, Chile, Colombia, Mexico, Peru and Venezuela. This seminar, which was held in Tokyo from 8 to 19 November 1976, provided an opportunity to assess the possibilities for the expansion of reciprocal trade between Japan and the Latin American countries.

### Export Development Programme

101. The studies on export promotion policies for non-traditional exports in Argentina, Brazil, Colombia and Mexico were completed. These and other studies were discussed at a seminar held jointly by the CEPAL secretariat and the World Bank from 5 to 7 November 1976. The World Bank contributed studies on India, Israel, Korea and Yugoslavia. The seminar was attended by staff members of both these institutions and specially invited guests. The documents presented included: "Export promotion policies in developing countries" (ST/CEPAL/Conf.59/L.2); "Colombian export promotion policy" (ST/CEPAL/Conf.59/L.3); "Las exportaciones manufactureras argentinas" (ST/CEPAL/Conf.59/L.4); "Las exportaciones manufactureras en América Latina: experiencias y problemas" (ST/CEPAL/Conf.59/L.5); "Brazil: Development policy for exports of manufactures" (ST/CEPAL/Conf.59/L.7); "Export growth in the world environment: The case of Latin America" (ST/CEPAL/Conf.59/L.8); and "The export of manufactures in Mexico and its promotion policy" (ST/CEPAL/Conf.59/L.9).

102. A revised version of these documents is being prepared for subsequent publication.

### Financing and external indebtedness of Latin America

103. In this field of activity the Division has concentrated on three broad areas: The balance of payments current account of the Latin American countries, capital movements and external indebtedness.

104. In connexion with the first of these areas the aim has been to analyse the behaviour of imports and exports of a sample number of countries in the region, in terms of variables such as the exchange rates, the level and rate of growth of the gross domestic product, international reserves and the unit values of imports or exports. A preliminary report is being prepared on the basis of the results obtained.

105. With respect to capital movements, an attempt has been made to explain the movements of non-compensatory capital, the official information available being supplemented by data which will permit unregistered movements of capital to be taken into account. A preliminary report has also been completed on this aspect of the work.

106. As regards external indebtedness, the information obtained from various sources has been consolidated to provide a more complete picture

of the external debt of the countries in the region. At the same time, the access to the various sources of financing and the different types of measures which could be adopted to improve and ensure such access have been analysed. The main conclusions reached are included in the secretariat document "The economic and social development and external relations of Latin America" (E/CEPAL/1024).

107. Among the measures considered, mention should be made of the financial safety net. The Presidents of the Central Banks of Latin America, at their meeting in San Salvador in May 1976, decided to set up a special committee to study the financial co-operation of the Latin American countries, including the possible establishment of a safety net, and requested CEPAL to serve jointly with the Centre for Latin American Monetary Studies (CEMLA) as secretariat of the committee.

#### Regional and sub-regional economic integration

108. One of the important topics being studied by the secretariat is the economic policy options for Latin America's future development.

109. One of these options, which the Latin American governments have been promoting is based on a regional programme of economic co-operation in industry, trade and other areas that contribute towards integration.

110. An internal consultation meeting on economic integration was held from 10 to 12 January 1977 and helped to define the secretariat's programme of work in this connexion. The following internal documents were examined at the meeting: "Las condiciones cambiantes de la integración y su potencial y posibilidades de desarrollo"; "ALALC - Evaluación del proceso de integración"; "Objetivos e instrumentos de la integración y su relación con las condiciones estructurales de la zona integrada"; and "Las condiciones y perspectivas de la integración en Centroamérica".

111. A chapter on economic integration was prepared for inclusion in the secretariat document "The economic and social development and external relations of Latin America" (E/CEPAL/1024).

112. Work proceeded on the study of the influence of the Latin American market on exports of manufactures.

113. The study of economic integration and co-operation policies and the specific possibilities of their future implementation is one of the areas in which the secretariat proposes to intensify its activities with the collaboration of the integration agencies and the member countries of CEPAL.

## DIVISION OF STATISTICS AND QUANTITATIVE ANALYSIS

### National Accounts and related matters

114. The national accounts data base was updated, and the relevant series were analysed and systematized, as was the permanent data file on the public sector. Computer programmes were developed for processing estimates at constant prices of the gross domestic product by type of expenditure. The information available at the end of 1976 for preparing the customary preliminary estimates of the level of activity attained in the year was centralized.
115. Computer programmes were developed for processing the information contained in the input-output tables prepared by the countries of the region.
116. Co-ordination with the Permanent Group of Latin American Experts on Social Accounting continued, and the documents prepared recently in Peru and Colombia were distributed to them.
117. The Division was represented at the meetings of the Prices Group of the Twenty-sixth Seminar in the ECIEL Programme, held in Santiago, Chile, in August 1976 with the purpose of establishing co-ordination between the activities of this Group and the future development of the project on the real product and purchasing power parities to be carried out by CEPAL with IDS's collaboration.

### Evaluation and analysis of Latin American data on income distribution

118. Work proceeded on the joint CEPAL/IBRD project, with the inclusion, analysis and tabulation of new surveys on the basis of data used in the project.
119. The Division prepared a suitable data analysis method and an appropriate system of computation which are described in the internal document "Análisis de descomposición: una generalización del método de Theil". This method was applied to the available basic data in order to identify the factors associated with inequality; the results are given in an internal document on a breakdown of inequality of remuneration in the Latin American countries.

120. Work was carried out on determining poverty lines. For this purpose, basic consumption budgets were estimated for 10 countries of the region, in accordance with the procedures indicated in the internal document entitled "Un método para estimar presupuestos mínimos de alimentos para los países de América Latina". The results obtained appear in the document "Necesidades básicas y dimensión de la pobreza en América Latina".

121. Work also went ahead on the descriptive characterization of income distribution by levels and on the determination of urban poverty profiles.

122. The Division was represented at the meetings of the Income Distribution Group of the Twenty-sixth Seminar in the ECIEL Programme held at Santiago, Chile, in August 1976 to discuss methodological problems in the measurement and analysis of income distribution.

Estimation and analysis of income and employment distribution  
in technological stratification models

123. A document was prepared for internal circulation on a system of stratification of manufacturing activities. It presents the results of the analysis of variance and its breakdown into factors, applied to the census data of Argentina, Brazil, Mexico and Venezuela.

124. The problems arising in connexion with the estimation of non-formal activities for inclusion in input-output tables were analysed. In the case of Mexico, the consistency between the data obtained from household budget surveys, national accounts estimates and the input-output table was also analysed with a view to the simultaneous use of all three sources.

External trade and the balance of payments

125. The methodology used to deflate balance-of-payments current account values by country was improved by using indexes of the unit values of goods, freight and insurance, and services. At the same time, a processing programme was prepared for the rapid direct extraction of the balance-of-payments tabulations containing the data required for

the Economic Survey of Latin America and other CEPAL studies directly from the magnetic tapes sent periodically by the International Monetary Fund with updated information from its data bank.

126. The time series (1928 to 1975) of the indexes of quantum and dollar unit value of imports and exports, the terms of trade and the purchasing power of exports were updated and the base year changed to 1970.

127. Work proceeded on the compilation and systematization of data on the direction of trade, by origin and destination; the use and application of various classification criteria for determining the composition of exports and imports; intra-regional trade; and Latin American exports of manufactures.

128. At the end of 1976, the conjunctural information available for the preparation of estimates of the balance of payments and the indicators of value, quantum and unit values of external trade for the region as a whole and the individual countries, which were included in the preliminary balance of the Latin American economy in 1976, was centralized.

129. Closer contact was maintained with the statistical offices of the countries of the region, LAFTA and SIECA, in order to obtain detailed up-to-date external trade data for transmission to the United Nations Statistical Office. Work proceeded, in collaboration with IDB, on the study of Latin American external trade statistics on the basis of detailed data from the national schedules, the systems of storage and retrieval of which enable them to be put to the many uses required for studies by CEPAL and other regional agencies.

#### Industrial statistics

130. The data files with the latest available information and that obtained directly from the countries through questionnaires on each sector were updated.

131. Work continued on the process of systematization of manufacturing production indexes of the Latin American countries, using the same base and a common classification, with a view to revising the index at

the regional level. The consistency between these indexes and those prepared by the United Nations Statistical Office was also analysed. 132. A project for evaluating the coverage and reliability of Latin American industrial statistics was initiated, and an inventory was prepared of sources, methods and definitions.

133. Special industrial indicators were prepared for the agro-industry project, and industrial indicators were estimated for the years prior to 1960, this information being required for the IDS.

#### Demographic and social statistics

134. During the period under review, work proceeded on the organization of a data file on employment statistics, which will centralize the reliable data and estimates available in the region on the evolution of total and sectoral employment and unemployment. To that end, an agreement was concluded with the Regional Employment Programme for Latin America and the Caribbean (PREALC), which will facilitate the analysis and selection of the information to be used for establishing the data base.

135. A permanent data file on household surveys was organized with the aim of maintaining an updated inventory of the household surveys carried out in Latin America and their technical characteristics and of storing the information obtained from those surveys in a rapidly retrievable manner. Codes were devised, the available material was classified, and the tabulations of some selected surveys were identified.

136. A project on social indicators within the framework of the Integrated System of Social and Demographic Statistics was launched with a view to evaluating the applicability of various indicators to the monitoring of social development in the countries of the region and to the design of programmes for the development of social statistics.

137. Work began, in conjunction with CELADE and with the collaboration of specialized institutions and individual experts, on an exercise of evaluation of the 1970 census experience, with the purpose of formulating guidelines for the implementation of the current world recommendations

in the censuses to be carried out in the region in the 1980s. The recommendations formulated will be integrated with the mechanisms of the Committee on the Improvement of National Statistics (COINS) and will be submitted for consideration at its next meeting.

138. Social and employment indicators were prepared for the secretariat document entitled "The economic and social development and external relations of Latin America" (E/CEPAL/1024).

#### Dissemination of statistics

139. The Statistical Yearbook for Latin America, 1976 was prepared and sent for printing.

140. The publication "Statistics on Children and Youth in Latin America", which was prepared in the previous period in co-operation with UNICEF, was distributed.

#### Technical co-operation

141. Technical co-operation with the countries of the region in demographic statistics and related questions was provided through regional advisers in the following fields: sampling methods for demographic statistics, household surveys, computation methods and vital statistics.

142. The regional adviser on computation methods provided technical assistance to Argentina, Bolivia, Costa Rica, the Dominican Republic, El Salvador, Peru and Uruguay.

143. The regional adviser on household surveys provided advisory assistance in this field to Bolivia, Ecuador and Haiti. He also gave a course at the Inter-American Statistical Training Centre (CIENES) in Santiago, Chile, on sampling in census enumeration and evaluation, and other uses of sampling in censuses.

144. The regional adviser on sampling for demographic statistics carried out technical assistance missions to Argentina, Bolivia, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Panama and Peru. During 1976 he lectured at CIENES (Santiago, Chile), as

part of the Basic Course on Sampling as Applied to Population Censuses, on sampling in census enumeration and evaluation and other uses of sampling in censuses.

145. The regional adviser on demographic statistics collaborated in his particular field with Bolivia, Colombia, Costa Rica, El Salvador, Honduras, Nicaragua, Panama and Venezuela.

146. The Chief of the Industrial Statistics Section furnished the Government of Paraguay with technical assistance in connexion with industrial statistics.

147. The regional advisers also prepared methodological documents on the following subjects: determination of the limit in the construction of strata; an estimator based on an additive model; some considerations on population censuses in Latin America in the 1970s; sample design and operational work of a pilot research project for evaluating three questionnaires on income; study of demographic characteristics in socio-economic household surveys; and a compilation of international norms and national practices used in Latin America in the 1970 population census.

#### Other activities

148. The Chief of the Division attended a meeting of the Statistical Co-ordination Committee composed of a representative of CEPAL, a representative of the United Nations Statistical Office, and a representative of the Inter-American Statistical Institute, which was held in New York from 28 to 31 October 1976; the Meeting of the Chief Statisticians of the United Nations held at New Delhi from 4 to 17 November 1976; and the nineteenth session of the Statistical Commission of the United Nations, also held at New Delhi from 8 to 19 November 1976.

149. The Division collaborated with CIENES and the National Statistical Institute of Chile by holding courses for the national census on statistical training organized by the Institute. It further collaborated with CIENES by holding a short course on income distribution measurement and analysis methods as part of the Centre's Course B for national statistical personnel.

## DIVISION OF OPERATIONS

150. Within the framework of CEPAL's broad task of promoting the economic and social development of the Latin American countries and of providing assistance for the solution of priority problems in selected fields, the Division of Operations has been co-ordinating the secretariat's technical assistance and development co-operation activities in the period under review. The operational activities carried out by the Division, which derived, as a rule, from the programme of work approved by the Commission, have followed two main lines: (a) technical co-operation rendered to countries or groups of countries by means of studies prepared by the secretariat on specific economic and social problems or sectors of the economy; and (b) transfer and dissemination of the results of research carried out by the secretariat, by means of direct advisory services provided to countries or regional economic integration bodies or through regional or subregional technical meetings on specialized matters.

151. The two main lines of operational activities mentioned above are carried out with CEPAL's own resources and with financial support received from multilateral and bilateral sources and are designed to provide the means for facilitating and promoting co-operation among developing countries in the solution of common problems, in the exchange of experience and skills and in strengthening economic ties.

152. In pursuance of those two main lines of activities, the work of the Division during this period has been devoted to: (a) formulating regional and subregional programmes and projects for extra-budgetary financing, in co-ordination with the Programming Office and in consultation with the appropriate substantive unit of the secretariat, in the light of the priorities set out in the secretariat's programme of work; (b) negotiating the funding of these programmes and projects with multilateral and bilateral sources and carrying out the operational and management activities concerning the administration and implementation of the relevant programmes and projects; (c) co-ordinating the provision of advisory and technical assistance rendered by the secretariat to governments and regional integration bodies; (d) co-ordinating the

activities of the secretariat concerning the promotion of economic and technical co-operation among developing countries in Latin America and co-operation with developing countries of other geographical areas in close co-ordination with UNDP's Special Unit on TCDC and other United Nations bodies as required: (e) collaborating with UNDP in the organization of the Latin American Intergovernmental Meeting on Technical Co-operation among Developing Countries (Lima, Peru, 10-15 May 1976). On this occasion a document was prepared and circulated to the participants as a conference paper, entitled "CEPAL and the efforts of the United Nations system to promote horizontal technical co-operation"; (f) collaborating with UNDP in the launching of the Information Referral System (INRES) on TCDC. CEPAL identified regional organizations for registration in INRES and distributed to them the questionnaires provided by UNDP.

#### ECONOMIC PROJECTIONS CENTRE

##### Appraisal and projections of the Latin American development process

153. During the period under review the first results of the work carried out under the project "Latin American development: its appraisal and long-term prospects. Preliminary summary outline" (E/CEPAL/L.131) became available and are contained in three documents prepared by the Centre.

154. The two main subjects dealt with were: (a) the appraisal of the development process in the post-war period; (b) the medium- and long-term projections of the main features of the development process.

155. In the appraisal of the development process the Centre first co-ordinated the work of the participating Divisions. These Divisions (Social Development, Industry, Agriculture (CEPAL/FAO), Natural Resources and Environment, and Transport and Communications) produced documents that will be published separately.

156. The Centre participated in the definition of schemes and discussions relating to the fields covered by the respective chapters.

157. In addition, the Centre prepared a large amount of background information relating to the internal structures and external relations of the countries. The first stages of this work have been completed.
158. A document entitled "The Economic and Social Development of Latin America, 1970-1975" (E/CEPAL/L.144) was prepared for the meeting held by the Planning Committee in Santiago from 22 to 26 November 1976.
159. The Centre prepared the first part of another document entitled "The Economic and Social Development and External Relations of Latin America" (E/CEPAL/1024) which was presented at the CEGAN Conference held in Santo Domingo in March 1977 and at the biennial session of CEPAL held in Guatemala City. This first part includes a complete synthesis of the economic and social changes which have occurred in the last twenty-five years, with descriptions in greater detail for the last six years.
160. Pursuant to General Assembly resolution 3508 (XXX) a document was prepared for the Economic and Social Council entitled "Long-term Trends and Projections of Latin American Economic Development" (E/CEPAL/1027).
161. During the period under review new long- and medium-term projections were prepared. The figures, which are so far preliminary, cover several aspects of the economic process: (a) a global model for the main economic variables has been prepared and used for most of Latin American countries. It studies the main internal and external macroeconomic balances; (b) a sectoral model covering the principal economic sectors has been developed. It includes internal production and demand and imports and exports for these sectors. Only very preliminary results are as yet available; (c) a model for studying international trade flows between regions has been tested, and its results have been compared with those contained in the Leontieff model report; (d) an employment model that includes the prospects for productivity increases related both to technical progress and to income levels has been developed and used for most Latin American countries.
162. In all cases co-ordination work to make these models compatible has been carried out. Preliminary results for two scenarios mainly

related to external conditions of trade and finance were included in the document "The Economic and Social Development of Latin America, 1970-1975" (E/CEPAL/L.144) prepared for the Development Planning Committee.

163. More complete projections are included in the document "The Economic and Social Development of Latin America, 1970-1975".

164. This document also contains demographic projections prepared with the use of numerical experimentation models described in the following paragraphs. In addition, the document "Indicators of Economic and Social Development in Latin America, 1976" (E/CEPAL/1021) was updated.

#### Numerical experimentation models

165. During the period under review the models have been mainly used in the demographic projections.

166. These projections were prepared with the help of the Latin American Demographic Centre (CELADE). The figures and theses are consistent with those of CELADE, but analyses of possible changes in historical trends have also been tested.

#### LATIN AMERICAN CENTRE FOR ECONOMIC AND SOCIAL DOCUMENTATION (CLADES)

167. This Centre provides support for Latin American development activities through the systematization of basic bibliographical information in the economic and social fields and the establishment of mechanisms to transfer this information to researchers, private and public institutions and international agencies, promptly and at a reasonable cost.

168. In order to fulfill this objective, CLADES promotes and supports the creation of national documentation and information services, orienting the technology of these systems so as to make them compatible and to permit the transfer of bibliographical information at both intergovernmental and regional levels; it also co-ordinates the initiatives of the governments in these fields in order to avoid duplication of efforts and investment in equipment and systems which do not respond to the real needs of the region.

Advisory services to national and regional  
organizations

169. Advisory services were provided to the Latin American Energy Organization (OLADE) in Quito, through the preparation of a diagnostic study and a proposal for the organization of an Energy Documentation Centre in the region and to the Instituto de Economía, Legislación y Administración del Agua (INELA) in Mendoza, through a diagnosis of its information services.

170. The CEPAL Office for the Caribbean was provided with assistance in the form of a study on the creation of a Documentation Centre designed to serve the countries of the Caribbean Development and Co-operation Committee, which is a joint undertaking between CEPAL and the governments of the Caribbean countries. A document was prepared for submission at the next CDCC meeting.

171. The Institute for Latin American Integration (INTAL), was aided through an exploratory investigation on INTAL's information systems with the purpose of designing a preliminary methodology for the diagnosis of the problem of dissemination of integration documentation. A joint co-operation programme in documentation techniques was also initiated. It includes the structuring of microthesaurus on integration and the organization of a technical seminar to exchange experience in the field of information and documentation.

Collaboration with the Divisions of CEPAL

172. Assistance was provided in the organization of the documentary sources of information and in the implementation of an information control and retrieval system in the Statistical Division, the CEPAL/FAO Joint Agriculture Division, and the Natural Resources and Environment Division.

173. In this last Division documentary support was provided in the field of the environment. CLADES collaborated in the revision of the bibliography included in the report "The Environment in Latin America" (E/CEPAL/1018) by standardizing the classification of the authors and titles of the works consulted. The preparation of a microthesaurus of the environment in Latin America is also in progress.

### External advisory services

174. Assistance was provided and technical bibliographic material distributed to the library of the Department of Business Administration and Economics of the Valparaíso Campus of the University of Chile, to the Documentation Centre of the Corporación de Investigaciones Económicas para América Latina, to the Centro de Documentación Cooperativo, and to the Documentation Centre of the Fundación para el Desarrollo de América Latina (FUDAL).

### Documentation and technical processes

175. The analysis of CEPAL/ILPES documents has been considered a top priority task. A careful review is being undertaken on the incorporation of new descriptors considered essential for the indexing of this material. The design of a new work-sheet for the entry of information into the computer and the preparation of a Manual of Instructions was also carried out.

176. The analysis of documents carried out under the previous information processing system was revised and adapted to the new computerized information retrieval system (ISIS) used by CEPAL.

177. After the bibliographic information of the CEPAL/ILPES documents was entered into the computer several tests were made on various patterns of information retrieval. The first computer print-out with bibliographic information including an index of descriptors is about to be produced.

178. Several bibliographies were prepared on various topics such as forecastings; 25 years of Bolivian agriculture; industrial development and technology transfer 1971-1975; and sub-contracting in industry.

179. Two important directories were prepared and are at present being revised: Directory of environment institutions in Latin America, and Directory of socio-economic institutions in Latin America.

CLADES/IDRC research projects on information systems  
development in Latin America

180. The design of a methodology for the Inventory of economic and social documentation services in Latin America and the Caribbean was completed and the definitive format of the questionnaire was established after several consultations with regional specialists. This questionnaire was tested experimentally in a pilot inventory project in Chile.

181. During the period under review missions were undertaken to invite the countries to participate and to determine the national focal points for the implementation of the project. In this connexion visits were made to Argentina, Barbados, Bolivia, Brazil, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, Surinam, Trinidad and Tobago, Uruguay and Venezuela.

182. The project is now being implemented in almost all of these countries, while the remainder are expected to initiate their participation during the first half of this year.

183. Preliminary consultations were held with various integration agencies in order to determine their involvement in the project for an inventory of less disseminated documentation produced by economic integration agencies in Latin America and the Caribbean. A pilot project was launched in INTAL which included two phases: (i) the design of a conceptual scheme for identifying the main components of its information systems and (ii) the initiation of a joint programme which will allow the production of an analytical bibliography on less disseminated documentation on Latin American integration, through the standardization of norms and vocabularies. Preliminary field work was also undertaken in JUNAC (Board of the Cartagena Agreement).

184. Finally, a revised conceptual scheme on the question of the dissemination of documentation was elaborated for testing in the different Divisions of CEPAL so as to improve the methodology before extending the project to other integration agencies.

## MEXICO OFFICE

### Economic development programme

185. During the period under review sectoral and global analyses of the economies of Mexico, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, and Panama were prepared for inclusion in the Economic Survey of Latin America, 1976.

186. For this purpose the corresponding statistics published by the countries for the period were collected, and qualitative and other background information on conjunctural trends were directly collected in each of the countries.

187. In addition, work continued on the organization and analysis of statistical data for preparing the retrospective study on development in Central America in the period 1950-1975.

### Central American economic integration

188. Work continued on the implementation of the decisions adopted by the Central American Economic Co-operation Committee, and a proposal was prepared for some regional projects for presentation by the countries of the region to the Inter-American Development Bank for consideration at the next meeting of the Board of Governors. Arrangements were made with the Central American Bank for Economic Integration for the recruitment of consultants to collaborate with CEPAL in the formulation of several of these projects.

### Planning and economic policy for development

#### Fiscal policy in Costa Rica

189. Work continued on the study on tax policy and economic development in Costa Rica, and a draft document on sales tax was revised in this connexion.

#### Courses on planning and economic policy in Costa Rica

190. Officials of this Office participated as lecturers on economic integration and fiscal policy in this course, which was sponsored by UNDP/ILPES/CEPAL/ICAP.

### Export of manufactures in Mexico and promotion policy

191. The document "La exportación de manufacturas en México y la política de promoción" was revised and updated, and a section was added which describes the impact of the float of the Mexican peso on export promotion policy.

192. The following documents were prepared: "Notas para el estudio económico de América Latina: Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama y México" (CEPAL/MEX/76/1-7); "Notas sobre el proceso inflacionario, con particular referencia a la experiencia en Centroamérica" (CEPAL/MEX/76/9); "Notas preliminares acerca de la construcción de un modelo de corto plazo para Honduras" (CEPAL/MEX/76/Hond/1); "Notas explicativas sobre los propósitos y alcances del estudio de política tributaria y desarrollo económico de Costa Rica" (CEPAL/MEX/76/C.Rica/1); "Notas explicativas sobre contribuciones de mejoras" (CEPAL/MEX/76/C.Rica/2).

### Technical co-operation

193. Advisory services were provided to the Government of Costa Rica in the field of capital gains taxation.

194. In Honduras courses were given on accounting systems for economic planning and on industrial policy.

195. In Panama advisory assistance was provided on national accounts and analysis of the current situation in that respect in the country.

### Co-operation in the industrialization process in the Central American and other countries

196. A new version of the document on the establishment of a national network for the joint promotion of industrial projects was prepared. The document examines the desirability of establishing a Central American corporation in the public sector to promote the establishment of multinational enterprises in the region.

197. A study on the desirability of producing phosphoric acid and its associated products in the region was completed. The study suggests that the process should be initiated with the installation of a diammonium phosphate plant.

#### Technical co-operation

198. During the period under review advisory services were provided to the Secretariat of the National Economic Planning Council of Guatemala on the establishment of machinery for the implementation of industrial projects.

199. In El Salvador assistance was provided to the Industrial Planning Office of the Ministry of Economic Affairs on the guidelines of the industrial development plan for the period 1978-1982.

200. In Honduras assistance was provided to the Technical Secretariat of the Supreme Planning Board in the preparation of the Industrial Plan of Operations for 1977.

201. During the period under review the Mexico Office also participated in the International Seminar on Agro-Industrial Development sponsored by the Federación Mexicana de Organizaciones Agrícolas.

#### International trade and development programme

202. Collaboration continued with the Nacional Financiera de México in the preparation for that country of a programme on the development of capital goods, and the Office participated in the preparation of the document "El mercado de los bienes de capital en algunos países de América Latina".

203. Advisory assistance was provided to the Government of Guatemala, and in particular to the General Secretariat of the Economic Planning Council, in the field of regional economic integration.

## Natural resources and energy programme

### Development of energy resources in Central America

204. Work continued normally on the collection and analysis of basic data for the use of planning models in the study on electrical interconnexion. A model was completed for the simulated operation of electricity power stations, entitled "Programa de operación simulado de una central hidroeléctrica" (CCE/SC.5/GRIE/IV/3/Rev.1), and the models developed by ENDESA in Chile were used to produce curves of the energy obtainable as a function of installed capacity.

205. During this period financing for the second phase of this study was obtained from the Central American Economic Integration Bank (BCIE) and the United Nations Development Programme (UNDP).

### Preparations for the Fourth Meeting of the Regional Group on Electrical Interconnexion

206. The institutional and economic aspects relating to electrical interconnexion were studied and reports were prepared on possible schemes of co-operation in the field of electricity and on the sharing of the costs and benefits of interconnexion. For this purpose the documents entitled "Distribución de costos y beneficios de la interconexión eléctrica" (E/CEPAL/CCE/SC.5/GRIE/IV/DI.2) and "Estudio de interconexión eléctrica en el istmo centroamericano: décimo informe sobre el avance de los trabajos" (SRNE/76/9/Rev.1) were distributed.

### Regional energy development

207. Information was collected and analysed with a view to the preparation of statistics on energy consumption in the subregion for 1974, and the data were published in the document "Istmo Centroamericano: consumo de energía 1950, 1955, 1960 y 1965-1974" (E/CEPAL/CCE/SC.5/117).

### Development of water resources in Central America

208. Work continued normally on the study on the development of irrigation in the region for the period 1976-1985, and the national reports which describe current and proposed development in the sector were discussed with representatives of the Central American Economic Integration Bank (BCIE).

209. The final versions of annexes on the present state of irrigation and on the economic analysis of irrigated farming contained in the document "El riego en El Salvador" (E/CEPAL/CCE/SC.5/110/Add.1) were completed.

### Social development programme

#### Social development in Central America

210. With the collaboration of the Central American Economic Integration Bank (BCIE) and the United Nations Children's Fund (UNICEF) a seminar on social programming in Central America was held in Guatemala City from 26 to 29 October 1976. The seminar was attended by delegates from all the Central American countries, and the document "Desarrollo y política social en Centroamérica" (CEPAL/MEX/76/11) was presented and discussed.

#### Social development in Cuba

211. A mission was undertaken to Cuba to define the details, scope, and bases for the implementation of this study.

212. Subsequently, a programme of work was drawn up for the collection of material and information by the Cuban working groups which have been set up for the study.

#### The markets in La Chontalpa (Mexico)

213. A first version of the study on this subject was completed on the basis of the information available. After comments had been received on the provisional text, the final version of the report "El mercado de trabajo en La Chontalpa" (CEPAL/MEX/76/16/Rev.1) (Restricted) was prepared.

## Transport and tourism programme

### Development of transport in Mexico and Central America

214. A corrigendum was prepared for the document which describes the Mexican experience in the construction of local roads by methods involving the intensive use of labour: "Análisis sobre la experiencia Mexicana en caminos de bajo costo" CEPAL/MEX/76/15/Rev.1).

## Agriculture, forestry and fisheries programme

### Agricultural policy in Mexico

215. For the purpose of obtaining information on the credit policy guidelines followed by agencies in this sector, talks were held with the Bank of Mexico, the Banco Nacional de Comercio Exterior and the Financiera Nacional Azucarera and detailed information was obtained in this connexion.

### Co-ordination of agricultural policies

216. A provisional document was prepared which studies the establishment of a Central American corporation for fishing and marketing tuna. This work involves an estimate of the optimum size of the corporation and the investment needed for its establishment.

### Technical co-operation

217. Advisory assistance was provided to the Government of Honduras in connexion with the formulation of requests for financing for the development of rural settlements.

## Science and technology programme

### Scientific and technological policies in Latin America

218. During the period under review the plan of the document analysing the existing scientific and technological policies in Latin America was completed. This study will be carried out by the recently established Science and Technology Unit, which will receive assistance from CEPAL and a contribution from the Mexican Government.

## WASHINGTON OFFICE

219. During the period under review, the Washington Office intensified its activities in the field of economic research and analysis in support of the central work programme of CEPAL headquarters. A study was designed to cover the activities of some international organizations based in Washington whose research and operational activities are of the greatest importance in Latin American economic and social development. These include the Inter-American Development Bank, the Organization of American States, the International Bank for Reconstruction and Development, the International Monetary Fund and certain United States Government bodies.

220. In the context of the Latin American economic development and the CEPAL work programme, the objectives of the study are: (a) to monitor the activities of these agencies on a continuous, systematic and detailed basis; (b) to produce a twice-yearly paper that assembles, synthesizes, interprets and passes judgement upon the activities of the agencies, viewed separately and/or together.

221. In conjunction with the International and Development Division in Santiago, the Washington Office prepared a technical note on preliminary meetings with officials of the State Department, the Department of Trade and the Inter-American Development Bank regarding the proposed technical standards centre for Latin American imports.

222. During the period under review the Washington Office also represented CEPAL at the following meetings: First AAC Inter-Agency Meeting on Transnational Corporations, in New York; First CEPAL/IDB/OAS Inter-Agency Meeting, held in Washington; Seventeenth Ordinary Session of CEPCIES, in Washington; meeting on the financing of education in Latin America, held in Washington; international consultation on new forms of co-operation with Latin America, convened by the Canadian International Development Agency (CIDA) in Ottawa; and the CEPCIES country review on Bolivia, held from 20-22 September at OAS Headquarters.

223. The Washington Office represented the CEPAL secretariat at many other intergovernmental meetings, particularly those related to the

Inter-American organizations, and performed other liaison and representational functions at the request of the Office of the Executive Secretary.

224. During the period a CEPAL Cuaderno was prepared by a staff member of this Office, entitled "Canada and the Foreign Firm". The Cuaderno concentrates on three main questions, namely: (1) some of the main problems posed by the operations of foreign firms in Canada; (2) some of the solutions adopted or contemplated by the Canadian Government to resolve those problems; and (3) the possible relevance of some of these solutions for Latin America.

#### RIO DE JANEIRO OFFICE

225. Talks continued with the Government of Brazil on the renewal of the amplified IPEA/CEPAL agreement.

226. One of the clauses of this new agreement provides for the transfer of the CEPAL Rio de Janeiro Office to Brasilia. For this purpose officials of CEPAL headquarters visited Brasilia to complete the necessary arrangements for the implementation of the new amplified IPEA/CEPAL agreement and for effecting the transfer.

227. The following studies are planned for the next biennium within the framework of this agreement: research into regional inequalities in the Brazilian economy; a macroeconomic simulation model; a methodology and models for sectoral and regional planning; a study of cost alternatives of urban investments; and training of human resources.

228. Work continued on ongoing studies which included those on a national finance system for urban investments and on regional inequalities in Brazil, with the preparation of regional profiles.

#### MONTEVIDEO OFFICE

229. The Office continued its work of co-operation and liaison between the Executive Committee and secretariat of LAFTA and the CEPAL secretariat. During the period under review it maintained regular

contacts and exchange of information on matters of common interest and continued to supply elements which serve as mutual support for activities, facilitate co-operation, and ensure more efficient use of the resources of both institutions.

#### Integration within the LAFTA framework

230. Liaison and co-ordination activities with the Executive Committee and the Office of the Executive Secretary of LAFTA continued, as did the provision of technical assistance.

231. Statistical information was prepared and dispatched, and information material and documents for the period were selected and forwarded.

232. In addition, the Montevideo Office was represented at the meetings of the Standing Executive Committee and its working groups and at the meetings of the Heads of Missions.

233. The Montevideo Office represented CEPAL at the sixteenth session of the Conference of the Contracting parties. The corresponding documents were collected and analysed and a report prepared on the results achieved.

234. An updated report was prepared on the present situation of the negotiations within LAFTA. Statistical information on LAFTA complementation agreements by industrial sector was collected and processed with the technical assistance and collaboration of the statistical unit of the Association.

#### Subregional integration

235. An updated report was prepared on the system of the River Plate basin, after the Eighth Meeting of Ministers of Foreign Affairs held in Brasilia from 7 to 9 December 1976.

#### Meetings

236. During the period under review the Montevideo Office represented CEPAL at the following meetings: the ninth meeting of National Directors of Customs, at which the report of the eleventh meeting of experts on customs techniques was discussed; the meeting of Ministers of Public Works and Transport of the Southern Cone, and the second ordinary Assembly of the Latin American Civil Aviation Commission.

## OFFICE FOR THE CARIBBEAN

237. The new tasks that derive directly from the work programme of the Caribbean Development and Cooperation Committee (CDCC) may be viewed as falling into three categories: (i) items mandated for immediate implementation but for which the supporting expertise has to be sought outside the Secretariat; (ii) the execution of studies for formulating possible co-operation activities of the Governments, and (iii) the co-ordination of inputs from the United Nations side in support of CDCC activities.

### Implementation of the CDCC work programme

238. At the first session, the Committee spelt out the scope of operations to further Caribbean co-operation. The activities that have since been undertaken by the Office for the Caribbean within the framework of those mandates are reported below according to the classification and order of the work programme.

#### (a) Technical co-operation among the Caribbean countries

239. First efforts were devoted to pursuing the means for implementing the CDCC decisions on promotion of collaboration among universities and other research institutions by way of a meeting of Rectors of Caribbean Universities. This initiative is to be implemented in close collaboration with the United Nations University.

240. The Latin American Centre for Economic and Social Documentation (CLADES) has effectively supported the efforts of the Office to establish an infrastructure that can stimulate intra-Caribbean technical co-operation and collaboration between academic centres and international organizations. After consultation with the relevant officials of UNESCO and the University of the West Indies (UWI), CLADES prepared document E/CEPAL/CDCC/16/Rev.1, Documentation Centre to serve the Countries of the Caribbean Development and Co-operation Committee.

(b) The agricultural sector

241. A second issue of the Compendium of Agricultural Statistics for Caribbean Countries (E/CEPAL/CDCC/13) was released in August 1976. It is a revised and amplified version of the first issue and includes, for the first time, data on cultivated area and production collected directly from the relevant official sources. This issue includes statistics on fisheries, shows aggregates for the CDCC countries, and contains selected graphs. These data will serve as a basis for future studies on the demand for food and agricultural raw materials for agro-industries, within the broad framework of possibilities of specialization and complementation.

242. Besides preparing reference material in response to specific requests by Governments and intergovernmental institutions, the Office carried out a mail survey in the Caribbean countries to gather information on Associations of Agricultural Producers, Dealers and Exporters of the main agricultural and livestock products, with a view to devising mechanisms for bringing them closer together for concerted action at regional and extra-regional levels, as required by the CDCC mandate. As a result of the considerable response by the CARICOM countries, the information was compiled and circulated among them for comments and revision. The survey was then extended to embrace all the CDCC countries and the information collected forms part of the Preliminary Draft Directory of Associations of Producers, Dealers and Exporters of Agricultural and Livestock Products of the Caribbean Countries (E/CEPAL/CDCC/14).

(c) Social development

243. During the period under review, activities focussed on the social aspects of the promotion of agriculture, Montserrat being used as a test case for the enquiry and hypothesis. A preliminary report on Mobilization of Community Interest and Efforts for Agricultural Development in Montserrat has been completed but not yet discussed at the governmental level. In addition, two macro-sociological studies

by consultants on the characteristics of Caribbean societies, needed for the formulation of integrated policies, were revised. It is already evident that this research needs to be expanded.

