



ECONOMIC COMMISSION FOR LATIN AMERICA

ANNUAL REPORT

(8 May 1970 - 8 May 1971)

VOLUME I

**ECONOMIC AND SOCIAL COUNCIL
OFFICIAL RECORDS: FIFTY-FIRST SESSION**

SUPPLEMENT No. 4

UNITED NATIONS

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be supported by a valid receipt or invoice. This not only helps in tracking expenses but also ensures compliance with tax regulations.

In the second section, the author provides a detailed breakdown of the company's revenue streams. This includes sales from various product lines and services. The data shows a steady increase in revenue over the past year, which is attributed to improved marketing strategies and operational efficiency.

The third section focuses on the company's financial health. It highlights the strong cash flow and the ability to meet all financial obligations. The author also mentions the company's commitment to investing in research and development to stay ahead in the market.

Finally, the document concludes with a summary of the overall performance and a look ahead for the future. The author expresses confidence in the company's growth prospects and the dedication of the entire team.



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New York, 1971

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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ABBREVIATIONS

ALAF	Latin American Railways Association
ALALC	Latin American Free Trade Association
ALAMAR	Latin American Shipowners Association
BCIE	Central American Bank for Economic Integration
BTN	Brussels Tariff Nomenclature
CARIFTA	Caribbean Free Trade Association
CDPPP	Centre for Development Planning, Projections and Policies
CECLA	Special Committee on Latin American Co-ordination
CEMLA	Centre for Latin American Monetary Studies
CIAP	Inter-American Committee on the Alliance for Progress
CICOM	Inter-American Marketing Centre
CIDA	Inter-American Committee for Agricultural Development
CIPE	Inter-American Export Promotion Centre
CLADES	Latin American Centre for Economic and Social Documentation
DAC	Development Assistance Committee (OECD)
ECCM	East Caribbean Common Market
ECLA	Economic Commission for Latin America
EEC	European Economic Community
ENALUF	National Power and Light Company (Nicaragua)
FAO	Food and Agriculture Organization of the United Nations
GATT	General Agreement on Tariffs and Trade
ICAP	Central American Institute of Public Administration
ICIRA	Training and Research Institute for Agrarian Reform
IDB	Inter-American Development Bank
IICA	Inter-American Institute of Agricultural Sciences
ILO	International Labour Organisation
ILPES	Latin American Institute for Economic and Social Planning
IPEA	Institute for Economic and Social Planning (Brazil)
ITC	International Trade Centre (UNCTAD/GATT)

OAS	Organization of American States
OECD	Organization for Economic Co-operation and Development
OTC	United Nations Office of Technical Co-operation
SIECA	Permanent Secretariat of the General Treaty on Central American Economic Integration
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
WMO	World Meteorological Organization

INTRODUCTION

1. This twenty-second annual report of the Economic Commission for Latin America (ECLA) covers the period from 8 May 1970 to 8 May 1971, ^{1/} It is submitted to the Economic and Social Council for consideration at its fifty-first session in accordance with paragraph 12 of the Commission's terms of reference.

PART I

WORK OF THE COMMISSION SINCE 8 MAY 1970

A. ACTIVITIES OF SUBSIDIARY BODIES

2. The list of meetings held by subsidiary bodies during the period under review appears in annex I.

B. OTHER ACTIVITIES

1. Activities of the secretariat

3. This and the following sections deal with the activities of the secretariat that are not directly related to the proceedings of the Commission's subsidiary bodies.

OFFICE OF THE EXECUTIVE SECRETARY

Latin America and the Second United Nations Development Decade

4. In a paper presented at the fourteenth session of the Commission (E/CN.12/869), the Office of the Executive Secretary discusses the various issues involved in the implementation of the International Development Strategy for the 1970s. In particular, it discusses the Strategy from the following standpoints: the significance of its objectives and policies for Latin America; questions relating to its promotion, the provision of instruments required for putting it into effect, and its actual implementation; and the requisite periodic evaluation of the implementation process and of the progress achieved.

5. Such a Latin American interpretation of the international strategy is a necessity because the economic and social conditions of the region, the nature of its problems and its development prospects differ substantially from those of other developing areas. Hence objectives, targets and policy proposals must be examined in the Latin

^{1/} For the twenty-first annual report of the Commission see Official Records of the Economic and Social Council, Forty-ninth Session, Supplement No. 4 (E/4806).

American context, with the primary aim of inducing countries to formulate their own approaches, targets and objectives.

6. With regard to the more specific activities falling to the share of the secretariat, the following points are touched upon:

(a) Concentration of the secretariat's information and research work on the major internal and external problems connected with the development strategy of the Latin American countries;

(b) Country-by-country promotion of technical activities relating to the preparation of development plans, or to the determination of targets, objectives and policies as referred to in the International Development Strategy;

(c) Collection and systematization of the studies and material required for presenting, at the regional level, the targets, objectives and policies proposed or decided upon by the Latin American Governments;

(d) Technical assistance to countries requesting it in connexion with the activities mentioned above;

(e) Co-ordination with other United Nations agencies in these promotional activities for the Second Development Decade.

7. The document also considers the problem of the periodic evaluation of the progress achieved in the Second Development Decade, discussing the nature and scope of the appraisal which it will be incumbent upon ECLA to make, together with some questions relating to the methods, evaluation systems and information required. Allusion is made to the necessity of providing for the organization of any technical assistance that countries may need for the purposes of evaluation at the national level and, lastly, attention is devoted to some aspects of co-ordination with regional bodies, with the United Nations Department of Economic and Social Affairs, and with the various United Nations agencies.

International co-operation in connexion with the earthquake in Peru (31 May 1970)

8. In its resolution 297 (AC.63), the Committee of the Whole ^{2/} requested the secretariat of the Commission and the Latin American Institute for Economic and Social Planning (ILPES) to continue to co-operate as fully as possible in response to the requests they received from the Government of Peru regarding economic, social and technical questions within their competence.

9. In August 1970, the Economic Commission for Latin America and the Latin American Institute for Economic and Social Planning sent a joint mission to collaborate with the National Planning Institute of Peru in identifying the most important development requirements in the devastated area.

10. As a result of the work done by the Joint ECLA/ILPES Mission, the Government of Peru submitted a request to the United Nations Development Programme (UNDP) for the preparation of a project containing plans for the development of the area affected. This project, which was drawn up by ECLA on the basis of the Mission's recommendations and discussed with the Peruvian planning authorities, comprises two

^{2/} For the sixth extraordinary session of the Committee of the Whole, see Official Records of the Economic and Social Council, Forty-ninth Session, Supplement No. 4A (E/4883/Rev.1).

phases: an initial period of three months in which to prepare basic outlines for the area's future development, adopt measures for immediate action and organize the requisite human and financial resources; and a subsequent phase of twelve months' duration, in which to formulate a twenty-year development strategy for the northern region of Peru, which embraces the whole of the earthquake area. The basic outlines for the future development of the region should be ready by 15 April 1971, together with the specific measures requested for the first phase relating to the three fundamental aspects of the socio-economic situation: environment, population and the economy itself.

11. Where environment is concerned, measures for averting future rainy season disasters will have to be suggested, and criteria will need to be established for selecting new sites for future population centres and for setting up communications infrastructure, with due regard to the studies carried out and the information available on climate, soils, water resources and vegetation.

12. Respecting population, it will be necessary to make an inventory of basic needs (in the fields of health, nutrition, housing and education), and to draw up a programme to meet these requirements in co-ordination with the ILO Mission in Peru and other groups co-operating with the national authorities. At the same time, some indication will have to be given of the social resources and investment needed to restore every-day life to normal and draw the population into the reconstruction process, with due care to prevent the construction of housing units that are not built on aseismic lines.

13. At the economic level, production will have to be reactivated in the agricultural sector and in artisan-type industry, priority being given to those products which are of most importance for the economy of the earthquake area and of the country as a whole; and steps will have to be taken to organize the marketing of these products inside and outside the area. The basic infrastructure will also call for special attention, particularly land and air communications, telecommunications, electric power and flood control.

14. The twenty-year plan will seek to lay down the main guidelines for the regional development process, and will formulate programmes for the various administrative areas making up Peru's northern region.

15. A mission composed of ten experts under the leadership of a co-ordinator has been appointed by ECLA and ILPES to co-operate with the Government of Peru in the first phase of the project. The co-ordinator will also help to prepare a diagnosis of present economic conditions in the affected area and to set up the machinery for co-ordination between sectoral and regional programmes and projects.

16. The other experts will work in the following socio-economic fields related to the objectives of the project: planning the future of the earthquake region; programming social action in relation to development; inventorying communications media; preparation of detailed reports of the state of repair of population centres, bearing in mind possibilities of rehabilitating them; environmental sanitation; development of medium-scale, small-scale and artisan-type industry; development prospects for livestock production; execution of irrigation projects; rehabilitation and improvement of existing electricity networks.

ECONOMIC DEVELOPMENT AND RESEARCH DIVISION

17. During the period covered by this report, the Division prepared the Economic Survey of Latin America, 1970 (E/CN.12/868). It also conducted research on various topics linked to the definition of a strategy for the Second Development Decade.

Economic Survey of Latin America, 1970

18. The Economic Survey of Latin America for 1970 presents a review of over-all economic trends in the region and in the individual countries, together with several special studies, relating primarily to external sector problems.

19. The indicators of most relevance for analysing the trends and structure of Latin American development during the 1960s are discussed in the context of the formulation of a development strategy. The Survey begins with an analysis of the trends of the product, together with their determining factors and of external sector trends. To judge from provisional estimates, the growth rate of the gross domestic product seems to have been more than 6.5 per cent in 1970, as against 6.1 per cent and 6.4 per cent in 1968 and 1969, respectively. Exports increased by about 10 per cent and imports by 8.5 per cent. The breakdown by countries shows that, according to data available in mid-December, the 1970 figures for the rise in the product were as follows: over 7 per cent in Brazil, Mexico and Panama; between 5 and 7 per cent in Colombia, Peru, Costa Rica, Bolivia, Venezuela, Argentina, Guatemala, Paraguay and Uruguay; and between 3 and 5 per cent in El Salvador, Chile and Honduras.

20. The subjects of the special studies are the nature and activities of multinational enterprises, and the characteristics of Latin America's trade with the European Economic Community (EEC) and Japan.

Mobilization of domestic resources

21. Two more studies in the series on this topic, begun in 1969, were brought to completion. ^{3/} The first deals with the current and potential importance of the public enterprise sector in some of the Latin American economies, and the second with the evolution and characteristics of financial intermediaries and their role in the formation and channelling of savings.

(a) Public enterprises: their present significance and their potential in development

22. In this study (E/CN.12/872) the importance of the public enterprise sector is analysed in the light of the investment it effects, its relative size at the

^{3/} See "Mobilization of domestic resources", Economic Bulletin for Latin America, vol. XV, No. 2 (1970).

national level, and the main activities in which it engages. The influence on savings and investment exerted by public enterprises is studied with due regard to the results of their operations and to their price, tariff and wage policies; the part they play in the evolution of technology, in the capital goods industries and in other key aspects of the economy is also examined. The recommendations formulated relate to the requisites with which such enterprises will have to comply if they are to make a more effective contribution to the implementation of development policy.

(b) Financial intermediation in Latin America

23. This study, summarized in English in document E/CN.12/876, part II, goes further into financial development as part of the broader problem of the mobilization of resources is continued. The first aim is to clarify certain theoretical points bearing on the general functions of the financial sector and its possible relations with the pattern of economic development; and the second, to look more deeply into recent financial development problems in Latin America. A stage-by-stage review of the history of Latin American development in relation with financial intermediation is followed by a general analysis of the various types of institutions and their function in the new phase of development upon which Latin America is entering; and in conclusion, more detailed attention is given to some cases of financial development in individual countries on which more detailed information is available with respect to the past few years (Colombia, Ecuador, Peru and Chile).

Other work

24. Other topics with which this Division is also currently concerned include the following: possible development strategies and their relation to income distribution, technology and employment; income distribution in some of the larger Latin American cities; and relationships between the centre and the periphery, with reference to the main changes they underwent during the 1960s, and the repercussions of these changes on Latin America.

SOCIAL AFFAIRS DIVISION

25. During the period covered by the present report, the Division co-operated with ILPES in the preparatory work for the Course on Regional Development Planning (31 August to 3 October 1970). A study on population trends and policy alternatives in Latin America was completed.

Population trends and policy alternatives in Latin America

26. This study (E/CN.12/874) comprises an analysis of the relations between demographic change and changes in the main features of economic and social policy; a glance at the status of the controversy on population policy objectives; and a review of the instruments that might be included in a population policy.

Other work

27. In addition to the work described above, the Division completed a study on employment and the utilization of human resources ("El empleo y la utilización de los recursos humanos"), which seeks to identify the chief short-comings linked to existing patterns of economic growth and social change; the different functions of employment in the developing process; the requirements that must be met if these functions are to be fulfilled more effectively; and the policy instruments needed for the attainment of those ends. It also prepared a study of regional development problems in the various Latin American countries ("Aspectos regionales del desarrollo en los países latinoamericanos (E/CN.12/896), analysing current thought on the development of internal regions in these countries, the characteristics and causes of the existing disparities between different internal regions, and the policy criteria that have been proposed. The work done in this field includes monographs summing up the information available on regional development in several countries.

28. The Division also prepared a note on population in relation to development policies ("La población en las políticas de desarrollo"), and another on demographic change and rural development in Latin America ("El cambio demográfico y el desarrollo rural en América Latina") for a regional conference on population problems (Conferencia Regional Latinoamericana de Población, Mexico City, D.F., 17-22 August 1970).

29. Among the studies which this Division has in hand at present, mention may be made of a paper on urbanization and problems of the marginal social groups ("La urbanización y problemas de los grupos sociales marginales"), which is based on research carried out in two Latin American capital cities, and of others on the following topics: urban growth in Latin America, 1960-1970; the volume and differentials of migration in Colombia; the scale and coverage of the use of contraceptives in Latin America; differential fertility in Latin America; and organizational patterns of the new urban agglomerations.

TRADE POLICY DIVISION

30. During the period under review, the Trade Policy Division focused its attention mainly on the advisory services it provides to the Special Committee on Latin American Co-ordination (CECLA), together with the preparation of documents, organization of courses, and advisory services to the countries of the region. It was responsible for organizing the Fifth Regional Course on Trade Policy.

Co-operation with CECLA

31. Co-operation with CECLA has consisted chiefly in two types of activity: (a) preparation of studies on technical questions (not only analysing problems, but also putting forward proposals or formulas for solving them) and of documents concerned with strategy (containing recommendations or suggestions as to possible lines of action or concerted attitudes which might be adopted by the Latin American countries in their trade and financial relations with third countries); (b) the provision of advisory services during the meetings of CECLA, at which the countries have to co-ordinate their positions or conciliate their interests in order to reach agreement on joint lines of action.

32. In compliance with the request formulated in ECLA resolution 291 (XIII), a document entitled "Relaciones entre América Latina y la Comunidad Económica Europea"

(E/CN.12/L.48) was prepared for discussion and analysis at the Extraordinary Meeting of CECLA at the Ministerial Level held at Buenos Aires from 20-31 July 1970.

33. This document, which was briefly reviewed in the last Annual Report, deals with its revised form with the following topics: the main points of view expressed by the Latin American countries, and those emerging from reports prepared by the Commission of EEC (in particular, the Martino Report of July 1969) and from the proceedings of the European Parliament, together with a summary of conclusions and recommendations for the opening of negotiations with the Community; trade between Latin America and EEC; the Community's trade policy, including the policy of preferential agreements and the extension of EEC, the common agricultural policy, and EEC's participation in the general system of preferences. Information annexes appended to this last section of the study (E/CN.12/L.48/Add.1) cover the following ground: trade agreements and association agreements between EEC and other countries; general and preferential treatments accorded by EEC to imports of products of interest to the Latin American countries included in the Brussels Tariff Nomenclature (BTN), chapters 1 to 24; a summary of the regulations applicable to products subject to common market organizations; a summary of the Mansholt Plan, and of the proposals on general preferences put forward by the leading States members of the Organization for Economic Co-operation and Development (OECD), with a consolidated list of their offers for products of interest to the Latin American countries; and the financial relations between Latin America and EEC, including financial flows from countries members of the OECD Development Assistance.

