



ECONOMIC COMMISSION FOR LATIN AMERICA
COMMITTEE OF THE WHOLE
REPORT ON THE EIGHTH EXTRAORDINARY SESSION

(24 and 25 January 1974)

ECONOMIC AND SOCIAL COUNCIL
OFFICIAL RECORDS: FIFTY-SEVENTH SESSION

SUPPLEMENT No. 7A

UNITED NATIONS
New York, 1974

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.

E/5495/Add.1
E/CN.12/AC.66/5/Rev.1

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INTRODUCTION

1. After consultation with the Secretary-General of the United Nations and the Chairman of the Economic Commission for Latin America, the Executive Secretary of ECLA convened the eighth extraordinary session of the Committee of the Whole, in accordance with rule 1 (b) of the rules of procedure of the Commission, with a view to considering matters that required urgent attention, including the fourth phase of activities of the Latin American Institute for Economic and Social Planning (ILPES), the third phase of which ends in June 1974.

2. This report is divided into three parts. Part I describes the work of the eighth extraordinary session of the Committee of the Whole, part II gives the resolutions adopted by the Committee and part III presents a draft resolution for action by the Economic and Social Council.

Part I

EIGHTH EXTRAORDINARY SESSION OF THE COMMITTEE OF THE WHOLE

A. Attendance and organization of work

Opening and closing meetings

3. The extraordinary session of the Committee of the Whole took place at United Nations Headquarters on 24 and 25 January 1974 and three meetings (181st to 183rd meetings) were held.
4. At the opening meeting, after the Executive Secretary had declared the eight extraordinary session open, the Committee proceeded to the election of officers for the session.
5. At the closing meeting, the Committee of the Whole adopted three resolutions and the conclusions submitted by the Chairman on the basis of texts prepared by the working groups designated by him (see Part II of this report). The Committee of the Whole further authorized the Rapporteur to complete the provisional report of the session with the assistance of the secretariat and have it circulated to the Member States of the Commission as soon as possible.

Membership and attendance

6. Representatives of the following States members of the Commission attended the session: Argentina, Barbados, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, France, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Netherlands, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay and Venezuela.
7. The associated members of the Commission - Belize and the West Indies Associated States - were not represented at the session.
8. In accordance with rule 4 of the rules of procedure of the Commission, the session was attended by a representative of the Federal Republic of Germany, a Member State of the United Nations which is not a member of the Commission. In accordance with resolution 861 (XXXII) of the Economic and Social Council, the meetings were also attended by a representative of Switzerland.
9. The session was also attended by representatives of the following organs and specialized agencies of the United Nations and other intergovernmental organizations: the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF), the United Nations Institute for Training and Research (UNITAR), the United Nations Office of Technical Co-operation (OTC), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Industrial Development Organization (UNIDO), the United Nations Environment Programme (UNEP), the International Labour Organisation (ILO), the Food and Agriculture Organization of the United Nations (FAO), the World Health Organization (WHO), the International

Telecommunication Union (ITU), the International Bank for Reconstruction and Development (IBRD), the International Monetary Fund (IMF), the Organization of American States (OAS) and the Inter-American Development Bank (IDB).

Credentials

10. Pursuant to the relevant provisions of chapter III of the rules of procedure of the Commission, the credentials of the delegations to the eighth extraordinary session were examined and found to be in order.

Election of Officers

11. At the 181st meeting, on 24 January 1974, the following officers were elected:

President: Mr. Pedro Aguayo (Ecuador);
First Vice-President: Mr. Angel María Oliveri López (Argentina)
Second Vice-President: Mr. Saul F. Rae (Canada);
Rapporteur: Mr. Rubén A. Chelle (Uruguay).

B. Agenda

12. At the same meeting, the Committee of the Whole considered the provisional agenda (E/CN.12/AC.66/1) prepared by the ECLA secretariat and, at the suggestion of the Executive Secretary, agreed to include an item entitled "Technical co-operation of ECLA in the field of energy". The agenda adopted by the Committee was therefore as follows:

1. Opening statements
2. Election of officers
3. Adoption of the agenda
4. Latin American Institute for Economic and Social Planning:
fourth phase of activities
5. Regional preparatory meeting for the Second General Conference
of the United Nations Industrial Development Organization
6. Technical co-operation of ECLA in the field of energy

13. At its 183rd meeting, the Committee of the Whole decided, in the light of information supplied by the Executive Secretary in connexion with the measures being taken to strengthen the activities of the regional and national offices of the Commission's secretariat, to consider the matter on the basis of a draft resolution submitted by the President, together with the other draft resolutions and conclusions prepared by the working groups.

14. During the discussion of the agenda, the representative of Cuba said that it failed to cover some problems of ineluctable importance such as the situation of the headquarters of ECLA and other international agencies with their offices in Chile which were affected by the situation prevailing in that country, as regards both their operation and the life and safety of their staff members. He added that Cuba proposed to raise the matter on all appropriate occasions until the United Nations decided to transfer the headquarters of ECLA to a suitable place for the Commission's work. The Chilean representative replied to that statement by declaring that none of the emergency measures adopted by the Government of Chile had interfered with the activities or the safety of members of international agencies residing in that country and that the international institutions continued to enjoy all the safeguards necessary for their normal operation. He said that he was ready to respond at any meeting where the matter might be raised with the necessary arguments to substantiate that position.