244. As the first step towards the study of non-demographic aspects of the labour force, a paper on Methodological Proposals to Measure the Supply of Manpower on the Labour Market was circulated as a restricted document among Caribbean and CEPAL specialists. It is hoped that this will serve as a basis for manpower planning and for the study of the demand for labour force in different forms of economic organization.

(d) Education and culture

245. The discussions held with UNESCO have centred on the elaboration of a medium-term programme to supplement the programme of immediate action set out in the report of the Inter-Agency Meeting to co-ordinate the implementation of the Programme of Work of the CDCC (E/CEPAL/CDCC/11). A UNESCO Senior Regional Adviser has been seconded to the CDCC secretariat for a period of 3 months to develop this programme, and this secondment will be renewed periodically. It has also been possible to take advantage of the presence of UNESCO's Consultant on Museum Development and to formulate a project related to the promotion, strengthening and preservation of Caribbean cultures.

246. The UNESCO/CEPAL/UNDP regional project on education and development for Latin America and the Caribbean has been initiated in the CDCC area. Through this project a study on Education and Development in the English-speaking Caribbean has been contracted, while proposals are being finalized to meet requests from two CDCC member countries.

(e) Transport, communications and related services

247. Some support has been given to the CARICOM Secretariat in carrying forward the pilot project in Trinidad and Tobago to implement the CEPAL Proposals for Collection and Processing of Regional Port and Shipping Statistics (ECLA/POS/74/6). This support consisted of evaluating the results of a preliminary survey and amending the Ship Visit Report form so that the information contained could be used for planning purposes.

(f) Regional co-operation

248. Assistance was given to the Government of the Republic of Haiti in the preparation of the document entitled Dossier for Presentation to the Caribbean Community and Common Market. At the Office's request, the Government of Haiti sent three economists to the CDCC secretariat to complete this study. In addition, a preliminary evaluation was made of some of the implications for Haiti of accession to CARICOM, including a comparative study to appraise the effects on revenue of the adoption of the CARICOM Common External Tariff (CET). A summary of the findings of this analysis has been submitted to the Government of Haiti.

General economic development, statistics,  
and advisory assistance

249. The Office contributed Country Notes to the Economic Survey of Latin America, 1976 in respect of Bahamas, Barbados, Grenada, Guyana, Jamaica, Surinam and Trinidad and Tobago. A summary giving a brief view of general economic trends in the Caribbean Common Market Area was also prepared and the document Economic Activity - 1975 - Caribbean Community Countries (ECLA/POS/76/6; E/CEPAL/CDCC/15) was published.

250. The paper Amendments to the Standard External Trade Statistics Classification for the East Caribbean Common Market Countries (ECLA/POS/76/1) contains proposals arising from adjustments to the ECCM Common External Tariff. Specific assistance has been given to Governments in response to ad hoc requests. Thus, for example, the Government of Antigua was assisted with the preparation and publication of their second Abstract of Statistics and their 1975 External Trade Statistics Report. Similarly, the Office provided various governments with statistics on retail price indexes, external trade in petroleum and petroleum products, and other subjects.

251. In the general area of advisory assistance for development planning, the Regional Economic Adviser began preparation in May 1976 of an Agricultural Development Sectoral Plan for Grenada covering the period 1977-1981. The expert has been working in close collaboration with field staff in the Ministry of Agriculture, who have been providing

basic data for plan preparation. Data collection is now complete and draft copies of some of the chapters have already been submitted to the Government. It is expected that the Plan will be finalized by May 1977. Similarly, the Government of Montserrat requested advice on a Draft Economic Development Plan for the period 1977-1981 which was already in process of preparation. The Regional Economic Adviser carried out the mission and his report has been submitted to the Montserrat Government.

Co-ordination with international and  
regional bodies

252. Fulfilment of the needs of the CDCC work programme has demanded a higher level of collaboration with United Nations bodies than was traditionally required. Most of the action taken has been directed towards identifying the contributions that the specialized agencies and other United Nations bodies can make to supporting the initiatives of the CDCC. The definitive starting-point was the holding, under CEPAL auspices, of a United Nations inter-agency meeting to consider the co-ordination in implementing the CDCC work programme (New York Headquarters, 28-30 June 1976). Document E/CEPAL/CDCC/11 reflects the outcome of the deliberations of that meeting, as modified by the subsequent comments from the Agencies' headquarters.

253. An important point of focus in the collaboration with UNESCO has been the attempt to develop an integrated strategy to meet the CDCC priorities. A special UNESCO mission made possible discussions on the establishment of a network system of educational innovations, whereby experience from new developments in the formal educational systems in the region can be shared by the member countries. The presence of a UNESCO Senior Adviser in the CDCC secretariat permitted the formulation of basic programmes to stimulate intra-Caribbean technical co-operation. These programmes cover support of the Caribbean Documentation Centre, the removal of language barriers, the creation of two Councils - one for Science and Technology and the other for Economic and Social Development, a pre-feasibility study on communication for non-formal education, and a strategy for the promotion, strengthening and preservation of Caribbean cultures.

254. In addition to the foregoing, there was continued support for the work of other bodies. A series of discussions were held with World Food Programme officials, for whom selected background data was collated on Antigua, Grenada, Dominica, St. Lucia and St. Vincent, in connexion with proposals for supplemental feeding projects in those countries. A staff member visited Antigua regarding the UNDP/ECCM statistics project and CEPAL/CDCC work programmes with special emphasis on the area of statistics.

#### Meetings and conferences

255. Meetings and conferences held during the period under review included the Preparatory Meeting for the Eighth Common Market Council Conference and Eighth Meeting of the CARICOM Council (Grenada, 22-25 April 1976); CARICOM Meeting of Ministers responsible for Transportation (Guyana, 29-30 April 1976); Meeting of Standing Committee of Ministers responsible for Finance and Meeting of Board of Governors of the Caribbean Development Bank (St. Kitts, 8-13 May 1976); Eleventh West Indies Agricultural Economics Conference (Dominica, 19-24 May 1976); advisory assistance to the Government of Grenada on the formulation of the Economic Development Plan and Programme (13-29 May 1976; 6-19 July 1976; 12 September-2 October 1976); Inaugural Session of Seminar on Administration of Multinational Integration in Latin America (Barbados, 24 May 1976); CDB/CARICOM/CEPAL Team on Planning Assistance to LDC's (Barbados/St. Vincent/St. Lucia/Grenada, 10-25 June 1976); Working Party Meeting on Treatment of Processed Products under the Agricultural Marketing Protocol (AMP) and Final Meeting of the AMP Working Party on Price Fixing (Guyana, 27 June-2 July 1976); Inter-Agency meeting (New York, 28-30 June 1976); Fifteenth Meeting on the Agricultural Marketing Protocol (Guyana, 26-28 July 1976); Meeting of Officials on AMP Price Fixing for the November/April Trading Period (Guyana, 21 September 1976); CARICOM: Ninth Meeting of Common Market Council of Ministers (Guyana, 24-25 September 1976); assistance in preparation of development plan for Montserrat (Montserrat, 24-30 October 1976); meeting of ECCM Council of Ministers (St. Lucia, 18-19 November 1976); Preparatory meeting of officials and meeting of

Standing Committee on Transport (Guyana, 17-19 November 1976); meeting of Regional Co-ordination Committee on the 1980 Population Census (Barbados, 22-23 November 1976); CARICOM: Meeting of Livestock Subcommittee of Regional Agricultural Planners and Standing Committee of Ministers of Agriculture (Guyana, 21-26 November 1976); ECCM Seminar on Foreign Trade Statistics (Antigua, 24-30 November 1976); Monetary Studies Conference and Consultations with Caribbean Development Bank officials (Barbados, 1-3 December 1976).

#### BOGOTA OFFICE

256. During the period under review the Office continued its work on the analysis of the economies of the countries within its area.

257. It participated in the preparation of basic data and the analysis of main aspects of Colombian economic policy, and a draft note was prepared entitled "Evolución de la economía colombiana durante el primer semestre de 1976".

258. In addition, work was started on a study on the coffee economy of Colombia and the present economic situation. This study will mainly examine coffee policy with regard to its traditional features and the measures adopted recently as a result of the current economic situation.

259. Collaboration in the preparation of the Economic Survey for 1976 continued in the period through the contribution of the surveys on Colombia, Ecuador and Venezuela.

260. The experience of these three countries in the field of economic development is so rich and reflects situations of such importance that CEPAL's research in this field should be expanded and deepened.

#### Collaboration with governments and with other bodies

261. At the request of the Minister of Planning of Venezuela, the Office collaborated with officials of CORDIPLAN on a mission to Colombia in obtaining information on human resources, employment, and migration. In addition, two notes were prepared on the subject and were sent to the Ministry of Planning of Venezuela together with the wealth of information obtained from the Ministry of Labour and Social Security and the Servicio Nacional de Aprendizaje of Colombia.

262. The Office attended the talks held between the Minister of Planning of Venezuela, the Director of ILPES, and officials of CORDIPLAN at which the bases were laid for an ILPES programme, in which the Bogotá Office may participate, of co-operation with the Government of Venezuela on sectoral policies, regional development, and training in economic planning.

#### Seminars and meetings

263. During the period under review the Bogotá Office represented CEPAL at the following seminars and meetings: the seminar on the State and planning, held in Bogotá from 10 to 12 June; the meeting of the Technical Sub-Committee of ILPES, held in Bogotá on 11 September and attended by the Ministers of Planning of Panama, Venezuela and Colombia and representatives of the Planning Offices of Argentina, Brazil, Ecuador and Mexico; and the sixth General Assembly of the Council of Sea and Air Transport Users which was held in Bogotá from 29 to 30 September.

#### BUENOS AIRES OFFICE

#### Methods and techniques for the short-term information coverage, analysis and programming of economic development

264. During the period under review, the areas in which basic information was improved and expanded, using the methods developed in collaboration with officials of the Central Bank and the National Institute for Censuses (INDEC), covered the following subjects: national accounts, agricultural and industrial activities, investment, foreign trade and the balance of payments, the public sector, prices and wages, financial aspects, financial markets and international products, and the situation and outlook of the industrialized countries.

Methods and techniques for the medium- and long-term analysis and projections of the Argentine economy

265. Work on the improvement of the model and its use in reproducing the base period continued. In addition, tests were started on different long-term policies.

266. At the same time, work was undertaken to amplify the model in order to permit deeper analysis and extend it to other situations. There are plans to cover a great number of sectors and to use it in the analysis of regional development.

267. In connexion with this project a report entitled "A numerical experimentation model for analysing alternative long-term economic policies" describing the phases of the work concerning the model per se and the period chosen as the base, was completed for internal circulation.

Analysis of regional development

268. During the period under review the revised version of the study on "The regional distribution of agricultural activity" was completed. This document is being discussed internally within the Buenos Aires Office and is expected to be published in a few months' time.

IDB/CEPAL programme on research in the field of science and technology

269. The following lines of research have been developed: engineering firms; incorporation of technology by State enterprises; technology in the building sector; evaluation of research and development projects in the chemical and pharmaceutical fields; technology and industrial exports; the breaking down of the technological package in the steel industry; the state of technology with regard to petroleum; legal aspects of the incorporation of technology.

270. To assist in the implementation of these tasks, agreements have been reached with various public agencies in Argentina, Brazil, Colombia, Chile, Mexico, Peru and Venezuela and with the Institute for Latin American Integration (INTAL).

Joint CEPAL/UNESCO project on education and development  
in Latin America and the Caribbean

271. Agreements were reached with the Governments of Ecuador and Peru to carry out case studies in those countries.

272. Work began on the preparation of the studies "Industria y educación en Argentina", "Inserción de los profesionales argentinos en el mercado del empleo", "Evaluación financiera del sistema educativo argentino", and "Desarrollo y educación en Costa Rica".

273. These documents are undergoing a thorough review before their final publication, which will be considered by the Joint Board (comprised of representatives of UNDP, CEPAL, and UNESCO) responsible for managing the project and authorizing the publication of its documents.

C. LATIN AMERICAN DEMOGRAPHIC CENTRE (CELADE)

274. At its sixteenth session the Commission approved the Regional Population Programme contained in document E/CEPAL/1002, and entrusted its implementation to CELADE.

Basic population statistics

275. Technical assistance was provided in the design, processing and analysis of data from the national demographic surveys carried out or currently underway in Bolivia, Nicaragua, Panama and Peru, and in Posadas, Argentina. In addition, the Chilean National Planning Office was given advisory assistance in connexion with a demographic and economic survey covering several regions.

276. As part of the plan of co-operation in the World Fertility Survey, several missions were carried out to the Dominican Republic, Costa Rica, Colombia and Panama, with the specific purpose of providing technical advisory assistance in training personnel in the electronic processing and use of data.

277. At the request of the respective government bodies, the CELADE computer service processed census data for Chile (internal migration tabulations) and Haiti (regional tabulations), as well as data from demographic surveys carried out in Bolivia and Posadas, Argentina.

278. The CELADE Office in San José published a report with which it concluded its work on the experimental census conducted in Atenas, Costa Rica, in collaboration with the Statistics and Census Office of that country.

#### Review of population trends

279. In the period considered, the demographic situation in each country of the region in the period 1970-1975 was evaluated.

280. Satisfactory progress was made, in accordance with the work plans, in the research on the differences in child mortality by socio-economic groups, which at present covers 15 Latin American countries. Seven research fellowship-holders from six countries participated in the project.

281. A study was prepared on population trends in Latin America in the period 1950 to 2000, which will serve as an input in the retrospective and prospective development appraisal in course of preparation by the CEPAL secretariat.

282. CELADE's main technical assistance activities comprised: a preliminary study of population trends in the Department of Alto Paraná which will serve as a basis for a research project on migration and the redistribution of the population and employment, in which the Paraguay Technical Planning Office is interested; and population estimates and projections for various purposes for the Ministry of Education and the National Statistical Institute of Chile, the Ministry of Development Planning and Co-ordination of El Salvador, the Office of the International Labour Organisation at San José, Costa Rica, and the Latin American Institute for Economic and Social Planning (ILPES).

283. Mention should also be made of CELADE's systematic work on the preparation of mortality, fertility and migration estimates, as well as up-to-date population projections at different levels of aggregation, the results of which are published twice a year in its Boletín Demográfico.

## Interrelationship between population and development

284. The purpose of this programme is to gain a deeper insight into the interrelationships of demographic variables and economic and social factors in specific situations in the countries of the region.

285. With this end in view, a number of activities and basic studies were carried out, the most important results of which were presented in the relevant reports. In particular, two reports were published on the study of factors determining employment opportunities for women, initiated in 1975. The first analyses the degree of economic participation in four countries, according to income, education, employment and fertility; the second focuses on the economic participation of women as a key factor in the changes in fertility occurring in two countries of the region.

286. In addition, work was completed on the study of the displacement of agricultural labour in Brazil and Mexico, in which an attempt is made to link rural emigration in these countries with population growth and structural and technological factors.

287. Critical poverty in Latin America is the subject of a study begun in 1976. Its central aim is to investigate the relationship between the household income and reproduction and consumption patterns of the low-income groups, and the effects of changes in the level and distribution of income on those patterns. The stage that has now concluded comprised the preparation of the theoretical and operational aspects of the project, the compilation and systematization of available statistical data, and the design and start of experimental research.

288. The results of bibliographic research on policies governing the geographical redistribution of the population were collected and published in a working document. This is intended for purposes of consultation concerning the policy instruments that have been used in different national contexts throughout the world to promote urban and regional development or influence the pattern of spatial distribution of the population.

289. The migration of industrial manpower was given particular attention in the studies aimed at the construction of an economic-demographic internal migration model. In this respect, as an initial step, an economic sub-model of the demand for labour in manufacturing industry was designed and tested with data from Chile.

290. Lastly, a report was prepared on a research project concerning the needs and resources of metropolitan areas in Latin America. This involves identifying the problems arising as a result of the expansion of the requirements of those areas due to population growth, factors unrelated to those areas and factors inherent in the economic growth process. The final objective is to prepare various long-term projections on those needs.

#### Population policy

291. The study on development strategies and population policy in three countries (Brazil, Chile and Costa Rica) was for the second consecutive year the central research project in this field. At two meetings to co-ordinate the three country studies, held in August and December 1976, the progress reports on the work, which were presented in the form of theoretical-methodological analyses and preliminary analyses of the results obtained, were discussed and evaluated. The study will be completed in the first half of 1977 and will be published before the end of the year.

292. Technical co-operation was provided in this field in the form of two specific activities, in line with the recommendations formulated by the governments at the Second Latin American Meeting on Population convened by CEPAL (Mexico, 1975). First, the Introductory Course on the Design of Population Policy held in Mexico City in Co-ordination with the National Population Council (CONAPO) for central and federative states administration personnel with technical and managerial functions. Secondly, the First Exchange Meeting among Government Bodies Responsible for Population Policy held at San José, Costa Rica, with the participation of representatives of 14 countries of the region and six international agencies.

### Family planning

293. One of the main activities in this field continued to be the provision of technical assistance to the Research and Evaluation Unit of the Programme for the Extension of Maternal and Child and Family Welfare Services (PESMIB), directed by the Chilean Ministry of Public Health, with financial support from the United Nations Fund for Population Activities (UNFPA). The most important contributions consist of the preparation of final studies on the fertility survey undertaken in line with the aforementioned Programme of a methodology and plan for the analysis of data as a basis for determining the effectiveness of the use of contraceptives, and of a coverage evaluation using information obtained through the system of service statistics of the Programme.

294. Technical advisory assistance was also given to the Co-ordinated Mother, Child and Family Welfare Programme of Bolivia in the supervision and improvement of its system of service statistics and in the analysis of the information produced by the system in the first half of the year.

295. The Family Planning and Sexual Education Programme of Costa Rica was also provided with technical assistance in connexion with a diagnostic study and in the evaluation of the Programme.

### Documentation and information

296. A population documentation system for the collection of reports, articles, documents and, in general, any publications containing articles on population questions that have been written in Latin America or on this region since 1970 was introduced early in 1976. The service providing institutions and other users with information will start to operate in the second half of 1977. This service contemplates the publication of a six-monthly review containing summaries.

### Education and training

297. As in previous years, the San José Office held the Basic Demographic Analysis Course and the Advanced Demographic Analysis Course of 10 and 12 months' duration, respectively. The Basic Course was attended by 26 students from 16 countries of the region, and the Advanced Course by eight professionals with previous training in demographic analysis.

298. CELADE participated in post-graduate university programmes on population, in the course for a Master's degree in economics and the course for a Master's degree in human nutrition (both in the Universidad de Chile) and in the course for a Master's degree in community health at the Universidad Católica de Chile.

299. In addition, CELADE held the following specialized courses and seminars:

- Course on Electronic Data Processing as Applied to Population Questions, the purpose of which was to provide training for personnel of statistical offices in the basic principles of computer programmes and of the operational systems for the processing of population censuses and surveys (Santiago, 23 August-10 December 1976);
- Seminar on Methods for Evaluating the Demographic Effects of Family Planning Programmes, for specialists from institutions interested in knowing the demographic effects of this kind of programme (Santiago, 18 October-12 November 1976);
- Population and regional development module, in the Regional Development Planning Course organized jointly by ILPES and CEPAL (Santiago, 2-6 August 1976);
- Seminar on Biostatistics of Human Reproduction, held at San José from 5 to 14 May 1976, under the direction of Dr. Henri Léridon, of the National Institute of Demographic Studies (INEDI), France.

#### D. LATIN AMERICAN INSTITUTE FOR ECONOMIC AND SOCIAL PLANNING

##### Advisory Services Programme

300. In view of the growing and diversified demand for the Institute's advisory services, the Advisory Services Programme has been compelled to establish new modes of action in order to expand the work of its basic team. Missions directed by permanent staff members and composed of consultants whose services have been contracted for short periods

have made it possible to increase the Institute's capacity for technical co-operation with the countries. Although one of the main advisory activities is still to meet the demand for technical assistance in connexion with long-term strategies and medium-term plans, there is a growing demand from the countries for advisory assistance in short-term programmes, the establishment of plan implementation and control systems, regional and urban planning, and the evaluation of economic plans and policies. In response to the requests formulated by governments, the Institute has provided the following countries with technical co-operation in the areas indicated:

301. In Bolivia, it collaborated with the Ministry of Planning and Co-ordination of the Office of the President of the Republic in the preparation of the 1976-1980 Economic and Social Development Plan. It has also started to provide advisory assistance in the preparation of the 1977 and 1978 Operational Plans.

302. In Venezuela, the Institute's technical co-operation was specifically directed at the evaluation of agricultural policy and, in particular, price policy, production financing and subsidies. In addition, industrial policy concerning intermediate and capital goods, and the establishment of instrumental policies for import substitution in respect of these goods, was analysed and ILPES collaborated in the analysis of spatial policy as set forth in the Fifth National Plan and other government documents.

303. In Ecuador, the Institute is co-operating with the National Economic Planning and Co-ordination Board (JUNAPLA) in the evaluation of the 1973-1977 Integrated Change and Development Plan. Its assistance takes the form of helping JUNAPLA to assess the impact of the additional petroleum resources on the country's economic development, production and social structure, level of employment and distribution of income. It also extended the scope of this analysis with the aim of interpreting the role which the agricultural sector and government action have played in the social field.

304. In Chile, the Institute has co-operated with the National Planning Office (ODEPLAN) in the formulation of the 1977 Annual Plan, the 1977 Emergency Programme and the 1978-1981 Development Plan; with the Regional Planning and Co-ordination Office (SERPLAC); and with the Ministerial Sectoral Offices of the Fourth Region. It has also helped to prepare the methodology for the formulation of the medium-term regional plans which ODEPLAN will make available to the SERPLAC offices of the various regions of the country.

305. In Brazil, the Institute's technical co-operation is centred on the strengthening on the planning sub-systems at the State level and their links with the national system based in Brasilia. The States it assists are Minas Gerais, Bahia and Pernambuco. In the latter, it is engaged in experimental work in the field of urban planning in the metropolitan area of Recife, in order to gain a better understanding of the relationships which exist among the urban, regional and national variables in a specific situation in Latin America. In Minas Gerais, it is collaborating in the preparation of the plan for the implementation and follow-up of the Second Plan for Economic and Social Development of that State, 1976-1979. In the state of Bahia, its main activity is to support the preparation of a medium- and long-term economic and social development strategy and indicate the more important measures which should be taken in the short term.

#### Training Programme

306. Under this Programme, the Institute carried out the following activities: Seventh Regional Development Planning Course, Santiago, Chile (33 participants); Planning and Economic Policy Course, Tegucigalpa, Honduras (36 participants); and Planning and Economic Policy Course, San José, Costa Rica (28 participants). It also co-operated in the organization of the following courses, to which it also contributed teaching staff: Second Course in Regional Development Planning, Brasilia, Brazil (28 participants), in conjunction with the Training Centre for Economic Development (CENDEC); Advanced Course in Regional and Urban Development Planning (38 participants) and

Agricultural Development Planning Course (34 participants), Mexico, in conjunction with Project MEX/73-004; Course in Environmental Management in Development, Madrid, Spain (30 participants), in conjunction with the International Centre for Training in Environmental Sciences for Spanish-Speaking Countries (CIFCA).

307. The Institute also participated in the organization and teaching activities of the following courses: Post-graduate Course in Integral Regional Development Planning, of the Centre for Colonization Studies (CEC), Rehovoth, Israel; Inter-American Seminar on Regional Development, of the Italo-Latin American Institute (IILA), Cochabamba, Bolivia; Course in Territorial Organization, of the Training Centre of the Colegio de Ingenieros de Caminos y Puentes, Madrid, Spain; Eighth Agricultural Planning Course, of FAO, Rome, Italy; and in the Seminar on Training in Regional Planning, of the Institute for Social Studies (ISS), The Hague, Netherlands. It also collaborated with the latter institution in the Project for Inter-institutional Co-operation for Education and Research in Regional Development Planning, whose immediate goal was to set up the First ILPES/ISS Continuous Course.

308. ILPES has also been engaged in the preparation of the following activities for 1977; Eighth Regional Development Planning Course and First Continuous Course on Regional Planning of ILPES/Institute for Social Studies of The Hague 1977/1978 (for participants from Latin America and the Caribbean); Basic Course in Planning and Economic Policy, in Santiago, Chile; Course in Planning and Economic Policy (for participants from Latin America and the Caribbean); Planning and Economic Policy, specializing in Industrial Planning and Agricultural Planning, La Paz, Bolivia; Regional Development Planning, Quito, Ecuador; Planning and Economic Policy, Guatemala City, Guatemala; Industrial and Agricultural Planning, San Salvador, El Salvador.

309. Joint activities were also prepared in conjunction with Project MEX/73-004, with the Centre for Development Training (CENDEC) in Brasilia and with the Centre for Colonization Studies (CEC), in Rehovoth, Israel.

### Research Programme

310. The Institute completed the study entitled La planificación del desarrollo agropecuario: un enfoque para América Latina, currently being published by Editorial Siglo XXI.

311. The same firm published Teoría, acción social y desarrollo en América Latina.

312. Cuaderno Nº 24, La corrección monetaria. Cuatro estudios was published in 1976. It contains an analysis of Latin American experience in this field.

313. In the framework of the project on the State and Planning, the Seminar on the State and Planning and on Urban Planning was held in Bogotá in June 1976. The Seminar, at which papers were presented on Chile, Brazil and Colombia, was attended by specialists from a number of countries. In addition, an internal seminar was held in Santiago in January 1977, at which the preliminary studies on the State and Planning in Peru and Uruguay and on housing and price policies in Chile were examined.

314. A preliminary discussion paper was prepared on poverty in Latin America, which gave rise to three internal seminars on the question.

### **E. RELATIONS WITH UNITED NATIONS HEADQUARTERS AND WITH SPECIALIZED AGENCIES AND OTHER ORGANIZATIONS**

#### United Nations Centre on Transnational Enterprises

315. A very satisfactory working agreement has been reached between CEPAL and the Centre, which is located at United Nations Headquarters in New York. A joint unit has been established in Santiago to carry out a series of studies in a field which is of increasing importance to the Latin American region. A number of studies and reports have been prepared, and are described in the section on the Economic Development Division.

Inter-American Development Bank (IDB) and Organization  
of American States (OAS)

316. An important new step was taken in the promotion of interagency co-ordination when the chief executives of the Organization of American States, the Inter-American Development Bank and CEPAL met in November 1976 in Washington, D.C.

317. This meeting was considered so valuable that it has been agreed to hold meetings of this type at regular intervals, attended by the chief executives of these three agencies and also possibly the Administrator of UNDP and the Permanent Secretary of the Latin American Economic System (SELA). The next meeting was convened for May 1977 to discuss, among other questions, the seventeenth session of CEPAL, the IDB Annual Meeting, and the OAS Council Meeting to be held in Grenada.

Organization of American States (OAS)

318. The relations between CEPAL and the OAS were further strengthened by a visit to CEPAL headquarters made by the Secretary-General of the OAS during the course of the OAS Annual Meeting held in Santiago in June 1976. The OAS expert assigned to work at CEPAL headquarters under the joint project in the field of maritime transport took over responsibility for the bi-monthly Boletín de Facilitación del Comercio y del Transporte en América Latina.

Latin American Economic System (SELA)

319. A very satisfactory working agreement was reached between CEPAL and the Latin American Economic System (SELA), covering projects in a number of areas related to the work programme of the Economic Commission for Latin America.

320. Documents prepared by the CEPAL secretariat were distributed at the SELA Meeting held in Caracas and served as a preparation for the UNCTAD IV Conference held in Nairobi.

### United Nations Conference on Human Settlements (HABITAT)

321. Subsequent to the United Nations Vancouver Conference on Human Settlements, a Latin American Regional Meeting on Human Settlements was convened in Mexico in September 1976. This Meeting provided useful action guidelines for the group of Latin American countries at the last General Assembly, particularly as regards institutional arrangements.

### Participation of Women in Development

322. In collaboration with the Centre for Social Development and Humanitarian Affairs at Headquarters, CEPAL convened an expert group meeting at the Mexico Sub-regional Office in January 1977 in order to work out a preliminary plan of action for Latin America.

### Latin American Free Trade Association (LAFTA)

323. The section of the present report covering the activities of the Montevideo Sub-regional Office of CEPAL contains a detailed report on the co-operation between CEPAL and LAFTA.

### Central American Common Market

324. The section of this report dealing with the activities of the Mexico Sub-regional Office gives a detailed report of the co-operation between CEPAL and the Central American Common Market.

### Caribbean Common Market

325. The section of this report covering the activities of the Office for the Caribbean provides detailed information on co-operation between CEPAL and the Caribbean Common Market.

### Inter-Governmental Maritime Consultative Organization (IMCO)

326. The Secretary-General of IMCO visited CEPAL headquarters in November 1976, thus giving new impetus to the co-operation already existing in matters concerned with maritime transport and particularly with respect to the Committee on facilitation. CEPAL will work closely with the IMCO marine pollution adviser for Latin America who is based in Chile.

CEPAL/UNEP/Secretariat of the United Nations  
Desertification Conference

327. As an important step in the preparations for the United Nations Desertification Conference to be held in Nairobi from 29 August to 9 September 1977, considerable importance was given to the organization of regional preparatory meetings for the countries of the various geographical areas of the world. The Regional Preparatory Meeting for the Americas, organized jointly by the Secretariat of the Desertification Conference and the Secretariat of UNEP was held at CEPAL headquarters in Santiago in February 1977. At this Conference the Latin American governments adopted several resolutions and amendments to the proposed Plan of Action to combat desertification.

Latin American Energy Organization (OLADE)

328. The Executive Secretaries of CEPAL and OLADE signed an agreement providing for co-operation in a number of areas between the two organizations. This collaboration has taken place in the fields of the exchange of information and documentation, the preparation of joint studies and projects, the evaluation of alternative strategies in the energy field, and active participation in the training of personnel and preparation of meetings.

United Nations Environment Programme (UNEP)

329. Co-operation between CEPAL and UNEP increased significantly during the period under consideration. In February 1977 the Executive Director of UNEP visited Santiago and participated in a Joint Programming Exercise to examine concrete projects to be undertaken jointly by both organizations. At the conclusion of this meeting, a memorandum of understanding was signed by the heads of the two organizations, calling for the establishment of a joint unit to be located at CEPAL to deal with environmental questions and problems in the Latin American region.

330. CEPAL organized a regional preparatory Meeting for Latin America and the Caribbean for the United Nations Water Conference. This meeting, which was held in Lima, Peru, from 30 August to 3 September 1976, and in which CEPAL collaborated with the Secretariat of the Water Conference and also enjoyed the support of UNEP helped the CEPAL member States to establish the position subsequently put forward by them at the United Nations Water Conference held at Mar del Plata, Argentina from 14 to 25 March 1977.

**F. CONFERENCES AND MEETINGS SPONSORED OR CO-SPONSORED BY  
CEPAL SINCE ITS SIXTEENTH SESSION**

331. The conferences and meetings sponsored or co-sponsored by CEPAL since its sixteenth session were as follows:

<u>Title</u>	<u>Place and date</u>	<u>Sponsoring agency</u>
Seminar on the multilateral trade negotiations	Santiago, Chile 23-27 June 1975	CEPAL/UNDP/ UNCTAD
CEPAL seminar on HABITAT	Caracas, Venezuela 24-28 June 1975	CEPAL/United Nations
Latin American Regional Preparatory Conference for HABITAT	Caracas, Venezuela 30 June - 4 July 1975	CEPAL/United Nations
Expert meeting on a financial safety net for Latin America	Santiago, Chile 23-25 July 1975	CEPAL
Caribbean Development and Co-operation Committee, first session	Havana, Cuba, 31 October - 4 November 1975	CEPAL
Consultative Committee of PREALC	Santiago, Chile 3-5 December 1975	PREALC/CEPAL
Symposium on the operation and management of nuclear reactors	Santiago, Chile 15-19 December 1975	UNDP/Chilean Nuclear Energy Commission
Meeting of Directors of Regional Offices	Santiago, Chile 8-12 March 1976	CEPAL
Fourteenth FAO Regional Conference for Latin America	Lima, Peru 21-29 April 1976	FAO
CEPAL/FAO Latin American Food Conference	Lima, Peru 26-29 April 1976	CEPAL/FAO
Regional Preparatory Meeting for the ILO World Conference on Employment, Income Distribution and Social Progress, and the International Division of Labour	Cartagena, Colombia 3-7 May 1976	CEPAL/ILO/ PREALC

<u>Title</u>	<u>Place and date</u>	<u>Sponsoring agency</u>
Latin American Intergovernmental Meeting on Technical Co-operation among Developing Countries	Lima, Peru 10-15 May 1976	CEPAL/UNDP
Second Meeting on the Water Development and Environment Project	Santiago, Chile 24-28 May 1976	CEPAL/UNEP
Meeting on railway enterprises members of ALAF to consider the regulations for the Multinational Rail Transport Agreement	Santiago, Chile 30 August- 3 September 1976	CEPAL/ALAF
Regional Preparatory Meeting of the Countries of Latin America and the Caribbean for the United Nations Water Conference	Lima Peru 30 August- 3 September 1976	CEPAL/United Nations
Latin American Regional Conference on Human Settlements	Mexico City 13-17 September 1976	CEPAL/UNEP
Seminar on Export Promotion Policy	Santiago, Chile 5-7 November 1976	CEPAL/IBRD
Round-Table Meeting - Latin America and the New International Economic Order	Santiago, Chile 19 November 1976	CEPAL/CIEPLAN
Working Group of the Committee for Development Planning	Santiago, Chile 22-26 November 1976	CEPAL/United Nations
Seminar on recent inflation in Latin America	Caracas, Venezuela 24 November- 3 December 1976	CEPAL/Central Bank of Venezuela
Meeting of the Joint Inter-Agency Programme for the Integration of Women in Development	Santiago, Chile 2 December 1976	CEPAL/United Nations
Seminar on the BACHU planning Model	Santiago, Chile 6-10 December 1976	PREALC/UNFPA/ CEPAL
Seminar on the economy of the oceans	Santiago, Chile 15-17 December 1976	CEPAL/UNEP

<u>Title</u>	<u>Place and date</u>	<u>Sponsoring agency</u>
Technical Consultation Meeting prior to the Latin American Conference on the Integration of Women in Economic and Social Development	Mexico City 1-14 January 1977	CEPAL
Joint Programming Meeting UNEP/CEPAL	Santiago, Chile 21-22 February 1977	CEPAL/UNEP
United Nations Conference on Desertification. Regional Preparatory Meeting for the Americas	Santiago, Chile 23-25 February 1977	CEPAL/UNEP
Meeting of Experts on the Water, Development and Environment Project	Santiago, Chile 7-11 March 1977	CEPAL/UNEP
Third Meeting of the Committee of High-Level Government Experts	Santo Domingo, Dominican Republic 9-15 March 1977	CEPAL
Meeting of the Caribbean Development and Co-operation Committee (CDCC)	Santo Domingo, Dominican Republic 16-22 March 1977	CEPAL
Inter-agency meeting on the work programme of the CDCC	Santo Domingo, Dominican Republic 23 March 1977	CEPAL
Conference of Planning Ministers and Directors of Latin America and the Caribbean	Caracas, Venezuela 13-16 April 1977	CEPAL/ILPES

## PART II

### SEVENTEENTH SESSION OF THE COMMISSION

#### A. ATTENDANCE AND ORGANIZATION OF WORK

332. The seventeenth session of the Commission was held in Guatemala City, Guatemala, from 25 April to 5 May 1977. In the course of the session eight plenary meetings were held (NOs. 194a. to 201a.).

333. The work of the Commission was carried out in two phases. The first was a Meeting at the technical level which took place between 25 and 29 April. The second phase was a Ministerial-level Meeting held from 2 to 5 May.

334. The opening ceremony of the Ministerial-level Meeting was held on Monday, 2 May at 11.30 a.m., and addresses were delivered, in the following order, by the Secretary-General of the United Nations, Mr. Kurt Waldheim; by the Minister of Finance of Venezuela, Mr. Héctor Hurtado speaking on behalf of the participating delegations; and by the President of the Republic of Guatemala, H.E. General Kjell Eugenio Laugerud García.<sup>5/</sup>

335. At the closing ceremony, held on Thursday 5 May at 1 p.m., statements were made by Mr. Leonel Torres (Colombia), who thanked the Government and people of Guatemala on behalf of the participating delegations for their generous hospitality; by Mr. Adolfo Molina Orantes, Chairman of the seventeenth session of the Commission, and by Mr. Enrique Iglesias, Executive Secretary of CEPAL.

336. At its 201st meeting the Commission adopted its Annual Report to the Economic and Social Council, including its Programme of Work 1977-1979.

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<sup>5/</sup> The full texts of these addresses are available in the ECLA secretariat.

### Membership and attendance

337. The seventeenth session was attended by representatives of the following member States of the Commission: Argentina, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Cuba, the Dominican Republic, Ecuador, El Salvador, France, Grenada, Guatemala, Haiti, Honduras, Jamaica, Mexico, Nicaragua, the Netherlands, Panama, Paraguay, Peru, Surinam, Trinidad and Tobago, the United Kingdom, the United States of America, Uruguay and Venezuela. Belize also attended, as an associate member of the Commission.

338. In accordance with paragraph 6 of the Terms of Reference of the Commission, observers from the following United Nations Member States which are not members of CEPAL attended the session in a consultative capacity: Denmark, Federal Republic of Germany, Hungary, Italy, Japan, Romania, Spain, Sweden and the Union of Soviet Socialist Republics.