34. For the CECLA meeting held at Brasilia (2 to 14 February 1971) four notes were prepared on the following topics: views and proposals formulated by the Comptroller General of the United States on the operation of the sugar imports system and of the International Coffee Agreement (E/CN.12/L.54); possible implications of the protectionist policies of industrialized countries for the Latin American economies (E/CN.12/L.55); guidelines for UNIDO's activities in Latin America in the Second Development Decade (E/CN.12/L.56); and the reply by the Council of Ministers of EEC to the Declaration of Buenos Aires (E/CN.12/L.57). The Division also prepared the following documents: "The foreign trade and trade policy of the English-speaking Caribbean countries" (E/CN.12/882); "International economic co-operation and the third session of UNCTAD" (E/CN.12/889); "Policy measures in the field of international trade and external financing" (E/CN.12/906); and "Possible lines of action for Latin America in its trade relations with the developed areas" (E/CN.12/910).

35. Two of the special studies for the Survey were prepared by the Trade Policy Division. One discusses the trends and prospects of relations between Latin America and the European Economic Community, while the subject of the other is Latin America's exports to Japan.

Other work

36. Information documents were prepared which briefly review the main activities and meetings of UNCTAD and GATT during the period under consideration, emphasis being laid on the topics of most importance to the Latin American countries. This material was sent to government officials concerned with foreign trade in all the Latin American countries. The study entitled "International economic co-operation and the third session of UNCTAD" (E/CN.12/889) was also completed.

Technical co-operation

37. The regional Advisers on Export Promotion and on Financial Aspects of Exports made several visits to Andean countries to hold conversations with officials of central banks, foreign trade institutes and institutions handling export credit insurance.
38. The Director of the Division took part in the formulation of the Trade Programme of the Latin American Free Trade Association (ALAC) secretariat, which was drawn up in conformity with the Plan of Action adopted by the Conference of the Contracting Parties at its ninth session.
39. Through the Montevideo Office, the Division collaborated with the ALALC secretariat and with the representatives of the Contracting Parties in the process of evaluation of ALALC. It also continued to co-operate with other integration agencies through the Mexico and Bogotá Offices and the Office for the Caribbean.
40. Talks on export incentives were given at the symposia organized in Buenos Aires and Montevideo by the UNCTAD/GATT International Trade Centre (ITC) in May 1970.
41. The Regional Adviser on Institutional Aspects and Formulation of Trade Policy co-operated with the authorities of one of the Latin American countries in the definition of institutional aspects of foreign trade, and, at the request of the Inter-American Marketing Centre (CICOM), lectured at a course organized by that institution in Brazil.
42. A mission on export promotion, organized in collaboration with the Industrial Development Division and the Public Administration Unit, visited Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Peru, Uruguay and Venezuela (see Multi-Divisional Programmes, paragraphs 275-287).

INDUSTRIAL DEVELOPMENT DIVISION

43. During the period covered by the present report, studies were prepared on industrial policy in Latin America, and technical co-operation services were furnished to several of the Latin American countries (in particular members of the Andean Group). Through the ECLA/FAO/UNIDO Forest Industries Advisory Group for Latin America, the Division took part in the Regional Meeting on the Development of the Forest and Pulp and Paper Industries in Latin America (Mexico City, 19-26 May 1970).

Industrial policy in Latin America

44. The purpose of the study on industrial policy (E/CN.12/877) is to provide new background material for analyses of the nature and dynamics of industrial development in Latin America. It reviews the most salient characteristics of Latin American industry, analysing changes in the structure of manufacturing production; the labour-absorbing capacity of industry in different Latin American countries; and the increasing trend towards the concentration of industry in one central geographical location, which has apparently been among the causes of the failure of industrial development to spread its stimulating effects through the rest of the economy to the extent that might have been expected.
45. Attention is devoted to the relation between certain economic variables (market size, the population factor, income distribution) and the stage reached by industrial development in Latin America as a whole and in groups of Latin American countries.

46. The most important of the factors limiting industrial development are reviewed. They include the following: low levels of efficiency and competitiveness; over-concentration in given geographical areas; waste of capital resources; low-productivity of manpower; weakness of inter-industry linkage; the disadvantages under which small- and medium-scale enterprises operate; increasing foreign infiltration in the branches of industry whose growth rates are highest; failure to specify industrial policy objectives in practical terms; lack of technological bases for the proper assimilation of technical know-how; and the relative backwardness of some key branches of industry.

47. The analysis of industrial policy deals with the following aspects of the question: (a) the instruments and other machinery used in each country to promote and develop industrial activities, with a tentative evaluation of their degree of internal consistency; (b) the modus operandi of such instruments, their field of action, and the conditions in which they are applied in the different countries of the region.

48. The instruments are grouped according to their purpose: those for the protection of industry (tariff restrictions, import permits, etc.), and those for the encouragement of industry (tariff concessions, tax incentives, etc.), financing facilities, and so on.

49. At a later stage, some common features of industrial strategy are discussed, in particular those relating to exports of manufactures, with reference to the difficulties created for such exports by the pattern of industrial development followed hitherto. Consideration is also given to other impediments to industrial exports, such as the traditional bias of entrepreneurs towards the domestic market, inexperience, artificially high rates of exchange, and low standards of quality.

50. Some account is then given of policies which seem most appropriate for solving some of the major problems of the industrial sector. The view is expressed that industrial policy should be defined on the basis of the role assigned to industry in the economic and social development process. There is a consensus of opinion to the effect that it should be a dynamic sector which absorbs and disseminates technologies, and that it should promote the modernization of the over-all structure of production, raise real income levels, ease balance-of-payments problems, and provide productive employment for a growing proportion of the urban population.

51. As it is impossible to attain all these objectives at one and the same time, different policies must be formulated for the various subsectors of manufacturing. Similarly, the industrial policy instruments applied in each area of manufacturing should be qualitatively different from those applied in the other areas. This is not meant to imply that decision-making and industrial policy programming centres should be established for each of the subsectors of industry, but that the body of industrial policy should be made up of components by means of which a country can attain its industrial objectives more efficiently. The various areas of industry referred to above will be served by qualitatively differing combinations of industrial policy instruments.

Raw materials for the forest industries in Latin America:
potential and problems

52. In this document the situation of the raw materials used in the forest industries in Latin America is examined. Although Latin America has an area of 900 million

hectares of forest, its net deficit on forest products is roughly \$300 million a year. The region makes very inadequate use of its forest resources, since 85 per cent of all wood extracted from its forests is used as firewood.

53. As regards mixed tropical forests, it is considered that one of the best ways of exploiting their potential would be to establish integrated industries of a suitable size, so as to take advantage of economies of scale.

54. The region's forest industries will require large amounts of wood in the future in order to be able to cover all their needs, and it is unlikely that the supply from coniferous forests will be adequate over the short term. It is, therefore, necessary to bring into use on a permanent basis those areas of coniferous forests in the region which are not yet being drawn upon, and to undertake reforestation on a massive scale.

55. It should be emphasized that Governments have the major responsibility for managing national forests and ensuring that privately owned forests are utilized rationally. For this purpose, it is essential to have a high-quality forest service, equipped with the necessary means. Governments should also assist in training the professional and technical staff needed to implement forest policy measures.

A review of bagasse technology for the production of pulp and paper

56. Latin America accounts for about 60 per cent of world production of crude cane sugar, and bagasse is therefore of great importance to the region as an industrial raw material. As no more than 5 per cent of the bagasse produced in the region is transformed into manufactured products, the possibilities for increasing its use are very promising.

Development of the sawmilling industry in Latin America

57. Despite the abundant supply of raw material resources, the sawmilling industry has not developed to the extent that might be expected, and its average annual growth rate is less than the population increase. The report points to certain measures for improving and rationalizing forest exploitation, especially in native forest areas, and for making better use of the industry's installed capacity.

58. Consumption of sawnwood dropped between 1956 and 1967, and this negative trend could perhaps be reversed by: (a) improving the quality of the sawn product; (b) reducing the sales price of the product; (c) wider application of grading rules; (d) establishing better distribution systems; (e) increasing the uses of sawnwood through various improvements.

59. Various measures could be adopted with a view to expanding exports to other regions including the introduction of new species in the world market, the use of grading and product control systems and the establishment of joint machinery for export marketing and transport.

Development of the wood-based panel industry in Latin America

60. The main reasons for the small amount of wood-based panels produced in Latin America are that suitable forest areas are not easily accessible; that it is

expensive to secure raw materials from these forests and transport them to processing factories; that unsuitable methods are being used to exploit forests; and that little use is being made of processing residues. In 1975, Latin America is likely to need twice the quantity of wood-based panels that it consumed in 1967, and five times that quantity by 1985. Despite its vast forest resources, the region's share of world production is very small.

61. Trade in wood-based panels has continued to increase since 1963, but the 1969 export surplus of slightly more than \$1 million is not very large, given the size of the region's timber resources.

62. Because of the wide variety of the physical characteristics of the wood available from the type of forest predominant in Latin America, the most rational basis for programmes to utilize these forests would be the organization of integrated forest industry enterprises.

63. As regards the export market situation, it must be emphasized that it is necessary to meet the quality standards and specifications of the importing countries; to have guarantees of continuing production to meet long-term contracts; and to anticipate the changes dictated by style changes in furniture and the like.

64. Variations in the quality of wood-based panels and a high percentage of waste are often the result of an inadequate supply of skilled operators and process supervisors, and a large amount of training will therefore be needed.

65. Among the fundamental obstacles impeding the development of the panel-products industries in the region are high costs compared with competing products and a lack of co-ordination regarding: (a) quality standards and specifications; (b) units of measurement and nomenclature; (c) production statistics; (d) market development procedures.

World pulp and paper production, consumption and trade,
with special emphasis on Latin America

66. Although Latin America's pulp and paper industry is relatively small in world terms, its percentage share of the world total has increased. The main bulk of production is concentrated in a small group of efficient and modern plants, while the number of small non-integrated plants in the region is unusually high and the stock of equipment is very old.

67. Owing to the rapid annual rate of growth of production, the industry has become one of the region's more dynamic manufacturing industries. Nevertheless, it still has an unfavourable trade balance of some size and, despite the considerable increases in regional capacity planned or under way, the paper deficit in the region will be even greater in 1975, mainly on account of a shortfall in the production of such paper as newsprint and kraft.

68. As regards operating conditions in the pulp and paper industry, it is necessary to improve the utilization of installed capacity, since it is considered that plants in Latin America are operating at only 70 per cent of capacity. It is also important to take advantage of economies of scale.

69. Prerequisites for a reduction of the currently high production costs in Latin America are modernization of equipment, greater use of plant capacity and

better plant integration, specialization, and the more efficient employment of labour.

70. Latin America has very real opportunities for broadening its overseas markets in some products, especially short-fibre pulps. In order, however, to secure a proper expansion of its export trade, the region will have to correct several inherent weaknesses, such as inadequate infrastructure, high freight rates and poor port facilities. Moreover, the excessively high customs tariffs for all pulp and paper products except newsprint which prevail virtually throughout the entire region, have led to the establishment of plants with a very uneven level of efficiency; accordingly, it would be necessary to lower intra-regional tariffs.

Packaging paper development in Latin America

71. In the twenty-two Latin American countries surveyed in this document, 54 per cent of the paper consumed is used for packaging. The region is 80 per cent self-sufficient in terms of non-converted paper production and 99 per cent in terms of converted paper-based packaging products. The export trade is negligible and the region imports 20 per cent of paper requirements for conversion to packaging.

72. The increasing volume of imports highlights the need to step up the utilization of local raw materials, a major material in this respect being bagasse.

73. The converting industry, which is largely composed of non-integrated plants, uses only 35 to 55 per cent of its capacity. Consequent high production costs are an obstacle to the expansion of export trade, and make paper-based products even more vulnerable to increasing pressure from competitive packaging materials.

74. It is considered that the packaging industry should be developed in concert with all the other forest industries in order to utilize local resources fully and make the maximum contribution to the economies of the region. Rationalization and interregional integration of the industry are also needed in order to reduce production costs. Market surveys are of primary importance to the entire production-processing-converting-marketing chain.

The overseas export possibilities for selected Latin American forest products

75. In this document, stress is laid on the importance of seeking new potential markets, both inside and outside the region, and it is noted that a number of obstacles common to the majority of the Latin American countries will have to be overcome, such as the high cost of the product, high freight rates, and the complicated and costly administrative formalities which hamper the dispatch of exports. The free-trade associations in the region, in conjunction with the competent United Nations agencies, could study how these problems might best be solved.

The case for integrating forest industries

76. This document describes the benefits and problems of integrating the forest industries of Latin America. The technical integration of industrial plants could

lead to the following benefits, inter alia: (a) maximum use of forest resources; (b) full use of residues; (c) reductions in administrative and service costs; (d) improved cost-benefit ratio of infrastructure development.

77. Over-all integration could also help to improve marketing situations, lower shipping costs, and improve the strategic position of the forest industries through integrated raw material supply.

78. Although there are some examples of integration of the Latin American forest industries, there are a number of serious problems impeding the development of integration. For instance, within the present national boundaries, it is often difficult to form large markets, the technical knowledge to ensure maximum utilization of mixed tropical forests is lacking, the markets for products from such forests have not been adequately developed, and there is insufficient knowledge of the forest management techniques most suitable for them.

Prospects for forest industries development in Latin America

79. The document points to the inadequate development of infrastructure as one of the factors limiting the use of forest raw materials. Economic appraisals of forest industries development, if they are to be complete, must take account of social aspects.

80. Governments commonly grant subsidies to private enterprises to compensate them for the favourable effects produced by forestry development schemes in the social sphere. A classic example of this is the reforestation of uninhabited land.

81. Given the high level of unemployment in the region, it could be useful to consider the effect that the growth of the forest industries may have on employment levels in rural areas. It would also be useful to study new methods of economic organization that would make it possible to incorporate labour into the forest industries.

Other work

82. The Division organized the meeting of a working group on economies of scale in the Latin American motor-vehicle industry, thus completing one phase of the study on regional integration prospects and procedures for the motor-vehicle industry in Latin America, which is being carried out by ECLA and the Inter-American Development Bank (IDB) in collaboration with the United Nations Industrial Development Organization (UNIDO).

83. A study on the transfer of technical know-how in Brazil's industrial sector ("La transmisión de los conocimientos técnicos en la industria del Brasil") is being carried out by the División in collaboration with IDB and the United Nations Division of Public Finance and Financial Institutions. Headway has also been made with papers on sectoral development prospects for the countries signatories to the Cartagena Agreement, (Andean Subregional Integration Agreement) in respect of the iron and steel, pulp and paper, and chemical industries. In addition, a document was drawn up, entitled "Antecedentes para el estudio de los problemas de desarrollo de la subregión andina". (E/CN.12/856).

84. In conjunction with FAO, a study has been initiated on the food industry in the countries of the Andean Group. This study, in which UNIDO has also been invited to participate, will analyse the current situation of the industry in each of the countries of the subregion, identify projects for new food industries and specify the requirements for the establishment of suitable policies for the development of the industry at both the national and subregional level.

Technical Co-operation

85. The Regional Adviser on the Metal-Transforming Industries, in addition to helping to prepare the meeting of the working group on economies of scale in the Latin American motor-vehicle industry, visited two of the Andean Group countries to co-operate with government officials in determining short- and long-term technical assistance requirements in connexion with the manufacture and repair of agricultural machinery. He also assisted the Board of the Cartagena Agreement in the formulation of a sectoral development strategy.

86. The Regional Adviser on the Chemical Industry collaborated in a study on the transfer of technical know-how in the chemical industry in Brazil which will be incorporated into the project that ECLA is undertaking in collaboration with IDB and the United Nations Division of Public Finance and Financial Institutions. In addition, he too co-operated with the Board of the Cartagena Agreement in the formulation of a sectoral development strategy.

87. The Regional Adviser on Technological Research for Industry visited UNIDO headquarters in order to collaborate in a study on the steelmaking industry in developing countries, besides co-operating with UNIDO officials in the preparation of the Latin American section of the report on industrial aspects of the World Plan of Action for the Application of Science and Technology to Development. He also went to one of the Latin American countries to study problems relating to the technological development of the steelmaking industry, the source of the new techniques applied, and the strengthening of the country's own technological capacity. Furthermore, this Adviser represented ECLA, and on some occasions UNIDO, at specialized international conferences.