C. Account of proceedings

1. Latin American Institute for Economic and Social Planning (ILPES): fourth phase of activities

15. In its consideration of this agenda item, the Committee of the Whole had before it document E/CN.12/AC.66/2, submitted by the ECLA secretariat and containing the proposals of the Governing Council of the Latin American Institute for Economic and Social Planning (ILPES) regarding phase IV of the Institute's activities.

16. The Executive Secretary of ECLA, opening the discussion on this item, referred to the contribution of ILPES since its creation in 1962 to economic and social planning in Latin America, both at the regional level and at the level of individual Governments. The activities it had undertaken in its three fields of action (training, advisory services and research) had been extremely fruitful. Throughout those years, ILPES had been able to build up a fund of experience of Latin American problems in the field that was of incalculable value; in addition, planning had emerged as an instrument of government in the Institute's direct co-operation with countries. As a centre for the generation of ideas, the Institute had trained several thousands of national technicians in the region and in its publications had disseminated the results of its research work.

17. The Executive Secretary observed that the past evolution of Latin America and its new realities had prompted ILPES and the ECLA secretariat to review and analyse the activities of the Institute in depth with a view to increasing its effectiveness in the future. That review and analysis had given rise to the proposals of the Government Council that were before the Committee of the Whole of ECLA.

18. The response of the Governments consulted regarding the continuation and permanent existence of the Institute was an altogether positive one. The Institute must remain in operation and continue to assist Governments in the field of planning; but it must also revitalize and renew its activities in order to respond to the current needs of the countries. The conclusion that had been reached was that ILPES should proceed with its training, research and advisory services along

the following lines: (a) it should maintain its institutional identity within Latin America, and with that in mind its contacts with ECLA must be very close in order to strengthen and render more flexible the combined activities of both institutions; and (b) it should establish the most direct form of communication possible with planning ministries and agencies in the various countries.

19. The Chairman of the Governing Council of ILPES made a statement to the Committee of the Whole in which he justified and supported the proposals of the Council (E/CN.12/AC.66/2). He noted that planning in Latin America had changed substantially since the creation of ILPES, as a result of which the Institute's field of action had been considerably enlarged. ILPES had not only become the repository of the experience accumulated in Latin America on planning; it had also shown itself to be a creative body that successfully sought solutions for planning problems. There were, nevertheless, certain aspects that needed to be changed in order to consolidate its activities, for example the imbalance between its functions on the one hand, and its administrative and financial capacity to fulfil those functions on the other.

20. In his view, ILPES should be ensured a position of autonomy, continuity, permanence and security, in which its staff members would be relieved of the pressures of an uncertain institutional existence. That was precisely why the Governing Council had assigned maximum priority to striking a greater balance between the Institute's advisory and support services to countries, its institutional and financial status and its organic existence.

21. In its advisory activities, its permanent contacts with the specific problems faced by countries provided ILPES with a wealth of empirical experience, which allowed it to keep in close touch with Latin American realities. Its research was an essential part of its work, since it had to analyse and evaluate field experience, and thus a research programme was required which would be sufficiently broad in scope. Through its training activities, ILPES assisted Governments in the essential task of training skilled personnel in the field of planning. Its three fields of activity were closely interlinked and should remain so. In order to enable ILPES to fulfil its responsibilities in all three fields, its capacity and size should remain at least at the current level.

22. He observed that the Council's proposals were designed to offer a solution to the problem of financing and expressed his concern that ILPES had in the past been over-dependent on the United Nations Development Programme (UNDP). That dependence had led to problems, in that ILPES did not enjoy the certainty of continuity that was essential for its activities.

23. In his view, ILPES should maintain its own identity but should also identify more with ECLA. Co-operation between the two institutions had always been close, and could be placed on a more formal footing during phase IV. The Institute must enjoy the proper degree of institutional stability and a more balanced situation as regards financing, and must be relieved of the problems of having a time-limit for its phases of operations.

24. The Governing Council had accordingly suggested that ILPES should become an organ of ECLA under the authority of the Executive Secretary, with permanent

budgetary resources but without giving up its independence and autonomy. ILPES must retain its flexibility and its ability to respond rapidly to special circumstances when required, while ensuring that its activities did not become over-bureaucratic. It was also necessary to look into the possibility of ILPES becoming a means of permanent liaison among national planning agencies, and also the possibility of formalizing its contacts with national planning officials on a more systematic basis. To do so, ILPES could convene meetings between planning agencies and publicize the work undertaken in different countries by issuing and distributing suitable documents and publications.

25. In conclusion, the Chairman of the Governing Council praised the devotion to duty, sense of responsibility and ability of the officials of ILPES, and expressed his confidence that the Institute could be still further improved and become even more effective in the future.

26. The representative of UNDP stated that UNDP was particularly interested in the present meeting of the Committee of the Whole, not only because relations with ECLA were of great importance to the UNDP Regional Bureau for Latin America, but also because ILPES was the biggest project in the region. It was very apposite to undertake a review of its present and future activities at the present time, since UNDP financing for the project was due to terminate on 30 June 1974.