339. The following bodies and programmes of the United Nations system were represented at the session: Regional Commissions Section of the Department of Economic and Social Affairs, Office of Technical Co-operation (OTC), Interregional Action Programme for Economic Co-operation among Developing Countries in the fields of Trade, Industry and Transport (APEC), United Nations Conference on Trade and Development (UNCTAD) and UNCTAD/GATT International Trade Centre, United Nations Industrial Development Organization (UNIDO), United Nations Development Programme (UNDP), United Nations Children's Fund (UNICEF), United Nations Environment Programme (UNEP), World Food Programme, Centre on Transnational Corporations, United Nations Fund for the Control of Drug Abuse, Advisory Committee on the Application of Science and Technology to Development (ACAST), International Labour Organisation (ILO), Regional Employment Programme for Latin America and the Caribbean (PREALC), Food and Agriculture Organization of the United Nations (FAO) and World Food Council (WFC); United Nations Educational, Scientific and Cultural Organization (UNESCO), World Health Organization/Pan-American Health Organization (WHO/PAHO),

International Bank for Reconstruction and Development (IBRD), International Monetary Fund (IMF), International Civil Aviation Organization (ICAO), World Intellectual Property Organization (WIPO), and General Agreement on Tariffs and Trade (GATT).

340. Representatives of the following intergovernmental organizations also attended the meeting: Organization of American States (OAS) and its Inter-American Commission on Women; Latin American Institute of Agricultural Sciences (IICA); Inter-American Development Bank (IDB), Latin American Economic System (SELA), Latin American Free Trade Association (LAFTA), Permanent Secretariat of the General Treaty on Central American Economic Integration (SIECA), Commission of the European Communities (CEC), Central American Institute for Industrial Research and Technology (ICAITI), Central American Bank for Economic Integration (BCIE), Board of the Cartagena Agreement (JUNAC), Latin American Energy Organization (OLADE), Central American Institute of Public Administration (ICAP) Central American Monetary Council (CNCA), Andean Development Corporation (CAF), Intergovernmental Committee for European Migrations (CIME), and Council for Mutual Economic Assistance (CMEA).

341. The following non-governmental organization attended the session: Centre for Third World Studies.

#### Credentials

342. Pursuant to rule 15 of the Commission's Rules of Procedure, the Credentials Committee reported that it had examined the credentials of the delegations as submitted to the Executive Secretary and had found them in order.

#### Election of Officers

343. As proposed by the Ministerial-level Meeting of Heads of Delegations, the same countries whose representatives formed the Offices of the technical-level Meeting occupied the same posts among the Officers of the Ministerial-level Meeting.

344. At the 196th meeting, held on 25 April 1977, the following Officers of the Technical Meeting were elected:

Chairman: Gustavo Barrios (Guatemala)

First Vice-Chairman: Gustavo González Prieto (Peru)

Second Vice-Chairman: Frank Abdullah (Trinidad and Tobago)

Rapporteur: Roberto Dávila Gómez (Mexico)

345. At the 196th meeting, held on 2 May 1977, the following Officers were elected for the Ministerial-level Meeting:

Chairman: Adolfo Molina Orantes (Guatemala)

First Vice-Chairman: Jorge Chávez Quelopana (Peru)

Second Vice-Chairman: Frank Abdullah (Trinidad and Tobago)

Rapporteur: Victor Manuel Barceló R. (Mexico)

#### Organization of work

346. The Technical Meeting held two plenary meetings. At the first of these meetings the Executive Secretary of CEPAL delivered a statement in which he dealt with the present situation and future prospects of Latin America from the point of view of the tasks which the Seventeenth session of CEPAL should discharge.<sup>6/</sup> In order to facilitate the work, it was decided at that plenary meeting to establish two committees.

347. Committee I, which met from 25 to 29 April, considered the following items: Regional Appraisal of the International Development Strategy and the Establishment of a New International Economic Order (item 3 of the agenda), and Co-operation among developing countries and regions (item 4). At its last meeting it approved its report and decided to submit eight draft resolutions for consideration by the Plenary.

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<sup>6/</sup> Idem.

348. The Plenary of the Technical Meeting elected Mr. Fabio Herrera Roa (Dominican Republic) as Chairman of Committee I, the members of which subsequently elected the following additional Officers:

First Vice-Chairman: Leonel Torres (Colombia)

Second Vice-Chairman: Gustavo R. González (Panama)

Rapporteur: Ruben A. Chelle (Uruguay)

349. Committee II dealt with the activities of CEPAL, the Latin American Institute for Economic and Social Planning, and the Latin American Demographic Centre (items 5, 6 and 7 of the agenda). It held six working meetings between 26 and 29 April 1977, at the last of which it approved its report and decided to submit nine draft resolutions for consideration by the Plenary.

350. The Technical Meeting elected Mr. Luis Mejía González (Nicaragua) as Chairman of Committee II, whose members subsequently elected the following additional Officers:

First Vice-Chairman: Ramiro León Torres (Cuba)

Second Vice-Chairman: John Grantham (Canada)

Rapporteur: Renán Oquendo (Ecuador)

351. At its second plenary meeting the Technical Meeting transmitted the reports of Committees I and II to the Ministerial-level Meeting, which endorsed them and decided to incorporate them in the present report of the Commission.

## B. AGENDA

352. The agenda for the session was as follows:

1. Election of the Officers of the Committees
2. Adoption of the agenda
3. Regional Appraisal of the International Development Strategy and the Establishment of a New International Economic Order
  - (a) Third Regional Appraisal
  - (b) Specific aspects of Latin America's external economic relations.

Documents:

- The economic and social development and external relations of Latin America (E/CEPAL/1024)
- Report of the third meeting of the Committee of High-level Government Experts to Appraise the International Development Strategy (E/CEPAL/1025)
- Economic Survey of Latin America, 1976 (E/CEPAL/1026)

Reference documents:

- Regional appraisals of the International Development Strategy: Quito, 1973 and Chaguaramas, 1975 (Cuadernos de la CEPAL, N°2)
- Long-term trends and projections of the economic development of Latin America (E/CEPAL/1027)
- Resolutions adopted by the United Nations General Assembly, the Economic and Social Council and the Economic Commission for Latin America (E/CEPAL/1028).

4. Co-operation among developing countries and regions

- (a) Participation by Latin America
- (b) Action by CEPAL

Document:

- Note by the Secretariat on co-operation among developing countries and regions of different geographical areas (E/CEPAL/1029)

5. Activities of CEPAL

- (a) Activities carried out in the period 1975-1979
- (b) Programme of work of the Commission for the period 1977-1979
- (c) Institutional aspects

Documents:

- Draft Annual Report. Activities of the Commission from 7 May 1976 (E/CEPAL/1030)
- Report by the Executive Secretary on the Publications Programme (E/CEPAL/1038)
- Conclusions and recommendations of CEPAL meetings held in the period 1975-1977 (E/CEPAL/1031)
- Programme of Work of the Commission, 1977-1979 (E/CEPAL/1032)
- Report of the second session of the Caribbean Development and Co-operation Committee (E/CEPAL/1039)

Reference document:

- Annual Report of the Commission, 7 May 1975 to 6 May 1976 (E/5784 - E/CEPAL/1016).
- 6. Latin American Institute for Economic and Social Planning (ILPES)
  - (a) Activities carried out by ILPES in the period 1975-1977
  - (b) Future activities of ILPES

Documents:

- Activities of the Latin American Institute for Economic and Social Planning, 1975-1977 (E/CEPAL/1033 and Add.1)
- Report of the Conference of Ministers and Heads of Planning of Latin America and of the Technical Committee of the Latin American Institute for Economic and Social Planning (E/CEPAL/1034).
- 7. Latin American Demographic Centre (CELADE)
  - (a) Activities carried out by CELADE in the period 1975-1977
  - (b) Regional Population Programme
  - (c) Institutional aspects

Documents:

- Report on the Activities of CELADE during the period 1975-1977 (E/CEPAL/1035 and Add.1)
- Regional Population Programme, 1977-1978 and projections for 1979-1980 (E/CEPAL/1036)
- Action in the field of population: recent contributions and strategies for the future (E/CEPAL/1037).
- 8. Place and date of the eighteenth session
- 9. Consideration of the report of the Commission to the United Nations Economic and Social Council.

C. SUMMARY OF DEBATES

TECHNICAL MEETING

353. By decision of the plenary, the following declaration proposed by the delegation of Guatemala was considered and adopted by consensus:

"The Economic Commission for Latin America, meeting at the technical level during its Seventeenth session, resolved at its first meeting and as its first decision, in a gesture totally devoid of any political content, to express its profound concern at the perilous situation menacing the life of Mr. Mauricio Bergonovo Pohl, a distinguished Latin American and Minister of Foreign Affairs of the Republic of El Salvador, and to make an urgent public appeal that his life be spared."

REGIONAL APPRAISAL OF THE INTERNATIONAL DEVELOPMENT  
STRATEGY AND ESTABLISHMENT OF A NEW  
INTERNATIONAL ECONOMIC ORDER  
(Agenda item 3)

354. With regard to agenda item 3, it was decided to base the discussions on the Report of the Third Meeting of the Committee of High-Level Government Experts (CEGAN).<sup>7/</sup> It was made clear that this decision aimed to give greater order to the work without preventing delegations from making such changes or additions as they saw fit.

355. It was likewise decided to use the reference documents "The economic and social development and external relations of Latin America" (E/CEPAL/1024) and "Long-term trends and projections of Latin American economic development" (E/CEPAL/1027) as supporting material.

356. The delegation of Argentina announced that it supported the report of CEGAN and that therefore the statement which appears in paragraph 11 of that report (E/CEPAL/1025) was no longer valid.

357. After a wide-ranging discussion, and on the basis of the report and documents already mentioned, a draft of the Third Regional Appraisal of the International Development Strategy and the Establishment of a New International Economic Order, was prepared, for consideration by the Ministerial-level Meeting.

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<sup>7/</sup> E/CEPAL/1025.

358. In the course of the discussions the Latin American and Caribbean countries confirmed that the appraisal document constituted a statement of their position on the subjects included in it.

359. The delegations of Canada, France, the Netherlands, the United Kingdom and the United States made declarations which, because they were repeated in the Ministerial-level Meeting, are reproduced in the section of this report corresponding to that part of the session.<sup>8/</sup>

360. The representatives of the following bodies also made statements with respect to this agenda item: the Latin American Free Trade Association, the International Monetary Fund, the International Bank for Reconstruction and Development and the European Economic Community.

361. The delegation of Colombia requested that the final report should include, as a statement of position the declaration made by the Colombian Government when expressing its support for UNCTAD resolution 93 (IV) setting up the Integrated Programme for Commodities. The delegation of El Salvador associated itself in general terms with the Colombian declaration made at the UNCTAD session in Nairobi. The delegation of Chile, for its part, made a declaration and a statement of position.<sup>9/</sup>

#### CO-OPERATION AMONG DEVELOPING COUNTRIES AND REGIONS (Agenda item 4)

362. For this item the Committee had before it the secretariat document entitled "Co-operation among developing countries and regions of different geographical areas" (E/CEPAL/1029).

363. During the discussions a number of delegations referred to the increasing importance of mutual co-operation programmes among developing countries and regions of different geographical areas,

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<sup>8/</sup> See paragraphs 454-490.

<sup>9/</sup> See the declarations and statements of position reproduced after the Guatemala Appraisal (CEPAL resolution 362 (XVII)).

which represented one of the ways of accelerating the development process of the countries concerned at the subregional, regional and interregional levels, in accordance with the principle of collective self-reliance, and the establishment of a new international economic order.

364. The work done on this subject culminated in the preparation of a draft resolution for consideration by the Ministerial-level Meeting.

365. The discussions also covered the following subjects: instruments of payment; economic integration and co-operation; long-term trends and projections of Latin American economic development; human resources; relations with the European Economic Community; international economic co-operation, and external economic relations. Draft resolutions were prepared on all these topics for consideration by the Ministerial-level Meeting.

366. During the discussions, the delegations of Canada, France, the United Kingdom and the United States made comments on the draft resolution on external economic relations and noted that, with respect to the first preambular paragraph of the resolution, it was their understanding that the Third Regional Appraisal of the IDS mentioned therein reflected the position of the developing countries of Latin America and the Caribbean.

367. Representatives of the Department of Economic and Social Affairs and the Office of Technical Co-operation of the United Nations Secretariat and representatives of the United Nations Environment Programme (UNEP), the United Nations Industrial Development Organization (UNIDO) and the International Civil Aviation Organization (ICAO) reported on the work done by their respective bodies.

ACTIVITIES OF CEPAL  
(Agenda item 5)

368. The Executive Secretary, in presenting Item 5, gave a complete account of the activities carried out by the secretariat since the sixteenth session up to 20 March 1977, stressing the expansion which there had been in the activities of the Commission with the introduction of new themes such as technical and economic co-operation among developing countries and regions, the integration of women in development, the environment, human settlements and science and technology.

369. He stated that, during the period described, a formal agreement on co-operation had been reached with the United Nations Industrial Development Organization under which it had been decided, inter alia, to establish within the secretariat of the Commission a Joint CEPAL/UNIDO Industrial Development Division. During the same period, agreements on co-operation had also been signed with the United Nations Environment Programme, the United Nations Educational, Scientific and Cultural Organization, the UNCTAD/GATT International Trade Centre, the Latin American Economic System, the Inter-American Development Bank and the Latin American Energy Organization.

370. He pointed out that the expansion of the activities of the Commission, the recent establishment of the Caribbean Development and Co-operation Committee, and the signing of agreements on co-operation with regional organizations and agencies of the United Nations system, together with the incorporation of ILPES and CELADE into the CEPAL system as permanent institutions with their own identity, had required the strengthening of some regional offices of CEPAL in order to carry out its increased programme of work. For this purpose, apart from the additional resources obtained from the United Nations regular budget, generous contributions had been received from the Governments of Argentina, Brazil, Jamaica,

Mexico, Trinidad and Tobago, Canada, the Netherlands, the Federal Republic of Germany, Sweden and Italy, and also from the United Nations Development Programme, the United Nations Fund for Population Activities, the United Nations Environment Programme, the United Nations Centre on Transnational Corporations and the Andean Development Corporation. The Governments of Spain and Japan had recently been approached with a view to obtaining funds for financing some priority activities of the programme of work of the Commission.

371. Lastly, he stated that the Commission and the secretariat would have to study the institutional implications of what he had said in the light of the whole process of restructuring of the United Nations. He indicated that the matter would be discussed at a special Ministerial-level Meeting of Heads of Delegations.

372. After hearing the statement made by the Executive Secretary, the Technical Meeting decided to recommend the adoption by the Ministerial-level Meeting of document E/CEPAL/1030 "Draft Annual Report".

373. Before starting on the consideration of the programmes of activities, the Chairman said that if no express objections were made to the suggestions put forward by delegations and by the secretariat it would be assumed that the meeting was in agreement with them.

374. The Director of the CEPAL Office for the Caribbean described the activities carried out by the Caribbean Development and Co-operation Committee, recently set up as a subsidiary organ of the Commission. This report of activities covered the period starting from the sixteenth session of CEPAL and including the first and second sessions of the CDCC.

375. The Director of the CEPAL Mexico Office made a statement on the activities carried out by the Committee on Central American Economic Co-operation since its tenth session (Tegucigalpa, 28-30 May 1975). He also outlined the work done by the

Inter-Institutional Commission, made up of the Directors of the Central American Integration Institutions, in order to facilitate the implementation of specific action designed to secure the rapid reactivation of the integration process in Central America.

376. The secretariat then presented the Publications Programme of the Commission (document E/CEPAL/1038), which was noted without comments, and a draft resolution on this subject was prepared for consideration by the Ministerial-level Meeting.

377. The Technical Meeting next studied the Programme of Work of the Commission for the period 1977-1979 (document E/CEPAL/1032).

378. During the general debate, one delegation pointed out that the Programme of work made no mention of the magnitude or source of the resources available and allocated to each of the programmes and subprogrammes, nor of the priorities assigned to each of them. Another delegation stated that it agreed with this observation and asked that future presentations of the Programme of Work should indicate the resources earmarked for each programme.

#### Food and Agriculture

379. After hearing the report by the secretariat on the Food and Agriculture Programme, in which mention was made of the particular importance attached to co-operation among Latin American countries, and examination of potential agricultural output, a Caribbean delegation requested that this Programme should consider fishing an important means of improving the food supply and nutrition.

#### International Trade

380. In the presentation of the programme on International Trade, a description was given of ongoing and planned studies on the economic relations of Latin America with other regions and countries, such as Europe, the socialist countries, Canada, the United States, Japan and Africa; the evolution of the world economic situation; external trade policies; the international monetary system and the external financing of Latin America. Special mention was made of the continuing studies being carried out in respect of sub-regional and regional economic integration and the co-operation provided by the secretariat to the integration agencies of the region.

381. One delegation made a request that the secretariat should continue to study means of promoting exports within and outside the region and also measures for the substitution of imports which have proved successful. The secretariat was also requested to study joint marketing of the products of the region, and to study in greater depth the reforms in the international monetary system with a view to strengthening the common position of Latin America in international fora.

Development Planning, Projections and Policies

382. The valuable contribution made by the countries of the region in the preparation of the annual Economic Survey of Latin America received very special mention by the secretariat. Research work in the field of development covered a very wide section of the problems raised in the region, but attention was directed in particular towards a few topics, such as development styles or models, population and labour force growth prospects, public enterprises, development financing and the study of recent inflation in Latin America.

383. One delegation requested that the study on the role of public enterprises in the development of Latin America be continued.

384. Emphasis was placed on the activities being carried out, in respect of issues connected with transnational corporations, through the valuable contributions of the Government of Canada and the United Nations Centre on Transnational Corporations, with which a joint unit had been established in the secretariat.

385. Special mention was made of the main guidelines governing the prospective studies of the secretariat connected with the International Development Strategy and the New International Economic Order. It was also noted that the projection models and methods were based on national studies for whose preparation it was considered essential to maintain links with the countries. The studies included projections on international trade and finance and projections of a national nature on such matters as sectoral expansion, income distribution, employment, critical poverty and the balance of payments.

### Natural Resources and the Environment

386. In the description of the subprogrammes included in these two programmes, special mention was made by the secretariat of the studies to be carried out as a result of the United Nations Water Conference, in respect of which co-operation was expected from the United Nations Environment Programme, and from other agencies such as FAO, WHO/PAHO, CEPIS (Pan-American Centre for Sanitary Engineering and Environmental Sciences), etc.

387. The secretariat stated that final results had not yet been reached in the project "Water, Development and the Environment in Latin America" (project ADEMA), and that it was planned to continue this study and to carry out various others in the forthcoming biennium, to assist the formulation by governments of the region of strategies and plans for the development of mineral resources and energy.

388. Particular attention would be attached in those studies to issues relating to the protection of the environment. In that connexion, mention was made of the agreement entered into with the United Nations Environment Programme whereby UNEP would support the secretariat activities relating to the environment, and particularly the unit to be set up in the secretariat to promote consideration of the environment in the various activities of the secretariat. Furthermore, UNEP had recently approved the necessary financing for preparing the outlines of an action programme on environmental management in the Greater Caribbean area.

389. One delegation requested that a study should be included on the effects of the unsuitable use of natural resources and its impact on development in Latin America.

### Industrial Development

390. In presenting the activities envisaged in this programme, the secretariat reported the recent creation of a joint CEPAL/UNIDO Industrial Development Division and described the studies to be

carried out on the analysis and appraisal of policies and strategies for industrial development in Latin America, as well as sectoral studies on the chemical, capital goods, forestry and agriculture-based industries.

391. The secretariat noted that those sectoral studies were being carried out in collaboration with the Latin American Economic System.

392. A representative of a developed member country of the Commission asked for details of the role to be played by the Latin American Economic System in those studies and the degree of co-ordination existing between the secretariats of SELA and CEPAL in the sector. He was informed that a technical co-operation agreement existed between the two secretariats.

393. The representative of the United Nations Industrial Development Organization recalled that the United Nations General Assembly had decided to convene the Third General Conference of UNIDO in 1979 and that, in that connexion, the secretariat of the UNIDO Industrial Development Board had recommended that the General Conference should be preceded by regional preparatory meetings. It was hoped that the regional economic commissions would co-operate and participate in organizing them, especially through the preparation of an evaluation of the industrialization process in their respective regions.

394. He also suggested the possibility of convening a meeting of Ministers of Industry of the countries of the region to consider the study on the industrialization process in Latin America and to determine the joint position to be taken by the region at the UNIDO General Conference.

395. One delegation asked whether all members of the Commission would participate in the Latin American Industrialization Conference. The secretariat explained that since it was a CEPAL regional meeting all the member countries must be included, as had happened in other fields.

396. One delegation requested that the Commission's work programme should include a study on the effects of international subcontracting and another on mechanisms for the marketing of manufactures for the countries of the region.

#### Science and Technology

397. The secretariat stressed the importance of science and technology in development and indicated that the countries of the region were becoming fully aware of their insufficient technological capacity and the limitations which this involved for their economic development.

398. The secretariat was embarking on the preparation of basic studies on the technological development of Latin America, studies on technology in specific industries of the region, and a document on Latin American policy on science and technology to be submitted to a regional preparatory meeting for the World Conference on Science and Technology to be held in the second half of 1979.

399. The activities of the secretariat in this field received financial support from the regular budget of the United Nations, the World Conference, the Inter-American Development Bank and the Mexican Government.

400. The representative of UNESCO said that his organization was fully prepared to collaborate with the CEPAL secretariat in the field of science and technology and indicated specific areas of joint action. The representative of the World Intellectual Property Organization (WIPO) also stated that his organization would be entirely willing to co-operate with the secretariat in its activities relating to science and technology.

#### Transport and Communications

401. In introducing the programme the secretariat laid particular emphasis on the need to create an institutional infrastructure in the field of international transport facilitation. In response to requests from Governments, CEPAL was preparing a draft Latin American convention laying down uniform terms and conditions regarding the

liability of companies offering international transport and related services. Document E/CEPAL/L.153 describing the scope of the project was distributed to delegations.

402. One delegation requested that greater emphasis should be placed on regional integration in the transport programme.

403. The secretariat explained that it was in close contact with the Board of the Cartagena Agreement and the Andean Development Corporation (CAF), and that a study on transport in the region would be presented at the next meeting of the Physical Integration Committee of the Andean Group.

404. One delegation asked whether the transport problems of landlocked countries were being studied, to which the secretariat replied that it was always ready to heed requests to that effect.

405. Another delegation supported the preceding question, and requested that a study be made of transport problems in the Caribbean.

#### Statistics

406. The secretariat stressed the importance of providing a regional framework of statistical data on the economic and social situation of Latin America for use in all the studies carried out by CEPAL.

407. Financial difficulties had hitherto prevented the creation of machinery for consultation with Governments and other regional and sub-regional bodies with a view to promoting the implementation of statistical development programmes. In addition, it was important that CEPAL should have its own computer, which would increase its data processing capacity.

408. It was agreed that the secretariat should be asked to do its utmost to establish machinery for consultation with the Governments and regional and sub-regional bodies, in order to promote the implementation of statistical development programmes. The secretariat could request UNDP and other relevant United Nations bodies to increase their support for regional and sub-regional technical co-operation activities relating to statistics.

409. The secretariat was also requested to pursue its efforts to secure the installation of a suitable computer at CEPAL headquarters for meeting efficiently the computer requirements included in the programme, while at the same time strengthening the capacity of its computation centre, taking into account the needs of CEPAL, ILPES and CELADE as a whole.

410. One delegation stressed the need to lay greater emphasis on statistics and indicators of a social nature, bearing in mind that macroeconomic indicators alone did not reflect the economic and social situation of the countries of Latin America.

411. A number of delegations stated that many of the difficulties in the field of statistics stemmed from problems within the countries which the latter should help to solve, and proposed that CEPAL advisory services should be increased to that end and that horizontal co-operation should also be put into practice.

#### Library and Document Services

412. The secretariat stated that owing to recent technological changes and the demand for more complex services, an important change had taken place in information and documentation science. As a result, CEPAL and particularly CLADES had had to make, and would continue to have to make, a great effort.

413. CLADES was engaged in technical training, integration work and assistance to countries and institutions, as well as information processing and the provision of support for national documentation centres. It received financial assistance in respect of two projects from the International Development Research Centre (IDRC) of Canada.

#### Social Development

414. The secretariat presented its programme of work in this sector, which was centered on the concept of integrated development defined in the International Development Strategy and in the Quito Appraisal and had thus given rise to studies focussing on the idea of development styles, keeping within the unified approach to development and the major problems and areas of social change in Latin America.

415. Methodological and theoretical aspects of the unified approach to development were being studied, and an analysis was being made of the problems arising from employment, underemployment and unemployment, problems of income distribution and accelerated urbanization, and the integration of women in the development effort. In connexion with the last mentioned field, a brief account was given of the activities carried out in accordance with the mandates and recommendations received by the secretariat.

416. One delegate drew attention to the need to make a study of the problems of unemployment in the Caribbean area, exploring its causes and proposing solutions with emphasis on the analysis of own-account employment in services and small-scale manufacturing activities.

417. Some delegations mentioned the importance of consideration by the secretariat, in connexion with rural development, of the influence of forms of land tenure on agricultural output and on other social and economic aspects. They also considered it important that the secretariat should give attention to the advance of agrarian reform processes in the region.

418. One of those delegations considered that it would be useful to study the process of accelerated urbanization in connexion with the problem of centralism in the countries of the region, and that it would be desirable to study the use of labour-intensive technology, viewed not so much from the standpoint of production but basically from the social angle.

419. Several countries considered that emphasis should be placed on social problems in the agricultural sector, especially those connected with food production, employment and technology.

420. With regard to the tasks related to the integration of women in the development process, one delegate, supported by the representatives of several other countries, proposed that a regional conference should be held in Havana, as a matter of urgency, at the governmental level, in order to give final approval to a regional plan of action on the subject.

421. Other countries took the view that, although such a Latin American regional conference should be held, in order to avoid duplication of effort the tasks should be co-ordinated with international bodies not belonging to the United Nations which had been doing work on the subject.

422. The secretariat observed that CEPAL had received an express mandate to organize a regional conference and that it was for Governments to decide on the nature of the conference and participation in it.

423. There was consensus that the regional conference should be at the governmental level and should be held as soon as possible, to which end the secretariat should complete the necessary consultations by the earliest possible date, including those on the documents to be presented at the conference.<sup>10/</sup>

424. The representative of Brazil requested that it should be mentioned in the report that at the Technical Consultative Meeting held in Mexico in January 1977 the Brazilian representative had entered a reservation of a general nature concerning the Draft Regional Plan of Action for the Integration of Women in Development (E/CEPAL/L.146), which was contained in the text of that document.

425. The delegation of the United States entered a reservation regarding paragraphs 420-423 of the present report. The United States fully supported the convening of a conference to deal with the programme of action for the integration of women in economic and social development at an early date, and viewed the implementation of such a programme of action as a matter of the utmost urgency. However, it was the view of the United States Government that regional and international organizations had a direct concern with the implementation of the United Nations World Plan of Action and with the observance of the United Nations Decade for Women,

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<sup>10/</sup> See the complete text of the consensus in Part IV of this report.

1976-1985. Therefore, all interested organizations, including non-governmental organizations, should be permitted to participate as observers or in other special status in the meetings which would consider the draft regional plan of action for the integration of women in the economic and social development of Latin America.

426. The representative of UNESCO briefly outlined the tasks which that organization was carrying out and could carry out jointly with CEPAL, particularly in education and social development.

#### Population

427. The Director of CELADE reported on the population programme, which forms part of the Programme of Work of CEPAL, is carried out in conjunction with the other activities of CELADE, and is designed to lay the foundations for the preparation of diagnoses, projections and policy outlines in respect of population.

428. One delegate expressed concern about the decline in the contributions of the United Nations Fund for Population Activities, particularly for training, at a time when countries needed larger numbers of qualified personnel specializing in demography.

429. The representative of PREALC reported on the joint activities carried out with CEPAL on employment and population policies.

#### Human Settlements

430. The secretariat reported on the work carried out in this field as a result of the World Conference held in Vancouver and the regional conference in Mexico.

431. Reference was made to the recommendations made by CEGAN at its recent meeting and it was pointed out that the programme of work decided upon at that meeting had substantial financial implications and could not be implemented in less than two years, starting in 1978.

432. The secretariat indicated that some of the tasks mentioned could be carried out with the co-operation of the United Nations specialized agencies, of other agencies providing international

co-operation and of the countries of the region. It was suggested that it would be useful if countries could give an indication of priorities so that, in the meantime, the secretariat could explore financial alternatives for the implementation of the programme. Details were then given of various projects which had already been initiated, all with extra-budgetary financing; namely social aspects of human settlements in Latin America, with financing from the Canadian International Development Agency; the technology of human settlements, in co-operation with UNEP; and vocational training, through an agreement with the International Centre for Training in Environmental Sciences (CIFCA).

433. Delegations requested that the process of accelerated urbanization and its effects on the problem of employment together with the utilization of human settlements technology, should be studied.

434. The Technical Meeting recommended the approval of the secretariat's Programme of Work for 1977-1979, contained in document E/CEPAL/1032, with the amendments introduced in the course of its deliberations.

LATIN AMERICAN INSTITUTE FOR ECONOMIC AND SOCIAL PLANNING  
(Agenda item 6)

435. The Technical Meeting then considered the activities of the Latin American Institute for Economic and Social Planning (ILPES). To this end, it discussed and took note of the documents: "Activities of the Latin American Institute for Economic and Social Planning, 1975-1977" (E/CEPAL/1033) and "Report of the Conference of Ministers and Heads of Planning of Latin America and of the Technical Committee of the Latin American Institute for Economic and Social Planning" (E/CEPAL/1034).

436. The representative of the Dominican Republic, who was the Rapporteur for the Conference of Ministers and Heads of Planning of Latin America, described, on behalf of the Chairman of the

Technical Committee, the work done and the recommendations made at the Conference, which was held at Caracas, Venezuela, from 13 to 16 April 1977.

437. He emphasized the support of the President of the Republic of Venezuela for all regional co-operation efforts, such as the holding of this kind of conference. He also stressed the decision to create a system of Co-ordination and Co-operation among the planning bodies of Latin America. He also reported in that connexion the establishment of the Conference of Ministers and Heads of Planning of Latin America, as the decision-making body of the system, of an Executive Committee, and of a Technical Secretariat, and read out the relevant agreements of the First Conference of Ministers and Heads of Planning of Latin America.

438. The Director of ILPES stressed the importance to co-operation and the economic and social development of the countries of the creation of the System of Co-ordination and Co-operation among Planning Bodies of Latin America and its significance for ILPES, which would co-operate closely with it.

439. He described the financial effort made to overcome the difficult situation of the past few years, and stated that, beginning with the current year, and for the first time in the 15 years of its existence, ILPES was receiving through CEPAL, thanks to the firm support of Governments, funds from the regular United Nations budget.

440. He mentioned other agreements concluded with Governments within and outside the region for the financing of planning activities, especially the contributions made by the Government of the Netherlands and by the Government of Brazil. He also mentioned that the Government of Canada had been requested to consider a project for the relatively less developed countries. He called attention to the agreements that were to be concluded with IBRD for an integrated rural development programme, and with IDB regarding financing for higher education.

441. He further reported that, by decision of the First Conference of Ministers and Heads of Planning of Latin America, the Basic Planning Course would henceforth be held in different countries of the region.

442. One delegation proposed that ILPES should promote the establishment of planning centres in relatively less developed countries and that the system of horizontal co-operation should be strengthened. It also urged that ILPES should submit its budget before the end of July 1977.

443. Another delegation requested that, in order to make a greater impact in the Caribbean, ILPES should make provision in its new budget for more activities in the Caribbean and should place at least two ILPES personnel in the CEPAL Office for the Caribbean to service those activities.

444. The financing of ILPES was discussed and attention was drawn to the recommendation of the First Conference of Ministers and Heads of Planning on the need for a collective effort by Governments to contribute an annual amount of at least 600,000 dollars.

445. The representative of the United Nations Development Programme reported that UNDP had been associated with ILPES since its preparatory phase and that it would continue its co-operation with the Institute but that, given the circumstances, that co-operation could only serve to supplement the contributions made by member Governments. He further reported that UNDP would be pleased to consider the initiative to assign the equivalent of 1.5 per cent of the indicative planning figure for each country for the purpose of financing co-operation between UNDP and ILPES.

446. Bearing in mind that there were regional funds for planning which Governments wished to channel into particular activities, it was agreed that UNDP should be asked to review its regional priorities so as to enable a larger proportion of such funds to be allocated for use by ILPES.

447. It was stated that the contributions of Governments could be made in the following ways, as individual Governments saw fit: (i) direct budgetary contributions; (ii) contributions representing a percentage of the indicative planning figure the UNDP country programme; (iii) funds for the general expenses of implementing technical assistance agreements; and (iv) contributions in man-months financed by each country.

448. The Technical Meeting entrusted a working group, presided over by the Chairman of the Technical Committee of ILPES, Dr. Nicolás Ardito Barletta, Minister of Planning of Panama, with the preparation of a draft resolution on co-ordination and co-operation among Latin American planning bodies and the strengthening of ILPES, to be submitted directly to the Plenary of the Ministerial-level Meeting.

**LATIN AMERICAN DEMOGRAPHIC CENTRE**  
(Agenda item 7)

449. The Technical Meeting next considered the activities of the Latin American Demographic Centre (CELADE).

450. It had before it the documents: "Report on the Activities of CELADE during the period 1975-1977" (E/CEPAL/1035) and "Regional Population Programme, 1977-1978, and projections for 1979-1980" (E/CEPAL/1036).

451. The Director of CELADE reported on the activities for the period 1975-1976, described in document E/CEPAL/1035, and the programme of activities for 1977-1978 (E/CEPAL/1036). He made particular reference to the activities of CELADE in the monitoring of population trends in Latin America, activities in the field of population and development, electronic processing of population data, teaching and training, and technical advice on population matters. He also referred to the financial aspects of the Programme, including the substantial contribution made to it by the United Nations Fund for Population Activities, and the efforts to secure the support of the General Assembly with a view to obtaining financing for the infrastructure of CELADE through the regular CEPAL budget.

452. A number of delegations requested that the Latin American Population Programme should include continuing study of the phenomenon of international migration, migration from the country to the city, and the problems arising as a result of concentration of the population in metropolitan areas.

453. Consideration was also given to the importance for the Latin American countries of the execution of the proposed study included in the Regional Population Programme concerning the migration of qualified personnel to the developed countries. Such a study would serve to implement the recommendation made by the Meeting on Science, Technology and Development in Latin America, held in Mexico City in December 1974.

454. The Technical Meeting recommended that the Regional Population Programme contained in document E/CEPAL/1036 should be adopted with the amendments introduced during its deliberations.

## MINISTERIAL-LEVEL MEETING

### General debate

455. The main work of the Seventeenth session of the United Nations Economic Commission for Latin America was the critical analysis of the implementation of the International Development Strategy and the Establishment of a New International Economic Order.

456. This Third Regional Appraisal, which it was decided to call the "Guatemala Appraisal" took the form of a text which expresses the unanimous views of the countries of Latin America regarding their own development and the fulfilment of the goals set by the IDS within the framework of a New International Economic Order.

457. In recent years the region has gone through substantial changes in its growth process and its human settlements, while at the same time traditional structures persist which in many cases pose obstacles to social progress and integral development, as well as to the full participation of women and of other sectors which are still on the sidelines of the development process.

458. This Appraisal was carried out at a time when negotiations are taking place in various forums with a view to linking two central concepts, the domestic effort with social equity and international co-operation, and when the thorough-going review of the system of international economic relations must therefore be aimed at co-operating in a positive manner in the achievement of a society which is juster and more open to equality of opportunity between human beings and between nations, this being a vital need for the generation which will see out the end of the twentieth century.

459. The developed countries, which sympathize to a large extent with the concerns expressed in it, supported the transmission of the text of the Guatemala Appraisal to the United Nations Economic and Social Council, to the Committee for Development Planning, and to the various forums where negotiations and dialogues of interest to the developing member countries of the Commission are carried on.

460. Despite the breadth of the issues considered at the session and the varied nature of the countries taking part, the discussions were marked by an atmosphere of mutual respect for each other's approaches to policies and a very clear desire to exchange points of view and individual experiences in order to promote the benefit of all.

461. This climate of receptivity and frank exchange of views was reflected in the general, broad and determined support expressed for the tasks already carried out by the secretariat and the desire to entrust it with fresh responsibilities and encourage it to continue working out new ideas of a long-term nature as well as providing the support needed in order to enable the Commission to co-operate with the forums for regional consultations and discussions on ideas for shorter-term action.

462. It was noted from the very beginning that the "Guatemala Appraisal" represented a serious effort by the Latin American countries to make a frank examination of their development processes, with all their shortcomings and limitations. This reflected the greater degree of maturity and realism with which the region was now facing up to its economic and social challenges, and that was why the Appraisal must be considered a valuable expression of the views of the Latin American countries on the problems of their development.