88. The Pulp and Paper Adviser helped to prepare and participated in the Regional Consultation on the Development of the Forest and Pulp and Paper Industries in Latin America which was held in Mexico in May 1970. He carried out a study on the prospects of integrated development in the pulp and paper industry in the Andean subregion. He also took part in a mission of the ECLA/FAO/UNIDO Forest Industries Advisory Group to Brazil to explore the possibilities of exporting forest products from that country, and he is at present helping the Forestry Institute in Chile to prepare a programme for the reorganization of forest industries.

89. The adviser on supply aspects of exports of manufactures participated in a multidivisional mission which visited several countries in the region with the purpose of identifying problems connected with the supply of manufactures and suggesting ways of overcoming them. He also co-operated in the preparatory work in participating countries and the conduct of the Subregional Training Course on Export Promotion in Santiago, Chile. At the request of the Government of Panama he took part in a multidivisional export promotion mission and provided advisory services in his special field. He also co-operated in the Division's work on industrial policy in connexion with exports of manufactures.

TRANSPORT PROGRAMME

90. In 1970, a study was completed on international railways in South America and regional economic integration, and technical co-operation was furnished to several countries in the region.

International railways in South America and
regional economic integration

91. The present characteristics and the potential importance of international rail traffic in the southernmost countries of Latin America are examined in this study, with particular regard to their implications for the economic integration of Latin America, investment, and operating conditions for transport in the region. The analysis centres on thirteen international rail connexion and the lines passing through these connexions over seven countries (Argentina, Bolivia, Brazil, Chile, Paraguay, Peru and Uruguay).

92. The volume of traffic on international lines, in absolute terms, and its relative importance in the trade between these countries have been small, but have increased in the last five years. The gloomy prophecies of the 1950s were not fulfilled, therefore, and there were increases despite the huge sums invested in international highways in the 1960s.

93. For purposes of this analysis, the thirteen international connexions are divided into three groups (Bolivia-Pacific group, transcontinental group and Atlantic group), since the connexions in each group have common operating and traffic characteristics. The groups are distinguished by the kind of contribution they can make to Latin American integration.

94. The main function of the Bolivia-Pacific group, which consists of international lines connecting that country with a sea port, has been to carry the bulk of Bolivia's trade with countries outside the region. Each of these lines has a serious disadvantage which helps to raise transport costs: distance on the Antofagasta line, the steep grade on the Arica line, and the need for trans-shipment at Lake Titicaca on the Matarani line. Serious efforts have been made to overcome these disadvantages in the last few years.

95. The transcontinental group of lines forms part of a network of metre-gauge railways which covers more than half the total mileage of the South American railways and is of great potential importance for the development of the interior. This network comprises five international connexions and extends from coast to coast, linking several of the main ports, right across the interior of South America, in much of which there is no other form of transport.

96. The traffic through these five international connexions has increased 300 per cent over the past three years, but its volume has always been very small, the increments in total traffic have fluctuated, and its composition has varied greatly. This may have been because, as the Latin American countries gradually entered new intermediate stages of development and were still unprepared for more advanced forms of integration, international traffic - particularly on these lines for some time consisted in the increasingly irregular, seasonal and random transport of different products because of the countries' political and economic objectives. This should be taken into account in planning transport, since rather than spend large sums on increasing the capacity of each route, what the railways should do is seek ways of achieving closer co-operation and of pooling their resources so as to be better prepared to adapt their services and physical facilities to unforeseen increases in the flow of traffic.

97. The Atlantic group of rail connexions, which links Argentina, Brazil, Paraguay and Uruguay, must overcome a number of obstacles (e.g. changes in gauge or the need for trans-shipment) in international transport, which prevent these lines from

being used to their full capacity. Rail transport competes in this area with inland-waterway and coastal traffic, and also with road transport. Although an important combined road and rail transport service has been initiated in recent years, the volume of rail traffic to the four connexions represents only 2 per cent of the total traffic between the countries concerned.

98. The study highlights the fact that Latin American railways have accumulated a sizable fund of experience that will help them to meet the challenge to their administrative and physical capacity involved in oiling the wheels of Latin American integration. There is a feeling that there should be a greater interchange of experience among railways and some technological and administrative improvements have been instituted, for that purpose, for example, using ordinary diesel locomotives on steep grades instead of steam locomotives with the rack and pinion system, the use of waggons with interchangeable bogies, combined rail and road transport, the simplification of customs and railway documents, etc. The Latin American Railways Association (ALAF) has done much to bring about these improvements.

99. The conclusion reached in the study is that great efforts have been made in the last few years to modernize these lines, and that it might be better to reorganize or make better use of existing facilities than to launch large-scale investment programmes. There would seem to be excellent possibilities of expanding and promoting the railway services available to countries for international trade.

Other work

100. The secretariat continued to collaborate in UNCTAD's studies on maritime transport. It participated in the eighth General Assembly of the Latin American Shipowners Association (ALAMAR) at Viña del Mar, Chile, November 1970, and in a meeting organized by the Inter-American Export Promotion Centre (CIPE) of the Organization of American States (OAS) with a view to encouraging the establishment of a regional federation of foreign trade shippers' councils (Bogotá, December 1970).

101. The secretariat co-operated actively in the studies on regional maritime and other transport which are being carried out by the Office for the Caribbean, and in the study on regional development in eastern Bolivia. In addition, a secretariat staff member co-operated in the organization of the Latin American Centre for Economic and Social Documentation (CLADES).

Technical co-operation

102. In compliance with a request from the International Bank for Reconstruction and Development, a member of the secretariat participated in a mission which made a thorough study of transport policy and investment plans in Mexico. It also collaborated in a review of road haulage regulations and transport planning in that country.

103. At the request of the Ministry of Transport and Communications of Bolivia, an advisory mission was sent to help in the reorganization of that Ministry and in its work and studies programmes.

104. At the request of the Inter-American Development Bank, a project for the preparation of a list of regional transport projects in the Caribbean was reviewed

with IDB officials; the list was subsequently prepared by a special consultant financed by the Bank. The secretariat has also co-operated with IDB and ALAF in the preparation of a preliminary project for a study on international rail transport in South America.

105. A member of the secretariat participated in a joint ECLA/ILPES mission which prepared the report on the effects of the earthquake in Peru, which was presented at the sixth extraordinary session of the Committee of the Whole (New York, 22-23 June 1970). The secretariat subsequently collaborated in a joint ECLA/ILPES mission which provided the National Planning Institute in Peru with advisory assistance in the preparation of a national economic development programme.

106. Lastly, it continued to support and co-operate in the activities and projects undertaken in the region by the United Nations Development Programme (UNDP).

JOINT ECLA/FAO AGRICULTURE DIVISION

107. During the period covered by this report, information was collected on agricultural policy in relation to a strategy for the Second Development Decade, and the wheat study was brought up to date. In addition, technical co-operation was furnished to several Latin American countries.

Current situation, problems and prospects of the wheat trade in the ALALC countries

108. This study (E/CN.12/859) reviews the current situation of the wheat economy in the ALALC countries and its future prospects, with particular reference to intra-regional trade in this commodity. This review covers the following subjects: wheat production and trade and its future prospects; national marketing and price policies; and evaluation of the marketing systems in force.

109. It may be inferred from this analysis that of the three countries which have exportable surpluses - Argentina, Mexico and Uruguay - only Argentina, on the most favourable hypothesis, would be in a position to dispose of most of its exportable surpluses to other Latin American countries without neglecting its extra-regional markets. It could do so if it were granted preferences through adequate arrangements and procedures, which would enable its wheat supplies to compete with imports from other regions, particularly from the United States under Public Law 480.

110. The expansion of Argentina's exports to countries in the region which are short of wheat would necessarily result in a substantial increase in Argentina's total purchases from those countries.

111. This study highlights the repercussions which the market price differences observable in the various countries would probably have on production and labour associated with the wheat economy if a system of unrestricted trade in wheat were established in countries with a wheat shortage, and perhaps even in wheat exporting countries. It therefore advocates the rationalization of production and the adoption of measures worked out by the ALALC countries, instead of the operation of an independent free trade system.

Other work

112. In addition to the above studies, the Division prepared documents entitled "Política subregional agraria en los países del Pacto Andino", which analyses traditional agricultural policies, certain recent developments in agrarian reform and the subregion's intra-regional and extra-regional trade in agricultural products; "La ocupación y el ingreso en la dinámica de la agricultura latinoamericana", as a contribution to the Prebisch report Change and development: Latin America's great task; and "Política tecnológica y desarrollo agrícola", which was written in co-operation with the international department of the Training and Research Institute for Agrarian Reform (Instituto de Capacitación e Investigación en Reforma Agraria - ICIRA). It also prepared a note entitled "Situación actual y perspectivas de la producción y consumo de carne y leche de bovino en América Latina en la década de los años setenta" for the third Inter-American Conference at the Ministerial Level on Foot-and Mouth Disease and other Zoonoses (Buenos Aires, 14-17 April 1970), and another, entitled "Tendencias y factibilidades del desarrollo de la ganadería bovina en América Latina", for the sixth Pan American Congress of Veterinary Medicine and Zootechnics (Santiago, Chile, 28 September to 3 October 1970). A study was prepared entitled "Situación actual, problemas y perspectivas del comercio del maíz en los países de la ALALC (E/CN.12/892)", and similar studies were completed on rice (E/CN.12/857), sugar (E/CN.12/893) and beef (E/CN.12/894).

113. It also helped to prepare a report for the third meeting of the Joint Advisory Group on Meat of the Countries Members of ALALC, and collaborated with the FAO expert group in preparing the report entitled "Situación y perspectivas del comercio agrícola en los países andinos", at the request of the Board of the Cartagena Agreement.

Technical co-operation

114. Substantive members of the Division co-operated with the Board of the Cartagena Agreement. Technical co-operation was also furnished to the interagency group organized by the ILO in the formulation of an employment programme in Colombia. In addition, analytical work was undertaken on various models for agricultural development in Latin America as part of the contribution by ECLA and FAO to the programme for the Second United Nations Development Decade.

NATURAL RESOURCES AND ENERGY PROGRAMME

115. During the period under review the sections on energy and mining for the Economic Survey of Latin America, 1970, were prepared. Other work included studies on water resources in Uruguay, the evaluation of investment opinions, the collection and use of data on water resources in Latin America, current trends in administrative organization for irrigation, and a summary of ECLA activities in water resources development.

Water resources in Latin America: Uruguay

116. A preliminary report on this subject summarizes some salient characteristics of Uruguay's economic development in the past few years, in direct relation to the use of water resources. The total gross demand for water of the main consumption

sectors - estimated at 650 cubic hectometres for 1965 - is expected to be nearly 1,000 cubic hectometres in 1974 and over 2,000 in 1990. In other words, by that year the present demand for drinking water is expected to have doubled, irrigation requirements to have increased fivefold, and industrial water supply to require twice as much as now.

117. On the whole, meteorological observations are well distributed throughout the country and are performed under satisfactory conditions. Most of the hydrological observations (limnimetric scale) are not intended to gauge the flow but only to determine the water level. This does not apply to the readings taken on the River Negro - whose flow is regularly recorded because it is closely connected with Uruguay's electric power economy - and on some rivers of the Santa Lucía basin and Lake Merín.

118. The immense resources of the aquifer underlying the sandy soil of Tacuarembó are of considerable economic value.

119. Uruguay is one of the countries with the best drinking water supply in Latin America. One and a half million inhabitants, or 69 per cent of the total population and 80 per cent of the urban, was served by the public water supply in 1968.

120. The study includes data on the volume of water consumed by industry, an analysis of this sector's future demand, and recommendations for planning the location of new plants strictly in accordance with a plan aimed at decentralizing industry in the area surrounding Greater Montevideo. Measures are also suggested for preventing serious conflict between different water uses, especially in industry, by households and for irrigation.

121. A thorough study was made of the degree of water pollution in the Department of Montevideo during dry seasons, particularly from sewers discharging onto the Montevideo beaches. A programme of research and the construction of permanent works were suggested to avert the harmful consequences that are already discernible.

122. The total hydroelectric potential which it is economically feasible to install amounts of some 1,500 mW, of which 236 mW - or about 15 per cent - are already installed in the River Negro basin. Uruguay is the South American country which proportionally has done most to develop this source of energy. Moreover, installed capacity could be increased by 990 mW between 1975 and 1980 in power plants which already have projects in an advanced stage of preparation or in process of execution (720 mW in Salto Grande and 270 mW - subsequently expandable to 400 mW - in Palmar). Thus, about four fifths of the economically usable total would be utilized. Bearing in mind the technical, economic and financial restrictions peculiar to this type of project, it would be advisable to lose no time in establishing the electricity interconnexion with Argentina and to earmark the financial resources required for a medium- and long-term electric power development plan.

123. It would also seem to be a matter of urgency to prevent wasteful uses of electric energy, particularly by households (for heating and cooking), which are detrimental to the country's economy. It is recommended that an energy and electricity policy be adopted to rationalize supply and consumption and that the electricity programme established by the electricity authority, which includes interconnexion with Argentina and the entry into service of the Palmar plant in 1975-1976, should be pushed forward.

124. In the past seven years, agriculture under irrigation has increased noticeably (40,000 hectares today compared with 26,000 in 1963), while dry farming has remained at a standstill. The document stresses the important role which water can play in improving livestock production (watering places for animals and improvement of cultivated pastures), in the incorporation of new areas in the national economy (especially in the lower River Negro basin), etc. It is considered economically feasible to bring some 100,000 hectares under irrigation by 1985.

125. The biggest problems affecting water management and control in agriculture are erosion, floods and inadequate drainage, which are generally interrelated and together limit the use of 3.8 million hectares, or approximately one quarter of the total area of Uruguay.

126. Inland-waterways navigation is very little used, despite the favourable conditions afforded by the River Uruguay and the River Plate. Its development prospects hinge on greater regional economic development, the execution of the Salto Grande projects, port centralization and specialization, etc.

127. The report presents an analysis of the studies carried out by the principal institutions and commissions responsible for integrated studies of river basins, which account for two thirds of the country's total area. It recommends that a national policy be adopted for developing water resources in the different river basins, and for improving the co-ordination of the activities carried on independently by different institutions, which usually overlap or even conflict. This would be achieved by harmonizing the work of the Planning Office and of the National Water Council.

128. About \$490 million would be required to achieve reasonable goals in terms of integrated and multipurpose utilization of water resources between 1968 and 1985. As a working hypothesis, it was assumed that the gross product would grow by 4 per cent annually; therefore, the annual average investment in water resources development (hydroelectricity, drinking water, sewerage, irrigation, etc.) would represent about 10 per cent of total gross fixed investment.

Appraisal of investment options

129. A document on this subject (E/CN.12/L.53) provides basic criteria for relating some of the investment decisions that must be adopted by experts in meteorology and hydrology with the more general question of evaluating investment options. It was presented at the Regional Technical Conference on the Role of Meteorological Services in Economic Development in Latin America, which was held at Santiago, Chile from 30 November to 5 December 1970, under the sponsorship of the World Meteorological Organization and ECLA.

Collection and use of data on water resources in Latin America

130. A study prepared on this question (E/CN.12/861) discusses the measurement of water resources in the region, the guidelines that emerge from Latin America's experience, the economic concepts applicable in collecting hydrometeorological data, and these data in relation to a specific project.

131. It points out that the purpose of a meteorological research plan is to provide the information required for planned economic and social development in good time and at the lowest possible cost.

Current trends in water management for irrigation

132. The document on this subject (E/CN.12/862) gives a brief description of water management systems in selected countries (France, Israel, Japan, Mexico, Spain and the United States), with special reference to irrigation, and gives examples of experience that may be of use to the countries of the region.

Other work

133. In addition to the work described above, the Division prepared a summary of ECLA's activities in the development of Latin America's water resources (E/CN.12/L.52) and a note on the human environment in Latin America (E/CN.12/898).

134. Two monographs entitled "Actividades hydrometeorológicas en América Latina" and "Contribución de la meteorología al desarrollo económico de América Latina" were prepared and presented at the above-mentioned Technical Meeting on the Role of Meteorological Services in the Economic Development of Latin America (Santiago, Chile, 30 November to 5 December 1970).

Technical co-operation

135. The Regional Adviser on Water Resources Development Planning participated in a seminar on economic aspects of energy, as part of a course organized by the Bariloche Foundation, in Argentina. The Division collaborated with Brazilian government technicians in evaluating a multi-purpose water resources development project.