27. He said that UNDP was convinced of the need to strengthen ILPES and to renew and expand its activities in order to respond to needs and realities in the region with a degree of flexibility that would enable it to revitalize its operations and programmes aimed at providing advisory services for Governments and co-operating in the training of experts. ILPES should be a centre for training professionals who would subsequently return to their own countries. It was also important for it to be a multilateral instrument for passing on the experience acquired in planning and channelling assistance to the Latin American countries.

28. He recognized that it was necessary to provide a continuing financial base for ILPES, but noted that this should not be the exclusive responsibility of UNDP. The relations of UNDP with ILPES and ECLA should go beyond the usual type of links between United Nations bodies. The contribution of ECLA at the intellectual and policy levels, the contribution of ILPES at the technical and operational levels and the contribution of UNDP in terms of financing, programming and co-ordination at the regional and national levels should all be brought together in order to put to maximum use the resources available with a view to the progress of all. For that to be possible, a greater degree of integration was required between ILPES and ECLA.

29. In the course of the discussions, the representatives of member Governments unanimously acknowledged the importance of the work of ILPES in the field of planning, the effective services it had provided to the Governments of Latin America from its inception to the present time and the need to give permanence and stability to its work.

30. There was also consensus in the Committee of the Whole on the desirability of greater integration between ILPES and ECLA, both for the mutual strengthening of their efforts to promote the economic and social development of Latin America and to avoid the duplication of functions which had occasionally occurred, with a consequent waste of time and resources.

31. It was likewise generally agreed that the moment had arrived for ILPES and ECLA to work together under the same management, and that ILPES should enjoy stable resources to finance its operations and make the most effective use of its human resources. Its integration with ECLA could contribute to the achievement of both goals without preventing ILPES from continuing to maintain its own individuality and identity.

32. One delegation stated that, although there was no suggestion that ILPES should not continue to work in its three basic spheres of training, advisory services and research, it should not limit its activities to the classic sectors of economic studies or use criteria which could be considered obsolete. An example was that of goods such as water and air, which had traditionally been considered as free or plentiful but were now no longer so. The question of the environment and pollution should be a matter of central concern to planners and ILPES should take action in the matter.

33. The same delegation expressed the desire that ILPES, in conjunction with ECLA, should extend its activities to computing in Latin America. The use of computers had involved vast expenditure and a high degree of dependence. There was an urgent need to overcome the lack of technical know-how in the Latin American countries as regards information technology, cybernetics, the preparation of models, etc. and to study ways of securing the best possible adaptation of the technologies imported. ILPES could plan an important role in those matters.

34. It was also stated that it would be desirable for ILPES (and also ECLA and UNDP) to place greater emphasis on the planning of agriculture, since that sector had not been assigned the basic importance it deserved in Latin American development programmes. In that connexion, bearing in mind the technical assistance work done by FAO in the region, the Committee considered that ECLA, ILPES and UNDP should have the co-operation of that specialized agency in any practical arrangement reached.

35. Several delegations expressed their satisfaction at the collaboration ILPES had provided or was providing to their countries in the preparation of national economic and social development strategies in some cases and the improvement of planning machinery in others.

36. Another delegation considered it very important that the work of ILPES on social planning should be aimed at identifying the different social structures in each area so that the Governments of the countries would be fully familiar with them and consequently able to draw up their development plans on sounder bases. Without a thorough knowledge of national realities, realistic solutions to problems of economic and social growth could not be formulated.

37. Several delegations indicated that it would be desirable for Governments to have more influence in orienting the work of ILPES, and for them to exert such influence in a more direct manner than in the past. One representative stressed in particular that, without prejudice to the responsibilities of ECLA and UNDP in the operation of ILPES, it was very important to safeguard at all times the basic function of Governments in the direction and activities of that agency.

38. The same representative also proposed that the relations of ILPES with similar organizations in other regions of the world and with the specialized agencies of the United Nations should be strengthened.

39. One representative, speaking on behalf of several member and associate Governments, expressed the desire that the linguistic differences between the countries of the region should be borne in mind in the diversification of the work of ILPES. The independent Caribbean countries, for example, would be fertile ground for the training work carried out by ILPES, and the ECLA Office in Port of Spain could carry out in the Caribbean work similar to that done by the Mexico Office in Central America.

40. The Committee of the Whole gave a favourable reception to the proposals of the Governing Council (E/CN.12/AC.66/2), as might be gathered from some of the foregoing paragraphs reflecting those proposals. One delegation, however, voiced a number of reservations and had some stipulations to make. It indicated its agreement with much of the document presented and with the need to consolidate ECLA and ILPES, but considered that the document did not define the responsibilities of ECLA, UNDP and ILPES with the necessary clarity and failed to suggest an adequate approach to the problem of financing the latter agency.

41. The same delegation recalled that when ILPES had been set up to deal with research and training in the planning field in Latin America, a large part of its work had involved activities previously carried out by ECLA. At that time, there had been good reasons for having two quite separate organizations. The current requirement, however, was rather for a unified criterion. The consolidation of the two institutions was advisable from the financial point of view and would give stability to the work of ILPES.