463. The concept of integral development was reasserted as a valuable instrument for guiding the political and economic action of governments. It was acknowledged that there was an increasingly widespread conviction of the importance of distinguishing between economic growth and development, since the fundamental Latin American problems were not only those of growth, but also those of development in the full sense of the word. At a more specific level, it was noted that the fact that national economic growth rates were relatively high did not necessarily mean that there was an equivalent degree of social development. There was extensive agreement on the need to emphasize the importance of the problem of extreme poverty and some of its concomitants such as unemployment, underemployment, malnutrition and illiteracy.

464. Notwithstanding the above concern, several Latin American delegations concurred in asserting that the sought-for social change would be facilitated by dynamic economic growth. It was maintained that an increasing output of goods was needed in order to bring about better conditions of social welfare. It was also indicated that in order to achieve this objective it was essential to assign high priority to the training of human resources and to give the entire population bigger participation in productive activities and consumption.

465. With regard to the integration of women in development, there was a consensus 11/ that CEPAL should convene a regional conference at the governmental level in Havana at the earliest possible date in order to consider the approval of a Regional Plan of Action in this sphere.

466. On the basis of this consensus and of the consultations held with the host Government of the regional conference, the secretariat announced its intention of holding the conference in the Hotel Habana Libre in Havana, Cuba, from 15 to 20 June 1977, the date being subject to confirmation by cable.12/ It also made a further distribution of the preliminary "Draft Regional Plan of Action for the Integration of Women in Development" (E/CEPAL/L.146) prepared by the Technical Consultative Meeting held in Mexico City in January 1977 and sent in the following month to member governments and the appropriate international and regional bodies for their comments and observations. The secretariat recalled that the preliminary draft was based on the World Plan of Action approved by the World Conference of the International Women's Year, convened by the United Nations in Mexico in 1975, and subsequently ratified by the United Nations General Assembly in resolution 3520 (XXX), and on the conclusions and recommendations of the "Latin American Regional

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11/ See the complete text of the consensus in Part IV, "Other decisions".

12/ After further consultations on the date had been held, the secretariat sent a cable to member governments formally convening the Regional Conference for 13 to 18 June 1977 in Havana.

Seminar on the Integration of Women into Development" 13/ (Caracas, Venezuela, 28 April to 2 May 1975) and of the "Regional Seminar on the Participation of Women in Economic, Social and Political Development: Obstacles to their Integration" 14/ (Buenos Aires, Argentina, 22 to 30 March 1976), both governmental-level meetings sponsored jointly by the United Nations Centre for Social Development and Humanitarian Affairs and CEPAL.

467. With regard to the consultations held with regional bodies which do not form an integral part of the United Nations system proper, the secretariat reported that it had just received from the Inter-American Commission of Women (IACW) of the Organization of American States (OAS) the "Regional Plan of Action for the Decade of Women in America" 15/ approved by the eighteenth Assembly of the IACW held in Miami, United States, copies of which were also distributed by the secretariat.

468. The delegation of the host country said that it was a true honour to be the venue of the Latin American Conference on the Integration of Women in Development, sponsored by CEPAL, a major event which would constitute a decisive and fundamental step in the efforts of the region to assist in the progress of the countries of America along the road to full and integral development which would offer the peoples new horizons where men and women could fully exercise their rights. It stressed that it was not possible to talk of development without the participation of women, and that their situation was indissolubly linked to the economic, political and social reality of their peoples. The Havana Conference would be the ideal occasion to study this theme in more depth and take decisions paving the way for the approval of a Regional Plan of Action which

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13/ See document E/CEPAL/1006/Rev.2.

14/ See document ST/ESA/SER.B/9.

15/ See document CIM 8/76 of 7 September 1976.

would make a solid contribution to the attainment of the objectives sought by Latin America. It pointed out that in order to achieve that aim it was important for all the member governments of CEPAL to participate, and their representatives were assured of a warm welcome.

469. In the course of the debates it was observed that considerable progress had been made in identifying the main social inequalities characterizing the process of productive growth in most of the countries of the region. Just as it was repeatedly acknowledged that economic expansion does not necessarily entail social well-being, it was also remarked that in certain circumstances the two processes - economic growth and social development - can be so disconnected that progress in the economic sphere may not mean any improvement for the greater part of society.

470. The trend towards a greater concentration of income in the past two decades had had a negative effect on consumption levels and social well-being, accentuating unemployment and underemployment and, in general, perpetuating the relative and critical poverty affecting large sectors of society. It was also pointed out that the limited degree of social and political participation by those sectors was viewed with concern by governments, both because of the implications from the standpoint of human solidarity and because of the effects on social cohesion and popular identification and consent, which were so necessary for a harmonious development process.

471. From all this it was concluded that new development strategies were urgently needed, involving a re-orientation of production and consumption to satisfy the basic needs of a rapidly growing population. Many delegations described the domestic efforts which governments had had to make in the last three years to cope with the effects of the crisis affecting the developed countries and international trade. It was explained that, as a result of more skillful and suitable management of economic policy, success had been achieved in counteracting to some extent the unfavourable conditions brought about by the international economic situation in 1974 and 1975.

472. It was repeatedly remarked that under present international conditions the achievement of integral development meant a greater effort for countries and a challenge for their governments. In that connexion, mention was made of the reforms that were being made in the public sectors of the countries in order to secure the modernization of the State. Examples were also given of experiences in rationalization and co-ordination of activities, and in reshaping the ties between the central government and decentralized bodies and public enterprises.

473. Concern was expressed about the need for an up-to-date approach to relations between the action of market forces and State action. It was reiterated that, within the context of the functions assigned by each country to the State and the market, the problems created by the emergence of new situations, such as those resulting from the operations of transnational corporations, called for the revision of outmoded concepts and for greater negotiating strength and more purposefulness on the part of governments.

474. In this connexion, reference was made to the advantages stemming from the adoption of clear and suitable policies for the treatment of foreign capital.

475. It was also stated that it was essential to define the above-mentioned areas so that the development process should not be diverted from the economic, social and human objectives which the countries had set themselves. Only thus could growth be oriented in such a way as to be able to attain the targets of distribution and social justice to which the governments were committed.

476. Various Latin American delegations stressed that if the principles of greater domestic equity were not complemented by similar principles in international relations, the domestic efforts undertaken might be frustrated or at least circumscribed. They also expressed their concern over the possible effects on their economies of the lack of political will on the part of the

developed countries to establish a New International Economic Order. This point of view was not shared by a number of delegations of the developed countries. Finally, emphasis was placed on the possible role, in such circumstances, of co-operation at the regional level and among developing countries.

477. It was stated that the growing interdependence among regions of the world and the attempts to establish new domestic and international economic and social orders meant that the prevailing overall interpretations of the development process must be reviewed. The participating delegations viewed this task as one of CEPAL's main areas of work, thus reaffirming one of the functions which had characterized the Commission since its creation.

478. The present meeting of CEPAL provided ample and timely confirmation concerning economic integration and its role as a fundamental prerequisite for the development of the Latin American countries.

479. There was consensus on the need to promote new forms of co-operation, through programmes and projects between two or more countries, parallel with a substantial strengthening of the various integration processes that were going on. Emphasis was laid on the need to strengthen and resolutely support the activities of the Latin American Economic System (SELA). It was also considered necessary to use the Latin American market to promote the development of industries of key importance to the region and thus increase the capacity of manufactured exports to compete on foreign markets. In all these connexions account was taken of the existing integration agreements and the new machinery that could be used through SELA.

480. In addition to these ideas, which had already been considered at the meeting held in Santo Domingo, there was a firm determination to make every effort to find ways and means of revitalizing LAFTA as a general framework for integration and to forge extensive and flexible links between the various integration processes and countries.

There was unanimous recognition of the need to use new ideas and courses of action and to explore the possibility of establishing industrial complementarity in important areas of manufacturing and in other spheres of economic activity.

481. It may be said that the keynote of the deliberations and decisions of the meeting was the need to impart greater solidity and dynamism to the existing integration processes and to make a determinant effort to promote them actively through specific programmes and projects. That marked the beginning of a search for new courses and procedures leading to closer economic ties, co-operation and integration between the countries of Latin America. 16/

482. In the discussion of international economic conditions, both developed and developing countries remarked that the achievement of the integrated development process was basically a responsibility of the developing countries but that their efforts would certainly fail without the support of a broad and effective policy of international co-operation.

483. With regard to trade, the meeting focused its attention on two main areas: exports of primary commodities and exports of manufactured goods.

484. Concerning the export of primary commodities it was pointed out that these still make up 85 per cent of the total exports of the region. Hence the great importance that the countries attached to the achievement of global solutions designed to ensure stable and remunerative prices for these products. In this connexion there

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16/ In this connexion, the text of the statement on the process of Central American economic integration made by the Central American Ministers of Economy to the Secretary-General of the United Nations on the occasion of his visit to Guatemala during the seventeenth session of the Commission is available in the ECLA secretariat.

was great support for the UNCTAD Integrated Programme for Commodities, particularly as regards measures relating to the establishment of buffer stocks and of a common fund to support those efforts financially. The developing countries stressed the importance of maintaining, and even increasing, the purchasing power of commodity prices.

485. Concerning the export trade in manufactures, the countries were unanimous in attaching great importance to the removal of barriers and the implementation of international co-operation arrangements, the expansion of the production of manufactures in the region, and improved access for those products to the markets of developed countries. The developing member countries of the Commission pointed out that it was essential to eliminate or substantially reduce existing tariff and non-tariff restrictions and not to introduce any new ones. They also pointed out the need for the developed countries to bring their policies into line with the Tokyo Declaration.

486. Consideration was given to some specific ideas in this field and there appeared to be a good basis for closer agreement between the developed and the developing countries concerning the means of putting these into practice.

487. With regard to problems of domestic financing and external debt there was general agreement that the needs stemmed largely from events beyond the control of the developing countries of the region which obliged them, for want of adequate financing resources, to postpone the satisfaction of legitimate aspirations for higher living standards. Indeed, a number of participants mentioned that multilateral development financing agencies were not giving Latin America the attention they had paid to it at the beginning of the decade, and that the countries of the region must increasingly seek financing from private sources.

488. Accordingly, the developing countries of the region appealed to the developed countries to facilitate access to their capital markets on favourable terms and to increase their contributions to the international and regional financing institutions. They

likewise urged them to step up their economic assistance to the countries of the region through both bilateral and multilateral channels.

489. With regard to external indebtedness, the developing countries of the region urged the developed countries to support the initiatives and measures aimed at alleviating the debt service problem of the countries which needed such help, particularly the least developed countries.

490. The participants noted the importance of the transfer of technology for development. There was consensus on the need to seek means to promote this, both from the developed to the developing countries and among the latter. There was also consensus on the need for the rapid adoption of a code of conduct, in respect of the transfer of technology. The developing countries of the region repeated their agreement that the next United Nations Conference on Science and Technology should be held in a developing country, and that it should seek to set up suitable machinery to transfer, adopt and create technologies which enabled full use to be made of the human and material resources of the developing countries. Furthermore, the member countries of CEPAL unanimously agreed to support the preparatory work for the United Nations Conference on Science and Technology for Development, to be held in 1979, and requested the secretariat to convene a Latin American conference with a view to the adoption of Latin American positions.

491. The member countries of CEPAL, while recognizing the positive role which transnational corporations can play in development if they comply with the specific rules of each country, agreed on the need to put into practice a code of conduct governing their operations, along lines in keeping with the objectives and priorities of the developing countries, so as to prevent the recurrence in future of conduct harmful to national interests and to ensure that the transnational corporations comply with all the laws and regulations of the host country.

MANDATES FOR THE SECRETARIAT CONTAINED IN  
THE ADDRESSES AND RESOLUTIONS

492. The discussions gave rise to a series of mandates which constitute guidelines for the work to be carried out by the secretariat in the next two years. These guidelines are listed at the end of this section; some correspond to topics of particular importance and are described below.

493. In connexion with the continuation of the studies related to the concept of integral development, the Commission requested that the secretariat should intensify its analysis of the connotations of this concept of development in its prospective studies. To that end, it should study such alternatives or "scenarios" as it considered appropriate, investigating their effects on employment trends, the improvement of income distribution and the eradication of situations of extreme poverty in the countries of Latin America.

494. The Commission also reaffirmed that the growth of production in itself is not sufficient to achieve harmonious social development. In this context the action of the governments of States, the principles of taxation followed in the countries, and the role of public enterprises become vitally important in the development of Latin America. The secretariat was requested to pursue its studies on these topics as well as its work to determine the magnitude and nature of the mobilization of the countries own resources - especially domestic capital formation - needed in order to attain in a coherent manner their social and economic goals and accelerated development.

495. It was also agreed to request the secretariat to pursue the study of Latin America's external trade, considering the consequences this could have for the development of the Latin American countries, the persistence of the prevailing trends in foreign trade, and the structural changes which should be made in the context of a New International Economic Order. The secretariat was also requested to intensify its analysis of international co-operation policy for promoting development in the field of trade, focusing on such concepts as subsidies, anticipated reciprocity, safeguards, the progressive

reduction of protection by the developed countries, cases of products which run into obstacles in developed countries, producers' associations, and consideration of the interests of the countries of the region in the negotiations on the Integrated Programme for Commodities, the Generalized System of Preferences, and some aspects of the United States Trade Act, with a view to increasing the region's bargaining power.

496. The study of Latin America's economic relations with other areas, the countries of the Organization for Economic Co-operation and Development (OECD), the socialist countries of Europe and developing countries of other areas is of particular interest.

497. In connexion with the above points, the secretariat should study the foreign trade policies of the Latin American countries and their experience in the management of export promotion instruments, and it should analyse the problems of external financing, bearing in mind the workings of the international monetary system and its effects on Latin America, with a view to proposing viable ways of increasing the financial resources of the sub-regional, regional and multilateral financing institutions and improving the access of the countries of the region to external sources.

498. A study should also be made of the short-term prospects for increasing financing and channelling the savings deriving from the region to productive investments in Latin America.

499. Great importance was attached to the proper working of regional payments machinery, and the secretariat was requested to carry out the necessary studies in collaboration with the Central Banks and other competent bodies in that field.

500. It was also agreed to request the secretariat to collaborate with CEMLA and the Central Banks of the region in studies and projects related to financing, and to promote regional technical co-operation in the financial field.

501. The countries of the region have made considerable progress in the integration of their economies. However, they have not managed to make proper use of the economic potential offered by integration: on the contrary, integration has tended to lose pace in recent years, and the secretariat should therefore carry out a study on integration and co-operation in Latin America, with a view to analysing the existing situations, making a critical review of Latin American experience in this field, and seeking technical solutions which strengthen and promote economic co-operation and integration among the countries of the region. In so doing, it should seek to suggest possibilities for the growing promotion of trade within Latin America, particularly in manufactures, and paying due attention to possible incentives for the countries of the Central American Common Market, the Caribbean Community (CARICOM), the relatively less developed countries of LAFTA, Haiti, and the Dominican Republic. In order to analyse these various possibilities and situations, the Commission requested the secretariat to organize a technical seminar on Latin American economic integration, inviting the governments and intergovernmental and regional bodies to lend their full support in these tasks.

502. In general, CEPAL was requested to furnish technical support to the work of co-ordination and the studies and projects on co-operation among the Latin American countries being carried out by SELA.

503. Taking into account the importance of strengthening co-operation among developing countries at the sub-regional, regional and interregional levels, it was stressed that the secretariat should take the necessary measures to increase and intensify its co-operation with the secretariats of the other regional commissions, in order to promote programmes and projects for mobilizing economic and technical co-operation. Great importance was attached to relations with the Economic Commission

for Africa and UNDP in all matters relating to the preparatory activities for the forthcoming United Nations Conference on Technical Co-operation among Developing Countries, to be held in Buenos Aires in 1978.

504. The increasing importance of the transnational corporations in the world economy has led the governments to reaffirm their desire that the secretariat should pursue its activities along the lines established in its work programme; carry out studies and analyses on economic, social and institutional questions, above all by means of case studies; collaborate with other regional organizations, especially SELA, in the identification of spheres of co-operation, and help to organize and carry out technical co-operation programmes among the countries in matters connected with transnational corporations. Its activities in this field involve collaboration with the United Nations Centre on Transnational Corporations in the compilation and analysis of information and the preparation of a code of conduct.

505. The research studies will also serve to improve information and knowledge about the role and effects of transnational corporations in the activities of the host countries, thus helping to strengthen the bargaining power of the Latin American Governments vis-à-vis these corporations, especially in technological and financial matters.

506. The participants supported the continuity and strengthening of the activities of ILPES and called for a search for permanent solutions for the financing of its activities in the field of planning, since this is a function needed by governments and is among CEPAL's permanent responsibilities.

507. Other mandates for the secretariat include:<sup>17/</sup>

Human resources. The secretariat was asked, in conjunction with other United Nations bodies, to evaluate the effects of

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<sup>17/</sup> For complete texts of resolutions see Part III of this report.

the migration of skilled human resources to countries outside the region, to analyse its causes and to suggest solutions.

Latin American Conference on Industrialization. The Secretariat was asked to convene a Latin American Conference on Industrialization in 1978 and to prepare the necessary documentation for it.

Latin American Conference on Science and Technology for Development. The Secretariat was asked to convene a Conference in 1978 and to prepare the necessary documents and the General Assembly was requested to hold the Conference in a developing country.

Fishery development in the Caribbean. The Executive Secretary of CEPAL was requested to undertake joint activities in conjunction with FAO, for the development of the fisheries sector in the Caribbean.

Regional co-operation in the field of human settlements. The secretariat was asked to intensify its work with a view to the establishment of a regional intergovernmental body to deal with human settlements. A programme of work was drawn up in the fields of research, training of human resources and information. The secretariat was requested to convene a regional conference at the beginning of 1979 to evaluate the programme of work and to collaborate with SELA in the preparation of policies and plans for human settlements, when asked to do so by States.<sup>18/</sup>

Development of natural resources in the Latin American development process. The secretariat was requested to intensify its work in the field of natural resources (mainly water, minerals and energy) and to implement as far as possible the recommendations made by the "Lima Consensus" on water problems. The secretariat was also instructed to collaborate with UNDP in studies aimed at the rational utilization of natural resources.

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<sup>18/</sup> See the reservation by Canada on this point in paragraph 524.

### Adoption of resolutions

508. At its 201st meeting, the Commission adopted all its resolutions by consensus 19/ except that on international economic co-operation, which was adopted by 23 votes in favour, none against and five abstentions.20/

509. The first resolution adopted contains the Guatemala Appraisal.21/ The declarations and statements of position on this resolution are reproduced at the request of the delegations, immediately after the text of the Appraisal.

510. During the discussion of the draft resolutions, some delegations made the following general comments.

511. The United Kingdom, speaking on behalf of the European Economic Community, said that a number of the resolutions before the participants had budgetary implications, some of them substantial. The Members of the European Economic Community were happy to be associated with those resolutions but wished to record that, in regard to their financial implications, they would need to be studied thoroughly in the appropriate United Nations forum.

512. The representative of Canada made the following statement:  
"May I take advantage of our discussions on this resolution to make a few comments about the financial implications of the resolutions adopted by the Commission. According to my reckoning, to implement these resolutions new money will be required in the amount of something like US\$1,500,000 per annum, largely for staff. Given the Canadian Government's firm anti-inflation guidelines, I must therefore reserve its position on these matters."

513. The Argentine delegation wished to record that, in its opinion, the United Nations should give an example of austerity by controlling its expenditure and not establishing any new agencies whose activities might involve duplication of work.

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19/ See the list and text of the resolutions adopted in Part III of this report.

20/ Resolution 369 (XVII).

21/ Resolution 362 (XVII).

514. The United States delegation stated that it was not in a position for the moment to make any commitment regarding the funding for CEPAL activities indicated in the draft resolutions considered. Budgetary implications would have to be considered by the General Assembly in the context of decisions on the overall United Nations budget and other requests for increased resources.

515. With respect to the resolution on external economic relations,<sup>22/</sup> the delegations of Canada, the United States, France and the United Kingdom said it was their understanding that the Third Regional Appraisal of the IDS mentioned in the first preambular paragraph reflected the position of the developing countries of Latin America and the Caribbean.

516. In the discussion of the resolution on the establishment of a system of co-ordination and co-operation among planning bodies of Latin America and strengthening of ILPES,<sup>23/</sup> the United Kingdom representative made the following statement: "While I am happy to associate my delegation with this resolution, I should like to record in doing so that it is our understanding that any support provided to ILPES by the United Nations Development Programme after the end of this year should be of a transitional nature."

517. On this same resolution, the United States entered a reservation regarding operative paragraph 9, which calls for permanent and increased regular budgetary support for ILPES. In the view of the United States, the temporary budgetary assistance voted by the General Assembly at its thirty-first session was indeed temporary. The United States would prefer that such assistance should cease, although it was ready to agree that it should be phased over the next biennium.

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<sup>22/</sup> See resolution 370 (XVII).

<sup>23/</sup> See resolution 371 (XVII).

518. The delegation of France while reaffirming its support for the activities of ILPES, associated itself with the statement of the United Kingdom delegation and also entered a reservation concerning operative paragraph 9 of the relevant resolution.

519. As regards the resolution on the Latin American Conference on Science and Technology for Development, 24/ the United States delegation entered a reservation regarding operative paragraph 4 to the effect that the United States' endorsement of the resolution in no way implied the withdrawal of the United States' offer to host the United Nations Conference on Science and Technology for Development.

520. With regard to operative paragraph 4 of the same resolution, the United Kingdom representative said that many countries, developed and developing, had been suggested, officially and unofficially, as possible hosts for the World Conference on that subject, and his Government had not yet decided its position on the question. With that clarification, his delegation was happy to associate itself with the resolution.

521. The representative of France said that his Government had not yet established its position as regards the place where the United Nations Conference on Science and Technology for Development should be held. He therefore entered a reservation regarding paragraph 4 of the resolution concerned.

522. When the resolution on the Regional Population Programme 25/ was adopted, the representative of the United Kingdom said that his delegation supported the work of CELADE and would join the consensus on the resolution concerned. However, he wished to record that the constitutional structure of CELADE was complicated and would have to be further considered by the competent bodies of the United Nations.

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24/ See resolution 374 (XVII).

25/ See resolution 376 (XVII).

523. The delegations of the United States and the United Kingdom entered a reservation regarding the reference to the New International Economic Order in operative paragraph 2 of the same resolution.

524. In the discussion of the resolution on regional co-operation in the field of human settlements,<sup>26/</sup> the Canadian delegation reserved its position since the Government of Canada did not approve of the proliferation of intergovernmental organs.

Conclusion of the work of the session

525. Upon completion of the work of the Seventeenth session of the Commission, the Chairman presented a full analysis of the results achieved. The full text of his statement is available in the ECLA secretariat.

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<sup>26/</sup> See resolution 378 (XVII).

STATEMENT OF FINANCIAL AND ADMINISTRATIVE IMPLICATIONS  
OF THE RESOLUTIONS ADOPTED BY THE COMMISSION,  
PURSUANT TO FINANCIAL REGULATION 13.1  
OF THE UNITED NATIONS

526. The resolutions adopted by the Commission at its Seventeenth session will have the following financial and administrative implications:

Co-operation among developing countries and regions of different geographical areas - resolution 363 (XVII)

1. The above resolution requests the Executive Secretary of CEPAL:
  - (a) to establish within the secretariat a special unit;
  - (b) to promote programmes and projects for the mobilization of horizontal economic and technical co-operation, including the holding of seminars and meetings of working groups.
2. The Executive Secretary has considered the staff resources available for redeployment to create the special unit, and has concluded that the following additional posts would be required:
  - 1 economic affairs officer (P-4)
  - 1 programme officer (P-3)
  - 1 economic information and documents officer (P-2)
  - 2 research assistants/documentalists (GS-8)
  - 1 research assistant/economist (GS-8)
  - 1 bilingual secretary (GS-5)

Estimated cost in 1978-1979

US\$ 162,800

3. On the assumption that there would be two meetings of ad-hoc expert groups during 1978-1979 to implement operative paragraph 2(b) of the draft resolution, the first to be held at the headquarters of the Economic Commission for Africa (ECA) and the second at CEPAL headquarters, that each would be of a duration of one week, and that each would be attended by 16 experts (8 from each region) and by

three staff from the other Commission, the following estimates are made:

	<u>Africa 1978</u>	<u>Santiago 1979</u>	<u>Total US\$</u>
Travel and subsistence of experts	18,600	19,900	38,500
Travel and subsistence of staff	4,900	4,900	9,800
Interpretation English/Spanish a/	-	4,500	4,500
General operating expenses, Freight of documentation, communications, etc.	<u>5,000</u>	<u>5,000</u>	<u>10,000</u>
	<u>28,000</u>	<u>34,000</u>	<u>62,000</u>

a/ Assumes that any interpretation required in Africa can be met from staff resources.

4. It is believed that other requirements of the draft resolution can be met by redeployment of resources and, in the case of staff travel for technical discussions, from normal budgetary appropriations. The financial implications of the invitation to the Executive Secretary of ECA to organize jointly with CEPAL a technical meeting between the Commission, and an interregional meeting at intergovernmental level, cannot be quantified at this time.

5. In summary, it is estimated that the total additional resources required in 1978-1979 to implement the resolution would amount to US\$ 225,600.

Instruments of payment - resolution 364 (XVII)

The above resolution instructs the Executive Secretary to carry out a study to improve intra-regional instruments of payment. The Executive Secretary intends to carry out this study from within existing resources, and therefore the resolution has no financial implications.

Economic integration and co-operation - resolution 365 (XVII)

The above resolution requests the secretariat of CEPAL to organize in the course of 1978 a technical seminar on Latin American integration and co-operation. No provision for this meeting exists in the Secretary-General's proposals for the programme budget 1978-1979.

On the assumption that a host government will defray the costs in excess of the costs of holding the meeting at CEPAL headquarters and that the duration would be of one week, the additional budgetary provision required would be US\$ 14,000 for salaries, travel and subsistence of interpreters, US\$ 2,000 for general temporary assistance, and US\$ 3,000 for operating expenses.

Long-term trends and projections of Latin American economic development - resolution 366 (XVII)

The Executive Secretary considers that the extended work programme outlined in the above resolution can be accomplished by redeployment of existing resources. The resolution therefore has no administrative or financial implications.

Human resources - resolution 367 (XVII)

The above resolution instructs the Executive Secretary of CEPAL to appraise the effects of the emigration of skilled human resources to countries outside the region. As this task may be carried out by CELADE from within existing resources, no financial implications arise from the resolution.

Relations with the European Economic Community - resolution 368 (XVII)

The above resolution calls for a joint meeting at the highest level between the Latin American States and the Member States of the European Economic Community. The financial responsibility of CEPAL for such meetings should not, under General Assembly Resolution 31/140, exceed the costs of holding the meeting at CEPAL headquarters. Accordingly, the financial implications of the resolution, on the assumption that the meeting would last five days and would require interpretation in three languages, would be limited to US\$ 14,000 for salary, travel and subsistence of interpreters, US\$ 2,000 for general temporary assistance, and US\$ 3,000 for operating expenses.

International economic co-operation - resolution 369 (XVII)

No administrative or financial implications arise from this resolution.

External economic relations - resolution 370 (XVII)

The extended work programme outlined in the above resolution will be accomplished by redeployment of existing resources to the extent feasible. Therefore there are no financial implications arising from the resolution.

Creation of a system of co-ordination and co-operation among planning bodies of Latin America and strengthening of the Latin American Institute for Economic and Social Planning - resolution 371 (XVII)

1. Under the terms of operative paragraph 6 of the above resolution, CEPAL resolves that ILPES should assist the Ministers and Heads of Planning of Latin America in their joint co-operation efforts mentioned in paragraph 30.2 of document E/CEPAL/1034. Operative paragraph 7 reiterates a recommendation to United Nations bodies to furnish ILPES with stable and sufficient resources to carry out its duties, and operative paragraph 9 endorses the recommendation of the Conference of Ministers and Heads of Planning of Latin America that the temporary budgetary assistance approved by the General Assembly at its thirty-first session be placed on a permanent basis and increased as from January 1978, so far as is necessary to enable CEPAL to carry out, through ILPES, its basic functions related to planning.

2. The Secretary-General's estimates for the programme budget 1978-1979 include a proposal that two P-5, four P-4, and ten local-level posts (which were approved on a temporary assistance basis from 1 January 1977) be converted to established posts as of 1 January 1978. The costs of these posts in the biennium 1978-1979 are estimated at US\$ 683,500. When making its favourable recommendation for the provision of temporary assistance and in relation to the possible eventual conversion to established posts, the Advisory Committee on Administrative and Budgetary questions suggested that the continuance of this contribution on a permanent basis would be subject to a favourable decision by the Latin American governments, with respect to the provision of permanent financing for ILPES.

3. The recommendation for further posts to be established as from January 1978 must be considered in the light of the stringent limitations on real growth which have been applied during the preparation of the Secretary-General's budget proposals. However, it is understood that the General Assembly may consider the question of financial support for activities formerly carried out from extra-budgetary resources as a separate agenda item. In this connexion it is to be noted that, since it was established, UNDP has contributed to ILPES 17 million dollars, representing 85 per cent of its total financing, but that in 1977 the UNDP contribution fell from an annual rate of US\$ 2.2 million to US\$ 0.8 million.

4. Therefore, in order to ensure continuance of ILPES as an integral part of CEPAL, and to accomplish the increased activities indicated in the resolution, the Executive Secretary suggests that the following cadre of senior experts would be the minimum additional requirement from 1 January 1978:

- 1 Senior economic affairs officer (P-5) specialized in global planning
- 1 Senior economic affairs officer (P-5) specialized in finance for development
- 1 Economic affairs officer (P-4) specialized in quantitative methods
- 1 Economic affairs officer (P-4) specialized in investment programmes and projects
- 2 Research assistants (GS-7)
- 2 Bilingual secretaries (GS-4/5)

Estimated cost <u>27/</u> in 1978-1979	US\$ 256,000
Travel on official business, estimated on the basis of 20 trips in the biennium	<u>US\$ 30,000</u>
	US\$ 286,000

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27/ This estimated cost takes into account the normal budgetary adjustments for delay in recruitment for new posts; the estimated cost of these posts in a full biennium would amount to US\$ 437,000.

Activities of the Caribbean Development and Co-operation Committee  
- resolution 372 (XVII)

1. Under operative paragraph 5 of the above resolution, the Commission would request the CDCC secretariat to proceed with the tasks assigned for the period between the second and third sessions of the CDCC (E/CEPAL/1039, Annex 1).
2. Among the highest priorities of those tasks is the establishment of a Caribbean Documentation Centre with the CDCC secretariat and the convening of a meeting of regional experts (librarians and documentalists) to finalize details of the orientation and the scope of the Centre in relation to existing needs for co-ordination and development.
3. No budgetary provision exists for financing the meeting of expert librarians and documentalists, but on the assumption that UNESCO will largely finance the meeting, and that a member government will provide the usual host government facilities, it is estimated that the meeting, which is scheduled to be held in September 1977, will require approximately US\$ 8,500 for salaries, travel and subsistence of interpreters and US\$ 4,000 for travel and subsistence of staff attending the meeting. The Executive Secretary proposes that this expenditure be met by redeployment of existing budgetary appropriations for the biennium 1976-1977.
4. In relation to the additional staff requirements for the Caribbean Documentation Centre, the Executive Secretary draws attention to the stringent limitation on real growth in the 1978-1979 programme budget which will be presented by the Secretary-General to the forthcoming General Assembly. As no provision for such posts is included in the proposed programme budget, establishment of a Caribbean Documentation Centre would require the General Assembly to approve an estimated additional amount of US\$ 59,000 in 1978-1979 for one documentalist/librarian (P-2), one assistant documentalist (GS-6) and one stenographer (GS-4). This staffing is an estimate of minimum requirements, and would be subject to review once the results of the meeting of experts are available.

5. The removal of language barriers is also accorded priority in operative paragraph 5 of the resolution. To this end, the Secretary-General has already included a request for a French translator for the CEPAL office for the Caribbean in his proposed programme budget for 1978-1979. As noted in paragraph 26 of E/CEPAL/1039, the CDCC accepted the offer of the Government of Belize to provide the venue for the proposed meeting of experts on language barriers, which is scheduled to be held in November 1977, and UNESCO could consider offering financial assistance for this purpose. It is considered that the requirement for US\$ 8,500 for salaries, travel and subsistence of interpreters and US\$ 4,000 for staff travel to the meeting can be met by redeployment of existing budgetary appropriations for the biennium 1976-1977.

6. In paragraph 36 of document E/CEPAL/1039, the CDCC agreed that the secretariat should initiate consultations to determine the desirability of convening a specialized meeting to formulate a policy on science and technology as a sub-regional input for the United Nations Conference on Science and Technology for Development, to be held in 1979. Provision of US\$ 8,300 for a meeting of rectors of Universities has been included in the Secretary-General's programme budget proposals for the biennium 1978-1979. As this meeting has been deferred, it is proposed that if the appropriation is approved, the amount should be utilized for the sub-regional meeting of experts on Science and Technology. However, this provision did not envisage the need for consultants to undertake the preparation of technical papers and studies for the meeting, for which the Executive Secretary estimates that an additional amount of US\$ 12,000 will be required.

7. Also in paragraph 36 of E/CEPAL/1039, the CDCC requested the establishment within its secretariat of a unit to work in conjunction with the Caribbean Council of Science and Technology. Taking into consideration the budgetary limitations mentioned earlier, the Executive Secretary considers that this unit would require additional staff of one Economic Affairs Officer (P-5), one research assistant (GS-6) and one stenographer (GS-4), whose costs in the biennium 1978-1979 are estimated at US\$ 79,000.

8. The CDCC recommends in paragraph 30 of E/CEPAL/1039, visiting missions to member governments prior to sessions of the Committee. The programme endorsed by CDCC will also require additional staff travel for which provision has not been made in the Secretary-General's programme budget proposals. Notwithstanding this, the Executive Secretary suggests that no additional funds should be requested for this purpose at this time, and that if additional funds are required they should be dealt with in the context of performance reports on the programme budgets.

9. In summary, it is estimated that implementation of the work programme of CDCC described in document E/CEPAL/1039 would require appropriations in the biennium 1978-1979 of US\$ 150,000 in addition to the requests included in the Secretary-General's proposed programme budget. This estimate takes into account the normal budgetary adjustments of costs for delays in recruitment, and would be approximately doubled for future biennia.

Latin American Conference on Industrialization - resolution 373 (XVII)

1. The above resolution requests the CEPAL secretariat to convene a Latin American Conference on Industrialization during 1978.

2. Insofar as the Secretary-General's proposed programme budget for the biennium 1978-1979 contains a request for US\$ 20,500 for the costs of such a Conference to be held in 1979, no further financial implication arises from the resolution.

Latin American Conference on Science and Technology for Development - resolution 374 (XVII)

1. The above resolution requests the CEPAL secretariat to convene, no later than the end of 1978, a Latin American Conference on Science and Technology for Development with a view to the adoption of common positions by the region for the United Nations Conference on the same subject.

2. Budgetary implications of regional preparatory conferences are normally dealt with in the statement of financial implications for the respective Conference, which will be presented by the Secretary-General to the General Assembly. Such statements normally include,

for CEPAL regional preparatory conferences, the additional costs involved if the conference is held at CEPAL headquarters. On the assumption that the conference would last one week, the relevant costs are estimated as follows:

Temporary assistance of interpreters <u>28/</u> (including travel and subsistence)	US\$ 15,000
Travel and subsistence staff from CEPAL sub-regional offices to Santiago	US\$ 5,500
General operating expenses	<u>US\$ 2,500</u>
	US\$ 23,000

Central American integration - resolution 375 (XVII)

The above resolution has no administrative or financial implications.

Regional Population Programme - resolution 376 (XVII)

1. In operative paragraph 1 of the above resolution CEPAL decides to incorporate the basic infrastructure of CELADE into the CEPAL secretariat in order to ensure the continued development of CEPAL's activities in regard to population.

2. The Secretary-General has formulated proposals for presentation to the next session of the United Nations General Assembly which are aimed at the creation of the permanent infrastructure referred to in the resolution. It is understood that these proposals will be considered by the General Assembly in the general context of the financial implications of absorption in the regular budget of activities formerly financed from extra-budgetary sources. It is expected that the proposals for the additional resources required in the biennium 1978-1979, after taking into account the normal budgetary adjustments for new posts, would be as follows:

Director (D-1)

Under the supervision of the Executive Secretary, assumes responsibility for the programme of the Division and directs the programme of CELADE which will be interrelated with the Division's work programme.

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28/ This provision is required as CEPAL has no staff interpreters.

4 economic affairs officers (P-5)

These senior officers, under the supervision of the Director, will be charged with implementation of major sectors of the work programme.

5 research assistants (GS-7)

Conduct research or prepare reports and analyses under the supervision of professional staff.

2 administrative assistants (GS-7/8)

Prepare reports or documentation for meetings, training groups, seminars, and policy-making bodies.

3 secretaries (1 GS-5, 2 GS-4)

Estimated cost in 1978-1979 US\$ 403,000

Duty travel (estimated at 32 missions by professional staff in the biennium) US\$ 46,000

3. Under the terms of operative paragraph 2 of the resolution, the Executive Secretary is to convene a specialized meeting of CEGAN. No budgetary provision exists for such meeting, and therefore, should the meeting be held in 1977 away from CEPAL headquarters, the Executive Secretary proposes to redeploy, with the consent of the competent authorities, existing budgetary appropriations to cover that part of the costs of the meeting which does not fall to the host government under the terms of General Assembly resolution 2609 (XXIV). It is estimated that these costs to the United Nations, which would be the costs incurred if the meeting were to be held in Santiago, would amount to approximately US\$ 16,000 (interpretation US\$ 10,500, general temporary assistance US\$ 1,000, communications, documents reproduction, etc., US\$ 3,500).