136. The Regional Adviser on Irrigation worked with Brazilian officials on technical and economic questions connected with the construction of a dam. He also assisted in the evaluation of the national irrigation plan and the economic feasibility of a number of projects for the construction of permanent works. The secretariat collaborated with the National Water Resources Institute in the Dominican Republic in evaluating programmes for the utilization of water resources and their accompanying legal and institutional structures. It also assisted a technical working group in Argentina on several occasions regarding the collection and processing of hydrometeorological information, and in Uruguay helped in the preparation of a draft code on the use and management of water resources.

137. The contribution of the Natural Resources and Energy Programme to the socio-economic analysis of the Santa Cruz de la Sierra region in Bolivia, which is being carried out jointly by ECLA and IDB, comprised a study of the following subjects: topographical features; climate; geology and soils; surface and ground water; forests; mining resources; energy resources; irrigation needs and methods; and energy supply and economy.

138. The Programme participated actively in the second national irrigation conference held at Porto Alegre, Brazil.

139. An official of the Programme co-operated with the Water Resources Office of Argentina in the formulation of guidelines for the National Water Resources Plan.
140. El Salvador was given advisory assistance in connexion with the drafting of petroleum legislation.
141. The Division co-operated with ILPES in preparing a development strategy for the Motatán Cenizo region in Venezuela.
142. The Regional Adviser on Hydroelectricity helped the authorities of one Caribbean country to solve some problems connected with the entry into operation of a new thermoelectric plant.
143. The purpose of the technical assistance and research missions carried out under the Natural Resources and Energy Programme is to identify projects that qualify for UNDP assistance (Special Fund and the Office of Technical Co-operation).
144. In addition, one of the Programme's continuing activities is to prepare comments within its special sphere of competence on request for technical assistance presented by Governments to the Special Fund, on progress reports on projects financed with Special Fund assistance, and on the work of technical assistance experts.
145. The Programme also furnished brief notes and comments to other agencies of the United Nations system such as the Advisory Committee on the Application of Science and Technology to Development, the United Nations Conference on the Human Environment, ILPES, the United Nations Water Resources Development Centre and the Economic Commission for Europe. Officials from the Division also participated in the joint ECLA/ILPES mission which evaluated the damage caused by the earthquake in Peru on 31 May 1970.

STATISTICAL DIVISION

146. During the period under review the Division prepared the Statistical Bulletin for Latin America, vol. VII, No. 1-2, a draft standard list of mining and manufactured products, and some considerations on industrial statistics in Latin America. It also prepared series on product and income (by major groups of products at 1960 and 1968 prices) in Latin America and the Caribbean; capital formation and capital financing in Latin America and the Caribbean (main components at 1960 and 1968 prices); and gross domestic product in the Latin American countries, part I (in national currencies) and part II (in foreign currency). It should be noted that some of the results of the Division's work are not mentioned here because they are included under the work of other Divisions and Units.
147. The Working Group on Industrial Statistics, which met at Santiago, Chile from 3 to 14 August 1970, was organized jointly with the Statistical Office of the United Nations and the United Nations Office of Technical Co-operation.

Statistical Bulletin for Latin America, vol. VII, No. 1-2^{4/}

148. The Bulletin contains regional and national statistics. The national statistics relate to population, agriculture and livestock, mining, manufacturing,

4/ United Nations publication, Sales No.: E/S.70.II.G.5.

construction, electricity, prices, transport and foreign trade. Special attention is devoted to national accounts.

Draft standard list of mining and manufactured products

149. Document ST/ECLA/Conf.39/L.2 is a revised and updated revision of the draft standard list of manufactured products (E/CN.12/648/Rev.1). It was prepared by the Working Group on Industrial Statistics at its meeting in Santiago, 3-14 August 1970, and its main purpose is to help countries prepare national lists for use in industrial censuses and in the application of the new International Standard Industrial Classification of all Economic Activities, 5/ at least until the corresponding numerical and alphabetical indexes are published in Spanish.

Some considerations on industrial statistics in Latin America

150. The study on this subject (ST/ECLA/Conf.39/L.3) presents some ideas of the ECLA secretariat in connexion with the United Nations industrial statistics programme in general, and the world programme of basic statistics for 1973 in particular, for examination and analysis by the Latin American countries.

151. The main conclusion that emerges from these considerations is that the Latin American Governments should urgently examine and analyse their industrial statistics so that each country may organize the types of censuses and inquiries that are best suited to its own characteristics, taking into account the quantitative and qualitative differences between the structure of their industry and that of other countries in the region.

Latin America and the Caribbean: product and income
(by major groups of items at current prices 1960-1968)

152. The study on this subject (E/CN.12/L.49) presents statistical series for twenty-two Latin American countries, analysed and compatibilized in order to ensure comparability and consistency. The basic data are drawn from official publications by countries and from the replies to United Nations questionnaires on national accounts periodically received by the Statistical Office at Headquarters.

Latin America and the Caribbean: capital formation and its financing
(by major groups of items at current prices, 1960-1968)

153. The study on this question (E/CN.12/L.50) presents statistical series on twenty-two Latin American countries, based on official publications of the countries concerned and on the replies to the United Nations questionnaires on national accounts received by the Statistical Office at Headquarters. The tables are grouped under the following heads: composition and financing of gross domestic capital formation; gross domestic fixed capital formation (by type of goods and type of purchaser), according to the economic sector utilizing the goods.

5/ United Nations Statistical Papers, Series M, No. 4, Rev.2 (1968).

Gross domestic product of the Latin American countries

154. The study on this subject (E/CN.12/L.51) contains tables showing the product of the Latin American countries at 1960 prices, which cover the longest period for which data are available. These tables present product series in a uniform manner and are a useful basis for projection and analysis.

Other work

155. The following projects are under way: statistical classifications of foreign trade, and the Statistical Bulletin for Latin America, vol. VIII.

Technical co-operation

156. The Regional Adviser on Sampling advised officials of the National Statistical Office and the Ministry of Health of one Caribbean country on the use of sampling in obtaining demographic statistics. In one of the River Plate countries he continued to collaborate with government officials in the evaluation of a sample survey of agricultural areas carried out in 1960.

157. The Regional Adviser on Demographic and Vital Statistics continued to provide advisory assistance to the municipal authorities of the capital of one Central American country and to officials of the Ministry of Health and Justice and of the National Committee of the Office of the President of the same country.

158. The technical co-operation furnished by the secretariat took the form of advisory assistance to the National Statistical Institute of one Latin American country in connexion with industrial statistics, and to the National Statistics and Census Institute of the same country in the preparation and conduct of the 1970 Population and Housing Census.

159. The programme for the population census in one Latin American country was evaluated and future plans were discussed with government officials.

160. The Division collaborated in the course on national accounts organized by the Centre for Latin American Monetary Studies (CEMLA) held in Mexico in July 1970, in the intensive course on national accounts organized jointly by ECLA, ILPES and OTC.

161. Visits were paid to two Latin American countries for discussions with local specialists in national accounts.

LATIN AMERICAN ECONOMIC PROJECTIONS CENTRE

162. During the period covered by this report, studies on the classification of Latin American countries and on economic projections for the Latin American countries in the Second United Nations Development Decade were completed.

163. Technical co-operation was also provided to several countries in the region.

Study on the economic and social classification of the
Latin American countries

164. The purpose of this document (E/CN.12/878) is to group the countries of the region according to their common features and their differences, with a view to formulating planning and action strategies for accelerated economic development in countries that are alike; highlighting different stages or forms of development capacity and potential; facilitating the establishment of standards for comparison and evaluation in relation to the Second United Nations Development Decade; and examining other possible uses for the results of the classification, such as the identification of homogeneous or complementary areas for purposes of economic integration, or grouping them together for the preparation of aggregate projections.

165. It includes a previous study of the economic and social characteristics or indicators which should serve as a basis for the classification, i.e. per capita gross domestic income; life expectancy at birth, number of hospital beds per 1,000 inhabitants, and calorie and protein consumption; the percentage of literates, school attendance, enrolments, number of university graduates, public expenditure on education; indicators of housing, consumption of energy, paper, rolled products, etc.; total population and other demographic factors; structure of the gross domestic product; foreign trade and balance of payments, dynamic aspects or average annual growth rates of the gross domestic product and of some sectors; and other figures which are representative of the economic structure, both past and projected, such as the marginal product-capital ratio, and the propensity to save and to import.

166. The tables present the results of the classification based on indicators of levels of living and of structure and on the whole group of these indicators; on per capita income as a single indicator; population per capita income, degree of urbanization and percentage of literacy, and also indicators which have been included in other studies of socio-economic tension. In addition, the results of different measurements of disparities are presented and their effect on the classification is examined. The results obtained from other classifications made in ECLA and elsewhere are compared, and the points in common and the divergencies are analysed to complement the study.

167. Consideration is also given in this document to some preliminary methodological questions connected with indicators, the quantification or measurement of the differences between countries, the objective criteria for the classification, and the methods adopted.

Macroeconomic projections of Latin America in the 1970s

168. The purpose of this document (E/CN.12/865) is to present and analyse the projected values for the most important economic magnitudes in the Latin American countries during the Second United Nations Development Decade.

169. These projections constitute a frame of reference which highlights the essential elements that would be considered in economic and social development policy, the repercussions of current situations and trends and of certain changes that are observable in them, and the main obstacles which such policies consequently have to contend with in particular potential deficits, gaps or bottle-necks in external trade and deriving from the shortage of savings.

170. The first part of the document presents the basic objectives and conceptual aspects: the share of the main sectors in the gross domestic product is examined, the evolution of gross fixed investment and saving and of the external sector are analysed, and a description is given of the assumptions on which the projections are based and of how the results are to be interpreted. Explanations are given also concerning the procedures employed, the basis of the model and its equations; and its characteristics, which are dealt with in detail in the first part of the study, are discussed. This part ends with a summary of the projected values for Latin America and the relevant conclusions.

171. The second part of the document comprises studies on eighteen Latin American countries: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay and Venezuela.

172. This document differs in several important respects from earlier studies, in particular "The trade and domestic savings gaps and structural unemployment in Latin America" (E/CN.12/831). Different annual growth rates for the gross domestic product in the various countries are now considered as targets, instead of the same constant rates for all the countries throughout the decade.

173. Explanatory variables that are more satisfactory, both as regards economic interpretation and from the statistical angle, have been introduced in certain cases; and the financing scheme, which plays such an important part in this analysis, has been modified to include the short-term debt in the assumptions in addition to the medium- and long-term debt contemplated in earlier studies. There are also significant differences in the basic statistical series, several of which have been substantially modified by official agencies in the various countries, which has made it necessary to alter the numerical values of some of the parameters in the model.

174. Lastly, this document is basically a consideration of the effects of accelerating the growth rate, in the light of different hypotheses regarding the countries' economic structure, and it presents criteria which will have to be taken into account in the formulation of development strategies in the 1970s.

Other work

175. In addition to the above-mentioned documents, the Centre prepared a study on consistent demand equations (an experiment for Brazil), and another on price levels and regional distribution of real income in Brazil in 1960. These two studies were prepared under the agreement establishing a programme of research and training in techniques for economic programming and advisory services that was concluded with the Economic and Social Planning Institute in April 1970.

176. A fairly comprehensive review was made of the study on regional and sectoral projections of the Brazilian economy, 6/ to which new assumptions and results were added.

177. The Centre is preparing a comparative model on development strategy.

6/ See Official Records of the Economic and Social Council, Forty-ninth Session, Supplement No. 4, E/4806, page 30.

Technical co-operation

178. A member of the secretariat visited a Central American country to furnish advisory assistance in regard to a macroeconomic model, at the request of the FAO Regional Office in Santiago, Chile. It was thus possible to decide what models would be used in the Central American countries, determine the economic growth targets and establish a model for intra-regional trade projections. The Latin American Economic Projections Centre will subsequently prepare these models at ECLA headquarters. Some progress was made towards deciding what methods were to be used for income distribution simulation models in the Central American countries.

179. Another member of the secretariat spent two months co-operating with officials of the National Planning Institute of one Andean country in the preparation of plans for 1970-1975. General comments were made on the preliminary versions of the plans, in particular with respect to their quantitative content. More specific co-operation was provided in preparing projections of the balance of payments, and of investment by sector of economic activity.

PUBLIC ADMINISTRATION UNIT

180. The Unit spent most of the period covered by this report in organizing and preparing the Meeting of Experts on Administrative Capability for Development (Santiago, Chile, 16-20 November 1970).

181. In addition, the regional advisers attached to the Unit provided technical co-operation to various countries in the region.

Administrative capability for development in Latin America: a general diagnosis and measures to strengthen it

182. The study (ST/ECLA/Conf.38/L.12) presented to the Meeting of Experts on Administrative Capability for Development points out that one of the aspects of Latin America's institutional life which has changed most is the public sector's participation in the economy. The administrative machinery has failed to keep pace with the heavier and more complex commitments assumed by the State and has tended to grow haphazardly.

183. In attempting to raise their levels of economic and social development, the countries of Latin America are coming up against serious difficulties such as their public administration's lack of capacity to undertake development tasks.

184. Reviewing the recent history of administrative reform in the region, the document points out that reform in the 1950s was generally characterized by limited objectives not directly related to economic and social development.

185. After 1960, the formulation and implementation of the first national development plans were entrusted to the State administrative apparatus, which had already proved its ineffectiveness in varying degrees, and this naturally led to the isolation of the planners from those who were responsible for modernizing the public administration, and prevented a proper linkage between development plans and administrative reform.

186. The document concludes with a brief analysis of the need for improving the administration as a result of plans for economic integration.

Other work

187. The Unit prepared a document entitled "Organization and methods: their effectiveness in Latin America" for the Interregional Seminar on the Administration of Management Improvement Services (Copenhagen, 28 September to 6 October 1970).

Technical co-operation

188. The Senior Regional Public Administration Adviser took part in several technical co-operation missions. He was a member of the multi-divisional mission that visited a number of South American countries in connexion with the Export Promotion Programme for Manufactures and Semi-manufactures and of the Symposium on Administrative Reform (El Salvador, 23 to 26 November 1970).

189. The Regional Public Administration Adviser gave classes on development administration at the School of Business Management of the Fundação Getulio Vargas, São Paulo, Brazil (14 October to 12 November 1970).

190. The Unit also provided technical assistance for the consultants in computer technology and documentation.

MEXICO OFFICE

191. During the period covered by this report, the Office has devoted most of its time to the following: studying economic trends in 1969 in Mexico, Central America and Panama, completing and continuing studies on various economic and social questions in Mexico and on Central American economic integration, collaborating with regional agencies in various tasks connected with putting the Central American Common Market into full operation and strengthening it and providing substantive guidance for the technical assistance provided by regional experts assigned to Central America by the United Nations. As in the past, close co-ordination was maintained with the Permanent Secretariat of the General Treaty on Central American Economic Integration (SIECA) in carrying out the work programme.

Economic Survey of Latin America

192. The Office prepared the chapter dealing with economic trends during 1969 in Mexico, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica and Panama.

Economic development and integration in Central America

193. An analysis was made of the main features of Central American integrated development and of the various problems arising from it. Particular attention was devoted to the growth model and the pressures and weaknesses it generates and to certain specific problems, particularly those related to the balanced development of the various countries, the balance of payments, public finance, etc. This

document was presented to the Seminar on integration processes in Latin America and Europe (Rome, 7 to 13 March 1970). 7/

Social problems arising from regional migration

194. At the request of El Salvador's Planning Office, a document was prepared on the social problems arising from the recent emigration of Salvadorians from Honduras and returning to their home country. Among the most serious problems were unemployment, lack of employment opportunities, shortage of basic foods, and lack of hygiene. 8/

Employment in Central America

195. The Office completed the draft of a document analysing, on the one hand, the specific characteristics of the economically active Central American population during the period 1950-1970 and, on the other, the levels of employment, income and productivity in the agricultural, industrial and services sectors. The findings indicated widespread unemployment and underemployment, particularly in the agricultural sector and in low-productivity artisan-type units; the level of unemployment in the services sector varies widely from country to country. Special attention was devoted to the following factors affecting the labour markets: accelerated growth of supply, intensification of migratory movements, changes in patterns of consumption, and the very small capacity of the industrial sector to absorb manpower - partially offset by increased economic activity following the growth of trade in the region. 9/

Problems of the Central American Common Market

196. This document summarizes the evolution of the economies under the Central American Economic Integration Programme, and analyses the effect of the 1969 conflict and various structural and trade problems on the Central American Common Market. It describes the efforts made by the Governments to restore normal conditions in the region, and the objectives and tasks undertaken by the Governments themselves in order to establish a modus operandi for the Common Market. 10/ The Office also prepared a study on the Central American Common Market and its recent problems (E/CN.12/885).