42. The representative of the same delegation made five concrete proposals to the Committee of the Whole: (a) ECLA should be officially designated as the executing agency for the UNDP project under consideration, i.e., the ILPES project; (b) if ECLA accepted that proposal, it should be deemed unnecessary to have a UNDP project manager, thus avoiding the risk of detracting from the authority of the Director of ILPES (who would be responsible to UNDP for the activities of ILPES); (c) in order to increase UNDP's support to ECLA, it would be a good idea to assign a high-level UNDP staff member to ECLA headquarters in Santiago to act as liaison officer between the two institutions; (d) it would be advisable to increase the responsibilities of ECLA in developing and evaluating UNDP regional and subregional projects in Latin America; and (e) it would be an excellent idea to go ahead with the proposal to set up a new ECLA economic and social planning committee, although, in the opinion of his delegation, the terms of reference of that Committee should be broader than those outlined in the document.

43. He also said that he did not think it was realistic to continue to rely on UNDP much longer for most of the financing of ILPES. He pointed out that when UNDP provided financial aid at the inception of any institution - such as the Economic Commission for Asia and the Far East and the Economic Commission for Africa, for example - it only did so until that institution had got under way and its financing was gradually becoming the responsibility of the countries of the region. The moment had therefore come for the Member Governments of ECLA to increase their contribution to ILPES so that UNDP could accordingly reduce its own contribution.

44. Lastly, he said that it would be desirable, once ILPES and ECLA had become consolidated, to transfer CELADE to the ECLA orbit too, since CELADE was at present receiving resources from the United Nations Fund for Population Activities, which was likewise part of UNDP.

45. At the conclusion of the general debate, in view of the various proposals and suggestions made, the Committee of the Whole set up a working group, with the collaboration of the Chairman of the Governing Council of ILPES, to prepare a draft resolution. At its last meeting the Committee adopted, with a few amendments, the draft submitted by the working group (see resolution 340 (AC.66) in part II of this report).

2. Preparatory regional meeting for the Second General Conference of the United Nations Industrial Development Organization (UNIDO)

46. The Executive Secretary of ECLA introduced the topic and supplemented the information contained in document E/CN.12/AC.66/3. He stated that the United Nations General Assembly had approved the holding of the Second General Conference of UNIDO at Lima, Peru, from 12 to 26 March 1975 and had underlined the need for the necessary preparatory work to be carried out at all levels; the secretariat therefore wished to seek instructions from the member States of the Commission regarding the activities it should initiate in that connexion, particularly with respect to the holding of a preparatory regional meeting, if so decided. In the past, ECLA and its secretariat had usually contributed to the preparations of the countries in the region for world conferences of this type, as in the case of the preparatory regional meeting for the World Population Conference, which was to be held at San José, Costa Rica, in April 1974.

47. He added that the UNIDO secretariat had requested the collaboration of ECLA, among other agencies, and had indicated the desirability of holding a preparatory meeting in the Latin American region. UNIDO had also indicated that it was prepared to co-operate in such a meeting, if held, particularly as it was envisaged that the meeting's agenda and documentation should keep as close as possible to the items to be discussed at the Second General Conference of UNIDO.

48. In supporting the idea that ECLA should organize a preparatory regional meeting for the Lima Conference, one of the representatives reported on the work that was already being done at UNIDO headquarters in Vienna through the Industrial Development Board, the Permanent Committee, and the group of 11 members (in which the Latin American region was represented by Mexico and Peru) which had been recently established to give impetus to the preparations for the Lima Conference. The delegations composing the Group of 77 in UNIDO attached great importance to those preparatory activities, since they hoped that the Second General Conference, unlike the first, which had dealt almost exclusively with the functions of UNIDO, could examine as comprehensively as possible the main industrialization problems of developing countries. With reference to the venue of the proposed preparatory regional meeting, he indicated by way of information that Mexico's unofficial offer to act as host country had been presented to the Latin American group of representatives to UNIDO in Vienna in December 1973, and that group had, in principle, undertaken to support Mexico's offer.

49. With respect to the possible participation of consultants in the preparation of the basic documentation for the Lima Conference, he recalled that the Group of 77 had stated at UNIDO meetings that the personnel recruited should include experts from developing countries; it would therefore be useful to know what information the secretariat could furnish on the subject. He further suggested that UNIDO be requested to collaborate closely with ECLA in the work leading up to the preparatory regional meeting for the Lima Conference.

50. The Executive Secretary explained that the ECLA secretariat itself would prepare the basic documentation for the regional meeting and that the services of consultants would be used only if necessary. No consideration had yet been given to the recruitment of any specific persons, since the secretariat had not yet received a specific mandate in that respect.

51. The representative of Mexico expressed his appreciation of the reference to the possibility of holding the preparatory regional meeting in his country and said that, if it was so decided, his Government would spare no effort to make it a success.

52. Another representative drew attention to the key importance of industrial development for the Latin American countries and to the valuable contributions made by ECLA to the study of the question. He shared the hope that the Second General Conference of UNIDO would go further than the first in the formulation of the basic concepts that should guide international co-operation in the industrial development field. His delegation, while maintaining a flexible attitude about the manner in which the preparations for the Lima Conference should be carried out, was not actually convinced that it was essential to hold a preparatory regional meeting, since forums already existed for such work. He nevertheless recognized the need for the secretariat to expedite its work of preparing for the holding of the Second General Conference.