Fishery development in the Caribbean - resolution 377 (XVII)

1. The above resolution requests the Executive Secretary of CEPAL to undertake joint activities with FAO aimed at developing the fisheries sector in the Caribbean. Until this matter has been fully discussed with FAO it is not possible to quantify the administrative and financial implications of the draft resolution, particularly as it appears that the nature of the work required falls mainly within the terms of reference of FAO.

2. The Executive Secretary will take the necessary steps to obtain the fullest collaboration of FAO in relation to this resolution.

Regional co-operation in the field of human settlements  
- resolution 378 (XVII)

1. Operative paragraph 1 of the above resolution recommends that CEPAL should intensify activities aimed at the creation of a regional inter-governmental body on human settlements. In order to carry out the preliminary tasks required to formulate proposals, to conduct consultations with member governments, and to consider potential sources of financial support for this body, it will be necessary to engage an expert consultant whose costs would, it is estimated, amount to approximately US\$ 9,000 including the costs of travel within the region.

2. It is considered that the work programme detailed in operative paragraph 2 of the resolution would require the following staff:

- 1 senior economic affairs officer (P-5)
- 3 economic affairs officers (P-4) specializing respectively in social sciences, rural and urban planning, and training of human resources in the field of human settlements
- 1 senior research assistant (GS) to specialize in the collection, analysis, and dissemination of information on human settlements
- 1 research assistant (GS)
- 2 bilingual secretaries

Estimated cost in 1978-1979, after applying standard budgetary adjustments for new posts US\$ 228,000

Consultants (including travel within the region) to carry out specialized studies in public administration, ecology and environmental pollution, and economic aspects of human settlements (14 man-months) US\$ 55,000

Duty travel of staff within the region (estimated on the basis of 14 trips in the biennium) US\$ 22,000

Rental of office accommodation, acquisition of furniture and associated common service costs US\$ 31,000

Estimated total cost in 1978-1979 US\$ 336,000

3. Under operative paragraph 3 of the resolution it is recommended that a regional conference should be convened at the beginning of 1979 in order to evaluate the programme of work. The Executive Secretary proposes that such a conference, if convened, should be in conjunction with the next session of the Commission in order to minimize costs. On the assumption that this suggestion is accepted, it is estimated that the additional costs of staff travel, interpretation, documentation, etc., can be absorbed within the appropriations to be proposed by the Secretary-General for the programme budget for the biennium 1978-1979.

4. In the sphere of technical co-operation designated in operative paragraph 4 of the resolution, it is believed that the necessary staff resources can be met within the staffing indicated in paragraph 2 above.

5. The recommendation contained in operative paragraph 5 of the resolution can be carried out by the staff of the Operations Division of the CEPAL secretariat.

6. In summary, the resolution calls for expenditure, additional to any provisions in the programme budget for the biennium 1978-1979, of approximately US\$ 345,000.

Natural resources and the Latin American development process  
- resolution 379 (XVII)

Under the terms of operative paragraph 1 of the above resolution, the Executive Secretary is requested to expand and intensify activities in the programme of natural resources. Bearing in mind the stringent limits on real growth in the Secretary-General's budget estimates for 1978-1979, the Executive Secretary intends to accomplish this intensified programme from within existing regular budget resources to the extent possible, and to seek extra-budgetary funds in order to reinforce those resources. Therefore, the resolution does not involve financial implications for the regular budget of the United Nations.

Support for the CEPAL publications programme - resolution 380 (XVII)

1. The above resolution requests the Secretary-General to consider what measures might be taken to ensure that adequate resources are available to enable the publications programme of CEPAL to continue developing at a suitable pace.

2. The resources available to the publications programme are dealt with through normal budgetary procedures which, inter alia, entail consideration of programme priorities and the limitations on growth of the total budget. In order to present in the budgetary process an objective and comprehensive report on the needs of the publications programme, the Executive Secretary has requested a study by the Administrative Management Service which is scheduled to take place in September to December 1977. The administrative and financial implications arising from the resolution will depend upon the results of that study.

PART III

RESOLUTIONS ADOPTED BY THE COMMISSION  
AT ITS SEVENTEENTH SESSION

527. At its seventeenth session the Commission adopted the following resolutions:

- 362 (XVII) THE GUATEMALA APPRAISAL
- 363 (XVII) CO-OPERATION AMONG DEVELOPING COUNTRIES AND REGIONS OF DIFFERENT GEOGRAPHICAL AREAS
- 364 (XVII) INSTRUMENTS OF PAYMENT
- 365 (XVII) ECONOMIC INTEGRATION AND CO-OPERATION
- 366 (XVII) LONG-TERM TRENDS AND PROJECTIONS OF LATIN AMERICAN ECONOMIC DEVELOPMENT
- 367 (XVII) HUMAN RESOURCES
- 368 (XVII) RELATIONS WITH THE EUROPEAN ECONOMIC COMMUNITIES
- 369 (XVII) INTERNATIONAL ECONOMIC CO-OPERATION
- 370 (XVII) EXTERNAL ECONOMIC RELATIONS
- 371 (XVII) CREATION OF A SYSTEM OF CO-ORDINATION AMONG PLANNING BODIES OF LATIN AMERICA AND STRENGTHENING OF THE LATIN AMERICAN INSTITUTE FOR ECONOMIC AND SOCIAL PLANNING
- 372 (XVII) ACTIVITIES OF THE CARIBBEAN DEVELOPMENT AND CO-OPERATION COMMITTEE
- 373 (XVII) LATIN AMERICAN CONFERENCE ON INDUSTRIALIZATION
- 374 (XVII) LATIN AMERICAN CONFERENCE ON SCIENCE AND TECHNOLOGY FOR DEVELOPMENT
- 375 (XVII) CENTRAL AMERICAN INTEGRATION
- 376 (XVII) REGIONAL POPULATION PROGRAMME
- 377 (XVII) FISHERY DEVELOPMENT IN THE CARIBBEAN
- 378 (XVII) REGIONAL CO-OPERATION IN THE FIELD OF HUMAN SETTLEMENTS

- 379 (XVII) NATURAL RESOURCES AND THE LATIN AMERICAN  
DEVELOPMENT PROCESS
- 380 (XVII) SUPPORT FOR THE CEPAL PUBLICATIONS PROGRAMME
- 381 (XVII) PROGRAMME OF WORK FOR 1977-1979
- 382 (XVII) PLACE AND DATE OF THE NEXT SESSION

The Economic Commission for Latin America,

In pursuance of United Nations General Assembly resolution 2626 (XXV), which provides for regional appraisals within the United Nations of the progress made in the implementation of the International Development Strategy (IDS), and in particular of the tasks of appraisal laid down in General Assembly resolutions 3201 (S-VI), 3202 (S-VI) and 3281 (XXIX), which contain the Declaration and Programme of Action on the Establishment of a New International Economic Order and the Charter of Economic Rights and Duties of States;

Considering that the Commission should make the third appraisal of the implementation of the IDS within the context of the establishment of a New International Economic Order at the current session;

Having considered the documents "The economic and social development and external relations of Latin America" (E/CEPAL/1024) and "Long-term trends and projections of Latin American economic development" (E/CEPAL/1027) prepared by the secretariat, which contain analyses and background information designed to facilitate that analytical exercise;

Having examined the report (E/CEPAL/1025) of the third meeting of the Committee of High-Level Government Experts convened by the secretariat in compliance with resolution 310 (XIV) of the Commission;

1. Notes with satisfaction the secretariat's contribution in documents E/CEPAL/1024 and E/CEPAL/1027 to the analytical exercise of the third appraisal of the implementation of the IDS within the context of the establishment of a New International Economic Order;

2. Approves this analytical exercise, with the title of "The Guatemala Appraisal", as the third regional appraisal of the implementation of the IDS within the context of the establishment of a New International Economic Order, the text of which is attached;

3. Decides that the Guatemala Appraisal and the documents E/CEPAL/1024 and E/CEPAL/1027, together with the report of the seventeenth session of CEPAL, which contains some observations on this matter, should be transmitted to the Economic and Social Council and the Committee for Development Planning of the United Nations, and also to the various forums where negotiations and dialogues of interest to the countries of the region take place.

## THE GUATEMALA APPRAISAL

### Third Regional Appraisal of the International Development Strategy and Establishment of a New International Economic Order

#### I. THE ECONOMIC AND SOCIAL DEVELOPMENT OF LATIN AMERICA

##### A. THE APPRAISALS OF THE IDS AND THE CHALLENGE OF INTEGRATED DEVELOPMENT

1. The Economic Commission for Latin America (CEPAL), considering the efforts made in the Quito and Chaguaramas Appraisals to secure the fulfilment of the objectives established for the Second Decade of the International Development Strategy, believes that the time has come to reaffirm the essence of the basic concepts set forth therein, in the light of the establishment of a New International Economic Order and the Charter of Economic Rights and Duties of States. The Commission therefore reaffirms, in particular, the validity of certain fundamental concepts of the Quito Appraisal:

(a) The phenomenon of economic growth is not equivalent to development itself, although accelerated and independent economic growth is a prerequisite of integrated development. Growth, in itself, has frequently failed to bring with it qualitative changes which have a decisive influence on such fundamental objectives of the IDS as human well-being and social justice, since the system of production has continued to prove incapable of providing an answer and solution to urgent problems such as those of mass poverty, growing unemployment, the inadequacy of basic social services and the scant participation of broad strata of the population in the economic and social life of their countries.

(b) The traditional structures, inasmuch as they put obstacles in the way of change, hinder social progress and economic development. Accordingly, even more strenuous efforts must be made to effect the qualitative and structural changes mentioned in the IDS, which are

indispensable to establish the bases that will permit the achievement of the social and economic objectives of the Strategy. Failure to stress the vital importance of this aspect of development and to put these qualitative and structural changes into practice largely explains the unsatisfactory results achieved by many Latin American countries. These structural changes, which are an essential condition for any integrated process of development, especially one set out in the broad human and social terms in which the IDS states this objective, include: the control and sovereign utilization of natural resources and of all economic activities, including the right to nationalization in accordance with national legislations; the reform of land tenure systems as required in order to promote both social justice and agricultural efficiency; the establishment of such forms of public or mixed ownership of property as each country may consider appropriate in those activities which, in its view, require such measures in order to promote self-sustaining independent economic development; and any other type of substantive reform needed to secure that objective. At the same time, accelerated, harmonious and independent growth is essential to the success of these qualitative and structural changes, and consequently, of the objectives of the Strategy, since accelerated growth of the economy as a whole makes it easier to obtain the resources needed for the investments required for human development.

(c) Integrated development cannot be achieved through partial efforts in particular sectors of the economy or the social system, but only through concerted progress in all aspects. It is exceedingly difficult to make an appraisal of the development process thus defined, since it is not sufficient to refer to one or more indicators, but it is necessary to observe to what extent concerted progress in all sectors is helping to promote a new type of society oriented towards rapid human development.

2. The Commission also reaffirms the importance of enhancing these concepts with the most recent decisions of the United Nations in the context of the establishment of a New International Economic Order,

such as the resolutions adopted at the Sixth Special Session of the General Assembly, the Charter of Economic Rights and Duties of States, and the agreements reached at the Seventh Special Session of the General Assembly.

3. The decade of the 1970s, now two-thirds completed, has been for Latin America a period of some achievements but also of major frustrations and dangers. A study such as the present, looking towards the challenges of the immediate future, could justifiably place more emphasis on the latter than on the former. It is evident that Latin America as a whole has not been able to transform its economic growth into the integrated development which was envisaged.

4. The analysis of Latin American economic growth made in the Quito Appraisal remains valid. The conditions prevailing in Latin America during the early years of the 1970s present significant variations in respect of the intensity of the rates of inflation, devaluation and increases of indebtedness, among other things. During the biennium 1975-1976, the growth rate of the product was clearly insufficient. In reality, only a very small number of countries secured the objectives, and the majority failed to attain them. Similarly, only a few countries attained the goal for the sectoral growth of industry set forth in the IDS, while the agricultural situation remained precarious. These facts show that the region has not overcome the difficulty of attaining satisfactory growth rates, and this jeopardizes the integrated development process. Likewise, most cases show the characteristics of uneven development which the unsuitable structures impose on the region.

5. The economic recession in the majority of the developed countries and the spread of inflation in Latin America caused by external factors, which aggravated chronic existing inflationary processes, was one of the most important elements of the many-sided world crisis which reached the region in 1975.

6. Prospects for the remainder of the 1970s are problematical and excessively dependent on the trends in the industrialized countries. The prevailing situation in Latin America in recent years has

confirmed the judgement in the Chaguaramas Appraisal that the relatively high rate of growth of Latin America in the early 1970s was due to "certain precarious trends in the international economy, particularly in raw material prices, rather than to the fulfilment of commitments under the IDS". This circumstance was worsened by the failure of the developed countries to live up to their commitments, both under the IDS and in connexion with the creation of a New International Economic Order. This confirms that the critical situation faced by Latin America in recent years is the product both of structural problems of the domestic economy which must be solved, and of deeply unjust international economic relations, and the lack of political will on the part of the developed countries to carry into practice the recognized principles which should prevail.

7. The character of the policy instruments available to the State, the economic conceptions governing the use of these instruments, the conditions set by external sources of financing, and the wide differences in the ability of large population groups to defend themselves mean that the brunt of the measures taken to cope with crises continues to fall on ever broader strata of the national population, through stagnating or declining real incomes and prospects of employment.

8. Various international economic indicators have placed the countries of the region at what is described as an intermediate level, and it is supposed that the magnitude of the region's problems and development co-operation needs is midway between those of the poorer countries and the industrialized countries. This has led to unfair treatment of the region, because its effect has been to cause various international forums to take measures which in practice restrict access to sources of multilateral financing on the assumption that the region does not require maximum attention.

9. It must be reaffirmed that economic growth, experience in the incorporation of advanced technology, progress in education and the cumulative experience of the public sector have not alone been able to generate factors which could place the region in a favourable

position to achieve integral development, while the short-term problems caused by the unbalanced state of the international economy have nullified the results of regional and national efforts to achieve such development. If this type of approach is to achieve operational meaning and advance beyond the reiteration and addition of purely theoretical objectives, it must meet the realities of internally heterogeneous and conflictive societies confronting external shocks and constraints which, in the absence of more concrete progress towards the New International Economic Order, will be even more formidable than in the recent past. To deal with them will require greater innovations in economic policy and a much stronger commitment to social objectives.

#### B. HUMAN DEVELOPMENT AND SOCIAL CHANGE

10. As has been stated on other occasions, "the ultimate objective of development must be to bring about sustained improvement in the well-being of the individual and bestow benefits on all" and "if undue privileges, extremes of wealth and social injustices persist, then development fails in its essential purpose". It has also been said that "as the ultimate purpose of development is to provide increasing opportunities to all people for a better life, it is essential to bring about a more equitable distribution of income and wealth for promoting both social justice and efficiency of production, to raise substantially the level of employment, to achieve a greater degree of income security, to expand and improve facilities for education, health, nutrition, housing and social welfare, and to safeguard the environment".<sup>2/</sup>

11. In view of the serious problems and shortcomings which exist as regards human development and social change, where different legitimate objectives and aspirations are in conflict and new restrictions arise, the changing conditions call for a continuous review of national and

<sup>2/</sup> Preamble of the International Development Strategy, paras. 7 and 18, and the Quito Appraisal, para. 12.

regional policies, since in Latin America there has not been the coincidence of political determination to programme economic and social development activities at the country and regional levels.

12. Various public sector social programmes, particularly in education, health, housing and social security, have assembled considerable public resources, acquired complex administrative structures, and exerted a major influence on the levels of living and expectations of broad sectors of the population. These programmes, basically as a consequence of crises of financing, now face the need for major reforms, especially of an administrative nature, which each country will carry out in different ways and with different priorities.

13. The greater part of the rural population has not benefited from the prevailing processes of economic growth and agricultural modernization, and their situation has been aggravated by the partial disintegration of previous sources of livelihood and security. This situation gives rise to mass migration movements to the cities, which intensify the maldistribution of income, underemployment, low productivity of much of the labour force and inability of the masses of the population to participate meaningfully in the integral development process.

14. The faulty distribution of income in Latin America has remained a constant both in crisis and in boom periods. The figures for the decade 1960-1970 show that the poorer half of the population obtained only 14 per cent of total income, the following 20 per cent received a similar percentage and the 30 per cent with the highest income received the remaining 72 per cent.

15. The situation grew worse in the first half of the 1970s. In addition to the negative impact of the inflationary spiral which has affected much of the region, in many countries the effects of some stabilization and anti-inflationary measures have fallen precisely on the lowest income sectors of the population, thus reducing their standard of living.

16. The structure of ownership of wealth has also tended to become more unfavourable for the deprived strata. Concentration has increased, even in branches where it was hitherto low, favouring foreign investment and the so-called middle and upper sectors.

17. In other words, poverty and extreme poverty remain at relatively high levels in both urban and rural areas in Latin America. While the most important source of extreme poverty is considered to be the countryside, with the increasing marginalization of the weaker sectors of the rural population, the phenomenon of urban marginality has increased too as a result of inflationary pressures and the exodus from rural to urban areas under the unbearable pressure of chronic abject poverty.

18. As the Quito Appraisal pointed out, the region's achievements in the field of agrarian reform cannot be considered satisfactory, since the systems of land tenure, use and exploitation continue to be largely inadequate to meet the growing needs stemming from the economic and social development of the Latin American countries.

19. The effects of inflation, contraction of employment, and declining real wages have had a serious impact on the lower income groups. Open unemployment has reached very high levels in a good many cities, and the opportunities for obtaining employment continue to be limited.

20. More vigorous and innovative methods, which go much further than assistance or relief policies, must be found to enable the marginalized strata to meet their basic needs, contribute to production and organize themselves to defend their own interests. Such measures will call for suitable income distribution policies on the part of the State.

21. Although fundamentally the problems which continue to hinder the participation of women in the economic, political, social and cultural life of the region are closely linked with the general conditions of underdevelopment, it is necessary to promote measures to guarantee the full equality of women with men and thus bring about their integration in the present development processes of their own

countries. To this end, a series of actions must be taken to overcome, inter alia, the problems of employment, underemployment and working conditions, which are particularly unfavourable to women, especially in the rural sector, while also ensuring that they have the fullest access to all levels and types of education and to the public health services, especially in the area of mother and child welfare. These actions, together with other social services and adequate housing, should enable Latin American women to participate in and contribute fully to the economic and social development of their countries.

22. It is also essential to eradicate the distortion of the image of women, which is still rife in the region as a result of the prevailing cultural patterns and the influence of the mass communications media. The role of Latin American women in society and in the family must therefore be revalued so as to ensure that they occupy the active place which corresponds to them and work to change the socio-economic structures which have subjected and marginalized them.

23. The problems of human settlements, for their part, cannot be divorced from the economic and social development of our countries and, therefore, from the prevailing situation of underdevelopment.

24. The state of human settlements largely determines the quality of life, the improvement of which is essential for the full satisfaction of basic needs such as employment, housing, health, education and recreation.

25. Instead, however, the situation is aggravated by the existing social, economic, ecological and environmental deterioration, exemplified by unequal living conditions, acute unemployment, illiteracy, disease and poverty, the breakdown of social relations and of traditional cultural values, and the increased degradation of the resources necessary for life in the air, water and land.

26. The human settlements policies followed must therefore take into account not only the proper use and tenure of land, but also the growth and distribution of the population, the disparities

- including disparities in income - between rural and urban zones, and the consequent migration. Such policies must be linked with those on industrialization, agriculture, social welfare, and environmental and cultural conservation, so that all these elements mutually support each other in the progressive improvement of human well-being and at the same time enable an end to be put to the misuse of resources and the social and cultural deterioration of the countries of the region.

27. The various forms of development which have emerged in Latin America, especially over the past 25 years, have led to rapid migrations of population, both of an internal nature and between countries, with an increasing and sustained exodus of population from rural to urban areas which has given rise to new types of problems in the spheres of employment, housing, services, the environment, etc. These problems call for a regional planning approach, so that measures can be suggested to guide governments in devising policies to solve them.

#### C. ECONOMIC EVOLUTION AND CHANGES IN THE BALANCE-OF-PAYMENTS SITUATION

28. The economic development of Latin America continues to be conditioned by international economic structures devised by the developed countries in accordance with their characteristics and needs, without taking into account the interests of the developing countries.

29. The lack of flexibility of these structures, as revealed by the situation of the international trade in raw materials and the trend toward a decline in the purchasing power of the developing countries, and also by the functioning of a monetary system which favours the developed countries, gave rise to the current economic crisis of the Latin American countries and the other developing countries.

30. During the 1970s Latin America as a whole has tended to step up the transformation of the production and technological aspects of its economy and to increase its production capacity, while at the same time broadening and diversifying its external economic and financial relations. The rate of development has varied widely between countries and between years, and has undergone strong fluctuations manifested in the marked surge of economic dynamism during the first years of the decade, followed by a significant contraction and weakening in the last two years.

31. Although during the biennium 1972-1973 the gross domestic product of the region registered a relatively high growth rate of approximately 7 per cent a year, in many countries the slow growth of previous years persisted and in some the levels of activity even declined. The increase and diversification of exports and the rise in the terms-of-trade index had a significant influence on this evolution. Thus, the economy was able to function free of the external bottleneck which had affected it in the past. Unfortunately, however, as foreseen in the Chaguaramas Appraisal, the period of boom was to be short-lived, as the course of events soon showed.

32. In 1974, most of the countries of Latin America were confronted with a slackening in the growth rate of external demand, in many cases accompanied by a fall in the prices of primary products and greater costs of fuels and of products imported from developed countries, all of which was reflected in a significant deterioration of the terms of trade. In these circumstances the serious balance-of-payments problem was aggravated, with subsequent adverse effects on the rate of economic growth. As a result of the unfavourable external effects, many countries were obliged, in order to maintain their growth rate, to resort to financing with foreign capital, primarily from private international banks.

33. In 1975, as a result of the international economic recession, the unfavourable trends in the external sector became acute for most of the countries. The volume of exports tended to diminish and the deterioration of the terms of trade was aggravated. Both these

factors contributed to the decline in external purchasing power. The countries were obliged to limit or suspend their imports, and in these circumstances the rate of economic growth and of investment fell to such an extent that the per capita product in real terms did not increase at all.

34. Despite the contraction in imports of goods and services, the trade deficits and balance-of-payments deficits remained at high levels, and the current account deficit of the non-oil-exporting countries of the region exceeded 16,000 million dollars.

35. Moreover, the terms of trade of the oil-exporting countries also began to fall from the levels they had attained with the increase in prices over the two previous years.

36. In 1976 some trends towards recovery emerged, although the growth rates of the product recorded at the beginning of the decade were not attained. These trends were affected by the marked instability of the fluctuating commodity prices and the slow rate of economic recovery in the industrial countries.

37. Thus, if the levels of the domestic product attained in 1976 are compared with those of 1970 it can be seen that the growth of the region as a whole during the present decade, despite the period of boom, has maintained a trend similar to that of the past. Of the 19 countries for which complete statistical information is available, only five countries secured an average increase of 6 per cent or more, which was the goal fixed in the International Development Strategy. The 14 other countries, which account for about half the population of Latin America, recorded lower rates, giving rise to situations of relative stagnation and even contraction in absolute terms.

38. The per capita product of the region for the period 1970-1976 shows an average increase of 2.8 per cent, which is less than that attained by Latin America as a whole in the second half of the past decade. In a large number of countries the increase was much lower than this average, while in some cases the absolute level of the gross per capita product declined.

39. It therefore seems clear that in the majority of the Latin American countries the global evolution has been manifestly unsatisfactory, especially taking into account the need to accelerate the rate of economic growth in order to augment the levels of productive employment, promote a better distribution of income, and confront in a more direct manner the situations of extreme poverty which prevail in the region.

40. During the last two years the slowness and irregularity characteristic of the evolution of the agricultural production of the region persisted. Provisional figures for production in 1976 are encouraging, but growth so far during the decade amounts to less than 3.5 per cent, and while half the countries have met the goal of 4 per cent fixed by the IDS, the remainder, which represent 50 per cent of the population of the region, have failed to do so. The sluggishness of growth was influenced by factors which aggravated the traditional structural problems of the sector: the increase in the price of agricultural inputs, the limited capacity in some countries to incorporate new land, and the low average yield of the sector.

41. Climatic conditions, prices of inputs and price fluctuations in world markets have contributed to the irregular growth of the domestic prices of various foods, which have begun to be more closely related to the prices prevailing in the world markets. Thus the short-term flexibility of Latin American agriculture resulted in sharp production swings associated with changes in international market prices.

42. In a number of countries the slow growth of agriculture has had an adverse effect on the export position, and has in some cases caused imports to rise sharply. The share of Latin American exports in world agricultural markets continued to fall, from 17 per cent in 1950 to 13 per cent in 1974-1975, with sharp drops in such important products as coffee, cocoa, wheat and, to a lesser extent, bananas and sugar.

43. The region has continued to be particularly affected by the restrictive conditions and protectionist measures imposed by the major external markets, which further increase the instability of the demand for imports in the markets of the developed countries.

44. The process of industrial transformation grew stronger in the 1970s, although with appreciable differences of degree from country to country. The rate at which this process took place was particularly influenced by the international economic situation and the internal structural problems of each country. The strong industrial growth of the period 1972-1973 was followed by a downturn in the following year, while the industrial production of the region virtually stagnated in 1975, with a growth rate of a mere 1.5 per cent. This rising and falling movement affected most of the countries of Latin America to a varying degree. The impact of the slump in 1975 was such that the average growth rate of industrial production in the first six years of the present decade was under 7 per cent annually. Only five of the 19 countries considered reached the growth target of 8 per cent or more fixed by the International Development Strategy.

45. The preliminary data available for 1976 show a slight recovery in the growth of industrial production. Nevertheless, the average growth rate of industrial production recorded so far in the decade has been somewhat lower than in the second half of the 1960s.

46. The problems of the agricultural and industrial sectors of the region have been substantially increased by the actions of the transnational enterprises, which have in the majority of cases hindered the effective mobilization and use of the resources of Latin America, thus causing considerable lags in the achievement of integrated development.

47. The high level of indebtedness and the magnitude of the balance-of-payments problems which have afflicted many Latin American countries despite the measures and controls which have been introduced to contain imports and promote exports have given rise to an external bottleneck situation which is likely to have repercussions in the future. The situation varies from one country to another, not only

in the magnitude of the problems but also in the prospects of solution. These countries will continue to require a major flow of external financing to ensure given levels of imports and avoid a reduction in the growth rate which would seriously affect employment and income distribution.

48. In these circumstances it is essential to secure a rapid and sustained increase in export income to remunerative levels, in order to contribute to the solution of the balance-of-payments problems. It is necessary, on the one hand, to adopt policies and measures in the developed countries to broaden and diversify access to their markets for commodities, manufactures and semi-manufactures and, on the other, to expand trade among Latin American countries. Co-operation at the regional level, economic integration and the various policies, measures and specific projects for expanding and diversifying reciprocal trade must play a more important role than in the past.

49. The terms of trade with the exterior have varied significantly since 1970. The non-petroleum-exporting countries secured a significant improvement only in the biennium 1972-1973, after which there was a serious deterioration in the following two years. Despite a certain marginal recovery in 1976, the terms-of-trade index of the non-petroleum-exporting countries is still below the 1970 level, and even lower than the levels which prevailed during the early years of the 1950s. The petroleum-exporting countries, for their part, also suffered a deterioration in their terms of trade with the exterior in 1975 and 1976.

#### D. THE DOMESTIC EFFORT

50. The differences between countries and strategies in the mobilization of domestic resources are even more complex than in other areas of the development process. On the whole, and primarily through the financial machinery, significant progress has been made in the process of capital formation in important productive branches,

in the definition and implementation of global and sectoral economic policies, in the organization of financial markets and in fiscal activity.

51. Higher levels of staff training are enabling most governments to progress in the planning of their activities. Although it is not always possible to frame government action within a formal plan, broadly speaking such action is becoming more coherent and clear in its goals. Progress is being made in the implementation of economic policies which reorganize the instruments of productive development in new conditions, incorporate an increasing anti-inflationary element as an integral part of overall policies, and reorganize the financial markets to promote greater capital formation and a better insertion in the international setting.

52. Some governments and public corporations are mobilizing large proportions of the resources of the economy and gaining a large measure of control over the key sectors of the infrastructure and basic resources. The biggest public enterprises of some countries are acquiring the operating capacity and the necessary size to play an important role in world markets.

53. In the agricultural sector, State support policies have been implemented, particularly in connexion with obtaining more credit and alleviating the strong pressures on the food supply systems and above all on the industrial processing of agricultural products.

54. The processes of agrarian reform have encountered many obstacles. Owing to their high costs and slow realization in the majority of countries, many of the potential beneficiaries of these processes are excluded from them. Thus the capacity to use the land and the human resources of the rural sector remains low, and a large part of the increases in production are achieved through the modern agribusiness sector.

55. State action in energy, petroleum and mining has been strengthened both through the nationalization of deposits and installations and through significant increases in production capacity.

56. The growth rates of investment rose steeply, indicating a great potential for capital formation. Gross domestic investment represented about 24 per cent of the product in 1974-1975 - quite a high figure in comparison with the previous decade. Many countries, unable to gain access to suitable technical and financial resources, or for other reasons, had low levels of investment. Thus, side by side with the countries which exceeded 24 per cent, there are others which failed to reach 20 per cent.

57. National saving followed similar lines to investment. The coefficients of national saving, already over 20 per cent of the product, rose still further, but the difference between countries is once again evident, since some countries failed to reach 15 per cent. The ratio of national saving to investment tended to rise in the early years of the decade, reaching levels close to 95 per cent in 1973 and 1974. These figures show a big potential for domestic saving, which could be increased greatly if suitable income distribution policies are adopted and the high consumption levels of the upper strata reduced.

## II. THE EXTERNAL ECONOMIC RELATIONS OF LATIN AMERICA

### A. LATIN AMERICA'S PLACE IN THE WORLD ECONOMY

58. The study of Latin American external relations must start from a number of basic general considerations. In the first place, international economic relations have been characterized by a worsening of the phenomena of slumps and booms in the main industrialized countries; higher prices of manufactures from the developed countries; food shortages; higher oil prices; changes in the structure of world trade, and widespread inflation.

59. Secondly, Latin America's place in the world economy should be defined in the light of the degree of development and transformation of foreign trade achieved by the countries of the region, bearing in mind the opportunities and problems corresponding to this stage of development.

60. Thirdly, long-term needs and policies must be combined with the handling of the short-term situation, which is presenting difficulties for many of the countries of the region. It is essential to overcome these difficulties, since on the one hand the prospects of growth of exports of manufactures by Latin America are poor, while on the other there is a considerable rise in the balance-of-payments deficit, which has been financed by external loans, frequently on hard terms.

61. Fourthly, it is important to stress that the region has specified its position on the construction of the New International Economic Order in accordance with the guidelines of United Nations General Assembly resolutions 3201 (S-VI), 3202 (S-VI) and 3281 (XXIX). The primary task of the developing countries is to overcome the resistance encountered in the struggle for the new order, since although its principles are gaining increasing acceptance the progress made so far in its implementation has been insignificant. The disappointment with which the Latin American countries view the scant progress made in the main forums of international negotiation, and the unfavourable attitude of the major developed countries, cannot be ignored. There

is an imperative need to reach concrete results in those negotiations, not only because of the favourable effects they would have on international economic relations but also because the absence of such results could precipitate a collapse in the attitude of dialogue and negotiation which has prevailed since the seventh special session of the United Nations General Assembly, at great cost to international economic co-operation, as pointed out at the Conference on International Economic Co-operation.

1. The world setting

62. During the last three decades there has been intense growth in the developed market-economy countries. There has also been a diversification of the centres. The relative importance of the European Economic Community and Japan has increased in comparison with the United States, both in gross domestic product and in trade and international investment, while the relative importance in world trade of the European countries with centrally planned economies has also increased. The diversification of the centres, and the greater vigour of the new ones, enhance the advantages of a multilateral approach to international relations with a view to enabling the developing countries - particularly those of Latin America - to take advantage of the greater dynamism of some of these centres.

63. Relations among the developed countries in trade, production and financial matters, have also grown very greatly. The creation of a vast economic area comprising the developed market economies has been consolidated. Besides the absolute and relative growth of the trade flows within groups of developed countries (EEC, EFTA, and Canada and Japan with the United States), trade between the different groups has greatly increased, while at the same time the barriers to trade in industrial products have been reduced. Thus the developed countries increased their share of world exports from 60.2 to 66.3 per cent between 1950 and 1975.

64. The composition of world trade changed profoundly between 1950 and 1975, since the relative importance of manufactures increased from 43.7 to 60.4 per cent, while food and raw materials dropped from 46.4 to 19.1 per cent. This structural change has hurt the developing countries which produce raw materials. Thus, the share of the non-oil-exporting developing countries in world exports fell sharply from 24.4 to 10.5 per cent over the same period, and that of the Latin American members of this group fell still further, from 10.4 to 3.9 per cent. There was at the same time an increase in their share of purchases of manufactured products from the developed countries.

65. Over the last 25 years the developed countries have been replacing imports from the developing countries of basic products and semi-manufactures derived from renewable natural resources. They have also accelerated the substitution of primary goods produced and exported by the Latin American countries and other developing countries through an increase in the production of substitutes and synthetics.

66. Their own production of food and agricultural raw materials increased, as did trade among them in those products, at the expense of imports from developing countries. They adopted domestic support price policies for their producers, which contrast with their opposition to the attempts to apply similar policies at the world level in favour of the exporters of primary products among the developing countries. In this way they stimulated their own supply and gave their producers the necessary means to increase capitalization and technological innovation. At the same time they imposed tariff and non-tariff barriers on imports from developing countries, while there was a systematic effort to reduce such barriers among groups of developed countries.

67. In contrast, the developed countries have preferred to import non-renewable resources from the developing countries at more advantageous prices, with the clear aim of preserving their own resources and making substitutive investment profitable. This has not resulted, however, in a sustained improvement in the export prices of those resources.

68. The developing countries as a whole have had a steadily increasing deficit throughout the last 25 years in their trade relations with the developed countries. For the developing countries this has meant using external resources in order to achieve a somewhat higher economic growth rate than their own exports would have permitted, while for most of the developed countries it has meant more active promotion of their exports and production and a better balance-of-payments position. In the case of the Latin American countries, the major disequilibria in the trade balance and the balance of payments were the results of their efforts to maintain as far as possible their economic growth rates.

2. The new international economic relations  
of Latin America

69. Latin America is faced with the need to define new forms of insertion of its economy, in the efforts to achieve the implementation of the emergent New International Economic Order, so as to be able to regain and increase its relative importance in international relations, in accordance with the needs of the present stage of development of the countries of the region.

70. New trends are appearing as a result of the process of reorganization of the world economy, and these are beginning to acquire great importance side by side with the old trends which still persist. Consequently, Latin America must put into effect a set of policies and actions capable of dealing with all the forces in play.

71. Major elements in the new international economic relations of Latin America are the struggle for sustained growth of the purchasing power of export earnings of traditional products, a greater share in the world trade in manufactures and semi-manufactures, the reduction of the balance-of-payments disequilibria, and access to international financing on suitable terms.

72. In addition to these elements, the transnationalization of capital, the new industrial structures and the reform of the international monetary system are beginning to assume great importance as a result of the growing globalization of the economy.

73. Consequently, Latin America should foster action to ensure more active participation in the world economy, to which end the following lines of action should be adopted, inter alia:

- (a) Attainment of better prices for the raw materials produced and exported by the developing countries, as a means of increasing the resources available for their internal development processes, through the speedy implementation of the Integrated Programme for Commodities and the definition of machinery to protect the purchasing power of those raw materials.
- (b) Adoption of formulas whereby the developed countries will fulfil before 1980 their commitment under the IDS to contribute 0.7 per cent of their GNP as official aid to the developing countries.
- (c) Removal of obstacles and instrumentation of international support mechanisms for the expansion of the exports of manufactures of the region, as a means of securing an effective redistribution of world industrialization opportunities. In this field Latin America has the right and opportunity to play a dynamic role.
- (d) Creation of appropriate machinery to facilitate the transfer of technology to Latin America on terms which interest the countries of the region at their current stage of development.
- (e) In order to secure these objectives it is essential that there should be active and effective Latin American participation in the decision-making process in all the monetary, financial and trade negotiation fora.

74. The existing international monetary situation has been characterized by severe disequilibria caused, inter alia, by the lack of a rational, just and universal system, by the wide fluctuations in currencies, by the disordered growth of international liquidity, and by the system's lack of adaptation to the needs of the developing countries and the preponderance of certain developed countries in the adoption of decisions.

75. The current developments regarding international economic co-operation make it increasingly necessary for the region to carry out specific action aimed at modifying the disequilibrium which characterized Latin America's economic and social relations with the industrialized countries. Efforts should be made to concentrate attention on the co-ordination of measures based on the political will and capacity for action of the Latin American countries, which would thus not depend on decisions from outside the region.