7/ "Apuntes sobre el desarrollo y la integración económica en Centroamérica", (CEPAL/MEX/70/8/Rev.1).

8/ "Algunos problemas de carácter social de la población salvadoreña emigrada de Honduras", (CEPAL/MEX/70/3).

9/ "Consideraciones sobre la situación del empleo en Centroamérica", (CEPAL/MEX/70/17).

10/ "Problemas del Mercado Común Centroamericano en 1969 y 1970" (CEPAL/MEX/70/14).

Revision of the Central American customs tariff

197. This document describes the scope and objectives of the region's tariff policy and assesses its effectiveness as a means of protecting economic activities, increasing tax revenue, improving the balance-of-payments situation and promoting the common external trade policy. It also sets out economic guidelines for defining the role of the tariff policy during the 1970s and the methodological aspects of the revision of the existing policy, particularly as regards the techniques employed for calculating the effective degree of protection for the manufacturing sector and the possibilities of modifying the present nomenclature. It recommends that the revision of the tariff policy should be carried out in four stages: determination of the economic objectives of the policy, formulation of methods and procedures for revising the tariff, preparation of the necessary data for inter-country negotiations, and adoption of tariff agreements and commitments. 11/

Import substitution in Central America

198. The first phase of a study on the effect of import substitution on Central American economic integration was completed; it consists of a comparative analysis of the gross value of production and of the value added in manufacturing for all the Central American countries between 1950 and 1968, in accordance with the United Nations International Standard Industrial Classification. 12/

Promotional and institutional aspects of productive activities

199. This document contains a number of useful criteria for carrying out agreements establishing a modus operandi for the Central American Common Market, and a description of the promotional and institutional machinery required to facilitate the use of the resources of the Production Expansion Fund for the execution of industrial and agricultural projects. The study also suggests procedures and institutions for applying industrial policy agreements and how the Central American Bank for Economic Integration can best act as administrator of the Production Expansion Fund. 13/

Social aspects of rural development

200. The regional report on the main socio-economic characteristics of the tenure, use and distribution of land in Central America was completed. An attempt is made in this study to pinpoint common problems connected with land tenure and land use,

11/ "Consideraciones económicas y técnicas para establecer lineamientos sobre la segunda etapa de revisión del Arancel de Aduanas Centroamericano" (E/CN.12/CCE/362/Rev.1).

12/ "Centroamérica, Sector industrial: Valor bruto de la producción y valor agregado, 1950-1968". (CEPAL/MEX/70/11).

13/ "Aspectos promocionales e institucionales asociados al fondo de expansión productiva y otros acuerdos de desarrollo industrial". (CEPAL/MEX/70/11).

to provide the broad outline of a policy that the Governments could adopt, and to evaluate the projects and programmes being prepared by financial and technical assistance agencies. It also outlines some joint measures that could be taken to prevent future errors in allocating resources and setting costs and prices for the Common Market, such as the introduction of new support systems for improving regional programmes connected with the development of agriculture and the absorption of manpower.

201. The first section of the report places the problem of land tenure in a wider context, namely, that of the trends of the Central American economies and of regional integration. At the same time, it points to a number of obstacles liable to aggravate some of the principal causes of disequilibrium confronting Central American development. It goes on to describe, inter alia, the structure of land ownership and its effect on the utilization of resources, crop distribution, productivity, and capacity for absorbing manpower. It concludes with suggestions of economic policy guidelines to be kept in mind when formulating specific programmes and projects and puts forward some recommendations on a land settlement policy, agrarian reform, and employment. The document was examined and endorsed by the agencies supplying experts for these activities (FAO, CIDA, SIECA, IICA, the ILO and ECLA). 14/

Transport costs in Central America

202. The Office supervised the study carried out by the OTC adviser on transport economics showing prevailing transport rates and distances in Central America and giving an estimate of the cost of transporting the region's main categories of merchandise. The estimates cover volumes transported, and transport costs of the following three main categories: goods moving in intra-regional trade transported by road in 1966, 1967 and 1968; goods moving in extra-regional trade transported in 1966 and 1968; intra-regional passengers and goods traffic on main roads in 1968. The study provides a rough guide to transport costs and the proportion of transport costs in the cost of production of certain goods; these data will go into a more extensive study already in preparation on the technical and economic feasibility of developing other modes of transport to complement the existing land transport systems and to introduce a healthy element of competition. 15/

Joint operation of port terminals

203. The Office supervised the report prepared by the UNCTAD adviser on port development and shipping at the request of the Ministry of Economy of Guatemala. The report contains a number of recommendations for operating Atlantic seaboard terminals under a single port authority (Santo Tomás de Castilla and Barrios), increasing the range of goods handled by each terminal and improving their

14/ "Tenencia de la tierra y desarrollo rural en Centroamérica" (GTT 4).

15/ "Estimación de costos de transporte de mercancías de Centroamérica" (E/CN.12/CCE/SC.3/28; TAO/LAT/106).

equipment and methods. It also suggests the establishment of a national port co-ordination commission for formulating, co-ordinating and establishing basic guidelines for the operation of Guatemala's four main ports - currently administered by four separate agencies - on a national basis. 16/

Port development in Central America

204. A document assessing the progress made in port development between 1964 and 1969 and describing the main changes in the productivity of the principal Central American terminals was completed. It covers the following: volume of cargo handled; services provided by each terminal; availability of basic installations, equipment and personnel; utilization of installed capacity; financial results, etc. It also recommends measures that could be taken in each port and in each country to step up productivity and mentions possible regional activities that might help to reduce the tariffs established by the shipping conferences for Central American ports. 17/

Electricity costs in Central America

205. The Office completed its comparative survey of investment, costs, technical efficiency, profits and administration of electric power in 1967 and 1968. The study, which deals with the ten largest Central American enterprises controlling 90 per cent of the public electric power supply, was submitted to the second meeting of the Regional Group on Electricity Rates in September 1970. 18/

Progress in Central America's electricity sector

206. Two documents were produced summarizing the main achievements, in terms of planning and investment, of national electricity development enterprises and institutions during the second half of 1969 and the first half of 1970. They also contain a description of the regional activities of the United Nations Mission on Electrification and Water Resources in Central America. 19/

Electricity interconnexion between Nicaragua and Costa Rica

207. The Office supervised the work of the Mission on Electrification and Water Resources in Central America and convened a second meeting of the working group on electricity interconnexion between Nicaragua and Costa Rica (Costa Rica, 4 to 6 March, and Nicaragua, 26 to 28 November 1970). Three documents were presented

16/ "Coordinación de las operaciones de los puertos de Santo Tomás de Castilla y Barrios, Guatemala" (CEPAL/MEX/70/7; TAO/LAT/105).

17/ "Análisis de la situación portuaria en Centroamérica y Panamá, 1964-1969" (E/CN.12/CCE/SC.3/29; TAO/LAT/110).

18/ "Estudio comparativo de costos de la energía eléctrica en el Istmo Centroamericano" (E/CN.12/CCE/SC.5/77; TAO/LAT/107).

19/ "Istmo Centroamericano: Reseña de actividades en el sector eléctrico. Segundo semestre de 1969" (CEPAL/MEX/70/2) and "Primer semestre de 1970" (CEPAL/MEX/70/13).

as a basis for discussion. The first is a summary of the background and objectives of the integrated development of electric power produced by the main systems in these two countries. 20/ The second is a supplementary study on the technical and economic possibilities of this interconnexion, which contains new estimates of electric power requirements and an up-dated programme of additions to the generation and transmission system in Nicaragua. It also includes an analysis of new possibilities with regard to the operation of hydroelectric and thermoelectric plants and criteria for sharing reserves between the two systems. 21/ The third document presents supplementary studies on the following subjects: verification of seasonal flows of energy and power, based on the Nicaraguan hydrological cycle instead of the Costa Rican cycle used in the last report; possibilities of using direct current in the interconnexion works; new possibility of interconnexion at 138 kV compared with the 220 kV considered previously; and effect of possible variations in the costs of interconnexion works and their operation and maintenance on investment returns. 22/

Multilateral electricity interconnexion

208. The Office collaborated with the Mission on Electrification and Water Resources in Central America in preparing a document providing an up-to-date summary, as of June 1970, of studies and achievements with respect to possible interconnexions of the main electricity systems of Central America (Guatemala-El Salvador; El Salvador-Honduras; Nicaragua-Costa Rica and Costa Rica-Panama). The report was presented to the first meeting of the Central American Section of the Institute of Electrical and Electronics Engineers (Guatemala City, July 1970). 23/

Equalization of electricity rates

209. The Office collaborated with the Mission on Electrification and Water Resources in Central America and convened the second meeting of the Regional Group on Electricity Rates (Panama City, 26 to 30 October 1970). 24/

20/ "Informe de la secretaría al Grupo de Trabajo sobre Interconexión Eléctrica Nicaragua-Costa Rica" (GRIE/GT-N-CR/II/3).

21/ "Alternativas de interconexión de los sistemas eléctricos nacionales de Nicaragua y Costa Rica" (GRIE/GT-N-CR/II/2; TAO/LAT/103).

22/ "Alternativas de interconexión de los sistemas nacionales de Nicaragua y Costa Rica" (GRIE/GT-N-CR/II/2; TAO/LAT/103/Add.1).

23/ "Posibilidades de interconexión de los sistemas eléctricos de algunos países del Istmo Centroamericano" (CEPAL/MEX/70/12).

24/ "Antecedentes y objetivos de la segunda reunión del Grupo Regional sobre Tarifas Eléctricas" (CCE/SC.5/GRTE/II/2).

Depreciation in the electric power industry

210. This study establishes theoretical criteria for the depreciation of tangible assets and the repayment of intangible assets, its effects on financial statements and results, and the methods and procedures commonly used in applying them. It also gives the depreciation rates used by the main electric power companies in Central America, which are recommended by various regulating agencies and firms of consultants, and suggests ranges of variations which might be adopted at the regional level regarding the useful life of the electric power industry's principal assets. 25/

Rural electrification

211. This document examines the progress made and the procedure adopted by the six Central American countries with regard to rural electrification. It also describes the projects under consideration or already under way in each country, the enterprises responsible for them, and the results expected in each case. Finally, it sets out a number of guidelines for a possible regional rural electrification policy, with special attention to planning, financing, costs, rates, regulation, promotion, institutional organization and regional co-ordination. 26/

Standardization of electrical materials and equipment

212. The Office collaborated with the Mission on Electrification and Water Resources in Central America and convened the sixth meeting of the Regional Committee on Electrical Standards and the third meeting of the Working Group on Coding Standards for Electrical Materials and Equipment (Nicaragua, 25-30 September and 21-25 September 1970, respectively). The discussions at both meetings were based on a report on activities during the period from December 1969 to September 1970, 27/ and on the following documents prepared by the Central American expert on electrical standards, in his capacity as a member of the Mission on Electrification and Water Resources in Central America. Two of these documents contain proposals for coding 5,000 items in Central America. These fall into the following groups of items used by the main electric power enterprises in the area: tools, ferrous metals; non-ferrous metals; fuels, lubricants, oils, paints, varnishes, enamels and related products; hardware; electrical tubing and accessories water-pipes and accessories. 28/ 29/ The third document contains a proposal to

25/ "La depreciación y amortización de los activos fijos de la industria eléctrica de los países del Istmo Centroamericano" (CCE/SC.5/GRTE/II/3; TAO/LAT/108).

26/ "Estado y perspectivas de la electrificación rural en el Istmo Centroamericano" (CCE/SC.5/GRTE/II/4; TAO/LAT/109).

27/ "Informe de la secretaría al Grupo Regional sobre el programa de normas eléctricas, diciembre de 1969 a septiembre de 1970" (CGE/SC.5/CRNE/VI/3).

28/ "Grupo No. 33. Herramientas. Codificación provisional" (CRNE/GTC/III/DT.2).

29/ "Proyecto de codificación de los materiales y equipos correspondiente a los grupos: 02, Metales ferrosos; 03, Metales no ferrosos; 08, Combustibles, lubricantes, aceites, pinturas, barnices, esmaltes y productos conexos; 26, Artículos de ferretería; 31, Tubería para uso eléctrico y accesorios; 32, Tubería hidráulica y accesorios" (CRNE/GTC/III/DT.3).

establish standards applicable to equipment and materials for electricity distribution networks, and covers the following items: posts and cross arms, insulators, metal fixtures, transformers, protection and measuring equipment, and conductors. It is supplemented by a report on the comments furnished by the national committees on the above-mentioned proposal. 30/ 31/

213. During the first quarter of 1970, it proved necessary to carry out a complete and final revision of the reports of the fifth meeting of the Regional Committee on Electrical Standards and the second meeting of the Working Group on Coding Standards, the list of coded materials, and the working standards that had been approved. All the above technical work on electrical standardization was published in a single three-volume document. 32/

Water resources

214. Preliminary reports were published on each of the six Central American countries under the regional water resources evaluation programme. 33/ The reports were drawn up by experts from the World Meteorological Organization, the Office of Technical Co-operation, the World Health Organization and the Ministry of Water Resources of the Mexican Government, under the general supervision of the head of the Mission on Electrification and Water Resources in Central America. They contain a description of the main meteorological and hydrological conditions; water supply and drainage; irrigation possibilities; and various legal and institutional questions.

Other work

215. Studies are being completed on the following: Mexico's industrial policy; cattle-breeding in Mexico; development financing in Central America; the Central American customs union; social aspects of rural development in Costa Rica; transport alternatives in the Central American Common Market.

Technical co-operation

216. The Office assisted SIECA with the basic studies relating to the establishment of a modus operandi for the Central American Common Market.

30/ "Proyecto de norma de trabajo CRNE-13", provisional version (E/CN.12/CCE/SC.5/CRNE/VI/2).

31/ "Proyecto de norma de trabajo CRNE-13, Observaciones de los comités nacionales" (E/CN.12/CCE/SC.5/CRNE/VI/2/Add.1).

32/ "Informe de la quinta reunión del Grupo Regional sobre Normas Eléctricas" (CCE/SC.5/69), vols. I, II and III.

33/ "Istmo Centroamericano, Programa de evaluación de recursos hidráulicos: I. Costa Rica (R/CN.12/CCE/SC.5/70), II, El Salvador (E/CN.12/CCE/SC.5/71), III. Guatemala (E/CN.12/CCE/SC.5/72), IV. Honduras (E/CN.12/CCE/SC.5/73), V. Nicaragua (E/CN.12/CCE/SC.5/74) VI. Panama (E/CN.12/CCE/SC.5/75)."

217. A member of the Office secretariat was seconded to the Central Bank of Nicaragua, at its request, for three months to assist in studies on the country's foreign trade and economic integration.

218. Two members of the secretariat advised the following government offices: the Planning Office of El Salvador, on the preparation of an agrarian reform programme; the Planning Office of Guatemala on the restructuring of the National Institute for the Transformation of Agriculture as part of the institutional reorganization of the agricultural sector; and the National Agrarian Institute of Honduras on the evaluation of the national agrarian reform programme.

219. The Central American shippers' council, the Central American Shipowners Association, the Mexican foreign trade shippers' council and the Inter-American Export Promotion Centre of the OAS all received advisory assistance from the UNCTAD adviser on ports and shipping. He assisted the Central American Institute for Public Administration with its courses on customs and port problems held in Costa Rica, Panama and Nicaragua. He continued to provide technical assistance for the following government authorities: the Guatemalan Ministry of Economy, in setting up a national port co-ordination commission; El Salvador's port authority in improving the administrative and operational systems of the ports of Acajutla and La Libertad; the Atlantic Seaboard Port Authority and Economic Development Board and the Pacific Electric Railway Company of Costa Rica - responsible for the ports of Limón and Puntarenas - in various matters concerning improved port services; the national port authority of Honduras, on coastal shipping; the Ministry of Transport of Costa Rica, in creating a national ports institute; and the Government of Panama, in establishing a national commission on maritime transport and port development. Finally, he assisted ILPES in the relevant aspects of the economic expansion project being developed jointly with the Government of Venezuela.

220. The OTC adviser on public services furnished the following with technical assistance: the National Electrification Institute of Guatemala, in connexion with electricity regulation; the national electric power enterprise of Honduras, in connexion with electricity rates for major industries; the Electricity Institute of Costa Rica, in planning a new accounting system; and El Salvador's executive committee for hydroelectric projects on the river Lempa, in connexion with electricity rates.