53. All the representatives who participated subsequently in the discussion of this item endorsed the proposal to hold a preparatory regional meeting and a number of them agreed that the proposed agenda of the meeting should be kept as close as possible to that of the Lima Conference.

54. Emphasis was also placed on the vital need for industrial development problems and their possible solutions to be analysed within the general context of the development process, taking into account specific questions such as the relation between the growth of the industrial sector and that of other sectors of the economy and the role of industrialization in the face of problems such as excessively rapid urbanization, rural exodus and unemployment.

55. Several delegations also underlined the importance the preparatory work might have, not merely in connexion with the Lima Conference, but also for facilitating the appraisal - due to be carried out in the mid-1970s - of the implementation of the International Development Strategy in the industrial field. One representative said that the experience of the Latin American countries in such matters could be most useful to the other developing regions of the world.

56. Another representative suggested that the views and collaboration of the Organization of American States (OAS) and of the Inter-American Development Bank (IDB) should be sought in connexion with the preparatory work for the regional meeting.

57. A working group open to all interested delegations was set up to prepare a draft resolution on the question for consideration by the Committee of the Whole.

58. At its 183rd meeting, held on 25 January 1974, the Committee of the Whole adopted resolution 341 (AC.66) entitled "Regional Industrialization Conference", on the basis of the draft resolution presented by the working group (E/CN.12/AC.66/L.1), with a few amendments. The text of the resolution appears in part II of this report.

3. Technical co-operation of ECLA in the field of energy

59. Speaking on the subject of technical co-operation in the field of energy, the Executive Secretary stated that early in the year he had sent a letter to member Governments suggesting that, at the eighth extraordinary session of the Committee of the Whole, the secretariat should be given guidelines in respect of the technical co-operation that ECLA could provide, especially in view of the serious problems facing Latin America and in the international community.

60. He indicated that the general concern about the energy situation had already been reflected at various levels in the United Nations and that the Secretary-General had set up an internal co-ordination team to study means of co-operation. He laid stress on the experience that ECLA had acquired through its analysis of natural resources, particularly energy resources, and mentioned the recent publication of its study on petroleum. The secretariat was therefore anxious, especially in view of the current situation, to hear the views of the member Governments regarding the technical co-operation that ECLA could provide.

61. Although during the ensuing debate it was widely recognized that the energy problem, from which Latin America could not escape, was extremely serious and that ECLA had an important contribution to make in that field, several representatives were of the view that the situation had changed with the recent creation of the Latin American Energy Organization (OLADE) and the decision to hold meetings first at the expert level (Venezuela, April) and then at the ministerial level (Argentina, May), and that ECLA should therefore avoid any duplication of effort.

62. A number of representatives pointed out that the responsibilities of a basic nature entrusted to OLADE in the field of energy did not prevent ECLA from continuing to provide technical collaboration and they expressed confidence that ECLA and OLADE would in due course engage in fruitful co-operation, in which the secretariat could deal essentially with the economic repercussions of various factors, such as prices, on the process of development.

63. One representative stated that his Government considered that one of the most characteristic and serious problems of the world energy crisis was the vast economic power of the transnational petroleum corporations and the control they exerted over the market in crude petroleum and petroleum products - a point which had been made at a recent meeting of Central American Ministers of the Economy in Guatemala. Although his country was prepared to go along with the measures adopted by the Organization of Petroleum Exporting Countries (OPEC), in so far as they tended to improve the terms of trade with the industrialized countries, it was important not to overlook their adverse effect, particularly on the least developed consumer countries which should be given preferential treatment as regards prices, in keeping with their economic capacity.

64. The same delegate said that his Government understood the efforts that the exporting countries were making to increase their share of the current and potential profits of transnational petroleum companies. While it was not opposed to those companies obtaining a fair and reasonable return on their investments, since after all they had contributed to the progress made in prospecting for hydrocarbons, in refining and in petrochemical activities, the transnational enterprises - which were not noted for their social sensitivity to the kind of problems that particularly affected the least developed countries - tended to take advantage of the energy situation at the expense of the consumer countries by demanding indiscriminate prices and increasing their profits by means of their control over the marketing and transport of petroleum and petroleum products. Consequently, concerted international action was required to regulate their conduct as an initial step towards the adoption of the Charter of Economic Rights and Duties of States that had been proposed by the President of Mexico at the third session of the United Nations Conference on Trade and Development (UNCTAD). ECLA must without further delay examine the energy problem as a whole, including the effect of prices and of the concentration of economic power in the hands of the transnational enterprises not only on the equitable and efficient operation of the international market but also on the economies of the least developed countries.

65. Another representative said that the concept of international social justice was one of the fundamental bases of the external policy of his country, which was the largest producer of petroleum in Latin America. It had therefore maintained an attitude of constant readiness to co-operate, and at the aforementioned meeting of Ministers of Economy it had submitted to the Permanent Secretariat of the General Treaty on Central American Economic Integration (SIECA) a memorandum suggesting various forms of collaboration. He went on to consider the situation of his country's production of petroleum and its immediate prospects and emphasized his Government's intention to give preference to Latin American countries that might be adversely affected by a reduction in supply. Moreover, a recent meeting of OPEC had accepted his Government's proposal to study the possibility of creating an Energy Development Bank to finance energy projects in developing countries and provide credits to facilitate their purchases of petroleum.