76. The Latin American Economic System (SELA) offers an opportunity to meet this situation through, for example, action in such fields as trade promotion, marketing enterprises, transport insurance, services and management.

### 3. External financing and indebtedness

77. The deficit on current account of the non-oil-exporting countries of Latin America rose from a little over 1,500 million dollars annually in the period 1965-1970 (less than 15 per cent of exports of goods and services) to a little over 4,000 million in 1971-1973 (22 per cent of exports), while in 1974-1976 it jumped to almost 14,000 million dollars annually (45 per cent of exports). This growth of the deficit was influenced by the deterioration of the terms of trade caused, inter alia, by the higher prices of imports of capital goods, intermediate inputs, and raw materials, the drop in the growth rate of exports owing to the world recession, higher oil prices, exchange instability, the rise in the servicing of external financing, the increasing remittances of profits from direct foreign investments, and the hardening of the terms of external financing.

78. It is important to note that in the middle of the 1960s external financing derived mainly from official sources. At the same point in the present decade, however, the greater part of such financing stems from private sources. This has had important consequences: external financing has become dearer; the terms and conditions have worsened and are not in step with development needs, and the problems of access to capital markets - both international markets and those of the industrialized countries - faced by many Latin American nations have been aggravated.

79. The indebtedness of these countries has also increased enormously. The State-guaranteed debt (excluding the debt to the International Monetary Fund, credit for less than one year and private loans without official guarantees) rose from 8,700 million dollars in 1965 to 42,000 million in 1975. Non-guaranteed private bank loans rose from 2,500 to 25,000 million dollars in the same period and continued to soar in early 1976. Guaranteed and non-guaranteed loans from private sources thus accounted for two-thirds of the total in 1975: almost double their relative importance ten years earlier.

80. With regard to the criteria of creditworthiness and indebtedness it should be pointed out that the current account deficit of the non-oil-exporting countries of Latin America has climbed steeply in comparison with their exports. The same is true of the ratio of debt service to earnings of exports of goods and services, while the ratio of international reserves to imports has fallen considerably.

81. The criteria used to judge the creditworthiness of a country, however, while useful in the consideration of the individual country, are less so in the appreciation of a wider situation. The reason is that taking the problem as a whole, it would help the recovery of the world economy in a recession such as the recent one if specific groups of countries with balance-of-payments problems decided to lay greater emphasis on financing than on adjustment. Furthermore, the problem of external debt and its servicing cannot be considered in isolation from trade issues. The dynamic growth and diversification of exports, better access to the markets of the developed countries for those exports, and better prices and quantities of commodities are highly important factors if the developing countries are to be able to reduce the high cost of external financing.

#### 4. Transnational corporations

82. The transnational corporations have gained enormous influence in the economic activity of the developed countries and their links with each other and with the developing countries. According to United States Department of Commerce figures, in 1970 the United States transnationals and their foreign affiliates were responsible for 24 per cent of world exports of goods, and the percentages for the United States, Canada and Latin America were significant. A high proportion of the exports of transnational corporations consists of transactions between branches of the same corporation. In the case of the United States, such intra-company transactions accounted for 49 per cent of exports of manufactures. The activities of the transnational corporations in the region have given rise to much well-known concern in the countries, regarding firstly the way in which prices are fixed in intra-company transactions, the extent to which they correspond to the competitive conditions of the market, and the implications for the country exporting or importing goods in such conditions; secondly, the dependence on the exterior in respect of capital and technology; and thirdly - as a result of the foregoing - the fact that the technology introduced by these transnationals is capital-intensive and frequently not adapted to the conditions of the countries which receive it.

83. A further concern is that such enterprises tap some of the limited resources available for financing in the domestic financial markets and compete in the external centres of consumption with the products of the national firms of the Latin American countries.

84. The actions of the transnational corporations confirm a recent trend in the international economy: because of the pollution and industrial congestion in the developed countries and the need for access to raw materials and cheap labour, they encourage the implantation of industrial activities in the developing countries in order to take maximum advantage of the resources available at the world level.

85. The flow of trade and capital between the affiliates of transnational corporations considerably limits the capacity of States to orient their national economies, since it reduces the efficiency of instruments designed to control the balance of payments and also causes upheavals in the international monetary and financial sphere.

## B. LATIN AMERICA AND THE INTERNATIONAL NEGOTIATIONS

### 1. Integrated Programme for Commodities

86. The Integrated Programme for Commodities is an element of vital importance for the restructuring of the international trade in raw materials. It aims to solve commodity problems because of the importance of these goods in the generation of foreign exchange for the integrated development of the countries of the region.

87. Resolution 93 (IV) adopted by UNCTAD IV sets out the guidelines to be followed in implementing the Integrated Programme for Commodities. This resolution incorporates and specifies the main action elements of the Programme.

88. In September 1976 preparatory negotiations began on some of the products mentioned by way of example in the resolution, as did work on the preparation of the conference on the negotiation of the Common Fund.

89. So far, the meetings on specific products have in some cases made it possible to advance in the specifications and technical aspects required for the subsequent decisions. However, the positions adopted by the industrialized countries at the preparatory meetings seem to indicate that the programme of activities envisaged in UNCTAD resolution 93 (IV) will not be fully implemented.

## 2. Multilateral trade negotiations

90. During the course of the current multilateral trade negotiations there has not so far been any sign of a clear desire on the part of the industrialized countries to implement the principles of non-reciprocity through preferential and non-discriminatory treatment for developing countries. A clear example of this can be seen in the scant results obtained so far in the case of tropical products, a sector to which it had been agreed to give special priority treatment.

91. The foregoing is reflected particularly in the way in which the work is being carried out in the various groups and sub-groups of the Trade Negotiation Committee of GATT. The industrialized countries have tended to ignore the various problems and solutions proposed by the developing countries and have confined themselves to settling their own difficulties.

92. The role played by Latin America in the negotiations is particularly noteworthy, since a number of countries of the region have advocated and proposed various mechanisms for the implementation of the Tokyo Declaration. Mention may be made in this respect of the establishment of a group for the reform of GATT and the proposal that this should deal in particular with aspects relating to differential and more favourable treatment for the developing countries (especially the most-favoured-nation clause); with safeguard clauses for reasons of the balance of payments and economic development; with questions of interest to the developing countries as regards consultation procedure, solution of disputes and supervisory machinery, in accordance with article XXII and XXIII of the General Agreement; and with the non-application of the principle of reciprocity.

93. However, if the positions of the industrialized countries continue along the same course, the efforts of the Latin American and other developing countries participating in the negotiations will again be frustrated.

3. Conference on International Economic Co-operation  
(the Paris Conference)

94. Consideration of the international economic negotiations underway reveals the potential importance at the present time of the Paris Conference, because of the importance for the developing countries of the topics dealt with and also because of the particular features of the negotiating structure of the Conference.

95. The Conference is the product of an unprecedented international situation in which a group of developing countries has acquired unusual bargaining power, with the support of the other developing countries for the adoption of the measures from which that bargaining power stems, and have in turn placed that power at the service of the other developing countries. The Conference is being held in a context of widespread economic crisis, characterized by a process of inflation and stagnation of economic growth in the industrialized countries, whose effects have been transmitted intensely to the developing countries.

96. It has been interesting to note the importance attached at the Paris Conference not only to the question of energy but also to a set of issues which tend towards the definition of a new global approach, particularly in seeking decisions on commodities, co-operation for development and financing. In the great majority of cases, those decisions will be implemented within the framework of the competent international bodies.

97. In this connexion, the positions and attitude taken by the group of 19 developing countries participating in the Conference are noteworthy, especially with regard to support for the Integrated Programme for Commodities, including the Common Fund, and defence of the purchasing power of the exports of raw materials of the developing countries; the improvement of the present machinery for food aid and security and the promotion of agriculture in the developing countries; the expansion and consolidation of industrial co-operation with a view to making possible the attainment of the goals of the Lima Declaration on industrialization; the need to provide a suitable framework

for the activities of transnational corporations; support for the objectives of the developing countries participating in the Multinational Trade Negotiations, particularly with a view to bringing about a rapid improvement in the conditions of access of the products of the developing countries to the markets of the industrialized countries; and the establishment of new machinery designed to accelerate and reduce the cost of the transfer of technology to the developing countries.

98. Since, in the present international economic situation, the majority of the developing countries continue to depend, often heavily, on the transfer of external financial resources, it was considered particularly important that the Paris Conference should give priority attention to substantially increasing the transfer of official resources for development, to access to capital markets, and to the search for solutions to the problems of indebtedness of the developing countries and of maintaining the purchasing power of their export earnings.

99. If, after more than a year of dialogue and negotiations, the Conference on International Economic Co-operation has not yet managed to reach results which might be considered satisfactory, the reason lies basically in the lack of political will of the developed countries and their reluctance to accept the modification of a system of international economic relations created in the light of their own interests. The magnitude of some of the differences which separate those countries, and the fact that important changes have occurred in the governments of some of them, have considerably restricted the powers of their representatives to participate in negotiations of this kind.

100. In the light of this situation, at the thirty-first session of the General Assembly, held at the end of 1976, a resolution was adopted with expressed deep concern and disappointment at the failure so far to reach concrete results in the Conference on International Economic Co-operation, and profound concern at the adverse effects which the failure of the Conference would have on international economic co-operation.

101. In order to overcome this situation, the developing countries participating in the Conference have proposed that it should resume its work in April and conclude with the holding of the Ministerial Meeting, not later than the end of May 1977, with the adoption of measures which form a global programme of substantive improvements in international economic co-operation.

### C. RELATIONS WITH OTHER AREAS

#### 1. Relations with the United States

102. Despite the changes which have taken place in the centres of the world economy, the United States continues to occupy a predominant position in it. As far as Latin America is concerned, the United States continues to occupy first place in the export trade in primary products and manufactures, in investment flows and in the transfer of technology.

103. One extremely important feature of the changes which have occurred in the world economy is the presence of transnational enterprises as a new economic power, to the detriment of the economies of the developing countries.

104. In the specific relations of Latin America with the United States the discouraging trends and prospects observed at the beginning of the decade have worsened. The chronic imbalance between imports and exports has increased, leading to further aggravation of the region's growing and costly trade deficit, while exports to the United States continue to be the most sluggish sector of Latin American trade.

105. A new element has joined the obstacles to the liberalization of trade which have traditionally hindered the access of products of Latin American countries to the United States market: namely, the restrictions stemming from the Trade Act adopted by the United States in 1975.

106. Besides the discriminatory restrictions imposed against three countries of the region (Venezuela, Ecuador and Cuba), this legislation contains provisions which give rise to some of the main limitations to access of Latin American exports. In this connexion, particular

mention should be made of the competitive need formula and the rules of origin. According to the first of these restrictive measures, when the annual exports to the United States by a developing country of an item in which it enjoys preference exceed 25 million dollars or 50 per cent of the total United States imports of that item, those exports cease to enjoy preferential treatment. Many countries of Latin America have been affected by this provision, which is aggravated by the fact that the tariff schedule for Latin American products subject to the competitive need formula is higher than the average United States customs tariff.

107. With regard to the rules of origin, the United States Trade Act provides that a product shall receive preferential treatment only if at least 35 per cent of its value added originated in the exporting country. Besides being restrictive, this measure will hinder access to United States markets for many products originating in the schemes for industrial co-operation or complementarity among Latin American countries and between them and other developing countries, which are undergoing a process of considerable growth. The revision of the United States Generalized System of Preferences by the authorities of that country should be carried out at a date to be notified well in advance to the preference-receiving countries, so that those countries can better determine their position on the matter; the United States authorities should also reduce to a minimum their requirements regarding information on the products proposed by the preference-receiving countries for inclusion in the above-mentioned Generalized System of Preferences.

108. Besides these restrictions, there are other measures with a negative impact on exports to the United States market of products which are important for Latin America, such as the compulsory exclusion from the Generalized System of Preferences of products considered "sensitive"; the discretionary power of the President of the United States, under the Trade Act, to exclude from the lists other products which are felt to have an unfavourable effect on industry or employment in the United States; and the products temporarily subject to non-tariff barriers.

109. It should be pointed out that the exports which fall into these categories are generally manufactures and semi-manufactures of Latin American countries. This is not only contrary to the long-standing demand of the region that access for this kind of goods to the markets of the developed countries should be improved, but also curbs industrial growth and diversification in the countries of Latin America.

## 2. Relations with the European Economic Community (EEC)

110. The EEC has continued with its progressive organization of commercial and economic co-operation on a preferential basis with the countries of Africa, the Caribbean and the Pacific (Lomé Convention) and with the countries of the Mediterranean area. As a result of the entry of the United Kingdom, special responsibilities have also been undertaken with respect to the Asian countries which formed part of the British Commonwealth. For the non-associated countries, i.e., those of Latin America and Asia, the EEC has begun to implement what it calls a "global policy of co-operation for development".

111. As a result of the extension of preferential régimes for access to the EEC market, the traditional most-favoured-nation clause has become the exception and the preferential régime the rule - a régime from which much of Latin America is excluded.

112. The fact that Latin America - with the exception of the countries of the Caribbean sub-region which are members of the British Commonwealth - is not one of the EEC's top priorities, and hence that the Community has no explicit political commitment in this respect, has led to a weakening of the dialogue between the two regions initiated in 1971, and the search for a collective instrument of co-operation with the EEC has been checked.

113. Latin America should reaffirm its collective political determination to press on with the organization of a system of economic co-operation with the EEC.

114. An analysis of the results achieved so far for most of Latin America through the Community's global policy of co-operation for development reveals the following:

(a) In the trade sector:

- the regulations of the common agricultural policy have continued to restrict access to the EEC market for important agricultural products exported by most Latin American countries;
- the tropical products exported by those countries continue to receive discriminatory treatment in their access to the Community market in comparison with similar exports from the countries associated with the EEC, which receive preferential treatment;
- the use of the Generalized System of Preferences has been increasing, but the unilateral and temporary nature of the system - i.e., the lack of security in its use - limits its benefits. Furthermore, it is the practice to exclude from it the products in items 1 to 24 of the Common External Tariff, which include the main agricultural products exported by Latin America;
- the bilateral trade agreements entered into by three Latin American countries (Argentina, Brazil and Uruguay) with the aim of facilitating reciprocal trade, taking into account certain aspects of the agricultural regulations, were inoperative in the latest crisis affecting EEC imports of beef from those countries. The general agreement signed by Mexico in 1975, however, which deals with complementary questions of mutual interest, is a positive step towards broader economic co-operation linked with trade;
- EEC-financed co-operation to promote trade has been advancing, and various Latin American countries have already benefited from it;
- the trade balance between the EEC and Latin America, which was substantially in the latter's favour until the beginning of 1970, dwindled to a surplus of only a few tens of millions of dollars. This surplus rose slightly in 1973 due to the slightly higher prices of the main raw materials, but

in 1974, for the first time, Latin America recorded a trade deficit of 390 million dollars, which grew rapidly to 1,142 million dollars at the end of 1975. This deterioration has certainly been influenced by the closing of the EEC market for two years to certain products exported by Latin America. The EEC policy of subsidies to domestic production of some agricultural products is a depressive factor affecting the market for the commodities of the developing countries.

- (b) In the case of the commodities of the developing countries excluded from the preferential régimes, no regulatory machinery has yet been established to ensure free access to the EEC and regular growth in earnings. Consequently, from this standpoint, the competitiveness of the main exports of Latin America in the EEC market has been weakening.
- (c) EEC support has begun to be extended to some regional integration bodies, and LAFTA, SIECA, the Cartagena Agreement and CARICOM have begun to receive some technical assistance.
- (d) Financial and technical co-operation in favour of the non-associated countries of Latin America and Asia has begun to be implemented, with the allocation by the EEC Council of Ministers of 20 million units of account (about 25 million dollars) in the Community's budget for 1976, intended for agricultural projects. One of these projects is in a Latin American country (Bolivia), but in view of the specific criteria on levels of development and the lack of a clear policy with regard to Latin America, the practical possibilities of deriving very extensive benefit from that co-operation are limited. On the other hand, financial contributions have recently been made by most of the EEC countries and by other developed countries to the Inter-American Development Bank and the Caribbean Development Bank.

- (e) No progress has been made on the institutional structure of economic co-operation between Latin America and the EEC, in contrast with the progress made with other geographic areas (The Lomé Convention signatories and the Mediterranean countries).

### 3. Relations with Japan

115. Despite marked declines in 1975 and 1976 caused by the recession which hit the Japanese economy and the fall in prices of Latin America's export products recorded during this period, Latin American's trade relations with Japan have broadened considerably in recent years. Nevertheless, Latin American purchases from Japan have grown faster than the flows in the opposite direction, and so far it is not possible to discern any significant impact of the Generalized System of Preferences on the composition of Latin American exports to Japan, which still consist mainly of primary products. This is due both to coverage by products and to the quotas which limit the access on preferential terms. Furthermore, products of great interest to the Latin American countries, mainly in the manufacturing and semi-manufacturing sectors, still remain subject to non-tariff restrictions. These aspects greatly hinder the operation of the Generalized System of Preferences.

### 4. Relations with other developed market economy countries

116. In 1975 the exports of the other developed countries with market economies represented nearly 14 per cent of world exports, a percentage which was higher than that of the United States and more than twice that of Japan, while their imports constituted nearly 17 per cent of total world imports, exceeding those of the United States and Japan together. These figures illustrate the potential importance of these markets for Latin America, which has not been sufficiently explored. A number of these countries have shown significant interest in Latin America.

117. In the case of Canada, economic relations between that country and Latin America have been particularly substantial. In recent years, for example, the volume of trade between them has reached an approximate annual total of 4 billion dollars. Furthermore, the Government of Canada has carried out a wide range of financial and technical assistance activities in various Caribbean, Central American and South American countries, both on a bilateral basis and through multilateral channels. There are prospects of continuing and growing links between Canada and Latin America in the future.

5. Relations with Eastern European socialist countries

118. The European countries with centrally planned economies offer an interesting possibility for the diversification of markets because of the stage of development of their economies, their high degree of industrial, technological and financial progress, and their need for basic products from Latin America.

119. The increase in trade relations between these countries and the Latin American countries was affected in the past by factors of a political and economic nature, in the latter case especially on account of the system of payments used. These difficulties have now diminished; trade is tending to become free of ideological limitations and the European countries with centrally planned economies are showing a strong trend towards multilateralism among themselves and favouring a system of payments in convertible currency in the agreements signed with Latin American countries.

120. An important feature in the agreements which contain a commitment to make purchases in the Latin American countries for the same value as the purchases of those countries in the European countries with centrally planned economies is the high percentage of manufactured products included in them.

121. Furthermore, these agreements have transcended the purely commercial field and have become effective instruments of technological and economic co-operation in general. As a result of this process a

constant expansion of trade between the two areas has been recorded in recent years, although for the time being it is concentrated in a few Latin American countries.

122. This expansion has not, however, reached the levels it could attain. Furthermore, there have been gaps and difficulties in the application of the agreements both as regard decisions to purchase Latin American products and in the co-ordination of possible purchases in the European countries with centrally planned economies and the utilization of other complementary instruments of financial co-operation. The contacts and agreements with the Council for Mutual Economic Assistance (CMEA), of which some Latin American countries have experience, have proved extremely useful in this connexion.

6. Co-operation with the rest of the  
developing world

123. Co-operation with the developing countries of other areas is a subject which commands increasing attention, as could be seen at the Conference on Economic Co-operation among Developing Countries held in Mexico in September 1976. There are very important possibilities in the sphere of trade, industry and technology which can help accelerate Latin American development and contribute to overcoming its high dependence on the developed countries.

### III. LATIN AMERICAN INTEGRATION AND CO-OPERATION

124. In order to evaluate the economic integration of Latin America correctly it is necessary to take into account simultaneously two main points: on the one hand, the course of the integration processes as institutional mechanisms, and on the other, the advances which have been made in trade and co-operation among countries of the region, whether or not they result directly from the operation of those processes. Efforts are currently being made to find a solution to the problems which the advance of the integration processes has been creating, and attempts are being made, inter alia, to introduce a greater degree of flexibility into the operation of the agreements and to define mechanisms which can make possible greater allowances for the varying needs and degrees of development of the countries which are party to them.

125. Some of the problems of various kinds which have retarded the integration process arise from imperfections in the original integration mechanisms, from the uncontrolled activity of the transnationals, and from the lack of joint political decisions to advance more forcefully in autonomous integration processes.

126. In respect of trade it should be noted that intra-regional exports grew at higher rates than those to countries outside Latin America, especially during the first stages of integration. Although in subsequent stages exports outside the region were more dynamic in global quantitative terms, exports to the region generally continued to have a greater relative content of added value. From this point of view the regional market provides a supporting base for industries during the period of consolidation of their entry into the international market.

127. In recent years, when the world recession hit Latin America's external trade, the dynamism of exports within the region has shown a greater degree of stability playing a major compensating role during this period of difficulties.

128. In relation to the preceding point, note should be taken of the new forms of co-operation which have arisen parallel to the integration processes, both in the form of industrial and infrastructure projects and in that of trade agreements which intensify the relations between pairs or groups of countries.

129. Despite the deterioration which has occurred in Latin America's external relations and the difficulties which have arisen in some integration processes, the region's capacity for utilizing its resources has broadened and it has increasingly asserted its own personality and its desire to act in common both in the domestic and in the external spheres. The creation of the Latin American Economic System (SELA), whose basic pillars are the principles of individual effort and intra-regional co-operation, is a clear manifestation of this evolution.

130. The creation of SELA as a new form of co-operation in Latin America is an important step for promoting specific action aimed at designing and implementing programmes and projects to intensify co-operation among Latin American countries in such matters as industrial and infrastructure projects and trade agreements which secure closer relations between countries or groups of countries. These new forms of co-operation should operate in a complementary and parallel way to the integration processes. The convergence of the integration processes with each other and with the new types of co-operation mentioned should make it possible to advance towards broader and more far-reaching Latin American co-operation which could play an important role in the development of the region.

131. The function of co-ordinating the positions of the countries of the region in international negotiations on specific themes and with third countries and groups of countries which the Latin American countries have entrusted to SELA should be made more dynamic so as to help make the System an increasingly effective instrument for tracing the main lines of the external economic policy of the region as a whole and facilitating the use of its broad negotiating power to improve its external economic relations. There are also other co-operation bodies which are of great importance for Latin America.

132. The Group of Latin American and Caribbean Sugar-Exporting Countries (GEPLACEA) is a body of fundamental importance for the region, as it not only constitutes its broadest association of raw material producer-exporter countries and sets the tone for the usefulness of such entities for Latin American development, but also occupies a leading place in the protection of a basic product of interest to the region as a whole, while at the same time favouring the development of technological co-operation and the joint adoption of positions in international negotiations.

133. The Caribbean Development and Co-operation Committee, created by CEPAL, constitutes a means of accelerating co-operation in an area united by common interests and removing the artificial barriers which in the past have obstructed the links between the countries which are members of it. This makes it an important body for accelerating the implementation of projects and programmes to benefit the peoples of the subregion as a whole and the rest of the Latin American countries.

134. The struggle which the region has waged against the predominance of the transnational shipping companies and for the reduction of its export costs has led to the creation of the Caribbean Multinational Shipping Company (NAMUCAR) as a first step towards securing more effective development of co-operation in this sphere at the regional level.

135. The strengthening and development of the Latin American Energy Organization (OLADE) will bring significant benefits for Latin American energy development by, inter alia, providing effective support for the struggle of the Latin American countries to exercise permanent sovereignty over their natural resources, implementing energy projects in countries of the region, facilitating the exchange of information and contributing to the solution of their energy problems.

136. The establishment of the Union of Banana-Exporting Countries has modified the marketing process of this product, in the face of the control exercised over it by the transnational corporations, by initiating an effective process designed to guarantee better prices to the producer countries.

#### IV. PLAN OF ACTION

##### Introduction

137. The Quito and Chaguaramas Appraisals and the analyses made by the Committee of High-Level Government Experts in Santo Domingo clearly indicate that the objectives and targets of the Programme of Action for the Establishment of a New International Economic Order, of the Charter of Economic Rights and Duties of States, of the IDS and of other resolutions, recommendations and programmes adopted by the United Nations General Assembly and Economic and Social Council are far from having been attained, despite the fundamental importance of their full and speedy implementation to achieve a better and more effective system of international co-operation through which to eliminate the existing disparities in the world, ensure the prosperity of all and thus strengthen international peace and security. The developed countries that have expressed reservations concerning the International Development Strategy and the Programme of Action on the Establishment of a New International Economic Order should renew their efforts to withdraw them, thereby showing a firm commitment to the cause of development and international co-operation.

138. The developments and new problems observed both inside and outside the region in the last decade have greatly affected its economic and social evolution and it is therefore all the more clear that international co-operation for development should be truly in step with the magnitude of the challenge posed by the increasing interdependence among all countries and peoples of the world.

139. It is increasingly clear that partial, sporadic and indifferent efforts, however well-intentioned, will not be enough. Economic and social progress is the joint, shared responsibility of the whole international community and calls for concerted and effective action.

140. In this connexion, the Quito and Chaguaramas Appraisals and the analyses made in Santo Domingo make it clear that, in general terms, while the developing countries have adopted domestic policies and made national, subregional and regional efforts to attain the established

goals and targets, they have not received from the developed countries the necessary concrete co-operation to complement those efforts, particularly in international trade, monetary and financial co-operation, industrial co-operation, the transfer of technology and other important spheres.

141. Without in any way wishing to evade the responsibility for development which primarily falls to them, or forfeiting their sovereign right to control and develop their own natural resources and economic activities in the form they consider appropriate, the developing countries of the region are aware that they need international co-operation, in addition to their own efforts, to attain the desired goals of integral development with the necessary rapidity. To this end it will be necessary to effect a real transfer of resources and to obtain just and equitable treatment in their economic and trade relations with the developed countries within the spirit of the New International Economic Order and in a manner which respects and strengthens the principles and orientations imparted by each country to its development.

142. Policy measures must be placed in their dynamic context and be subject to constant review so as to ensure their effective application and adaptation in the light of new developments, including the broad repercussions of the rapid advance of technology, and so as to try and find new areas of agreement and broaden the existing areas. The organizations of the United Nations system, including the regional economic commissions such as CEPAL, should provide suitable assistance in the application of these measures and in the search for new forms of international co-operation for development.

143. At the national level, it is for each country to establish its own appraisal machinery, or to strengthen that already in existence, as appropriate; when necessary, it should request international assistance for this purpose.

144. With regard to the process of periodic appraisal at the regional level, the United Nations General Assembly and the Economic and Social Council have assigned the main responsibility for this to the regional

economic commissions, taking into account not only what is already laid down in this respect in the IDS but also the resolutions on the implementation of the Programme of Action for the Establishment of a New International Economic Order, the Charter of Economic Rights and Duties of States, and other resolutions and programmes approved by the General Assembly and the Economic and Social Council.

#### A. TRADE AND COMMODITIES

145. It is essential to support the restructuring of the current system on which world trade is based, through an improvement of the terms of trade to secure just and remunerative prices for Latin American exports and through measures to ensure full access to the markets of the developed countries with a view to promoting an adequate participation of the region in world trade, transport, and the marketing and distribution of its export products.

##### 1. The Integrated Programme for Commodities

146. The implementation of the UNCTAD Integrated Programme should constitute one of the main objectives of the developing countries. The Integrated Programme should be firmly supported by the countries of the region because of its importance for solving the problems which affect the international commodity trade of the Latin American countries. The application of any measures which may refer to international arrangements regarding commodities included in the Integrated Programme shall be decided by the governments within the context of the respective international commodity agreements.

147. In the face of the decline in the prices of various commodities there is an urgent need to secure the establishment and operation of the Common Fund of the Integrated Programme. In order to protect the purchasing power of the developing countries, indexation machinery should be created to set the reference prices of the raw materials they export in relation to the prices of the manufactured goods imported from developed countries.

## 2. Producers' associations

148. Action should be taken to promote the creation of associations or groups of producers of commodities and raw materials so as to facilitate the presentation of a common front regarding export products with a view to securing greater negotiating power in respect of prices, access to markets and co-ordination of policies, among other aspects. Support for and participation in existing groups should also be encouraged. Support should be given to the creation of a Council of Producers' Associations in which the bodies established on the initiative of the developing countries would participate.

## 3. Multilateral trade negotiations

149. In view of the lack of progress in the multilateral trade negotiations taking place in the framework of GATT, Latin America should concentrate on the preparation of a common strategy through which to demand the effective implementation of the Tokyo Declaration and the rapid instrumentation of the proposals put forward by the developing countries in the various fields of negotiation.

150. With respect to the juridical reform of GATT, every effort should be made to secure differential and more favourable treatment for the developing countries on a binding basis, taking account of their new trade circumstances, interests and problems; those principles should be extended to both existing and future codes. Both the developing countries which belong to GATT and those which do not should participate in this reform.

## 4. Subsidies and compensatory duties

151. The Latin American countries consider it legitimate to apply subsidies to promote their exports. They likewise consider that international action in this field should concentrate particularly on the review of the rules currently in force. This review should also cover the application of compensatory duties.

152. This action should be implemented on the basis of the proposals made by the developing countries in this respect in the course of the current GATT multilateral trade negotiations.

153. Similarly, subsidies intended to offset the effect of tariffs and other forms of protection (or of temporarily overvalued exchange rates) which affect inputs needed for the production of export goods should be accepted immediately. The application of subsidies or other additional incentives within reasonable margins and for limited periods by the developing countries should also be accepted.

#### 5. Other barriers to trade

154. With regard to other types of barriers to trade, special and differential treatment should be given to the developing countries, both in the review of the juridical framework of GATT and during the present multilateral trade negotiations.

155. The agreements on "voluntary restrictions" on exports should not be extended or increased. In addition, other non-tariff barriers preventing an increase in exports of manufactured goods to developed countries should be avoided. There must be a transfer of industrial technology from the developed countries to the developing countries, subject to prior agreement and on terms determined by the developing countries themselves.

#### 6. The Generalized System of Preferences

156. The Latin American countries must press for the Generalized System of Preferences to be given a solid statutory basis so as to convert it into an effective and permanent instrument of the trade policies of the developed countries.

157. The measures taken by some of the main developed countries in adopting their generalized systems of preferences contradict the main provisions of UNCTAD resolution 21 (II) and are clearly detrimental to the developing countries.

158. Latin America should carry forward the proposals it has made on the System through action which, by means of more practical mechanisms, would make it possible to limit the current provisions in various systems of preferences which affect the developing countries. This action should be implemented within the framework of SELA, with the collaboration of the secretariat of CEPAL.

**B. THE INTERNATIONAL MONETARY SYSTEM, FINANCING  
AND INDEBTEDNESS**

159. Support should be given to the introduction of a new international monetary system based on Special Drawing Rights (SDR), stable but adjustable exchange rates and the creation of liquidity by means of new issues of Special Drawing Rights, and it must be stressed both that these issues should be linked to development financing and that the developing countries should participate more effectively in negotiations and decisions on the reform and operation of the international monetary system.

160. As regards financing and indebtedness, international co-operation activities should be carried out in two areas: that of resources deriving from public sources, and that of private sources.

161. With regard to official co-operation for development, it is essential that the developed countries should honour the commitment made in the IDS of attaining the goal of 0.7 per cent of their GDP as soon as possible and at the latest by 1980, and they must make any necessary changes, including those needed to increase the concessionary component of co-operation.

162. In this respect there are some aspects which are of particular importance for Latin America. In the first place, the Latin American countries need and will continue to need access to financing from official sources on concessionary terms. In these circumstances the efforts made by governments, especially those of the industrialized countries, to support the increases in capital of the multilateral financing institutions are of importance. In the particular case of the financial institutions of the region, these should enjoy the participation and fullest contribution of the developed countries and of the developing countries outside the region which are in a position to provide such assistance, in order to ensure appropriate strengthening of their concessionary and conventional loan services. Similarly, the resources of UNDP should be broadened rapidly and significantly in order to secure a stable and firm financial base and

obtain the aid so necessary for all Latin American countries without prejudice to that provided to the less developed countries.

163. It is necessary to support the initiatives aimed at utilizing part of the resources freed by disarmament and the end of the arms race for the advancement of the developing countries. Studies must be prepared in order to determine the way in which the Latin American countries could benefit from such a transfer of resources, and an analysis should be made of the way in which the measures aimed at such a transfer could contribute to reducing the inequality between the developed and the developing countries, especially those of Latin America.

164. Bearing in mind that the financial resources for development are very limited in relation to the serious current and foreseeable balance-of-payments disequilibria, it is essential that the financial bodies of the region should receive a strong extra-regional financial contribution and the firm support of the region.

165. In view of the heightened difficulties in international economic relations and the unfavourable outlook for Latin America's international trade, the already scant international reserves of the region should not be fragmented further. Future efforts by Latin America should be directed towards reaffirming its support for measures designed to obtain additional resources for development within the shortest possible time.

166. The Latin American countries need greater access to capital markets, especially the international capital markets and those of the developed countries. A special effort must be made on behalf of the countries which have not yet managed to gain access to those markets. In this connexion, technical co-operation among Latin American countries with different degrees of experience in gaining access to the international bond markets of the developed countries is of particular importance. In addition, international agencies such as IMF, IDB and IBRD should provide technical assistance to countries wishing to approach international capital markets so as to enable these countries to formulate and present investment proposals in a more effective manner. The

necessary measures should be taken in the appropriate international forums to achieve greater stability in the national and international financial markets and facilitate the participation of the Latin American countries on terms better suited to their needs.

167. Without prejudice to the current international negotiations aimed at lightening the burden of accumulated debt of the developing countries, the Central Banks and economic authorities of the region should continue to explore more active and technically viable forms of collective financial co-operation at the world and regional level, with a view to expanding financial support facilities through contributions from developed countries or those developing countries in a position to help, so as to mitigate the problem of external indebtedness by whatever means each country considers appropriate.

168. In this connexion, the Executive Secretary of CEPAL, together with the secretariat of the Centre for Latin American Monetary Studies (CEMLA) and other competent bodies should continue to prepare initiatives for consideration by the Central Banks in their respective forums.

### C. TRANSNATIONAL CORPORATIONS

169. Strong encouragement should be given to the work aimed at preparing an International Code of Conduct governing the activities of transnational corporations.

170. The Latin American countries should maintain the position which the developing countries have defended in many forums that the Code of Conduct should be binding and should be governed, inter alia, by the following principles:

- (a) Transnational corporations must comply with the laws and regulations of the host country and, in the event of litigation, they must submit to the exclusive jurisdiction of the courts of the country in which they operate;

- (b) They must refrain from any interference in the internal affairs of the States where they operate;
- (c) They must refrain from interference in or disruption of the relations between the Government of the host country and other States;
- (d) They must not serve as instruments of the foreign policy of another State or as a means to extend to the host country legal provisions of their country of origin;
- (e) They shall be subject to the permanent sovereignty exercised by the host country over all its wealth, natural resources and economic activities;
- (f) They must comply with national development policies, goals and priorities and make a positive contribution to attaining them;
- (g) They must supply the Government of the host country with the relevant information on their activities in order to ensure that these are in keeping with the national development policies, goals and priorities of the host country;
- (h) They must carry on their operations in such a way that these result in a net inflow of financial resources for the host country;
- (i) They must contribute to the development of the domestic, scientific and technological capacity of the host country;
- (j) They must abstain from restrictive commercial practices.

171. The countries of Latin America have agreed that efforts of co-ordination should be made in the framework of SELA to organize discussions on the Code of Conduct in the course of which they will prepare the joint Latin American positions on the definitions, principles, sphere of action and the other elements entering into the Code of Conduct. The CEPAL secretariat should contribute to these activities. The Latin American countries will participate actively in the activities of the United Nations Committee on Transnational Corporations and in its working groups on the Code of Conduct and on corrupt practices of transnational corporations.

172. At the same time it is important to prepare action guidelines for the future negotiations on direct investment between the governments and the transnational corporations, on the basis of the recent experience gained in this field both in Latin America and in other regions of the world. High priority is attached to the fuller use of the potential bargaining power of the Latin American countries, which has so far been used to only a limited extent.

173. The Latin American countries must make efforts to exchange among themselves and with other developing countries the information they possess on negotiations with transnational corporations, in order to increase their individual and collective bargaining power. To this end, it is considered necessary to strengthen the Latin American focal point which already exists in the CEPAL secretariat so that, in conjunction with the United Nations Centre on Transnational Corporations, it can obtain and supply on a regular and systematic basis all information on transnational corporations.

#### D. TRANSFER OF TECHNOLOGY

174. On this subject Latin America considers it of fundamental importance to stress the urgency of the following, in view of the forthcoming United Nations Conference on Science and Technology for Development:

- (a) The adoption of an international Code of Conduct of a binding nature on the transfer of technology, the draft of which was completed in UNCTAD;
- (b) The revision of the Paris Convention for the Protection of Intellectual Property.

175. It is worth reiterating the agreement reached by the developing countries in New York and Geneva that the Conference should be held in a developing country and that at the Conference, on the basis of the national reports prepared for it, efforts should be made to accelerate action on such matters as:

- (a) The establishment in the countries of the region of appropriate institutional machinery: especially national centres for the development and transfer of technology;
- (b) The strengthening of the region's own capacity for technological adaptation and creation, an objective which, together with that of the transfer of technology from outside, should be brought about in the conditions required by the development of each country and in accordance with the guidelines laid down at the national level;
- (c) The establishment and improvement of public sector machinery to help to locate and disseminate technologies suited to these conditions and to enable the State to fulfil its responsibility to secure suitable technologies for development on the world market;
- (d) The preparation of preferential agreements for the development and transfer of technology between Latin America and other developing regions;
- (e) The establishment or strengthening of Latin American subregional and regional centres for the development and transfer of technology which can serve as a link with the national centres of the other developing countries;
- (f) The establishment or strengthening of subregional, regional and interregional centres in Latin America for the development and transfer of technology in specific and critical sectors.