221. The OTC adviser on infrastructure continued providing the Government of Panama with assistance in the technical evaluation of draft treaties connected with the Panama Canal.

222. At the request of the national electrification and electric power regulatory bodies of Central America, the Mexico Office supervised for the third year running the work of the adviser on electrical standards recruited directly by them and attached to the Mission on Electrification and Water Resources in Central America. It has likewise continued to supervise the work of the electrical engineer seconded by Mexico's Federal Electricity Commission to assist in the electrical standardization programme for Central America. This Commission has also supplied the Office with technical data and advice on various aspects of the programme.

WASHINGTON OFFICE

223. The Washington Office continued to supply the secretariat with information for the use of the substantive divisions in their research work.

224. Information and documentation on the activities of the Commission were provided in response to a considerable number of inquiries received from international and regional organizations, from branches of the United States Government, and from universities, research foundations and other private bodies in the United States.

225. The Washington Office continued to represent the secretariat at a number of meetings, and undertook liaison work in connexion with the activities of IDB, OAS, CIAP and CIDA. It also represented ECLA at the country review meetings convened periodically under the auspices of CIAP.

RIO DE JANEIRO OFFICE

226. The Office continued to collaborate with Brazilian government officials in research and advisory assistance activities. During the period under review a study on exports of manufactures and another on industrial strategy and international enterprises were concluded. (See also the section on the Latin American Economic Projections Centre, where mention is made of other work relating to the Brazilian economy.)

The growth of international enterprises and their importance in Latin American development 34/

227. The aim of this study is to analyse some aspects of the behaviour of international enterprises, particularly those owned by United States residents, which operate in the manufacturing sector.

228. The study begins by setting forth the principal methodological problems and explains why attention has been focused on United States enterprises. An analysis is made of certain differences in behaviour between international enterprises, according to the sector and region in which they operate. In particular, a comparison is made of growth rates, rates of return and the structure of the financing of the expansion of international enterprises abroad.

229. An attempt is then made to clarify what effects foreign subsidiaries have on the economy of the home country, in terms of flows of goods, technology and capital. In order to try to measure those effects, a comparison is made of the financial results of the operation of international enterprises in the United States and of their subsidiaries in other countries.

230. To complete the picture, some of the effects of the presence of international enterprises on the economies of the countries in which they operate are analysed. The first aspect covered is the difference between the growth rate of the subsidiaries and that of local industry in the respective countries; secondly, the

34/ See Economic Survey of Latin America, 1970 (E/CN.12/868/Add.2), chapter I.

size of the United States firms is compared with that of firms in competing countries; and, thirdly, the attitude of international enterprises to exports by the their subsidiaries is described. This and earlier background material lead to a tentative over-all interpretation of the process of expansion of United States subsidiaries abroad.

Industry and exports of manufactures 35/

231. After examining the size of the enterprises and industrial establishments in the different sectors and comparing the situation of the national and international enterprises in Brazil, this study analyses the concentration of industry and its relation to productivity, the regional distribution of industry, the presence of international enterprises and exports of manufactures. An attempt is made to determine how far sectoral and regional factors, the size of plants and the presence of international enterprises are responsible for differences in industrial productivity.

232. As regards the relationship between the transfer of foreign technology and exports of manufactures, an analysis is made of the behaviour of the enterprises in relation to the development of local technology, expenditure on imported technology and the influence of the latter in determining the behaviour of the enterprises in foreign trade.

233. A comparison is made between the United States enterprises operating in Brazil and Brazilian enterprises in terms of their share of the market, the volume exported by each enterprise, and the technological content, degree of diversification, destination and growth rate of the exports.

234. Some tentative conclusions on the prospects for Brazilian exports of manufactures are drawn from the above data, and on the basis of these conclusions some suggestions are made with regard to a possible export policy.

MONTEVIDEO OFFICE

235. The Office took an active part in the meetings and studies of the Latin American Free Trade Association (ALALC), and particularly in the work of its Standing Executive Committee, the Conference of the Contracting Parties and numerous specialized meetings. It also fulfilled its co-ordination and liaison functions between the ECLA and ALALC secretariats and assisted the delegations of member countries in the study of technical problems.

236. During the period under review, the most important work done by the Montevideo Office concerned the ALALC Plan of Action for 1970-1980 and the fixing of priorities for carrying part of it out during the period 1970-1973.

35/ Published by Brazil's Economic and Social Planning Institute (Instituto de Planejamento Economico e Social).

Sectoral meetings

237. The Office took part in meetings of entrepreneurs concerned with producing the following: machinery for the textile industry, the pulp and paper industry, bakeries and related activities, electrical and electronics industries and medical instruments, and with the production of chemicals and petrochemical products, pharmaceuticals and office machines. The Office's contribution consisted in supplying data for the preparation of drafts of complementarity agreements and in general suggestions of a technical nature.

ALALC secretariat studies on sectors of industry

238. All the studies presented by the secretariat this year were analysed; they covered shipbuilding and the production of diesel engines and agricultural machinery. Critical comments on each were prepared for submission to the ALALC secretariat.

Work programme on trade policy

239. In collaboration with the Director of the Trade Policy Division, the Office provided advisory assistance to the ALALC secretariat and other specialized regional agencies in the following fields: programming of work on improving the method of evaluating the operation of the ALALC system of preferences; determining the extent to which these preferences are being taken up; outlining guiding principles for future negotiations; and improving and organizing the machinery for export promotion.

240. The Office also took part in several technical meetings, namely: meeting of directors of internal revenue departments and of experts in export promotion and statistics.

241. A contribution was also made to the preparation of a document drawn up by a working group of the ALALC Standing Executive Committee, on the reorientation of sectoral meetings, a project which calls for greater participation by the international agencies in the preparation of those meetings and in the meetings themselves.

Other activities

242. An information document on work on the economic integration of Latin America and assistance to the regional and subregional integration schemes was prepared in collaboration with the ALALC secretariat for submission to the fourth co-ordination meeting of integration agencies organized by the Inter-American Development Bank. The document summarizes the range of activities, programmes and subprogrammes that ECLA carries out and is planning in the field of Latin American economic integration, to serve as background information and facilitate the work of co-ordinating technical assistance in the region. A document was also prepared on the integration process in ALALC (E/CN.12/887).

Technical co-operation

243. During the period covered by this report, the ALALC secretariat was given specialized assistance, with the support of advisers and permanent staff, in the fields of export promotion and chemical industry.

OFFICE FOR THE CARIBBEAN

244. The Office continued assisting area Governments in analysing some of the problems arising out of their intensified efforts towards economic co-operation and the solution of the concomitant social problems. Substantial progress was made in the formulation of common external tariffs, reorganization of the inter-island shipping services, drafting of fiscal legislation, and in negotiations and studies aimed at achieving wider participation in the subregional trade liberalization process. A document was prepared on the process of integration among the CARIFTA countries (E/CN.12/886).

Common external tariff

245. Work was completed on the preparation of the common external tariff for the East Caribbean Common Market (ECCM) based on the Brussels Tariff Nomenclature. An important aspect of this exercise was the study of the likely impact of the introduction of the new tariff on the situation in individual countries, and consideration of the special safeguards or exceptions that each country wishes to introduce (ECLA/POS 70/8, parts I and II). In October 1970, the ECCM ministers approved the common external tariff and decided that it should come into force on 1 April 1971.

246. Assistance was given to the Commonwealth Caribbean Regional Secretariat in initiating work on the CARIFTA common external tariff (ECLA/POS 70/3), and considerable progress was made in formulating a draft tariff. The CARIFTA countries hope to finalize the feasibility study early in 1971, and this document will serve as a basis for further negotiations between member countries on their trade policies and the application of the common tariff. Considerable emphasis was also placed on studies of the possible effects of the United Kingdom joining the European Common Market.

Trade in agricultural products and by-products

247. This study examines the structure of intraregional trade in agricultural products and reaches certain conclusions on the possibilities of diversifying and expanding trade in these commodities. The study also includes an over-all view of certain institutional questions relating to intraregional shipping, trade policy and trade promotion.

248. The criteria used for the selection of commodities to be analysed in detail take into consideration the importance of the product from the point of view of consumption, production and export earnings, and the existence of explicit regional policy statements, such as the Agricultural Marketing Protocol and the Oils and

Fats Agreement. The basic approach was to consider certain primary agricultural commodities and their related end-products, identifying the respective shares of foreign and intra-area sources in supply. Demand estimates for these commodities were used as a basis for short- and medium-term demand projections. Conclusions as to prospects for increased production and trade were drawn from a comparison of the these demand estimates with estimates of available intra-area supplies.

Harmonization of incentives to industry

249. A draft treaty and model national legislation presenting a complete and comprehensive scheme of fiscal incentives to industry in the Caribbean were prepared. These instruments incorporate the principles agreed upon at the Workshop on Harmonization of Fiscal Incentives to Industries, held in Port-of-Spain in September 1961. 36/

250. In pursuance of a decision taken by the CARIFTA Council, senior officials of member countries met in Port-of-Spain in September 1970 to formulate recommendations for further action. The meeting reached agreement on all substantive aspects of the harmonization of incentives as outlined in the documents prepared by ECLA Office for the Caribbean. These recommendations are to be considered at a meeting of the CARIFTA Council of Ministers early in 1971.

Transport

251. Assistance has been extended to the Commonwealth Caribbean Regional Secretariat in the establishment of machinery for the continuing review of matters connected with shipping in the Caribbean. It has been agreed that the ECLA Office for the Caribbean will continue to assist the secretariat in the training of personnel in the integration, analysis and use of freight tariffs and port statistics. Collection of uniform shipping statistics is undertaken by individual Governments on the basis of forms and instructions prepared by ECLA, which will also continue to provide assistance for tabulations, so as to ensure uniformity and comparability of data.

252. These continuing studies will serve as a basis for the operation of the consultation and negotiation machinery established by the countries of the Caribbean for the protection of their interests in the fields of shipping services and tariffs.

Feasibility study for inter-island and feeder shipping services in the CARIFTA area

253. On the basis of the study prepared on the feasibility of providing efficient and adequate facilities for carriage of domestic cargo and for transshipment of cargo based on the West Indies Shipping Service (ECLA/POS 70/1) the Governments

36/ See documents E/CN.12/844 and E/CN.12/845.

approved measures to improve the services run by the West Indies Shipping Corporation (WISCO). The Office has continued to assist the Corporation, at its request, in modernizing and reorganizing its services, and in carrying out the necessary studies for the implementation of the decisions of the West Indies Governments.

Ports

254. Some assistance was given on certain aspects of port construction, planning and management in Barbados, the Associated States and Montserrat. With regard to the construction of new ports and the extension of existing ports, a regional approach is being adopted; the primary objective is to facilitate selection of priority projects for investment.

Social aspects of development

255. For the first time, a separate section on the Caribbean was prepared for inclusion in the 1970 Report on the World Social Situation. This section outlines the social trends in the subregion and covers the various sectors of public social action.

Human resources

256. A paper entitled "Some areas for regional action in the field of human resources development" was prepared and presented to the sixth Conference of the Heads of Government of the Commonwealth Caribbean. It was referred to the seventh meeting of the CARIFTA Council of Ministers, which accepted the proposals contained in the paper and agreed to give high priority to action in the field of manpower development and planning.

Other work

257. The study on the role of domestic savings in the financing of economic development is well advanced. It covers the four larger CARIFTA countries for the period 1958-1968. The study examines the level of domestic savings, the measures for mobilizing these savings, and the types of investment into which they are channelled. Where data permit, international comparisons are made. Preliminary findings indicate that during the decade of the 1960s domestic savings had only a superficial effect on the restructuring of the economies of the Commonwealth Caribbean countries. Savings have been channelled mainly into infrastructure development, construction and distribution. There has been some evidence, however, of an increasing proportion being invested in the main production sectors, such as domestic agriculture and industry, but domestic savings have made no perceptible impact on export agriculture and mining, which have traditionally been dominated by foreign capital.

258. Preliminary work has begun on a study entitled "The problems of small-scale industry".

259. A revision is under way of the document "Inter-island small vessel shipping in the East Caribbean" (ECLA/POS 70/6), which includes a study of the possibilities of building small vessels in the area using local resources, and of the adoption of uniform regulations on the safety and registration of the vessels to qualify for area treatment.

260. A study has been undertaken on transport in the Caribbean Basin, and a preliminary draft was prepared setting down the geographical and economic background of the Basin against which the transport sector is to be analysed.

Technical co-operation

261. During the period under review, the Adviser in Community Development undertook various missions on request to the different territories in the subregion. His advisory services covered a wide field, including advice on community development programming; regional development and its operational and administrative aspects; training; youth policies and programmes; and rural local government.

262. One of the Adviser's most important tasks was close co-operation, at the special request of the Government of Trinidad and Tobago, with a high-level committee on community development and youth affairs. This committee was set up to consider the whole range of subjects connected with community and rural development, youth development, education and welfare. The Adviser also assisted the Government of Dominica in the preparation of a draft outline of policy on human resources development.

263. The Adviser also gave assistance in connexion with the implementation of the various proposals made by the two regional workshops that had been held earlier, the Community Development Training Workshop in 1968, and the Workshop on Integrated Rural Development in 1969.

264. Responding to official requests, the Economic Adviser visited Guyana, Dominica, British Honduras (Belize) and Grenada in order to provide assistance in economic planning, incorporating the Oils and Fats Agreement in the CARIFTA Agreement, fiscal and economic policies, the organization of small planning institutions, and in the formulation of policies for the development of guest-houses and medium-class tourist hotels to attract an increasing flow of visitors to the area. As a result of the Adviser's visits and recommendations, some countries requested him to make comments and suggestions on proposed measures of economic policy.

265. The Adviser on Maritime Transport attended a meeting of the Regional Shipping Council in Jamaica where the reorganization of the West Indies Shipping Service and the increases in overseas freight rates by the shipping conference servicing Caribbean ports were discussed. At the request of the CARIFTA secretariat following recommendations of the Regional Shipping Council, he undertook missions to assist in organizing CARIFTA's work programme in the fields of ocean shipping and freight rates. He also visited all the Windward and Leeward Islands for discussions with Governments and port authorities concerning the reorganization of the West Indies Shipping Service, and to advise on the systematic collection of shipping and port statistics, and the development of regional ports. In Grenada a specific request for assistance in port development and land reclamation was discussed.

266. At the Regional Shipping Council meeting held at Georgetown in November 1970, which was attended by the Adviser, ECLA was requested to assist on a continuing basis in negotiations with overseas shipping conferences concerning freight rates. The Adviser also continued with the study of island freight and passenger services and initiated work on feasibility studies for transocean regional shipping lines.

267. At the request of the ECCM secretariat, the Adviser on Trade Policy and Integration undertook missions to St. Lucia, Dominica, Grenada, St. Vincent, St. Kitts, Montserrat and Antigua relating to the formulation of a common external tariff for the East Caribbean Common Market. On these missions, he assisted in studies on the impact of the introduction of the tariff based on the BTN, which was drafted under his guidance. He also prepared the related trade policy action that will become necessary when the common tariff is introduced.

268. The Adviser also visited the CARIFTA secretariat in Guyana to advise and assist in the preparation of a common tariff for CARIFTA. At the request of the Government of the Dominican Republic he visited Santo Domingo in order to co-operate with the competent authorities in studying trade and tariff aspects of a possible association of that country with CARIFTA.

269. At the request of the Governments, the Tax Law Adviser visited Guyana, Dominica and St. Lucia to assist in the preparation of legislation regarding fiscal and budgetary reforms, fiscal incentives to industry, banking and insurance. He also prepared draft legislation on provident funds and treasury bills for the Governments of Dominica and St. Lucia and discussed schemes for avoidance of double taxation in the Caribbean with the Secretary-General of CARIFTA and the Governments of the above countries.

270. He prepared two working papers for and participated in a meeting of the Joint Consultative Committee (CARIFTA) in Port-of-Spain on 15 and 16 October to consider the adoption by the CARIFTA countries of common principles for the avoidance of double taxation. At the request of the Government of Trinidad and Tobago, the Adviser prepared a note and a draft convention for the proposed negotiation of a tax treaty by that Government.