66. With regard to the pricing policy to be pursued, the same representative stated that, just as his country had received ample collaboration from the region in obtaining supplies of other products - but at prices which had risen in keeping with international levels and were not preferential - so it considered that it was equally entitled to fair prices for its petroleum; it would, however, continue co-operating in the search for solutions to energy problems by, for example, giving its full support to OPEC and OLADE, to which the respective member countries had given certain responsibilities in that field. The solution to such problems had to be sought through negotiations between Governments, and could not be left to the transnational enterprises. His delegation supported participation by ECLA in the activities of OLADE and was in favour of co-operation between both institutions.

67. The representative of another Latin American petroleum-producing country said that the energy crisis could not be approached unilaterally. It was not just a question of prices but of something much more complicated. The problem had to do with the structure of the international market, the shortage or wastage of non-renewable resources, the growing demand for energy in the large industrialized centres, the tax, monetary and trade policy pursued by those centres, and the excessive profits which the transnational enterprises responsible for marketing

and transporting the petroleum and petroleum products earned at the expense of the consumers. The time had come to strike a fair balance in the trade relations between the countries producing raw materials and the major centres of consumption that had been benefiting from absurdly low prices. The measures adopted by OPEC had not been arbitrary but the result of a careful study of the various aspects of the problem, so as to pave the way for a dialogue and for negotiations with the consumer countries and to further the search for solutions that would be in the interest of all the parties concerned. OLADE, for its part, had been created to study the problems and programmes of energy development in the common interest of the region and ECLA should contribute to such studies, with due regard for those carried out by OPEC.

68. Another representative said that his country had proposed the convening of a world conference under the auspices of the United Nations to discuss the problems arising from the energy crisis, and several of the Organization's dependent agencies, including certain regional economic commissions, had already taken steps in that direction. He therefore considered that ECLA also had a role to play.

69. Another delegation pointed out that OLADE was not part of the United Nations system and its secretariat was still in the process of organization. In view of the importance of the energy problem it was necessary to discover without further delay what the basic facts were. He therefore suggested that the ECLA secretariat should intensify its research so as to submit a study on the subject towards the middle of 1974 and that it should make use of the advisory services of such experts as were necessary as well as taking advantage of the collaboration of the International Bank for Reconstruction and Development (IBRD), the International Monetary Fund (IMF) and IDB which were also carrying out studies on the subject. As far as transnational enterprises were concerned, the United Nations Economic and Social Council was already studying the matter through a group of eminent persons who were to report to it at its meeting in July 1974.

70. At the suggestion of a number of representatives and of the Chairman, the Committee of the Whole set up a Working Group composed of representatives of interested delegations to prepare a text which, while not a draft resolution, would reflect the general consensus of the meeting that the energy problem was of concern to the Latin American countries, that a specialized regional organization (OLADE) already existed, that the work of ECLA in that field should be co-ordinated with that of OLADE by intensifying the secretariat's economic analysis of the problem and that the secretariat should accordingly seek the collaboration of other international organizations concerned, as well as the advisory services of experts on an individual or collective basis, as required.

71. The Executive Secretary said that the guidelines set out in the course of the discussion would be very useful for the secretariat, and at the 183rd meeting the Chairman of the Committee of the Whole submitted for the approval of the delegations the conclusions that had been considered and set out by the Working Group in the following text, which the Committee duly approved in connexion with the agenda item entitled "Technical co-operation of ECLA in the field of energy":

- "1. There was full recognition of the concern of Governments regarding the energy crisis and its impact on the economies of the countries of the region.

- "2. It was recognized that the experience of the ECLA secretariat in the field of energy resources could be particularly useful. Accordingly, the desire was expressed that the secretariat should intensify its efforts in this field with a view to submitting to member Governments, as soon as possible, its observations and conclusions concerning the impact of the energy crisis on the economies of the region.
- "3. The Office of the Executive Secretary was invited to co-operate closely with the Latin American Energy Organization (OLADE) with a view to their assisting each other in the discharge of their respective tasks."

72. Following the approval of those conclusions by the Committee of the Whole, the Chairman requested, in the light of what had been said during the debates, that the report of the meeting should state explicitly that the Executive Secretary was fully empowered to carry out the technical analyses in whatever manner and with whatever advisory services might prove to be necessary.

4. Strengthening of the activities of the regional and national offices of the ECLA secretariat

73. In response to questions which had been put to him, the Executive Secretary recalled that, at the fifteenth session of the Commission (Quito, Ecuador, March-April 1973), it had been announced that the work programme would be formulated with due attention to the priorities and guidelines indicated by member Governments. The secretariat, which had already made the relevant adjustments and would shortly be submitting them to member Governments for approval, would appreciate any observations that the latter might wish to have taken into account in the preparation of the final programme.

74. He further indicated that, in consultation with the Governments concerned, the secretariat was also endeavouring to strengthen the activities of the existing regional and national offices of ECLA as they related to the work programme. He also announced that, following consultations with the Government of Argentina, which had offered extensive and generous collaboration, an agreement was being concluded regarding the opening of a regional office in Buenos Aires. Thus, through its offices located in various parts of Latin America, the secretariat hoped to be able to carry out the tasks entrusted to it more effectively.

75. The representative of Argentina expressed his Government's satisfaction at the agreement for the establishment of a regional office in Buenos Aires and suggested that the Committee of the Whole should take note of the measure and adopt a resolution on the strengthening of the activities of the ECLA offices.

76. The Committee of the Whole at its 183rd meeting accordingly adopted resolution 342 (AC.66) which is reproduced in part II of this report.

Part II

RESOLUTIONS ADOPTED BY THE COMMITTEE OF THE WHOLE
AT ITS EIGHTH EXTRAORDINARY SESSION

77. At the conclusion of its eighth extraordinary session the Committee of the Whole adopted the following three resolutions:

340 (AC.66) LATIN AMERICAN INSTITUTE FOR
ECONOMIC AND SOCIAL PLANNING

The Committee of the Whole of the Economic Commission for Latin America,

Considering that under resolution 220 (AC.52), adopted by the Committee of the Whole of ECLA at its ninth session, held in June 1962, the Latin American Institute for Economic and Social Planning (ILPES) was established in the form and with the organization which it has retained until the present,

Recognizing that the work done by ILPES has afforded effective assistance to the Governments of many Latin American countries in their efforts to organize planning machinery, prepare development plans and strategies and carry out research and personnel training activities,

Considering that the basic functions of ILPES respond to permanent needs of Latin America in the field of economic and social planning,

Judging that the complexity of the problems and circumstances surrounding the economic and social development of Latin America, as well as those that are apparent in the world as a whole, render it increasingly advisable that ECLA and ILPES should deal with them jointly, with the greatest possible unity of action and along common lines, while maintaining the Institute's own identity,

Recognizing that this unity of action requires a new framework for the Institute's activities and a change in the structure of its administrative authorities,

Bearing in mind that the responsibilities which the Governments wish to assign to ILPES and ECLA jointly are such as to require the establishment of a guiding body to serve as a permanent link with the national agencies responsible for planning in the Latin American countries,

Recalling that the Commission has repeatedly recommended that the United Nations should provide ILPES with stable and sufficient resources to carry out its duties,

Expressing its gratitude to the United Nations Development Programme for its participation in and constant support of ILPES and to the Inter-American Development Bank for its contribution to and encouragement of the Institute's activities,

Taking into account resolution 319 (XV), adopted by the Commission at its fifteenth session, and the proposals contained in the report of the Governing Council of ILPES submitted to the Committee of the Whole at its eighth extraordinary session (E/CN.12/AC.66/2),

A

Resolves:

1. To direct that the Latin American Institute for Economic and Social Planning (ILPES), established by resolution 220 (AC.52) of the ninth session of the Committee of the Whole, become a permanent institution of the Commission, with its own identity and responsible directly to the Executive Secretary of ECLA, who shall represent it before the member Governments;
2. To determine that, having regard to the opinions expressed by the Governments in the course of the discussion held by the Committee of the Whole and set forth in section C.1 of part I of the report of the present session, the broad objectives and functions of the Institute shall continue to be those indicated in paragraph 1 of the said resolution 220 (AC.52);
3. To provide that the Director of ILPES shall be appointed according to the procedure which the Secretary-General of the United Nations may determine, be in charge of directing the activities and operations of the Institute and be responsible for its management to the Executive Secretary of ECLA;
4. To provide also that the Executive Secretary of ECLA may negotiate with Governments or other national and international bodies the contracts or arrangements that may be necessary for the provision of the Institute's services, on the understanding that contracts or arrangements with national agencies shall be made with the approval of the Governments concerned;
5. To determine that the Executive Secretary of ECLA, on behalf of the Secretary-General of the United Nations, shall be authorized to accept such contributions to the financing of the Institute's activities from Governments, international agencies, foundations and public and private institutions as may help to finance the Institute's activities in accordance with its aims and purposes and with the guidelines laid down for it by the Governments;
6. To recommend to the Latin American Governments that they request the Administrator and Governing Council of the United Nations Development Programme to continue giving support to the activities of ILPES;
7. To request the Executive Secretary of ECLA to prepare, on behalf of the Governments of Latin America and in consultation with them and with the United Nations Development Programme, a preliminary project of assistance to the activities of ILPES, bearing in mind the guidelines laid down in this resolution, for submission by those Governments to the United Nations Development Programme before the eighteenth session of its Governing Council;
8. To recommend that the member countries should increase their voluntary contributions to the Institute;

9. To address, in addition, to the Governing Council of the United Nations Development Programme a request that the Executive Secretary of ECLA, on behalf of the Secretary-General of the United Nations, be designated executing agent of the Institute's project;

10. To recommend also that the United Nations Development Programme should appoint a liaison officer of the appropriate level to ECLA headquarters.