176. Recognizing that a significant degree of technical progress has been reached in Latin America, the countries of the region should take steps to actively stimulate the transfer and dissemination of technologies among themselves in areas that would enhance balanced economic and social development.

## E. INDUSTRIALIZATION

177. The Committee of High-Level Government Experts reiterates its support for the decisions on regional industrial co-operation adopted by the Latin American Conference on Industrialization held in Mexico City in November 1974 - especially the recommendation to develop industrial complementation schemes - and recommends that the co-operation between the Economic Commission for Latin America and the Latin American Economic System should be strengthened.

178. It is necessary to adopt measures to promote the restructuring of world industrial production by securing greater access for the manufactured products of the developing countries, the transfer of technology on favourable terms, the harmonization of the production of synthetic and substitute articles in the developed countries with the supply of natural products by the developing countries, the elimination of restrictive trade practices and effective control over transnational corporations.

179. There is also a need to establish international norms and conditions for industrial redeployment, in keeping with the interests of the developing countries.

## F. RELATIONS WITH SOME DEVELOPED AREAS

180. In addition to the aspects considered in the negotiations of a general nature mentioned above in respect of trade, financing and indebtedness, transnational corporations and technology and industrialization, there are other matters on which action could be taken in relation with each of these areas.

### 1. Relations with the United States

181. A long, medium- and short-term strategy must be designed and implemented regarding Latin America's relations with the United States.

182. This strategy must be founded on a new political will: without this the technical formulas to find solutions to existing problems will be of no avail. Such a will on the part of the United States is

essential not only as regards that country's direct relations with Latin America but also because of its influence on the attitude of other developed countries with market economies.

183. The change of administration in the United States offers an opportunity to discover whether or not this political will exists. Meanwhile, Latin America, while seeking a positive and fruitful dialogue with the United States, should deepen intra-regional co-operation in all areas and strengthen its solidarity with the rest of the Third World.

184. The medium- and long-term strategy should find an answer to the problems affecting bilateral relations between the United States and each country of the region. Bilateral and regional relations are not exclusive, but rather mutually complement and support each other.

185. The new negotiation machinery should take this situation into account and tackle the great problems of trade and future financial and technological co-operation.

186. Latin America, for its part, should reformulate its negotiating position in the framework of SELA in the light of the positions already established, prior to negotiations in any forum. CEPAL can and should play an important role as regards reflexion and proposals in this context.

187. As far as immediate action is concerned, Latin America should lay emphasis on the United States Trade Act and the other obstacles to its export trade.

188. The most harmful aspects of the Trade Act for Latin America are those regarding competitive need, rules of origin, safeguard clauses, compensatory duties or tariffs and the exclusion of Latin American countries.

189. At the same time, a systematic case-by-case analysis should be made of products of interest to Latin America which are affected by the United States Generalized System of Preferences, the Trade Act or any pre-existing obstacles.

190. Meanwhile, the United States should refrain from applying further tariff or other types of barriers to Latin American products. A recent example of the policy followed in this field by the United States is the tripling of the duty levied on sugar imports (mainly from Latin America) and the possible application of other restrictive measures.

191. The success of these efforts would provide pragmatic proof of the existence of the above-mentioned political will. Their failure would nullify any longer-term strategy, with consequent danger to the relations between the United States and Latin America.

## 2. Relations with the European Economic Community (EEC)

192. The unsatisfactory progress of economic co-operation between Latin America and the EEC is due, on the one hand, to the manifest lack of political will on the part of the Community, which can be clearly seen in the broad range of working arrangements which the EEC is developing with large groups of countries such as those of the Lomé Convention and of the Mediterranean area. This lack of political will is all the more surprising in view of the fact that Latin America is the developing area which absorbs the highest proportion of direct investment from EEC countries and purchases the biggest share of the most dynamic exports of the European countries.

193. At the same time, there is a similar shortcoming on the part of Latin America, which, since the meeting of the Special Committee on Latin American Co-ordination (CECLA) in Buenos Aires in 1970, has not subsequently reaffirmed in an unequivocal way its collective political will to intensify economic co-operation between the two regions, thus depriving itself of the possibility of effectively using its negotiating potential deriving from the size of its purchases from the EEC. The region must therefore forge an instrument, with the assistance of SELA, to enable it to negotiate and act in a unified way and show readiness, when necessary, to carry out specific action to bring the amount of its purchases from the EEC into balance with the sales which the region can make to the Community.

194. If this political will materializes, there are many ways in which it could be put into practice, as has been and is being shown by the EEC every day in its relations with the main areas and countries of the world. These possibilities progressively increase as the Member States of the Community broaden its sphere of action by ceding to it part of the competence they still have in the sphere of economic co-operation.

### 3. Relations with Japan

195. Bearing in mind that in its trade with Japan Latin America's exports have increased more slowly than its imports, it is necessary to broaden the coverage of products and remove the obstacles that limit access to this market. Japan's Generalized System of Preferences should be fully implemented and improved, and specific agreements should be secured to increase exports of commodities. Agreements should also be concluded in the sphere of technology.

### 4. Relations with other developed market economy countries

196. As part of Latin America's strategy of diversifying its economic relations, studies and consultations should be initiated in the near future on means of increasing trade with other developed countries. These studies and consultations should pay special attention to Canada's trade and financial relations with Latin America, which have been substantially strengthened in recent years and could be even further increased in the future.

### 5. Relations with the socialist countries of Eastern Europe

197. With regard to the socialist countries of Eastern Europe, analysis of the prospects offered by the international markets gives rise to the firm conviction that it is essential to intensify to the utmost the efforts to diversify those markets, seeking the possibility of securing broader economic co-operation.

198. For these reasons, this is an extremely opportune moment to make a combined analysis of this experience and to explore the role which can be played both by the CMEA itself and by the financial system of the European countries with centrally planned economies. The project for which CEPAL is responsible in this sphere is of high priority from this point of view. As this subject of the trade relations of the Latin American countries with the European countries with centrally planned economies also appears in the work programme of SELA, suitable co-ordination is called for. This is another sphere in which CEPAL can provide strong support to the Latin American Economic System.

#### G. CONFERENCE ON INTERNATIONAL ECONOMIC CO-OPERATION (THE PARIS CONFERENCE)

199. As proposed by the Group of 19 developing countries participating in it, the Conference should resume its work in April and conclude the negotiations with a Ministerial Meeting to be held no later than the end of May 1977, in order to comply fully with the decisions in General Assembly resolution 3515 (XXX), especially the decision that the General Assembly should receive the final report of the Conference for its consideration.

200. On this occasion measures should be adopted which would constitute a global programme for a substantive improvement in international economic co-operation on the basis of the proposals made by the developing countries.

#### H. MARITIME TRANSPORT

201. The Group of Experts considers it necessary to support the efforts aimed at setting up transport enterprises which, like the Flota Mercante Grancolombiana, the Compañía Anónima Venezolana de Navegación and NAMUCAR, constitute positive achievements of economic importance to the region because they not only contribute to the

control by the countries of the region of spheres of activity which have traditionally been in the hands of transnational corporations, but also reduce freight costs and increase the negotiating power of the developing countries which export perishable commodities. The countries of the region should take special measures to support the strengthening and development of the Empresa Naviera Multinacional del Caribe (NAMUCAR).

202. Furthermore, it is necessary to stress how important it is that all the countries should ratify the Code of Conduct for Shipping Conferences.

203. With regard to multimodal transport, the efforts being made in UNCTAD to secure an international agreement should be redoubled.

#### I. LATIN AMERICAN INTEGRATION AND CO-OPERATION, AND CO-OPERATION WITH THE OTHER DEVELOPING COUNTRIES

204. It is necessary to promote specific forms of co-operation between two or more countries in such spheres as industrial and agricultural programmes and projects, trade agreements and joint infrastructure projects. The Latin American Economic System (SELA) is an extremely important instrument for this purpose, and therefore the countries of the region should strengthen and support it, by participating actively in the measures it proposes in different areas of co-operation, in the creation and strengthening of action committees and the establishment of multinational enterprises. They should likewise support its work of consultation and co-ordination between the countries of Latin America and third countries or groups of countries and international bodies and forums.

205. This action should be complementary to parallel progress in the integration processes already in existence (Andean Pact, Central American Common Market, CARICOM and LAFTA), which should continue to be given support in the entire region, with a view to strengthening them.

206. To this end, it is suggested that clearing-house operations should be established for payments between subregional markets and, in special cases, between countries and the said subregions.

207. These programmes and projects can also help to remedy the imbalances between countries due to their different degrees of development, which are reflected both in the trade deficits or surpluses of the different countries of the region, and also in the varying structures of the export and import trade between them.

208. It is desirable to promote the adoption of a regional policy of economic co-operation, with special emphasis on the agricultural, industrial and trade sectors, in order to promote or strengthen national agricultural policies so as to increase the social productivity of that sector and raise the nutritional levels of the population. Measures should also be taken to foster the development of such industries as those of chemicals, non-electrical and electrical machinery and transport equipment, on the basis of the total Latin American market and through regional and joint marketing agreements in order to strengthen the capacity to participate in external markets, taking into account the commitments entered into within the existing integration schemes in the region, as well as the new machinery which may be implemented within the framework of SELA.

209. As regards reciprocal credit agreements, progress can be sought along various complementary lines, so that it is desirable to promote studies on possible formulas for the broadening and deepening of the current agreements.

210. Co-operation with the developing countries of the rest of the world offers big prospects, especially in the spheres of agriculture, industry, trade, technology and transport.

211. In this respect, Latin America should support the measures and actions agreed on at the Conference on Economic Co-operation among Developing Countries held in Mexico in 1976, and promote and participate actively in the Conference on Technical Co-operation among Developing Countries to be held in Buenos Aires in 1978. The activities which SELA carries out in this sphere are of great value to the region and should consequently be developed.

212. As regards the negotiation of a new International Sugar Agreement it is recommended - bearing in mind that for 22 countries of the region sugar is one of their main export products - that a common Latin American position should be adopted in the discussion and establishment of this Agreement, taking as a basis the results obtained at the Sixth Meeting of the Group of Latin American and Caribbean Sugar-Exporting Countries (GEPLACEA) held recently in Havana, so that this instrument will be in keeping with norms of true equity and will at the same time be effective in stabilizing the world sugar market at adequate price levels on terms which provide a stimulus for the economic and social development of the countries of the region.

213. The item "Co-operation among developing countries and regions" should be kept permanently on the agenda of the regular sessions of CEPAL. The CEPAL secretariat should also continue to seek out areas of co-operation among developing countries and regions, both within Latin America and in other geographical regions, and should collaborate with the countries interested in acceding to the Protocol on Trade Negotiations among Developing Countries.

214. Improved utilization of the river systems of the region for transport will strengthen the links between the production and trade sectors, and success in this area will open up ample opportunities for regional co-operation. Among other possibilities, mention may be made of co-operation to improve the navigational conditions of rivers, to simplify the documentation required by various authorities, and to facilitate the transport of goods in sealed containers, which reduce customs formalities.

## DECLARATION AND STATEMENTS OF POSITION BY CERTAIN COUNTRIES

### Declaration by the Canadian delegation

"Canada has given assistance to Latin American organizations for economic and social development projects, through the Canadian International Development Agency. It is actively participating with Latin America in the dialogue between North and South, and in international negotiations on commodities, as well as in financing some of the activities carried out by CEPAL and SELA. Although Canadian aid budgets have been rising recently, priorities have had to be set and evaluation of requests intensified. Governments of the region are urged to participate in projects of interest to them, otherwise it would be difficult to justify participation in such projects. The governments of the region are urged to make a formal commitment which will make it possible to maintain and increase the assistance given by Canada, whose trade with Latin America in 1976 amounted to approximately 4,000 million dollars. It is noted that the documents presented by the Secretariat do not mention Latin American relations with Canada.

"Canada is, in many ways, a developing country. At the same time, it is a developed country that has achieved substantial progress owing to the inflow of capital and technology. Like other non-regional members, Canada views this Appraisal as an interesting and useful expression of the opinions of the Latin American and Caribbean member countries of CEPAL. While we regard it as a wide-ranging, comprehensive and perceptive analysis of recent trends, we find the Guatemala Appraisal also somewhat pessimistic, especially with respect to the very real progress that can be seen to be emerging in various forums, where many international economic questions raised in this Appraisal are being dealt with in a positive and progressive way. Canada is fully committed to the efforts being made on behalf of Latin American economic and social development."

### Declaration by the delegation of Chile

"Generally speaking, the Government of Chile supports the Integrated Programme for Commodities, since it sees in it a mechanism which could make an important contribution to the solution of some vital concerns of Latin American countries, and it reiterates its determination to continue participating actively in the technical meetings of the Integrated Programme.

"UNCTAD resolution 93 (IV), complemented by the Manila Declaration and incorporated in the report of the Technical Committee of this session, makes it clear that any measures which might affect commodities subject to international agreements must be decided upon by the governments concerned within the respective organizations.

"In this respect, Chile has raised within CIPEC the question of some specific provisions - considered to be of fundamental importance - which must be contained in any agreement on copper. Chile's position on this matter is shared by the other member countries of CIPEC.

"In addition, there is the natural concern that all types of agreements must be based on realistic considerations.

"Since it considers that the report by the Rapporteur of the Technical Committee suitably safeguards the interests of our country as expressed here, the delegation of Chile withdraws the reservations which it made during the technical phase of the session, but requests that this declaration be reproduced in full in the report of the session."

Statement of position by the delegation of Chile

"The delegation of Chile wishes to point out, with respect to paragraph 170 of the Guatemala Appraisal, that the binding nature of the Code of Conduct for transnational corporations referred to therein must respect each country's sovereignty as regards the treatment to be given to such corporations located and/or trading in its territory.

"This being understood, the first of the principles listed regarding such enterprises is of fundamental importance, and in the light of the foregoing no reservations are entered in respect of it.

"Because of the similarity of the questions involved, the Chilean delegation wishes to express the same views with respect to the binding nature of the Code of Conduct on the transfer of technology referred to in paragraph 174 of the Appraisal."

Declaration by the delegation of Colombia

"The delegation of Colombia requested that the report of the session should include the text of the following declaration made by the Colombian Government when approving UNCTAD resolution 93 (IV) under which the Integrated Programme for Commodities was adopted at UNCTAD IV in Nairobi:

"We have given our consent to the resolution in document TD/L.131 (later TD/RES/93(IV)) on the Integrated Programme for Commodities because we wished to contribute to the success of a resolution adopted by consensus.

"The Colombian position has always been - and it was reiterated in the course of this Conference - that any form of integrated programme for commodities must expressly and unambiguously except those commodities whose trade is already regulated by an existing agreement or one in course of ratification.

"Because of the good results obtained, experience shows us that in the particular case of coffee the agreement regulating its trade must continue operating and be renegotiated when appropriate within the framework of the organization set up as a result of the 1962 International Coffee Agreement. Moreover, Mr. Chairman, my delegation is by no means sure of the advisability of the Common Fund in the case of financing stocks of commodities which have been characterized by structural over-production in the past, since such financing would merely stimulate the over-production which has been a leading cause of the fall and deterioration of the prices of those commodities.

"Another reason why we have given our consent is that it is our understanding that under paragraph 8 of section IV, i.e., when the Trade and Development Board sets up the special committee to study the range of commodities covered, we shall have an opportunity to demonstrate the desirability of excluding coffee from the list of commodities in section II of the resolution.

"Mr. Chairman: I request that the text of this declaration be reproduced in full in the records of the Conference and reflected in its final report. Nairobi, 30 May 1976."

### Declaration by the delegation of El Salvador

"The delegation of El Salvador, in approving the text of the Integrated Programme for Commodities, requests that the following declaration made by the Government of El Salvador in approving UNCTAD resolution 93 (IV), whereby the Integrated Programme was adopted, be annexed to the Appraisal:

"The delegation of El Salvador agreed to the adoption of the resolution contained in document TD/L.131 (which subsequently became TD/RES/93(IV)) on the Integrated Programme for Commodities with a view to contributing the adoption of a resolution by consensus.

"El Salvador has consistently held and repeatedly stated its position that any proposed integrated programme for commodities should exclude those commodities whose trade is already governed by agreements or conventions in force or in the process of negotiation, accession or ratification. In the case of El Salvador this applies to coffee, sugar and cotton.

"This does not mean that El Salvador's position regarding these three commodities is inflexible or could not change after El Salvador has become acquainted with and studied the structure of the Common Fund, heard the opinion of the sectors producing such goods in El Salvador, and reached an agreement with the other countries producing such items which are signatories to the respective agreements or conventions."

### Declaration by the French delegation

"The French delegation considers that document E/CEPAL/1025 and the Guatemala Appraisal, which incorporates it together with the amendments to it proposed by the developing countries of the region, reflect the general positions of these countries on the evaluation of the regional economic situation, on the implementation of the International Development Strategy, and on the proposed plan of action.

"With reference to paragraph 6 of the Guatemala Appraisal, the delegation stresses that France has repeatedly shown by its efforts its desire to work towards the establishment of a more just and equitable

international economic order. In order to achieve this, only a courageous and lucid dialogue will have any chance of success.

"Although the negotiations entered into in the different forums, particularly in the United Nations, may not have enabled all the problems to be resolved, they have at any rate helped to put them clearly.

"Despite economic vicissitudes, France has never let up in its efforts in favour of the developing countries. In this connexion, it may be recalled that in 1976 France devoted 0.62 per cent of its GDP to public aid to development: a figure close to the 0.70 per cent fixed by the International Development Strategy."

Declaration by the Netherlands delegation

"The delegation of the Netherlands considers that the spirit of Santo Domingo is admirably reflected in the Guatemala Appraisal.

"Some generalizations contained in this Appraisal, however, are in our opinion not wholly warranted. For example paragraph 6 contains such phrases as "the failure of the developed countries to live up to their commitments, both under the IDS and in connexion with the creation of a New International Economic Order" and the "lack of political will on the part of the developed countries to carry into practice the recognized principles which should prevail".

"To those who are familiar with the political and economic situation in the Kingdom of the Netherlands it is obvious that not only is there no lack of political will to live up to its commitments, both under the IDS and in connexion with the creation of a New International Economic Order, but that the Government, Parliament and public opinion have shown and are continuing to show willingness to go as far as the budget and the economy permit in assisting and co-operating with the developing countries.

"This attitude and willingness are consistently reflected in the position taken by the Kingdom of the Netherlands in international negotiations."

### Declaration by the United Kingdom delegation

"When the United Kingdom delegation considered how to express its attitudes towards the Guatemala Appraisal it realized that its views were conditioned by the knowledge that the document, when it reached the United Nations General Assembly, would not merely represent the views of the members of the CEPAL region but would constitute a seminal force in the United Nations' international review and appraisal process. It was tempted to seek to modify the report, but recognized that it risked causing more confusion and confrontation than understanding. It will not therefore seek to do so, but will continue to pursue the policy adopted with regard to the Quito Appraisal and the Chaguaramas Appraisal. It feels that the authors of documents E/CEPAL/1024 and 1025 are to be congratulated for the unusual frankness and forthrightness with which they approached their tasks.

"With regard to the mood of the Guatemala Appraisal, the United Kingdom delegation takes issue with its negativeness and suggests that an analysis of the past which we designed to show the way to the future needs a positive attitude as well. For example, the references to exogenous inflation in paragraph 5 are viewed rather differently in page 118 of document E/CEPAL/1024. It also argues against the idea that the United Kingdom, as a developed country, is guilty as charged in paragraph 6 of the Appraisal of a lack of political will. Events have demonstrated clearly that the political will manifestly does exist - what is in shorter supply are the resources necessary to put that will into effect. This same shortage of resources has dictated the necessity to establish those priorities which have led to what the Appraisal describes as the unfair treatment of the Latin American region. The United Kingdom delegation feels sure that all will agree that the primary responsibility of the international community is to help those least able to help themselves.

"Regarding the Plan of Action, the United Kingdom delegation reiterates the attitude with which it accepted the CEGAN report and intends to make its specific reservations in the plenary.

"Regarding paragraphs 192-194 of the Guatemala Appraisal, the United Kingdom delegation suggests that there might be some illogicalities in the argumentation which it might be in the interests of both sides to correct, but in view of the comments of some delegations it does not seek to press any amendments."

Statement of position by the United Kingdom delegation, speaking also on behalf of the delegations of other EEC members present at the session

"Speaking on behalf of the members of the European Communities present at this meeting, I would like to make the following explanation of our position with regard to the text just adopted.

"Our delegations have been happy, in the spirit of understanding, to join with the Latin American and Caribbean region in the consensus on the Third Regional Appraisal of the International Development Strategy and the Establishment of a New International Economic Order.

"We believe that the report we have just adopted reflects fully the views of these developing country members. We would wish to record formally, however, that our joining in this consensus on the Appraisal and the Plan of Action attached to it does not constitute any change of positions on our parts at this time on particular issues touched in these documents and on which we, individually or jointly, have formally stated our positions on previous occasions, in particular in other United Nations fora.

"I would wish this explanation of our position to be recorded fully in the report of this session, as has been done for previous regional appraisals."

Statement of position by the United States delegation

"We are very pleased to agree to the transmission of this document as an interesting and useful expression of the views of the developing member countries. However, our acceptance of the plenary consensus decisions today does not imply that we have changed previously stated positions concerning actions of the General Assembly cited in this and other resolutions of this session."

Declaration by the United States delegation

"President Carter's speeches at the United Nations, of which CEPAL is a part, and at the Organization of American States demonstrate that what we are doing clearly falls within a priority interest of the President.

"In the speech at the OAS, the President noted the important and creative role of CEPAL and mentioned the leadership role which Latin American countries play on global issues. Because of Latin America's stage of development and the leadership role it plays, the forums for United States-Latin American negotiations are largely global. The President put important emphasis on United States-Latin American consultations on global issues. This session of the CEPAL is part of that consultative process.

"We find the Guatemala Appraisal an interesting and useful expression of the views of the developing country members of CEPAL. There are parts of this document with which the United States is not in accord, but the United States has no objection to its transmission to ECOSOC as a statement of the developing member countries of CEPAL.

"As a general point, the United States does not accept that the New International Economic Order and the Charter of Economic Rights and Duties of States constitute binding obligations. President Carter's speech to the United Nations demonstrates clearly that the United States is not locked into the status quo. He said the United States would "promote a new system of international progress and co-operation", and he spoke of "molding a global economic system which will bring greater prosperity to all the people of all countries". The decisions the President has made since coming into office, including,

for example, his decision on the problems of the United States footwear industry, have shown his co-operative approach to international economic problems.

"The United States delegation considers that the section of the Appraisal on the economic and social development of Latin America contains much that is illuminating. The United States fully agrees that economic growth is not an adequate goal by itself. CEPAL has done pioneering work in recognition of this fact. It is appropriate that this should be so: Latin America has had a highly enviable record of growth in recent decades. On the other hand, the secretariat has pointed out the necessity of an extraordinary rate of growth in the next decades for Latin America to be able to cope with its problems of population and employment. The United States is impressed by the forthright recognition in the CEGAN document of the social problems that face Latin America. In partial recognition of the importance of integrated social and economic development, the United States has emphasized assistance to the poorest, especially in its bilateral aid programmes.

"In a spirit of frankness, the United States delegation would like to comment on two paragraphs, in particular. The first is paragraph 6. We agree that we should have as a goal a new system of economic progress and co-operation in the world. We are, therefore, for one thing participating in international negotiations and consultations in CEPAL and other forums. We recognize the international economic interdependence of all countries, including the United States. We consult in many places in attempts to cope with these aspects of our mutual interdependence. The current situation requires that both developed and developing countries give extensive attention to the world economic situation and the negotiations currently underway. Each of us enters these negotiations on the basis of our own interests, but we recognize our common interests, as the United States recognizes that Latin American social and economic development is very much a common interest.

"Paragraph 46 has several elements with which, speaking quite candidly, we do not agree. We recognize that it represents the viewpoint held by many Latin American countries, but we believe that transnational enterprises are an important vehicle for combining the use of capital, marketing and management skills, and technology to the benefit of development. We have in the recent past seen new flexibility on the parts of both transnational enterprises and host governments in finding ways to fit transnational enterprises into the economic and social plans and aspirations of the host country, and we hope this process will continue.

"In the section on economic development as a whole, the United States suggests that the report may be more negative than it would be if the strong performance of most commodities important to the region were fully included. As President Carter stated in his address to the United Nations on March 17, we will consider with a positive and open attitude the negotiation of agreements to stabilize commodity prices. We have demonstrated our good will in pursuing solutions to these problems with the signature and ratification of three commodity agreements in the last few months, and by participating actively in the sugar negotiations currently underway in Geneva.

"The United States believes that producer-consumer forums are, in general, useful mechanisms for dealing with many of the problems arising in major commodity areas. The United States believes that an integrated approach to the commodity question also must address areas other than price stabilization such as investment, stabilization of export earnings and liberalization of trade barriers. The United States believes that the rigidities and technical difficulties of indexation of commodity prices make that approach undesirable and impractical, and it points to the uncertainties as to what countries - developed or developing - would be the real beneficiaries.

"Exports to the world economy are very important for Latin America, and a stable, reliable system governing trading relationships is, therefore, critical to the region. We are pleased that Latin American countries have taken an active role in the multilateral trade

negotiations. The Carter Administration has indicated its desire to give them a new impetus.

"Subsidies and countervailing duties are of great interest to Latin American countries. The United States law has been invoked very sparingly. We recognize the importance of the issue and the need for an international solution in the MTN. We recognize the need for special and differential treatment in the subsidies and countervailing duties code under negotiation.

"We believe our Generalized System of Preferences is a good system and offers a great deal of stability. The suggestions for improvements made in the CEPAL documents are among those being reviewed by the United States Government. Imports of eligible products from beneficiary countries increased 65 per cent from 1975 to 1976 (to 4.3 billion dollars), as compared to a 25 per cent increase for non-eligible products. The delegation invites the comments of the Latin American beneficiary countries on their experience with the system in its first year as a contribution to the review process.

"We find the proposals in E/CEPAL/1024 for a Standards Institute and for Secretariat studies of particular products of export interest to Latin American countries interesting and believe they merit further examination.

"The United States is not in a position to agree to the 0.7 per cent target for official development assistance but is in the process of increasing its assistance to developing countries. President Carter has asked Congress for 7.5 billion dollars for bilateral and multilateral foreign assistance in fiscal year 1978, has supported fulfilling United States pledges to the international banks including the Inter-American Development Bank, and has proposed a 30 per cent increase in the United States contribution to the UNDP. On the other hand, the United States continues to oppose linking the creation of Special Drawing Rights to foreign assistance. The two serve different purposes. Decisions on them must be made on different bases. The delegation agrees that debt is an important problem, but believes it must be considered in a broader context of the need for financial

resources. The delegation accepts the goal of fuller participation for developing countries in international economic decisions, but it points out that, in fact, developing countries have even now over 30 per cent of the voting power in the IMF and 9 of the 20 seats on the IMF's Interim Committee and Executive Board.

"The United States recognizes that science and technology are basic to the industrial development process. The United States is actively supporting bilateral and multilateral approaches to improving science and technology infrastructure in Latin America. With respect to promoting the use of technology for industrialization, the United States Government operates within certain limits, since the bulk of United States industrial technology is in the United States private sector.

"We have, however, put forward certain suggestions, in the United Nations and elsewhere, and are participating in the OAS exercise to find new ways of transferring, adapting and applying technology to the benefit of development.

"The United States delegation points out in conclusion that the specific points raised with reference to the Guatemala Appraisal are meant to illustrate the difficulties it has had with it and do not constitute a full discussion of the matter."

363 (XVII) CO-OPERATION AMONG DEVELOPING COUNTRIES AND REGIONS  
OF DIFFERENT GEOGRAPHICAL AREAS

The Economic Commission for Latin America,

Noting General Assembly resolutions 3177 (XXVIII), 3241 (XXIX), 3442 (XXX) and 31/119 on economic co-operation among developing countries, and resolutions 3202 (S-VI) and 3362 (S-VIII), particularly sections VII and VI, respectively, as well as resolutions 2974 (XXVII), 3251 (XXIX) and 3461 (XXX) on technical co-operation among developing countries and resolutions 31/179 concerning the United Nations Conference on Technical Co-operation among Developing Countries,

Noting also Economic and Social Council resolutions 1963 (LIX) on technical co-operation among developing countries and 2023 (LXI) concerning the United Nations Conference on Technical Co-operation among Developing Countries, as well as resolution 2043 (LXI) on strengthening of the regional commissions for regional and interregional co-operation, particularly operative paragraph 5 recommending the co-operation of United Nations organizations and specialized agencies with the regional economic commissions "with a view to making them centres for the formulation, co-ordination and implementation of programmes for the promotion of co-operation among States members of the respective commissions",

Noting further decision 142 (XVI) adopted by the Trade and Development Board of the United Nations Conference on Trade and Development, establishing a Committee on Economic Co-operation among Developing Countries, and particularly its functions of strengthening the mutual co-operation among developing countries at the subregional, regional and interregional levels,

Recalling its resolutions 316 (XV) of 29 March 1973 on co-operation among developing countries of different geographical areas and 354 (XVI) of 13 May 1975 on technical co-operation among developing countries,

Mindful of the Manila Declaration and Programme of Action adopted at the Third Ministerial Meeting of the Group of Seventy-seven (2 to 7 February 1977), and in particular of Part Two, section C, which stresses the need to foster mutual co-operation among developing countries,

Bearing in mind the Measures for Economic Co-operation among Developing Countries adopted at the Conference of the Group of Seventy-seven (Mexico City, 13 to 22 September 1976), in particular the requests for assistance on different aspects of these Measures addressed by the Conference to the regional economic commissions,

Convinced that the concept of collective self-reliance represents a renewed effort of co-operation among developing countries aimed at achieving forms of mutual support and complementarity in the development of their respective economies and societies,

Recognizing the increasing importance of programmes of mutual co-operation among developing countries and regions of different geographical areas as a strategy for accelerating their development on the basis of the principle of collective self-reliance,

Conscious of the role that the Commission should play in the mobilization and more effective utilization of domestic resources at the subregional and regional levels to reinforce the unity and capacity of the developing countries of the region for joint action and for self-reliant national development,

1. Takes note of the final report of the Regional Intergovernmental Meeting on Technical Co-operation among Developing Countries convened by the United Nations Development Programme in co-operation with the Economic Commission for Latin America in Lima, Peru, from 10 to 15 May 1976 (DP/TCDC/RBLA/10);

2. Requests the Executive Secretary to:

(a) Expedite the necessary institutional arrangements to establish within the secretariat, in close co-operation with

the competent bodies of the United Nations system, a special unit to promote mutual co-operation among developing countries of the region, paying particular attention to geographically disadvantaged and land-locked countries, and between those countries and the countries of other geographical areas, with the objective of integrating this activity fully within the programme of work of the Commission in order to implement without delay the recommendations addressed to the regional economic commissions in the report of the Working Group on Technical Co-operation among Developing Countries (DP/69), in the relevant General Assembly and Economic and Social Council resolutions on economic and technical co-operation among developing countries, and in other United Nations fora;

(b) Take the necessary measures to develop and intensify mutual co-operation with the secretariats of other regional economic commissions with a view to promoting programmes and projects for the mobilization of economic and technical co-operation at the regional and interregional levels, including the organization and holding of seminars and meetings of working groups, if required and in co-ordination with other competent bodies of the United Nations system, in which a technical dialogue and exchange of experience can be effected;

(c) Invite the Executive Secretary of the Economic Commission for Africa to organize jointly a meeting at the technical level on interregional horizontal co-operation between the secretariats of both regional commissions and to convene in due course an interregional meeting at governmental level to discuss appropriate measures for the implementation of concrete projects of co-operation among the African and Latin American regions;

(d) Assist the United Nations Development Programme, as required, in the preparatory activities concerned with the forthcoming United Nations Conference on Technical Co-operation among Developing Countries to be held in Buenos Aires from 27 March to 7 April 1978;

(e) Take all appropriate measures to assist the developing member countries of the Commission and the United Nations Development Programme in the implementation of the recommendations contained in the final report of the Regional Intergovernmental Meeting on Technical Co-operation among Developing Countries held in Lima, Peru;

(f) Assist the developing member countries of the Commission, as appropriate, in their preparations for the Buenos Aires Conference.

3. Urges all developing member nations of the region to establish appropriate mechanisms for promoting technical co-operation activities among themselves;

4. Requests the Secretary-General to make adequate provision in order to enable the secretariat of the Commission to carry out its activities effectively in the sphere of co-operation among developing countries and regions of different geographical areas in compliance with operative paragraphs 6 and 7 of Economic and Social Council resolutions 2043 (LXI);

5. Decides to include an item on co-operation among developing countries and regions of different geographical areas in the agenda of all the biennial sessions of the Commission as a permanent question to be examined by the Member Governments.

201st. meeting  
5 May 1977

364 (XVII) INSTRUMENTS OF PAYMENT

The Economic Commission for Latin America,

Considering that the intensification of Latin American trade makes it necessary to improve the instruments of payment which facilitate financial operations in connexion with intra-regional transactions,

Instructs the Executive Secretary of CEPAL, in co-ordination with the appropriate bodies of the Central Banks of Latin America and the Caribbean, to carry out a study designed to improve intra-regional instruments of payment so as to promote the optimum use of the region's own resources.

201st. meeting  
5 May 1977

365 (XVII) ECONOMIC INTEGRATION AND CO-OPERATION

The Economic Commission for Latin America,

Considering:

1. That the countries of the region have made considerable progress in integrating their economies and have been establishing links between their production systems by means of the integration schemes set up during the 1960s, viz. CACM, LAFTA, the Andean Group and CARICOM;

2. That these efforts have been complemented in recent years by the creation of other useful machinery for economic integration and co-operation such as the Latin American Economic System, the Caribbean Development and Co-operation Committee, and others of an intergovernmental nature, and also that the integration movement has expanded to encompass efforts in very different sectors involving industry, transport, communications, energy and other areas of similar importance;

3. That, despite these advances, the economic potential of integration has not been adequately exploited and, indeed, has

tended to lose momentum in recent years, thus showing how necessary it is to take integrated action through co-operation efforts designed to lend impetus to the action of the individual countries and strengthen the position of Latin America as a whole in its relations with the rest of the world;

4. That notwithstanding the difficulties which have obstructed various Latin American integration efforts, integration has shown its vitality by continuing to promote trade between the countries of the region, encouraging joint investments and giving rise to economies of scale in industry and in major production sectors;

5. Affirms the need to strengthen the existing integration processes, to promote speedy and flexible communication between them by all possible means, and to make use of other machinery for Latin American economic co-operation - such as SELA - which can also contribute to the establishment of an integrated economy and thus help to overcome the difficulties facing several of the integration systems:

6. Expresses the determination of the countries of Latin America to pay all due attention in their national policies to means of strengthening economic integration and supporting the Central American Common Market, LAFTA, the Andean Group and CARICOM, as appropriate, in their work and future development;

7. Recommends Governments to make joint systematic and continuous efforts to impart a new impulse sufficiently forceful to enable the region to progress beyond the present situation and enter on a more advanced, practical and effective phase of economic integration;

8 Requests the secretariat of CEPAL to organize in the course of 1978 a technical seminar on Latin American integration and co-operation for the purpose of (a) analysing the current situation; (b) making a critical appraisal of Latin American experience in these areas; (c) studying, at the technical level, ways and means of strengthening the integration processes and

promoting substantial economic and technical co-operation between the countries of Latin America: (d) suggesting and discussing possible ways to promote increasing trade within Latin America, with special attention to the trade in manufactures and due consideration and incentives for manufactures originating in the countries of the Central American Common Market and CARICOM, the LAFTA countries described as relatively less developed, Haiti and the Dominican Republic; and (e) taking into account world economic prospects and the role which integration and co-operation among countries can play in offsetting their consequences and making better use of any favourable opportunities that may arise. The results of the seminar will subsequently be submitted to the member countries of CEPAL for their consideration;

9. Recommends governments, economic integration and co-operation bodies, and others whose functions are related to these matters, to extend the fullest possible co-operation to the secretariat of CEPAL in connexion with the work hereby entrusted to it, the results of which will be reported to the above-mentioned seminar on economic integration.

201st. meeting  
5 May 1977

366 (XVII) LONG-TERM TRENDS AND PROJECTIONS OF  
LATIN AMERICAN ECONOMIC DEVELOPMENT

The Economic Commission for Latin America,

Considering that General Assembly resolution 3508 (XXX) entitled "Examination of long-term trends in the economic development of the regions of the world", provides that the regional commissions should prepare studies on the long-term trends in and forecasts of the economic development of their respective regions, taking into account the national development programmes of individual countries of the regions and the particular characteristics and priorities of the regions,

Bearing in mind the third regional appraisal prepared by the Commission at the current (seventeenth) session, and specially the proposals on the concept of integral development, the need to expand regional co-operation and the proposals on the need for international co-operation in the fields of commerce, financing and science and technology in the context of a new international economic order,

Taking note with satisfaction of the fact that the secretariat of CEPAL is investigating long-term trends and prospects for Latin American economic development in its research project "Latin American development: its appraisal and long-term prospects" (the preliminary summary outline of which is annexed to document E/CEPAL/1027),

Recommends that the secretariat intensify its efforts to carry forward the prospective studies and economic projections for the next decade, or with a longer frame of reference if analysis of the variables suggest that this is more appropriate, and that it examine, within the framework of the prospective studies, the implications deriving from the concept of development and the proposals on regional economic co-operation and integration and on international co-operation contained in the third regional appraisal made at this session;

Decides that, for the said purposes, special attention should be paid to the following tasks:

1. Making medium-term and long-term projections of demographic and economic growth in the light of the options and scenarios selected for presentation, studying in particular the implications for employment trends, improved income distribution and the elimination of pockets of extreme poverty in the countries of Latin America;

2. Evaluating the amount and availability of natural resources in agriculture, energy and minerals of the countries of the region in relation to their potential capacity for attaining specific goals in social development, economic growth, domestic consumption and investment and external trade;

3. Determining to what extent and in what way the mobilization of national resources and particularly internal capital formation should be achieved, so as to ensure the consistent attainment of social and economic objectives and the necessary acceleration of development;

4. To progress further in the preparation and study of sectoral projections, paying particular attention to agriculture, mining, manufacturing industry, construction and basic services and studying the changes in production and in the composition and allocation of investments which need to be made in order to meet the global aims and social goals of development;

5. Studying the prospects and making consistent projections for Latin America's foreign trade, taking into account, inter alia, the following factors: (a) the effects which persistence of the prevailing trends in foreign trade would have on the development of the Latin American countries, (b) the structural changes which would need to be made in international trade and economic policy in the context of a new international economic order, (c) the prospects for trade with the developed countries, (d) the expansion of regional co-operation and trade, (e) the prospects for trade with other developing areas and (f) projections of trade with the centrally planned countries;

6. Making projections of trade with the developed countries and studying the rhythm, magnitude and composition of trade flows, and also the implications of these projections concerning the policies and measures which should be adopted;

7. Making special projections of regional trade and trade between countries under integration agreements, in order to establish goals and action targets which would vigorously promote the expansion of Latin American economic co-operation. Studying in particular the projections of the composition of reciprocal flows of goods and services, and on the changes which could occur in them;

8. Analysing the prospects for trade with other developing areas, undertaking, as far as possible, a study of new trade flows which could be created:

9. Preparing projections of external financing, taking particular account of the problems of debts and debt servicing, which can facilitate the study of alternative policies that could be proposed in order to situate these variables within the context of the global development goals of countries:

Urges the secretariat to enter into closer contact with the governments of the countries of the region in order to give overall consideration to the methodological bases, objectives and goals of their development plans and policies so that these can be taken into account in preparing regional projections together with the work done in this field by other relevant regional bodies.

201st. meeting  
5 May 1977

#### 367 (XVII) HUMAN RESOURCES

##### The Economic Commission for Latin America,

Considering that Latin America attaches vital importance to skilled human resources, which constitute an asset built up with great effort,

Mindful that the loss of this important asset can seriously retard the continued development of the countries of the region,

Recognizing that there is a pressing need to take steps to reduce the emigration of this human asset,

Instructs the Executive Secretary of CEPAL to appraise as rapidly as possible, in co-ordination with other bodies of the United Nations, the effects of the emigration of skilled human resources to countries outside the region, specify its causes and determine its effects on Latin American economic and social development, and propose measures aimed at ensuring that the human capital of the Latin American countries remains in, returns to and increases in the region.

201st. meeting  
5 May 1977

368 (XVII) RELATIONS WITH THE EUROPEAN  
ECONOMIC COMMUNITIES

The Economic Commission for Latin America,

Considering the mutual interest which exists in the developing countries of Latin America and in the European Communities to strengthen their relation through a more effective dialogue at the highest level, and taking into account the fact that SELA has already taken steps to achieve this objective,

Instructs the Executive Secretary of CEPAL to hold the necessary consultations, with the assistance of the Permanent Secretariat of SELA to hold as soon as possible a joint meeting at the highest level between the Latin American States and the States Members of the European Economic Communities in order to identify the areas where there could be a genuinely improved relationship between the two regions.

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369 (XVII) INTERNATIONAL ECONOMIC CO-OPERATION

The Economic Commission for Latin America,

Considering the increasing importance of international economic co-operation as a means of promoting integrated development, and having duly noted the statements made by the developed member countries of CEPAL in the course of the Conference to the effect that neither effort nor political will should be spared to this end,

Considering the importance which the Paris Conference has at the present time because of the significance of the issues considered at it for the developing countries, and particularly for Latin America,

Considering that the Conference has now recommenced its work,

Urges the developed countries to adopt a broad enough range of those measures submitted by the developing countries as would

constitute a global programme for the substantive improvement of international economic co-operation and so allow the full implementation of the decisions set forth in General Assembly resolution 3515 (XXX).

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5 May 1977

370 (XVII) EXTERNAL ECONOMIC RELATIONS

The Economic Commission for Latin America,

Considering that the Third Regional Appraisal of the International Development Strategy clearly states the fundamental problems of Latin America as regards its external relations and the essential elements of a plan of action in this connexion,

Considering further that CEPAL is a suitable instrument for the analysis of the problems and for the elaboration of solutions, and an extremely useful forum for consultation and co-operation among its developing and developed member countries in the search for solutions,

Instructs the Executive Secretary, insofar as the resources available to him permit, to:

1. Analyse some of the essential elements for a new policy on international co-operation for development, in the area of trade, such as:

(a) New concepts appropriate to the countries of Latin America as regards subsidies, advance reciprocity, safeguards and industrial relocation;

(b) The gradual reduction of protection by developed countries as regards products of interest to Latin American countries;

(c) The approach to be taken in specific cases of products and sectors which face export barriers in the markets of developed countries;

(d) Consideration of the interests of specific Latin American countries in the international negotiations on the UNCTAD Integrated Programme for Commodities;

2. Analyse the economic relations of Latin America with other areas, in particular:

(a) Relations with OECD countries. New forms of co-operation in trade, investment, financial flows and technology. Access of Latin American commodities and manufactures to the markets of the United States, the EEC and other developed countries, especially Canada and Japan. The Generalized System of Preferences. The United States Trade Act;

(b) Relations with the socialist countries of Europe. Ways to expand economic relations;

(c) Relations with the developing countries of other areas, beginning with relations with African countries;

3. Examine the foreign trade policies of the Latin American countries and the experience gained in the handling of instruments for the promotion of non-traditional exports.

4. Analyse the external financing problems of the countries of the region, bearing in mind primarily:

(a) The need to study, in consultation with the appropriate fora and the central banks of the region, the workings of the international monetary system and its effects on Latin America, and propose viable forms of increasing the financial resources of the subregional, regional and multilateral development financing institutions;

(b) The desirability of studying viable measures designed to obtain as rapidly as possible further resources for development;

(c) The desirability of improving the access of the countries of the region to external sources of financing, especially medium and long-term financing, taking advantage, to this end, of the experience already acquired by some countries of the region;

(d) The importance of strengthening technical collaboration in the financial field in the region:

(e) The desirability of close co-operation with the central banks of the region and with CEMLA in studies and projects related to financing;

5. Pay special attention to integration and co-operation among Latin American countries along the lines described in the Working Paper No 20/Rev. 2 of Committee I on economic integration and co-operation;

6. Establish the order in which these matters are to be dealt with, in the light of the resources of the secretariat and the progress of international negotiations.

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371 (XVII) CREATION OF A SYSTEM OF CO-ORDINATION AND  
CO-OPERATION AMONG PLANNING BODIES OF LATIN  
AMERICA AND STRENGTHENING OF THE LATIN  
AMERICAN INSTITUTE FOR ECONOMIC AND  
SOCIAL PLANNING

The Economic Commission for Latin America,

Considering that the Latin American Institute for Economic and Social Planning (ILPES), originally proposed by CEPAL resolution 199 (IX) and established by resolution 220 (AC.52) of the Committee of the Whole of CEPAL, has played and continues to play an important role in the development of planning in Latin America, through its basic functions of training, advisory services and research,

Bearing in mind that in view of its effective contribution to the governments of Latin America, it was decided in resolution 340 (AC.66) of the Committee of the Whole that ILPES should become a permanent institution with its own identity within the CEPAL system, directly under the Executive Secretary of CEPAL,

Taking into account that CEPAL resolution 351 (XVI) provided that ILPES should co-operate in "the exchange of experience and

research results on global, sectoral and regional planning between the planning bodies of the member countries, so as to promote collaboration among them",

1. Notes with satisfaction the holding of the First Conference of Ministers and Heads of Planning in Caracas, Venezuela from 13 to 16 April 1977, organized jointly by CEPAL, ILPES and the Government of Venezuela, as well as the report of that Conference and of the Technical Committee of ILPES;

2. Notes in particular the agreement of the Ministers and Heads of Planning to establish a System of Co-ordination and Co-operation among Planning Bodies of Latin America, which constitutes a major advance for regional co-operation and integration;

3. Notes further with satisfaction the existence of sub-regional machinery for bringing together those in charge of planning in the Andean area, Central America and Panama, and that recently initiated within the framework of the Caribbean Development and Co-operation Committee;

4. Concurs that an annual Conference of Ministers and Heads of Planning of Latin America constitutes a necessary and appropriate framework for the exchange of experience, the identification and definition of common actions designed to increase regional co-operation, and the achievement of the objectives proposed at the Caracas Conference;

5. Considers that it would be appropriate for future meetings of the ILPES Technical Committee, established under Resolution 340 (AC.66) of the CEPAL Committee of the Whole to orient and evaluate the activities of ILPES, to be held within the framework of the annual Conference of Ministers and Heads of Planning proposed by the Caracas Conference;

6. Resolves that, in fulfilment of its specific functions and in particular of the provisions of operative paragraph 4 of CEPAL resolution 351 (XVI), ILPES should assist the Ministers and Heads of Planning of Latin America in their joint co-operation efforts mentioned in numeral 2, Part Three of the report of the Caracas Conference;

7. Reiterates the recommendation previously addressed to the relevant United Nations bodies and authorities to furnish ILPES with stable and sufficient resources to carry out its duties;

8. Urges ILPES to promote the establishment of training centres in relatively less developed countries;

9. Endorses the recommendation made by the Caracas Conference that the temporary budgetary assistance approved by the General Assembly at its thirty-first session be placed on a permanent basis and increased as from January 1978, so far as is necessary to enable CEPAL to carry out, through ILPES, its basic functions related to planning;

10. Fully supports the recommendation of the Conference relating to the financing of ILPES in the short term, requests the Executive Secretary of CEPAL, together with the Chairman of the ILPES Technical Committee, to negotiate with UNDP a six-month extension of Phase Four of the ILPES Project from 30 June 1977, and also requests the countries of the region to make available for that period the voluntary contributions they have offered, so as not to reduce the level of ILPES activities in the countries in that period;

11. Likewise supports the continuation of the work of ILPES in the future, with the co-operation of the countries of the region, and consequently urges the Executive Secretary, together with the Chairman of the ILPES Technical Committee, to negotiate with UNDP Phase Five for ILPES to begin on 1 January 1978, in which connexion it is recalled that the countries of the region must make a collective effort to contribute to the finance of ILPES, as indicated at the Conference of Ministers and Heads of Planning of Latin America, and also requests that administrative formulas be found whereby part of the UNDP regional funds for planning could be channelled through ILPES;

12. Thanks UNDP for the important financial support which it has given to ILPES hitherto; also expresses its gratitude for the contributions made by countries within the region and outside it, particularly the Governments of Canada and the Netherlands, while asking them to continue giving ILPES the greatest possible support, which it urges other member States and relevant international organizations to give if they have not already done so.

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372 (XVII) ACTIVITIES OF THE CARIBBEAN DEVELOPMENT  
AND CO-OPERATION COMMITTEE

The Economic Commission for Latin America

Recalling resolution 358 (XVI) of the Economic Commission for Latin America, which in its operative paragraph 1 invited the Governments of the countries within the sphere of action of the CEPAL Office for the Caribbean,<sup>1/</sup> the Governments of Cuba, the Dominican Republic and Haiti and other Caribbean countries as they achieve independence, to form a committee on development and co-operation to act as a co-ordinating body for activities relating to development and co-operation and as a consultative organ of the Executive Secretary of CEPAL,

Reaffirming the special historical, geographical and cultural identity of the Caribbean countries and the importance of economic co-operation in order to achieve economic and social progress,

Noting with satisfaction the prompt response of the Governments in implementing resolution 358 (XVI) and that the Caribbean Development and Co-operation Committee has already held two sessions, one in Havana, Cuba, from 31 October to 4 November 1975, and one in Santo Domingo, Dominican Republic, from 16 to 22 March 1977,

Considering that the achievement of the aspirations of the countries of the Caribbean, within the framework of Latin American co-operation, can make a positive contribution to the economic development of Latin America,

1. Takes note of the report of the first session of the Caribbean Development and Co-operation Committee (E/CEPAL/1010), held in Havana, Cuba, and of the report of the second session (E/CEPAL/1039) held in Santo Domingo, Dominican Republic;
2. Endorses the Constituent Declaration, functions and rules of procedure of the Caribbean Development and Co-operation Committee and the Work Programme contained in E/CEPAL/1010;

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<sup>1/</sup> In resolution 358 (XVI) it is referred to by its earlier name of ECLA Office in Port of Spain.

3. Notes with satisfaction the progress already achieved towards the implementation of the Work Programme approved at the first session;
4. Endorses the programme of activities approved at the second session;
5. Requests the CDCC Secretariat to proceed with the implementation of the tasks assigned for the period between the second and third sessions of the CDCC, observing the priorities decided by the Committee and, in particular, the proposals for the Caribbean Documentation Centre, the removal of language barriers, and for science and technology for development;
6. Requests the Executive Secretary of CEPAL to make the necessary representations for consideration at the forthcoming session of the General Assembly for the additional resources identified by the Committee so that the tasks can be undertaken expeditiously.

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373 (XVII) LATIN AMERICAN CONFERENCE ON  
INDUSTRIALIZATION

The Economic Commission for Latin America

1. Invites the governments of the region to provide their support for the preparations for the Third General Conference of UNIDO, to be held in New Delhi in 1979;
2. Requests the Secretariat of CEPAL to convene, sufficiently far in advance and during 1978, a ministerial-level or suitably high-level Latin American Conference on Industrialization with a view to the adoption of common positions by the region for the UNIDO General Conference; and
3. Also requests the Secretariat of CEPAL to prepare a paper for submission at the Conference containing an interpretative analysis of the industrialization process in Latin America and identifying the main political, economic and social determinants of this process, to be submitted to Governments sufficiently far in advance.

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374 (XVII) LATIN AMERICAN CONFERENCE ON SCIENCE  
AND TECHNOLOGY FOR DEVELOPMENT

The Economic Commission for Latin America

Bearing in mind paragraphs 7 and 8(b) of Economic and Social Council resolution 2028 (LXI), Part II,

1. Invites the Governments of the region to provide their support for the preparations for the United Nations Conference on Science and Technology for Development, to be held in 1979;
2. Requests the Secretariat of CEPAL to convene, sufficiently far in advance and in any case no later than the end of 1978, a ministerial-level or suitably high-level Latin American Conference on Science and Technology for Development, with a view to the adoption of common positions by the region for the United Nations Conference;
3. Also requests the Secretariat of CEPAL to prepare a paper for submission at the Latin American Conference, containing an interpretative analysis of scientific and technological development in Latin America, and identifying its main political, economic and social determinants, which should be submitted to Governments sufficiently far in advance;
4. Likewise requests the General Assembly at its thirty-second session to authorize the United Nations Conference on Science and Technology for Development to be held in a developing country.

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375 (XVII) CENTRAL AMERICAN INTEGRATION

The Economic Commission for Latin America,

Bearing in mind CEPAL resolution 315 (XV) which, inter alia, requests the secretariat of CEPAL and ILPES, with the assistance of UNDP, "to co-operate with the Permanent Secretariat of the General Treaty on Central American Economic Integration (SIECA) in identifying the policies and programmes of action which will lead to the restructuring of the Central American Common Market, and bearing in mind the priorities established by the Central American countries",

Taking into account the fact that the Programme of Economic Integration in Central America continues to be an important means of stimulating the economic and social development of the member countries of the Central American Common Market, whose considerable potential has not yet been fully tapped.

Considering that in the past few years significant progress has been made, inter alia, in: (i) the consideration of the main factors which could determine the scope of the restructuring of the Central American Common Market, whose first phase culminated in the submission to Governments by the High-level Committee in 1976, of a draft Treaty for the establishment of the Central American Social and Economic Community; (ii) the review of Central American tariff and customs policies; and (iii) the strengthening of the regional decision-making process connected with the operation of the Common Market,

Bearing in mind that the Central American Economic Co-operation Committee, at its tenth regular meeting in Tegucigalpa, Honduras, in May 1975, adopted a series of resolutions with the firm objective of reactivating Central American economic integration within a short time,

Considering the importance of the technical co-operation, provided by the United Nations through its various organizations and agencies, to the Central American Economic Integration Programme,

1. Takes note with satisfaction of the main advances made by the Central American Common Market, noted in the preambular part of this resolution, and also of the action taken to implement the decisions

of the Central American Economic Co-operation Committee, reported in document E/CEPAL/CCE/381;

2. Urges the Central American Governments to redouble their efforts to overcome the obstacles which have hindered the full implementation of all the above-mentioned decisions, and particularly to speed up the negotiations for the improvement and restructuring of the Central American Common Market;

3. Repeats its request that the secretariat of CEPAL should continue to collaborate with the Permanent Secretariat of the General Treaty on Central American Economic Integration (SIECA), and with the other Central American integration institutions, in such activities as will lead to the reactivation and restructuring of the regional integration process;

4. Requests the United Nations Development Programme (UNDP) to lend active support to the Central American Integration Programme, particularly with respect to tariff, energy, industrial, agricultural and foreign trade questions, to which the Governments concerned attach the highest priority at the regional level.

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The Economic Commission for Latin America

Recalling that concern with population problems has always been a feature of the activities of the United Nations, as witness the fact that the Population Commission of the Economic and Social Council was set up as long ago as 1948,

Likewise recalling that such activities have contributed significantly to the progressive awareness of the nature of population dynamics in the world of today and the discussion of the determinants and consequences of such dynamics as regards the achievement of development objectives,

Stressing that the World Population Plan of Action adopted at the United Nations World Population Conference held in Bucharest represents a basic consensus of the international community on the importance of population trends for economic and social development and the crucial role played by development in influencing such trends,

Reaffirming that the harmonization of population trends with economic and social development presupposes the existence of integral development, which cannot be achieved through partial efforts in particular sectors of the economy or the social system, but only through concerted progress in all aspects, as stated in the First Regional Appraisal of the International Development Strategy, adopted in resolution 320 (XV) of the Commission,

Considering that the Second Regional Appraisal of the International Development Strategy, adopted in resolution 347 (XVI) of the Commission, links population growth trends, population settlement patterns and internal and international migration with various aspects of economic and social development viewed from the standpoint of integral development,

Bearing in mind resolution 346 (AC.68), paragraph 12, adopted at the Tenth Extraordinary Session of the Committee of the Whole of CEPAL in March 1975, which requests the Executive Secretary of CEPAL to hold the necessary consultations with a view to the incorporation into the regular budget of that organization of a certain number of

key CELADE directorial and administrative posts, in order to ensure the continuity of CELADE's work,

Taking note of the report on the activities of CELADE and of the contents of the regional population programme for the biennium 1977-1978,

Bearing in mind that the Executive Secretary of CEPAL is to convene a special meeting of the Committee of High-Level Government Experts in order to comply with the provisions of CEPAL resolutions 357 (XVI) and 360 (XVI),

1. Decides to incorporate the basic infrastructure of CELADE into the Secretariat of CEPAL in order to ensure the continuous conduct of its activities in population matters, and to request the Executive Secretary to take the necessary measures, as described in resolution 346 (AC.68), to ensure that this infrastructure comes under the regular budget of the CEPAL Secretariat as from 1978;
2. Recommends to the Committee of High-Level Government Experts that, at the specialized meeting to be convened by the Executive Secretary of CEPAL, it should consider matters relating to population in the region within the framework of the International Development Strategy as it applies to Latin America and in conformity with the proposals for the New International Economic Order and the recommendations of the World Population Plan of Action, paying due regard to national policies;
3. Expresses its gratitude to the United Nations Fund for Population Activities, to the Government of the Netherlands, to the Government of Canada, and to other organizations which are supporting the activities of CELADE;
4. Urges the United Nations Fund for Population Activities to expand its financial assistance to the Secretariat's population activities, in keeping with the new and wider responsibilities of the secretariat in this field resulting from the decisions and instructions of the Governments of the region.

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The Economic Commission for Latin America

Considering that the world food supply depends to a large extent on variable natural conditions that constitute a constant uncertainty and insecurity as regards the supplies of food which the countries of the region have to import,

Bearing in mind that large groups of the population in the Caribbean countries are exposed to malnutrition and that it is necessary to improve the quality of their food and its nutritional value, especially as regards its protein content,

Considering that there is a shortage of land for producing food in the Caribbean countries and that the development of fishing for human consumption can be an important element in improving food supplies and nutrition, particularly for the lowest income groups,

Bearing in mind that the CEPAL/FAO Latin American Food Conference stressed the need to spare no effort to develop and fully utilize the fishery potential of the countries of the region,

Requests the Executive Secretary of CEPAL to establish the fullest collaboration with FAO in order to undertake joint activities aimed at developing the fisheries sector of the Caribbean. These activities should include:

- (a) The identification of the factors which hinder the accelerated production of fish, whether these be in the area of facilities, equipment, technology or otherwise.
- (b) Suggestions for removing these constraints.
- (c) Recommendations of optimal methods for exploitation and management of resources.
- (d) Identification of opportunities for promotion of industrial processing.

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378 (XVII) REGIONAL CO-OPERATION IN THE FIELD OF  
HUMAN SETTLEMENTS

The Economic Commission for Latin America

Bearing in mind that the Caracas and Vancouver declarations on human settlements lay down the guidelines and criteria at the international and regional levels in this sphere, and that the Regional Preparatory Conference for Latin America on Human Settlements, held in Mexico, set guidelines for the implementation of the recommendations made in those declarations,

Recognizing that man and the improvement of the quality of life should be the central objectives of integral economic and social development, and that it is the responsibility of the Governments to prepare national plans and programmes to these ends,

Also recognizing that these policies must be linked and harmonized with the policies on, inter alia, industrialization, agriculture, employment, housing, population, education, health, recreation, social security and environmental and cultural preservation, since all these are indispensable elements of a broad development strategy,

Likewise recognizing the efforts being made by CEPAL in the implementation of projects in the field of human settlements,

Aware that the Latin American Economic System (SELA) constitutes an important forum for regional consultation on the implementation of efforts in the sphere of international co-operation, and that CEPAL represents a valuable contribution towards realizing these efforts,

Taking into account the pressing need to put into practice a programme of work on research, information and training of human resources during 1977-1978, in accordance with the guidelines set forth by the Latin American Regional Meeting on Human Settlements,

Bearing in mind the eventual need to convene periodic regional meetings with the participation of the member countries of the region in order to evaluate the results of the programme of work so far implemented,

Recommends:

1. That the activities aimed at the creation of a regional intergovernmental body on human settlements, in accordance with the provisions of resolution 1 on international co-operation programmes adopted by consensus at the United Nations Conference on Human Settlements, should be intensified;
2. That the secretariat of CEPAL should carry out the programme of work given below, in accordance with the following order of priorities, in the period 1977-1979:

(a) Research

- Economic and social aspects of the human habitat in Latin America, especially in the rural and marginal urban environments.
- Popular participation in the organization and development of rural and urban communities as part of the institutional structure.
- Methodology of territorial planning applicable to strategies of spatial organization and decentralization of economic activity.
- Methodology for evaluating the environmental impact of economic and infrastructural projects on human settlements.
- Methodology for the organization and integrated development of rural and urban communities.

(b) Training of human resources

- Identification of the professional and technical human resources existing in the region and of the installed capacity of the professional training centres in this sphere.
- Identification and facilitation of access to an organization of seminars and courses oriented towards the requirements of socio-economic development for professionals and technicians connected with institutions which carry out programmes and/or activities in the sphere of human settlements.

(c) Information

- Systematization of the information available and preparation of a glossary for general information.

- Encouragement of the exchange of general and specialized information by the existing national services with a view to integration into a global system of information on human settlements which may be established in the future;

3. That a regional conference, with the participation of the member countries of the region, should be convened at the beginning of 1979 in order to evaluate the programme of work described in paragraph 2 of this resolution;

4. That in the sphere of technical co-operation CEPAL should collaborate with SELA in the preparation of policies and plans on human settlements, when States so request; in providing support to the action committees created in that field; in assisting national bodies in the preparation of requests for international co-operation; and in co-ordinating that co-operation among the countries of the region;

5. That the secretariat should explore with the international co-operation bodies of the United Nations and with appropriate countries the possibility of obtaining funds for the implementation of the programme of work, including the programmes on human settlements and integrated community development. Support should be requested from the United Nations Habitat Foundation and the United Nations Environment Fund in this connexion;

6. That the Secretariat of CEPAL should submit to the next session of the United Nations General Assembly a report on the progress made in carrying out the programme of work and on the time-table for its implementation, including details of the financial resources needed for this purpose.

201st meeting  
5 May 1977

379 (XVII) NATURAL RESOURCES AND THE LATIN AMERICAN  
DEVELOPMENT PROCESS

The Economic Commission for Latin America

Aware of the fundamental importance of the development and utilization of natural resources in the economic and social development process,

Recognizing the urgent need to accelerate progress in research and the integrated management of these resources with a view to their effective utilization and protection,

Recalling its resolution 302 (XIV) of 5 May 1971 and 337 (XV) of 30 March 1973 on natural resources,

Bearing in mind Economic and Social Council resolution 572 (L), which provides that the Council's Committee on Natural Resources should deal with the development of all forms of natural resources, with particular attention to the development of water, energy and mineral resources, and which urges the secretariats of the regional economic commissions to co-operate in the relevant studies,

Also bearing in mind the provisions on natural resources contained in General Assembly resolutions 3201 (S-VI) and 3202 (S-VI) on the Declaration and Programme of Action on the Establishment of a New International Economic Order and in Economic and Social Council resolutions 1956 (LIX) on permanent sovereignty over natural resources and 1957 (LIX) on the comprehensive plan of action and co-ordination of programmes in the United Nations system in the field of natural resources development,

Taking note of resolution VI of the United Nations Water Conference requesting the Economic and Social Council, in considering the restructuring of the economic and social sectors of the United Nations system, to ensure that the regional commissions play a central role within their respective regions, in promoting inter-governmental co-operation in the management and integrated development of water resources,

Considering that the recommendation of that Conference on "Action at the regional level - Special recommendations for particular regions" took note of the "Lima Consensus on Water Problems", adopted at the regional preparatory meeting held from 30 August to 3 September 1976, and transmitted it to CEPAL so that it could take appropriate measures,

Considering that the Economic and Social Council, at its sixty-third session, is to study the recommendations of the Water Conference which, subject to its approval, will be transmitted to the General Assembly, taking into account the process of restructuring of the economic and social sectors of the United Nations system,

Recognizing the work which the Secretariat has been doing in recent years in the sphere of research on non-renewable natural resources, water and energy,

1. Requests the Executive Secretary:

(a) To intensify the work being done by the secretariat in the field of natural resources, and particularly water, mineral and energy resources, such as:

(i) collection and dissemination of technical and economic information on the identification and development of these resources;

(ii) helping to improve statistical information systems and systems of vocational training for government technical personnel participating in the formulation of strategies and plans in the above-mentioned sectors;

(iii) regional and sub-regional prospective surveys of the demand for and supply of natural resources, as well as other research helping to identify the role of these resources in development and environmental protection;

(iv) facilitative mutual co-operation between developing countries and between public enterprises in the developing countries of the region in matters of common interest;

(v) collaboration with Governments in the preparation of studies aimed at developing these resources in the countries of the region;

- (b) To co-ordinate CEPAL's work and co-operate, when necessary, with the United Nations Centre for Natural Resources, Energy and Transport, the United Nations Development Programme, the Committee on Natural Resources of the Economic and Social Council, the United Nations Environment Programme and regional intergovernmental bodies;
  - (c) To take note of and carry out, as far as possible, the recommendations made to CEPAL in the "Lima Consensus on water problems".
  - (d) To make further studies in co-operation with UNEP, with a view to ensuring the rational utilisation of natural resources in Latin America, thereby avoiding the destruction of resources which could reduce the productive capacity of the region;
2. Endorses the request made in resolution VI of the United Nations Water Conference to the Economic and Social Council to the effect that the General Assembly should consider the possibility of allocating additional funds for the secretariat of CEPAL in the United Nations budget, for the purposes mentioned in the above paragraphs with regard to water resources.

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The Economic Commission for Latin America,

Recalling resolution 32<sup>4</sup> adopted at its fifteenth session concerning the CEPAL publications programme,

Reaffirming the importance of giving appropriate publicity to the research and intellectually creative work done by the secretariat, and of informing an even broader public of the concerns and goals of the bodies which make up the CEPAL system,

Recognizing what the secretariat is doing to improve the quality of both the content and the presentation of its publications, ensuring at the same time that the prices are within the means of Latin American readers in general,

Aware of the approaches made to publishing houses and distributors in various Latin American countries for the promotion and distribution of CEPAL publications, and also of the action taken to rationalize this distribution by means of computer techniques,

1. Approves the measures taken by the secretariat to promote its Publications Programme, and particularly the establishment of a clearly structured programme and the creation of an Advisory Committee and a Publications Committee responsible, respectively, for the general orientation of the programme and the selection of material;
2. Takes note with satisfaction of the report by the Executive Secretary of CEPAL on the publications programme (E/CEPAL/1038) and, in particular, the publication in 1976 of the first issues of the CEPAL Review under the able direction of Dr. Raúl Prebisch;
3. Also takes note with satisfaction of the initiation at the end of 1975, of the new series Cuadernos de la CEPAL and Cuadernos Estadísticos de la CEPAL, in which a total of 22 titles have now been published, 18 in Spanish and 4 in English;
4. Urges the secretariat to continue publishing and disseminating the results of its institutional work and that of its collaborators, as a means of encouraging intellectual creativity and high-level discussion of the problems besetting Latin America;

5. Supports the gradual replacement of mimeographed documents by printed publications for purposes of easier distribution;
6. Expresses its concern over the limited resources which prevent the secretariat from issuing more publications in English and initiating publications in French;
7. Requests the Secretary-General of the United Nations to consider what measures might be taken to ensure that adequate resources are available to enable the publication programme of CEPAL to continue developing at a suitable pace.

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381 (XVII) PROGRAMME OF WORK FOR 1977-1979

The Economic Commission for Latin America

Having considered the Commission's programme of work for the period 1977-1979, including the Latin American Institute for Economic and Social Planning and the Latin American Demographic Centre,

Having made the alterations to those programmes suggested by the Governments of member States,

1. Approves the CEPAL programme of work, including those of ILPES and CELADE for 1977-1979, with the changes made in accordance with the resolutions and decisions adopted at the seventeenth session;
2. Reaffirms the resolutions on which the projects included in the programme of work are based;
3. Requests the Executive Secretary to present to ECOSOC and the General Assembly appropriate budgetary proposals to enable the programme of work to be carried out;
4. Requests the Executive Secretary to report to the eighteenth session of CEPAL on the implementation of the programme as adopted.

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5 May 1977

382 (XVII) PLACE AND DATE OF NEXT SESSION

The Economic Commission for Latin America,

Bearing in mind paragraph 15 of its Terms of Reference and rules 1 and 2 of its Rules of Procedure,

Considering the fact that at its seventeenth session the Commission has not taken a decision on the venue for its next biennial meeting, although conversations are in progress with some member Governments with this objective,

Authorizes the Executive Secretary to hold the necessary consultations with member States to fix the place of the eighteenth session of CEPAL and the most convenient date, subject to the agreement of the Secretary-General of the United Nations.

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## PART IV

### OTHER DECISIONS

#### Integration of women in development

528. With regard to the subject of the integration of women in the economic and social development of Latin America and the holding of a regional conference to consider a regional plan of action in this field, the Commission took the following decisions by consensus:

1. That CEPAL should convene a governmental-level regional conference, to be held in Havana at the earliest possible date;
2. That in order to arrange for that conference the secretariat of CEPAL should complete the consultations being held with governments regarding the preliminary Draft Regional Plan of Action, including in them the United Nations bodies and all the regional and interregional intergovernmental, public and private institutions which are working in this field. The secretariat would thus obtain all the elements needed in order for the representatives to decide on the execution of the Programme.
3. That the secretariat, when subsequently carrying out the Regional Action Programme, should arrange forms of co-ordination and co-operation with the above-mentioned bodies.

PART V

DRAFT RESOLUTION FOR ACTION BY THE ECONOMIC AND  
SOCIAL COUNCIL

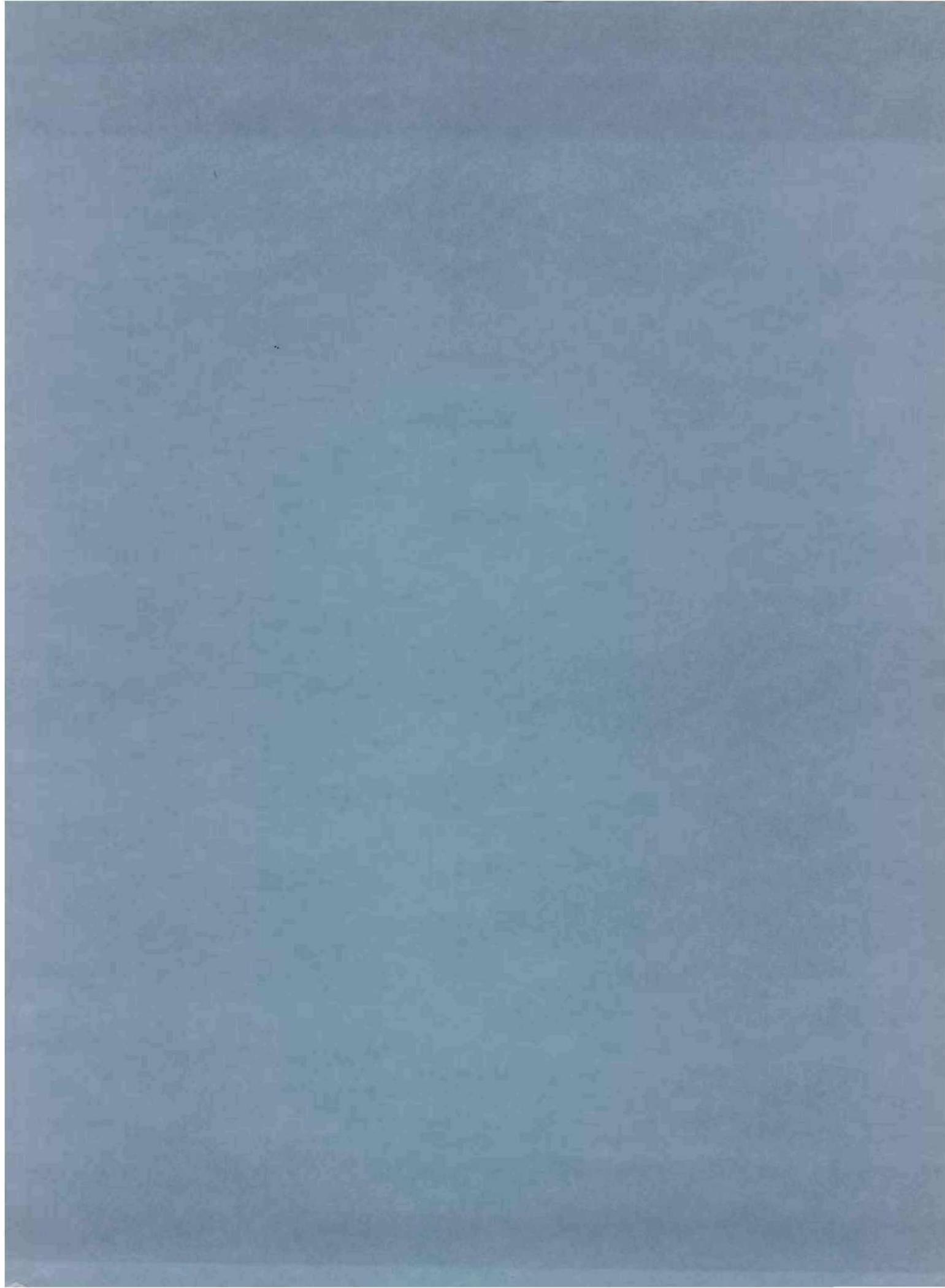
529. The Commission decided to transmit the following draft resolution to the Economic and Social Council:

"The Economic and Social Council,

1. Takes note of the annual report of the Economic Commission for Latin America covering the period 7 May 1976 to 5 May 1977 and of the resolutions and recommendations contained therein;

2. Views with satisfaction the work done by the secretariat in fulfilment of the mandates received at the sixteenth session, and

3. Endorses the programme of work and order of priorities contained in the report."



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