271. Assistance was given to an official mission from the Dominican Republic, which visited the Government of Trinidad and Tobago and the ECLA Office, in conducting preliminary discussions regarding possibilities of closer trading and services relations with the CARIFTA countries. In response to a specific invitation, the Director of the Office made an official visit to the Dominican Republic, and some advisory assistance is being provided to that country on a continuing basis.

272. The Office held consultations and provided advisory services for the various intergovernmental bodies in the subregion as a continuing part of its work.

BOGOTÁ OFFICE

273. During 1970, the Bogotá Office continued to concern itself in the main with analysing economic trends in the countries within its area (Colombia, Ecuador and Venezuela) and the policy measures adopted by these countries. It also continued to examine developments relating to the participation of these countries in the integration movements to which they belong, especially the Cartagena Agreement as

regards Colombia and Ecuador, and also studied certain issues relating to the possibility of Venezuela's acceding to the Agreement. These activities are more or less of a continuing nature and have been given priority attention by the Office. The Office prepared a note on the evolution of the Cartagena Agreement (E/CN.12/888).

274. The Office also co-operates with technical officials through public agencies by preparing reports, and making suggestions and comments regarding official documents, attending meetings, etc. The Director of the Office frequently attends national events connected with economic matters at the invitation of the Government or the appropriate agencies. The Office maintains contacts and co-operates with the representatives of international agencies - including the OAS, IDB, CIPE - which have offices in Colombia. The Office is particularly active as regards furnishing information and co-operation to universities and other teaching establishments.

MULTI-DIVISIONAL PROGRAMMES

Development of the River Plate Basin

275. In conformity with the agreement between ECLA and the Inter-American Development Bank, 37/ the period covered by the present report saw the completion of a preliminary draft of the socio-economic survey of the Santa Cruz de la Sierra region (Bolivia), the purpose of which is to furnish the basic data required for preparing the pre-feasibility study of the construction of a Bolivian port on the River Paraguay (Puerto Busch). The following were the main objectives of the analysis: to present a preliminary diagnosis of the Department of Santa Cruz, as a source of information on the region; to evaluate development and industrialization prospects for the region's known natural resources and crop and livestock production, identifying products that might be marketed elsewhere in the country or exported to determine the region's chief potentialities and needs in respect of its transport infrastructure; and to estimate the principal sums that would have to be invested to stimulate production, on the basis of a possible regional development strategy and the findings of market studies carried out in the River Plate countries. ILPES and ILO co-operate in these activities.

276. An over-all picture of the economic and social development of the region, natural factors and resources, the population and its socio-economic needs, and the main inter-sectoral relations, is followed by an analysis under such separate heads as illiteracy, education and employment; agriculture, including irrigation; forestry, which has great potentialities for the future; industry, including major medium- and long-term regional projects; energy; transport; and specific data for the Puerto Busch project.

277. This analysis served as the basis for the formulation of conclusions and recommendations for each sector; the presentation of basic ideas for a regional development strategy, with recommendations and guidelines for the next twenty years, and for the forthcoming stages of the economic and social planning; and an analysis of the future outlook for Puerto Busch.

37/ See Official Records of the Economic and Social Council, Forty-ninth Session, Supplement No. 4, E/4806, p. 59.

Export promotion

278. In line with the recommendations of the United Nations Export Promotion Programme and the priorities established for the Commission, the activities that various secretariat units had been carrying out in this field were combined in a multidivisional interdisciplinary programme, covering every aspect of the export of manufactures, from their programming to their marketing, and touching upon industrial, supply, commercial, financial and administrative questions all within the framework of a consistent policy. The programme is essentially operational in character, and the agencies participating in the United Nations Export Promotion Programme are co-operating in its implementation.

279. During the period under review, a training course in export promotion was organized for some of the Latin American countries (Santiago, Chile, 31 August to 11 September 1970). As part of the course, the trainees were required to present analyses relating to specific products that might be exported by their respective countries, and they also spent some time in European countries that might offer potential markets for the products in question, and at the UNCTAD/GATT International Trade Centre (ITC) in Geneva. A training course on export promotion techniques for the English-speaking countries of the Caribbean was also held in 1970. Both courses were organized in collaboration with the International Trade Centre.

280. The symposia held at Buenos Aires and Montevideo in 1970 afforded other opportunities of co-operating with the Centre. Lectures were given on export promotion in relation to industrial development and export incentives.

281. Interdisciplinary missions, organized on a basis of collaboration between the Trade Policy Division, the Industrial Development Division and the Public Administration Unit, visited Argentina, Bolivia, Brazil, Colombia, Ecuador, Peru, Uruguay and Venezuela to collaborate in the analysis of commercial, industrial, administrative and institutional questions bearing on export promotion. The country studies of export promotion policy included a description of the measures applied by each country to promote exports of manufactures and semi-manufactures, and an evaluation of their efficacy and that of the export promotion system as a whole, with a view to proposing appropriate steps to make the system well-knit and consistent. Another mission was sent to Ecuador to give advisory assistance in export promotion and financing (see paragraph 37), and ECLA co-operated with ALALC under the terms of ECLA resolution 245 (IX), which refers to the preparation of a programme for the promotion of intraregional trade (see also paragraph 38).

282. As a contribution to the study on industrial policy in Latin America (see paragraphs 44 to 52), some questions linked with exports of manufactures were studied, and an analysis was made of the obstacles to exports of manufactures implicit in the pattern the country had hitherto followed in its industrial development. Similarly, pursuant to the proceedings of the Regional Consultation on the Development of the Forest and Pulp and Paper Industries in Latin America, a mission visited Brazil to evaluate the prospects for exports of forest products.

283. A study was also carried out on the industrial system and exports of manufactures in Brazil (see paragraph 231), stressing, inter alia, the role of national and international enterprises in the export trade in manufactured goods. This last point was also examined in the context of Latin American development (see paragraph 227).

UNITED NATIONS HEADQUARTERS AND OTHER OFFICES

284. A note entitled "Organization and methods: their effectiveness in Latin America" was contributed to the United Nations Interregional Seminar on Administration of Management Improvement Services (Copenhagen, 28 September to 6 October 1970).
285. The secretariat co-operated with the Statistical Office of the United Nations and the United Nations Office of Technical Co-operation in the organization of the Working Group on Industrial Statistics (Santiago, Chile, 13-14 August 1970).
286. Brief notes and comments were prepared as contributions to the work of the Advisory Committee on the Application of Science and Technology to Development, and to the preparatory work for the United Nations Conference on the Human Environment.
287. A study on the transfer of technical know-how in Brazilian industry is at present being carried out in collaboration with IDB and the United Nations Division of Public Finance and Financial Institutions.
288. Through the Office for the Caribbean, the secretariat co-operated with the United Nations Public Administration Division and with the International Union of Local Authorities in the organization of the Caribbean Regional Seminar on Central Services to Local Authorities (Guyana, 8 to 18 March 1971).
289. The organization of a pilot regional course for the "training of trainers" in public administration, held in Trinidad from 10 August to 18 September 1970, was another occasion when the secretariat co-operated with the United Nations Public Administration Division. The course was co-sponsored by ECLA and by the University of the West Indies.
290. The Office for the Caribbean continued to co-operate with the United Nations Centre for Development Planning, Projections and Policies (CDPPP) in adapting the joint ECLA/ILPES/CDPPP project to the conditions laid down for the establishment of multinational interdisciplinary groups which will assist the CARIFTA countries, in particular the members of the East Caribbean Common Market, in preparing their economic and social development plans and programmes and setting up long-term development targets.
291. In addition, the Office for the Caribbean collaborated with the United Nations Children's Fund in the preparation of a plan of operations for UNICEF assistance to the Regional Youth Camp in Dominica.
292. The secretariat continued to collaborate with UNCTAD in transport studies.
293. Members of the secretariat staff gave talks on export incentives at the symposia organized in Buenos Aires and Montevideo by the UNCTAD/GATT International Trade Centre. The secretariat also co-operated with ITC in the organization of a regional course on export promotion techniques that was held at Port-of-Spain (Trinidad and Tobago) in April 1970.
294. The secretariat continued to collaborate with the United Nations Industrial Development Organization in the activities of the ECLA/FAO/UNIDO Forest Industries

Advisory Group and in the preparation of documents for the Athens Symposium and for the report on industrial aspects of the World Plan of Action.

2. Meetings and seminars

295. The list of meetings and seminars held during the period under review appears in annex II below.

C. RELATIONS WITH SPECIALIZED AGENCIES AND
OTHER ORGANIZATIONS

Specialized agencies

296. The secretariat of FAO continued to provide the services of four of its staff to the ECLA secretariat, and both institutions continued their collaboration in the ECLA/FAO/UNIDO Forest Industries Advisory Group.

297. The Office for the Caribbean collaborated with FAO in its Rural Youth Staff Training Workshop, held in December 1970. The World Meteorological Organization organized, jointly with ECLA, the Seminar on the Role of the Meteorological Services in the Economic Development of Latin America (Santiago, 30 November to 5 December 1970).

Latin American Institute for Economic and Social Planning

298. Co-operation between ECLA and ILPES is too wide-ranging to be reviewed in detail. A few of the activities in which they have co-operated are mentioned below.

299. An ECLA/ILPES mission collaborated with officials of the National Planning Institute in Peru in the preparation of a national programme of economic development.

300. The two secretariats collaborated in the preparation of the course on regional development planning (31 August to 3 October 1970).

301. ILPES and the Nacional Financiera de Mexico provided the ECLA Office in Mexico with the services of several technical experts to collaborate in the study on industrial policy in Mexico. The Mexico Office, for its part, assigned two of its staff to carry out two specific studies on behalf of the Institute: one on the treatment of harbours in the study on regional economic expansion in Venezuela, and the other on the evaluation of agricultural resources and identification of possible lines of agricultural development for the study on the economic development of the state of Minas Gerais, Brazil.

302. The Mexico Office also co-operated with the Office of Technical Co-operation, the Mexican Planning Institute and other national and regional organizations in Mexico and Central America, in the organization of the Tenth Basic Economic and Social Planning Course and the Seventh Central American Course on National Accounts.

Organization of American States

303. At the end of 1970, ECLA and the OAS agreed to co-sponsor a conference on taxation policy, to be held in Mexico City in mid-1971.

304. The secretariat also collaborated with the Inter-American Export Promotion Centre of the OAS in matters relating to ports and navigation, ECLA also participated in a meeting convened by CIPE to co-ordinate the work of the organizations concerned with the promotion of Latin America's experts.

305. As in the past, a member of the secretariat gave a series of lectures in a course organized by the OAS's Inter-American Marketing Centre.

International Bank for Reconstruction and Development

306. At the request of the International Bank for Reconstruction and Development, a staff member participated in a mission which visited Mexico to make a study on Mexican transport and investment policy.

Inter-American Development Bank

307. The secretariat co-operated with IDB in the study on socio-economic analyses of the region of Santa Cruz de la Sierra, Bolivia. At the Bank's request, a project for the preparation of a list of regional transport projects in the Caribbean was discussed with Bank authorities. The secretariat also continued to collaborate with the Bank in the field of transport, in the study on the regional development of eastern Bolivia (Puerto Busch). Lastly, a meeting of the Working Group on Economies of Scale in the Latin American Automotive Industry was organized jointly with the Bank, and a report on the transfer of know-how in Brazilian industry is being prepared. The Headquarters Division of Public Finance and Financial Institutions is also participating in the latter project.

Central American Common Market

308. During the period under review the Mexico Office continued to provide secretariat services and basic documentation to the Central American Economic Co-operation Committee and its auxiliary agencies.

309. The Office kept up its collaboration with SIECA, especially in the following fields: industrial and agricultural development, financing, tariff policy and promotion of productive activities with a view to the establishment of a modus operandi for the Central American Common Market; technical and general policy comments on the documents prepared by the Permanent Secretariat for submission to the meetings of Ministers of Economy and Deputy Ministers of Economic Integration and of Central American experts in various fields, with a view to restoring normal activity in the Common Market; and co-ordination of various research projects being carried out by the Office in connexion with the financing of development, regional migration, a customs union, trade policy, rural development, transport policy, port improvement and extension of electrical services. Through interagency meetings and direct consultation, the work programmes were closely co-ordinated with those of the Permanent Secretariat of the General Treaty, the Central American Bank for Economic Integration, the Office of the Executive Secretary of the Central American Monetary Council, the Central American Research Institute for Industry and the Central American Institute of Public Administration. The Office co-operated by providing lecturers for the courses on customs and harbour problems organized by ICAP in Panama, Costa Rica and Nicaragua. The Central American Bank provided financing for the electricity interconnexion projects and the studies on different types of transport in the Central American Common Market.

310. At the request of the national electrification and electricity regulatory bodies in Central America, for the third successive year the Office supervised the work of the expert on electrical standards, who is recruited directly by the above bodies and is a member of the Mission on Electrification and Water resources in Central America. The Office also supervised the work of the electrical engineer seconded by the Mexican Federal Electricity Commission to work in the Central American electrical standardization programme. The Commission co-operated with the Office by providing information and technical advice on questions connected with this programme.

Latin American Free Trade Association (ALALC)

311. The secretariat collaborated with ALALC in the appraisal it is carrying out, and took an active part in ALALC secretariat meetings and studies, especially in the activities of the Standing Executive Committee, and in numerous specialized meetings (see Montevideo Office).

Andean Subregional Integration Agreement (Cartagena Agreement)

312. The secretariat is working on sectoral development prospects for the countries of the Andean Group in the steel, pulp and paper, and chemical industries. During the period under review, it collaborated in the formulation of a sectoral development strategy for the Board of the Cartagena Agreement.

Caribbean Free Trade Association (CARIFTA)

313. The Office for the Caribbean provided the services of a regional adviser to assist in the work of the research unit of the CARIFTA secretariat in the field of maritime transport. In particular, the Office collaborated in the drafting of a revised customs code for the Eastern Caribbean Common Market (see paragraph 245).

Special Committee on Latin American Co-ordination (CECLA)

314. During the period covered by this report, the secretariat continued to collaborate with the Special Committee on Latin American Co-ordination, for which purpose it prepared technical studies and sent representatives to CECLA meetings (see paragraphs 31 to 34).

Other organizations

315. The secretariat collaborated in the course on national accounts organized by the Centre for Latin American Monetary Studies, held in Mexico City in July 1970.

316. The secretariat collaborated with the Latin American Railways Association in preparing a preliminary draft of a study on international rail transport in South America. The Inter-American Development Bank also participated in this project.

317. At the request of the Inter-American Marketing Centre, a staff member gave a series of lectures in a course organized by CICOM in Brazil.

318. The Office for the Caribbean provided the services of a lecturer in a course for government officials organized by the Brussels Customs Co-operation Council. The subjects dealt with were methods and techniques and the definition of value used in the Brussels Tariff Nomenclature.

319. A staff member gave advisory assistance to the Inter-American Export Promotion Centre in the work of forming a Latin American shippers' council.

320. At the request of the Inter-American Regional Organization of Workers of the ICFIU (ORIT), the secretariat provided two teachers for the international course on rural settlement policy, organized by the Inter-American Institute for Agricultural Sciences.

PART II

FOURTEENTH SESSION OF THE COMMISSION

A. ATTENDANCE AND ORGANIZATION OF WORK

321. The fourteenth session of the Commission was held at Santiago, Chile, from 27 April to 8 May 1971 and included seventeen meetings (147th to 163rd).

322. At the opening meeting, held on 27 April 1971 at the headquarters of the Commission in Santiago, Chile, statements were made by the following: H.E. Mr. Salvador Allende Gossens, President of the Republic of Chile; Mr. Jorge Valencia Castillo, Minister for Development of Colombia; Mr. Richard Paw U, Chief of the Regional Commissions Section of the United Nations, who read a message from the Secretary-General; and Mr. Pedro Vusković Bravo, Minister for Economic Affairs, Reconstruction and Development of Chile, as Chairman of the fourteenth session of the Commission.

323. At the first working meeting of the session Mr. Carlos Quintana, Executive Secretary of the Commission, reviewed recent trends in the Latin American economy. Growth had accelerated in the last three years of the 1960s, and in 1970 the growth rate for the domestic product had been the same or higher than the growth rate of the population in all countries. The benefits of the progress made by Latin America had not been shared equally among all social groups, however, and much of the rural population and the marginal population on the urban fringes had always lagged behind. Modern concepts demanded a unified approach to development which embraced not only economic but also social and political measures. Within that approach, special importance would have to be attached to improving the human environment, particularly as regards housing, nutrition, working conditions, recreation, and intellectual, moral and spiritual values.

324. The delegations expressed their appreciation to the Government of Chile for the warm hospitality it had extended to the delegations attending the fourteenth session.

325. The closing meeting was held on 8 May 1971. Statements were made by the following: Mr. Miguel Antonio Vasco (Ecuador), on behalf of the States members of the Commission; Mr. Witold Jurasz (Poland), on behalf of the socialist countries which were not members of the Commission; Mr. Carlos Quintana, Executive Secretary of the Commission; and Mr. Pedro Vusković, Minister of Economic Affairs, Reconstruction and Development of Chile, in his capacity as Chairman of the Commission at its fourteenth session.

326. The Commission unanimously adopted its annual report to the Economic and Social Council, including the programme of work and priorities.

Membership and attendance

327. The fourteenth session was attended by representatives of the following States members of the Commission: Argentina, Barbados, Bolivia, Brazil, Canada, Colombia, Costa Rica, Chile, Cuba, the Dominican Republic, Ecuador, El Salvador, France, Guyana, Guatemala, Honduras, Jamaica, Mexico, the Netherlands, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago, the United Kingdom of Great Britain and Northern Ireland, the United States of America, Uruguay and Venezuela.

328. In accordance with paragraph 6 of the Commission's terms of reference, representatives of the following States Members of the United Nations not members of the Commission attended the fourteenth session in a consultative capacity: Belgium, Bulgaria, Czechoslovakia, Hungary, Israel, Japan, Norway, Poland, Romania, Spain, Sweden, the Union of Soviet Socialist Republics and Yugoslavia.

329. In accordance with Economic and Social Council resolutions 632 (XXII) of 19 December 1956 and 862 (XXXII) of 21 December 1961, the Federal Republic of Germany and Switzerland sent observers.

330. A full list of delegations will be found in annex III to this report.

Credentials

331. Pursuant to rule 15 of the Commission's rules of procedure, the Credentials Committee reported to the Commission at the 162nd meeting held on 7 May 1971, that it had examined the credentials of the delegations and found them in order.

Election of officers

332. At the 147th plenary meeting held on Tuesday, 27 April 1971, the following officers were elected:

<u>Chairman:</u>	Mr. Pedro Vusković (Chile)
<u>First Vice-Chairman:</u>	Mr. Arturo García (Peru)
<u>Second Vice-Chairman:</u>	Mr. Carlos Manuel Castillo (Costa Rica)
<u>Rapporteur:</u>	Mr. Juan V. Sourrouille (Argentina)

Organization of work

333. A committee was established to consider agenda item 5, "Latin America and the Second United Nations Development Decade". The Chairman of this Committee was Mr. Eliseo Mendoza Berrueto (Mexico); Mr. J.F. Boddens Hosang (Netherlands) served as Vice-Chairman, and Mr. Ricardo Zerbino (Uruguay) as Rapporteur.

334. Two working groups were set up also. The first, composed of the representatives of Argentina, Brazil, Cuba, Chile and Mexico, discussed agenda item 6, "The future role of ECLA in the rationalization of the regional structures of the United Nations"; and the second, composed of representatives of Argentina, Barbados, Bolivia, Colombia, Chile, Cuba, Ecuador, Mexico, the United States of America and Uruguay, examined the draft programme of work and priorities, 1971-1973.

B. AGENDA

335. At the same meeting the following agenda was adopted:

1. Opening addresses
2. Election of officers
3. Adoption of the agenda
4. Recent economic trends in Latin America

Documents

Economic Survey of Latin America, 1970, vols. I and II
(E/CN.12/868 and Corr.1 and Add.1 and 2)

The Latin American Economy in 1970 (Excerpt from the Economic Survey)
(E/CN.12/890)

5. Latin America and the Second United Nations Development Decade
 - (a) Appraisal of economic and social development in Latin America
 - (b) The International Development Strategy

Documents

Trends and structures of the Latin American economy (E/CN.12/884,
Corr.1 and Add.1)

Latin America and the Second United Nations Development Decade
(E/CN.12/869)

International Development Strategy. Action programme of the General
Assembly for the Second United Nations Development Decade, with a note
by the Secretariat (E/CN.12/900)

Basic aspects of Latin American development strategy (E/CN.12/836/Rev.1)

Change and development: Latin America's great task, by Raúl Prebisch,
with a note by the Secretariat (E/CN.12/891)

Latin America: Macroeconomic projections for the 1970s (E/CN.12/865)

The mobilization of domestic resources (E/CN.12/876)

Aspectos regionales del desarrollo en los países latinoamericanos
(E/CN.12/896)

Population trends and policy alternatives in Latin America (E/CN.12/874)

International economic co-operation and the third session of UNCTAD
(E/CN.12/889)

Recent trends in the Latin American Free Trade Association (E/CN.12/887)

The Central American Common Market and its recent problems (E/CN.12/885)

The integration process in the Caribbean Free Trade Association
(E/CN.12/886)

Evolution of the Cartagena Agreement (E/CN.12/888)

6. The future role of ECLA in the rationalization of the regional structures of the United Nations

Documents

The future role of ECLA in the rationalization of the regional structures of the United Nations (E/CN.12/895 and Corr.1 and Add.1 and 2)

Latin America and the Second United Nations Development Decade
(E/CN.12/869)

7. United Nations Conference on the Human Environment

Document

The human environment in Latin America (E/CN.12/898)

8. Latin American Institute for Economic and Social Planning

(a) Report of activities, 1969-1971

(b) Question of enlarging the membership of the Governing Council

(c) Election of new members of the Governing Council

Documents

Report on the activities of the Latin American Institute for Economic and Social Planning (E/CN.12/880)

Note by the Secretariat on the election of new members of the Governing Council of the Latin American Institute for Economic and Social Planning
(E/CN.12/870)

9. Latin American Demographic Centre (CELADE)

Documents

Note by the Secretariat on the Latin American Demographic Centre
(E/CN.12/901)

Report on the activities of the Latin American Demographic Centre
1958-1970 (E/CN.12/902)

10. Programme of work of the Commission and other matters

- (a) Programme of work and priorities, 1971-1973
- (b) Question of renaming the Commission (General Assembly resolution 2686 (XXV))
- (c) Latin American Centre for Economic and Social Documentation (CLADES)
- (d) Establishment of relations between the Commission and the Intergovernmental Council of Copper Exporting Countries (CIPEC)
- (e) World action plan for the application of science and technology to development

Documents

Draft annual report of the Commission to the Economic and Social Council, Part I (Work of the Commission since 8 May 1970) (E/CN.12/867)

Draft programme of work and priorities, 1971-1973 (E/CN.12/875/Rev.1)

Note by the Secretariat on resolutions adopted by the Economic and Social Council (forty-seventh, forty-eighth and forty-ninth sessions) and by the General Assembly (twenty-fourth and twenty-fifth sessions) which are of interest to the Commission (E/CN.12/871 and Add.1)

Note by the secretariat on the General Assembly's recommendation regarding the renaming of the Commission (E/CN.12/897)

Background, organization and programmes of the Latin American Centre for Economic and Social Documentation (E/CN.12/899)

Establishment of relations between the Commission and the Intergovernmental Council of Copper Exporting Countries (E/CN.12/903)

Note by the Secretariat on the World Plan of Action for the Application of Science and Technology to Development during the Second United Nations Development Decade (E/CN.12/905)

Technology in the work programme of ECLA (E/CN.12/909)

- 11. Consideration and adoption of the annual report of the Commission to the Economic and Social Council
- 12. Place and date of the fifteenth session

C. ACCOUNT OF PROCEEDINGS

Recent economic trends in Latin America

(a) Balance-sheet of the First Development Decade

336. The economic and social development of Latin America during the First United Nations Development Decade was reviewed in broad terms. The general opinion was that the rate of economic growth and its social effects represented an improvement over the previous decade for the region as a whole, although there were still serious problems such as unemployment and sectoral and regional disequilibria.

337. The gross domestic product had grown by 5.4 per cent annually, or at the same rate as the world economy. The region's per capita product at factor cost had averaged \$477 annually in 1969, with marked disparities between countries. It was agreed that, although there had been little change in the relative importance of the main production sectors, since the slight decline in the agricultural product had been offset by a corresponding increase in manufacturing, the changes in the structure of employment had reflected a greater decline in agriculture, notwithstanding the increase in absolute figures, and a sharp rise in services. The share of gross domestic investment (19.5 per cent of the product in 1970) represented an increase in absolute terms, with a relative increase in public investment.

338. Some delegations said that in many cases it had been barely possible to meet the pressing need to improve the people's levels of living. According to one delegation, the existing inequality was being accentuated by intensive processes involving the increasing concentration of ownership of the means of production and the fact that more and more Latin American firms were passing into foreign hands, mainly in the most dynamic sectors. Another delegation underlined the impatience of the people, particularly the youth, with respect to the existing social patterns and values.

339. Other delegations stressed the region's increasing dependence and vulnerability with respect to other countries, and the widening financial and technological gap between Latin America and the developed countries. The figures presented by the Secretariat showed that the balance-of-payments deficit on current account had increased and there had been a sharp rise in net payments of profits and interest on foreign investment, which had accounted for an average of 15 per cent of total export earnings in the 1960s. The net capital inflow during the decade, without counting Venezuela and Cuba, was approximately \$13,800 million. The total external debt had risen from \$2,213 million in 1950 to \$6,631 million in 1960 and \$16,432 million in 1968.

340. Most of the participants agreed that the results obtained during the First United Nations Development Decade were inadequate in some vitally important respects, but that significant progress had been achieved. That included the creation of an awareness of the magnitude of the problem of under-development, the internal efforts made by the Latin American countries, in differing degrees, to overcome their economic and social backwardness, and the advances made in international economic co-operation.

341. With regard to the external sector, it was reported that during the decade exports had risen by 5.5 per cent annually, compared with 8.8 per cent for world exports, and there had been no change in the average rate of 5.5 per cent a year for imports, which had remained the same for the past twenty years. The terms of trade had continued to deteriorate for the region as a whole, with sharp variations in which some countries' gains had been more than offset by other countries' losses.

342. Several delegations stressed that unequal income distribution was the reason why the market for manufactured products comprised only a minor proportion of the population, which prevented the expansion of the modern sectors and the absorption of urban underemployment. One delegation felt that inequitable distribution of income had gone hand in hand with economic and technological dependence in the traditional model, while at the same time the broad masses of the population had remained outside the community.

343. Several delegations stressed various social factors, and some agreed that the development effort should begin with an educational campaign. The transfer of know-how, which was vital to economic development in the region, could not be carried out unless there were skilled workers, trained intermediate level technicians, and graduate engineers and professionals with a technical training comparable to that of their counterparts in the more advanced countries.

344. Other delegations referred to the effects of accelerated population growth upon economic development. Some did not consider that the birth-rate should be kept down to solve problems that were different in kind, and it was for the State to decide what steps should be taken to solve the problem of the migration of the rural population to the cities.

345. Several delegations drew attention to the size of the unemployment problem and the existence of large population groups which could not be absorbed in productive activities. In several countries, the exodus from the rural areas had given rise to an excess supply of manpower, bringing low wages, underemployment and open unemployment in its train.

346. A number of delegations discussed disequilibria between internal regions and the policies and measures that had been applied to deal with them. Some delegations attributed the increasing imbalance between regions to the lack of an industrialization policy aimed at the utilization of the countries' own resources, neglect of certain strategic basic industries, the "poor relation" status of agriculture in the allocation of resources, and the fact that manufacturing was concentrated in the major cities.

347. Other speakers underlined the difficulties arising from certain characteristics of economic development that were peculiar to Latin America. One delegation pointed out that the high degree of tariff protection and the indiscriminate application of tariff policy, together with ill-considered measures to promote capital formation, had frequently led to inefficiency, thus limiting export capacity and encouraging concentration of income in a few hands, and accentuating unemployment and regional imbalances.

348. Several delegations underlined the unevenness of agricultural growth; in the majority of countries in the region there were a few areas where technical progress

had increased productivity and enabled the rural population to achieve a satisfactory level of well-being, but there were many more where difficulties in obtaining capital and modern technology resulted in low productivity and low wages.

349. As to the development of technology, the limited range of technologies from which the countries could choose was emphasized; the selection had often to be made from a small number of possible technologies, although many more were available on the world market; that was indicative of a passive attitude towards technology and a mechanical way of absorbing and applying it in the process of industrialization. One delegation stressed the drawbacks of total dependence upon the transfer of foreign technology; that was why every effort should be made to encourage local inventiveness. The foreign firms operating in many advanced technological sectors should play an active part in such efforts.

(b) Internal efforts

350. Several delegations referred to the efforts that were being made to improve the efficiency of the public sector in their countries, including services of national utility (banks, insurance, energy, transport and fuel), and to the decisive importance of public sector demand, particularly for the support of capital goods industries and the promotion of technological change.

351. The observer of the International Monetary Fund stressed the need for financial policies that were directed to increasing public sector saving, so as to expand economic and social investment. To that end, it was necessary to strengthen national capital markets and mobilize savings through anti-inflationary policies. He found the adoption of gradual methods for the elimination of inflation acceptable, as long as they were accompanied by a suitable exchange policy, but he stressed that they were somewhat ineffective if gradualness was to be an important feature of the anti-inflationary strategy.

352. Some delegations mentioned the efforts that were being made by their countries to mobilize domestic resources and channel them into priority development activities, together with large amounts of supplementary foreign financing. That policy was of special significance in some countries, and a high percentage of gross domestic investment was composed of goods and services of national origin.

353. Some representatives referred to the importance of channelling domestic credit and savings into enterprises financed by national capital and of giving foreign-owned enterprises easier access to foreign capital, with due regard to national interests and priorities.

354. A number of delegations emphasized the importance of making better use of idle capacity as an effective means of achieving a rapid increase in the supply of consumer goods. One delegation mentioned the incentives granted to private producers in the form of redistribution of credit, lower interest rates, preferential tax treatment for small and medium-sized enterprises, and the establishment of production agreements to guarantee continuous and planned levels of demand.

355. One delegation pointed out that government action, apart from encouraging a high rate of economic growth and the expansion of industrial output, should aim at a more equitable distribution of the benefits of economic development,

increased efficiency and productivity and reduced external dependence and vulnerability. To that end, his country had given high priority to employment, regional development and the implementation of social programmes.

356. Most delegations spoke of the important advances their countries and the region as a whole had made in the field of economic infrastructure and the social aspects of development; the building of large-scale infrastructure works and physical interconnexions between different regions of the same country or with neighbouring countries through multinational projects was a means of securing integration. Similarly, economic and sectoral infrastructure works in backward agricultural areas could form centres capable of attracting and absorbing the marginal and scattered population.

357. The observer of the International Bank for Reconstruction and Development and several country representatives referred to the Bank's activities in Latin America, particularly as regards the financing of large-scale projects in electric energy and telecommunications, construction and expansion of transport infrastructure (roads, railways, harbours, etc.), agriculture and industry, social structures and tourism.

358. Several delegations spoke of the advisability of modernizing and transforming traditional industries where most of the enterprises were locally owned, through sectoral programmes encouraging the renewal of plant and equipment, large-scale production and technological change, so as to bring these industries into line with the requirements of modern development. Others referred to the establishment of semi-public enterprises in highly dynamic sectors (metal transforming, electronics, motor vehicles, etc.), so as to promote the rationalization and expansion of those sectors. In certain traditional industries, such as cold storage, it would be necessary to lower costs and adjust to market requirements in respect of quality.

359. Various delegations mentioned the efforts being made in their countries to increase and improve the supply of export products, especially manufactures and semi-manufactures. The observer of the Inter-American Development Bank referred to the need to promote regional exports by means of more dynamic and efficient industrialization, taking account of the requirements of the export industries at the national level and their prospects and conditions of supply at the regional level.

360. Some delegations pointed out that heavy protection of industries under import substitution policies whose possibilities had now been largely exhausted had led to inefficiency and inability to export. It was thus necessary to emphasize the need for a selective policy of protection and for suitable measures to promote capital formation in industry, so as to facilitate the improved utilization of available resources and the use of suitable techniques. A review of policies for protecting industries was recommended, with a view to giving priority to those industries that fostered the utilization of natural resources and the best use of labour.

361. Representatives of relatively less developed countries, where import substitution policies could more easily be continued, said that their Governments intended to assign priorities in the light of comparative advantages, so as not to repeat the experiments made by the more developed countries of the region.

362. