

PROPIEDAD DE  
LA BIBLIOTECA



UNITED NATIONS

ECONOMIC  
AND  
SOCIAL COUNCIL



GENERAL

E/CN.12/571

22 February 1961

ORIGINAL: ENGLISH

ECONOMIC COMMISSION FOR LATIN AMERICA  
Ninth Session  
Caracas, May 1961

UNITED NATIONS SPECIAL FUND ACTIVITIES IN LATIN AMERICA

Information Paper Prepared by the United Nations Special Fund

with a note by the secretariat

NOTE BY THE SECRETARIAT

The secretariat of the Economic Commission for Latin America (ECLA) takes pleasure in transmitting herewith a background document on the activities in Latin America of the United Nations Special Fund, specially prepared by that body for the information of the Governments members of the Commission. The secretariat considers it of the greatest importance that the attention of delegations attending the ninth session should be drawn to this document in connexion with the discussion of item 10 (b) of the provisional agenda already distributed.

/UNITED NATIONS

UNITED NATIONS SPECIAL FUND ACTIVITIES IN LATIN AMERICA  
Information Paper Prepared by the United Nations Special Fund

1. The United Nations Special Fund came into being on 1 January 1959 pursuant to General Assembly resolution 1240 (XIII) of 14 October 1958. The over-all aim of the Special Fund is to assist Governments in accelerating the economic development of their countries by facilitating new capital investment through the creation of conditions which make such investments either feasible or more effective.

2. The Special Fund has a Governing Council on which eighteen Governments are represented, including Argentina, Guatemala and Mexico from Latin America. The Governing Council has the final authority for the approval of projects recommended by the Managing Director of the Special Fund.

3. In carrying out its functions, the Special Fund concentrates on relatively large projects, giving due consideration in each case to the contribution the projects will make to the integrated economic development of the recipient countries. Its major fields of activity have thus far been:

- (a) resource surveys which lead to early results and have the widest possible impact in advancing the economy of the country concerned;
- (b) training projects which concentrate on training local vocational instructors and on advanced training of students in technology; and

/(c) applied

- (c) applied research projects which contribute to increased production, investment, and productivity.

4. While the experience of the Special Fund in its first two years of operation has proven the soundness of concentrating its limited resources in these three major fields of activity, it has recently decided to extend support also to certain related pre-investment activities. One such new area of assistance is in the field of secondary education, notably in setting up teacher training institutions in countries where the present number of students at the secondary level is so low that it presents a major impediment to economic development.

5. The Special Fund may also assist Governments in the field of economic planning and programming, working in close collaboration with the Regional Commissions and other United Nations bodies. Such assistance may extend to the establishment and operation of regional institutes which would have the dual function of providing, on governmental request and with governmental financial support, expert services in the field of development planning and programming and of offering practical case-study training for nationals.

6. The Special Fund may also be interested in requests from Governments to help carry out detailed manpower surveys especially in those countries where the absence of basic data on manpower availabilities and requirements presents serious difficulties in the proper formulation of national education and training programmes.

7. In the first two years of its existence the Special Fund has approved 115 projects costing approximately \$227 million. The Special Fund has allocated \$96 million for financing the foreign exchange costs of these projects and the recipient Governments are contributing the equivalent of \$131 million as their counterpart share in the execution of the projects.

8. Fourteen member countries of ECLA are at present receiving assistance from the Special Fund in the execution of 33 projects. In addition, the Special Fund is also assisting in two regional projects, the first of which involved the expansion of the Central American Industrial Research Institute in Guatemala City which serves Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua, and more recently, in the strengthening of agricultural education and research being carried out by the Inter-American Institute of Agricultural Sciences, both at the main centre in Turrialba, Costa Rica and in selected institutions of its eighteen member countries.

9. The total cost of the projects which have already been approved for Latin America is estimated at \$59 million, of which \$29 million has been allocated by the Special Fund and the remainder to be met by the recipient Governments. The Special Fund allocations for Latin American countries represent 30 percent of the total funds thus far allocated globally by the Special Fund. The status of each of the thirty-five approved projects in Latin American countries as of 31 January 1961 is summarized in the table on pages 5, 6, and 7.

10. It should be noted that of the 35 approved projects, operations are already under way in twenty of the twenty-four which had been approved by the Governing Council through May 1960. One of these projects, the Argentine Power Survey, has already been completed and the findings transmitted to the Government. The various types of Special Fund projects approved for Latin American countries are indicated in the following table:

/Category of

Category of Project	No.	Country
Mineral and geological surveys	2	Chile and Surinam
Water power, hydrological and meteorological surveys	5	Argentina, Chile, Ecuador, Guatemala and Peru
River basin surveys	3	Brazil, El Salvador and Venezuela
Other land and water use surveys	6	British Guiana, Bolivia, Colombia, Ecuador, Mexico and Peru
Other surveys	3	Argentina, British Guiana and Peru
Agricultural research	3	Argentina, Chile, Regional
Industrial research	3	Argentina, Colombia and Regional (Central America)
Agricultural training	3	Bolivia, Ecuador and Peru
Industrial and other training	7	Argentina, British West Indies, Chile, Colombia (2), Mexico and Peru

11. As of 31 January 1961 twenty-one additional project requests from Latin American countries were under consideration. Eleven of these are being included in the Managing Director's programme recommendation to the Governing Council at its next meeting at the end of May 1961. These figures are but a reflection of the growing appreciation by countries throughout the world of the important contribution that adequate financing of pre-investment work can make in speeding the progress of low-income countries. The Special Fund is anxious to increase its present level of assistance in this field. However, on the basis of requests now under study, it appears that the expressed and legitimate needs of the under-developed countries in all regions of the world for pre-investment assistance are already outstripping the Special Fund's ability to meet them. A sizeable increase in the Fund's resources is needed this year and in future years if it is to continue to make an effective contribution in this field.

/STATUS OF

STATUS OF SPECIAL FUND PROJECTS IN LATIN AMERICA  
as of 31 January 1961

Project by region and by country	Approved by Gov- erning Council	Special Fund Allocation	Plan of Operation signed (date)	Authcriza- tion to commence execution (date)
<b>ARGENTINA</b>				
Electric Power Survey	May '59	\$ 287,500	14.9.59	14.9.59
Management Development and Training of Super- visory and Skilled Personnel	Dec. '59	1,132,500	11.10.60	18.10.60
Transport Study	May '60	520,000	30.9.60	5.10.60
Petroleum Institute	Dec. '60	1,110,100		
Study of Nutritional Diseases and Defi- ciencies in Cattle	Dec. '60	661,200		
<b>BOLIVIA</b>				
Agricultural Training	Dec. '59	375,000	16.8.60	23.8.60
Pre-colonization Survey	Dec. '59	312,500	25.10.60	
<b>BRAZIL</b>				
San Francisco River basin Survey	Dec. '59	1,533,500	7.10.60	12.10.60
<b>CHILE</b>				
Hydro-Meteorological Stations	Dec. '59	633,500	27.5.60	13.7.60
Mineral Exploration	Dec. '59	1,080,500	24.6.60	3.8.60
Institute for the Development of Forest Resources and Industries	Dec. '60	1,268,800		
Faculty of Engineer- ing, University of Concepción	Dec. '60	1,043,000		

Status of Special Fund Projects in Latin America (cont'd)

Project by region and by country	Approved by Governing Council	Special Fund Allocation	Plan of Operation signed (date)	Authorization to commence execution (date)
<b>COLOMBIA</b>				
SENA Vocational Training	Dec. '59	\$561,500	1.9.60	13.9.60
Soil Survey	Dec. '59	401,500	1.9.60	27.10.60
Training of Engineers Industrial University of Santander	Dec. '60	1,509,700		
Institute for Techno- logical Research	Dec. '60	558,700		
<b>ECUADOR</b>				
Fisheries Institute	Dec. '59	693,000	2.6.60	4.11.60
Hydro-Meteorological Stations	Dec. '59	423,500	27.6.60	27.7.60
Pre-colonization survey	Dec. '59	168,000	26.8.60	22.11.60
<b>EL SALVADOR</b>				
Groundwater Resources Survey	May '60	348,300		
<b>GUATEMALA</b>				
Survey of Hydraulic Resources for Electri- fication and Irrigation	Dec. '60	633,500		
<b>MEXICO</b>				
National Forestry Inventory	May '60	417,900		
Civil Aviation School	Dec. '60	844,600		
<b>NETHERLANDS, SURINAM</b>				
Mineral Survey	May '60	770,000	19.10.60	21.10.60

/Status of



Status of Special Fund Projects in Latin America (cont'd)

Project by region and by country	Approved by Governing Council	Special Fund Allocation	Plan of Operation signed (date)	Authorization to commence execution (date)
<b>PERU</b>				
Marine Resources Research Institute	Dec. '59	\$790,500	21.4.60	2.6.60
Pre-colonization Survey	Dec. '59	219,000		
Vocational Instructors Training Institute	Dec. '59	514,500	25.11.60	22.12.60
Hydro-Meteorological Services	May '60	788,300	5.1.61	16.1.61
Institute of Agricultural Engineering, National School of Agriculture	Dec. '60	633,500		
<b>UNITED KINGDOM, BRITISH GUIANA</b>				
Siltation Study, Georgetown Harbour	Dec. '59	278,000	8.4.60	15.4.60
Soil Survey	May '60	491,000	9.11.60	8.12.60
<b>UNITED KINGDOM BRITISH WEST INDIES</b>				
Engineering Faculty University College	Dec. '59	904,000	29.8.60	30.8.60
<b>VENEZUELA</b>				
Agricultural Survey of Selected Watersheds in the Northwest	Dec. '60	778,700		
<b>REGIONAL</b>				
Industrial Research Institute <sup>1/</sup>	May '59	2,238,000	10.5.60	10.5.60
Inter-American Institute of Agricultural Sciences <sup>2/</sup>	Dec. '60	4,001,000		

<sup>1/</sup> Participants: Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua.

<sup>2/</sup> Participants: All member countries of the Inter-American Institute of Agricultural Sciences; at present it comprises the following 18 American Republics: Bolivia, Colombia, Costa Rica, Cuba, Chile, the Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Peru, United States of America, Uruguay and Venezuela.