B

The Committee of the Whole of the Economic Commission for Latin America

Further resolves:

1. To establish, on a provisional basis, a technical committee of the Latin American Institute for Economic and Social Planning, consisting of representatives at the appropriate level of the ministries of the countries of the Latin American region having the following functions:

(a) To act as the senior guiding body for the Institute's planning activities in the fields assigned to it;

(b) To serve as an advisory body for the Executive Secretary of ECLA, with respect to the implementation of the work programmes of ILPES and the evaluation of their results; and

(c) To review and approve the work programmes of ILPES;

2. To thank the distinguished Latin Americans who have served as members of the Governing Council of ILPES in the course of its operations for their valuable contribution to the efficient conduct and guidance of its activities.

341 (AC.66) REGIONAL CONFERENCE ON INDUSTRIALIZATION

The Committee of the Whole of the Economic Commission for Latin America,

Bearing in mind United Nations General Assembly resolution 2952 (XXVII) in which it was decided to convene a Second General Conference of the United Nations Industrial Development Organization in the early months of 1975, in accordance with the provisions of resolution 33 (VI) of the Industrial Development Board,

Taking note of resolution 3087 (XXVIII), in which the General Assembly decided that the aforementioned Conference should be held at Lima, Peru, from 12 to 26 March 1975,

Noting also that in that resolution the General Assembly emphasizes the need to ensure that adequate preparatory work is done so as to enable the Second General Conference, in the light of the progress in the implementation of the International Development Strategy for the Second United Nations Development Decade, to analyse the role of industrialization in the promotion of the development of the developing countries, to focus on the basic problems facing those countries in the field of industrial policies and planning and to define, within a dynamic framework, the contribution of the international community to the process of industrialization of

the developing countries with due attention to the exchange of experiences and increased co-operation among the developing countries themselves,

Bearing in mind also that in the same resolution the General Assembly recommends that the Second General Conference should examine the co-operation of developed and developing countries, as well as co-operation among the developing countries themselves, in the process of industrialization, with a view towards establishing the basic principles for an international declaration on industrial development and co-operation and with the aim of defining a comprehensive plan of action for assisting the developing countries, in particular the least developed among them, in their efforts to accelerate their industrialization and achieve a more equitable share of industrial activity in the context of a new international division of labour related to industry,

Recognizing the importance that the Governments of the member States of the Commission attach to the goals and policy measures related to industrial development and to the need to review periodically the progress achieved during the decade in the light of the International Development Strategy,

Recalling that the Economic Commission for Latin America has a direct responsibility in this process of appraisal in that region,

1. Decides to hold a Latin American Conference on Industrialization to examine and evaluate, in the light of Latin American experience and the internal and external difficulties experienced by the countries of the region, particularly those which are less industrially developed, the problems of industrial development in a regional context and the need for international co-operation with regard to industrialization and its prospects and in particular the role of UNIDO in this co-operation. The results and conclusions of the Conference will provide a basis for the contribution of the region to the debates at the Second General Conference of the United Nations Industrial Development Organization;

2. Approves the proposal of the Executive Secretary of the Economic Commission for Latin America that this Regional Conference on Industrialization should be held in November 1974;

3. Authorizes the Executive Secretary of the Economic Commission for Latin America to consult with the Governments of the member States of the region which are interested in the possibility of acting as host to the Regional Conference; and

4. Requests the Executive Secretary of ECLA to approach member Governments, the Secretary-General of the United Nations and other interested international bodies with a view to obtaining the necessary financial and technical assistance for the holding of the aforementioned Regional Conference.

342 (AC.66) STRENGTHENING THE REGIONAL OFFICES
AND SECRETARIAT

The Committee of the Whole of the Economic Commission for Latin America,

Considering the information provided by the Executive Secretary of ECLA concerning the steps taken by the secretariat to strengthen its work in the

regional and national offices and, in particular, in Port of Spain, Bogotá, Rio de Janeiro and Mexico City,

Noting with satisfaction the agreements concluded between the ECLA secretariat and the Argentine Government concerning the opening of an office in Buenos Aires which, in addition to representing ECLA and carrying out activities of regional interest, will undertake technical programmes in co-operation with the Argentine Government in respect of studies, research and training in the economic and social field of common interest to the Argentine Government and ECLA,

Noting also the satisfaction, expressed on behalf of the Government of the Argentine Republic by its representative on the Committee with regard to these agreements, and the intention of that Government to provide technical and financial support for this office,

Reaffirming the Commission's interest in promoting the further integration of the secretariat's work programmes with the plans and activities of the Governments and subregional groupings through more technical action by the ECLA secretariat in the economic and social field, in direct liaison with the member Governments via the regional and national offices,

Resolves:

1. To support the action taken by the secretariat to strengthen its regional and national offices and, in particular, the offices now operating in Port of Spain, Bogotá, Rio de Janeiro and Mexico City;
2. To approve the agreements concluded between the secretariat of the Commission and the Argentine Government concerning the opening of an ECLA office in the city of Buenos Aires;
3. To request the Secretary-General of the United Nations to give the fullest possible support to the strengthening of the ECLA regional and national offices.

Part III

DRAFT RESOLUTION FOR SUBMISSION TO THE
ECONOMIC AND SOCIAL COUNCIL

The Economic and Social Council

Takes note of the report of the Committee of the Whole of the Economic Commission for Latin America on its eighth extraordinary session (E/5495/Add.1-E/CN.12/AC.66/5) and of the resolutions adopted by that Committee, as well as of the summary of the proceedings contained in the report.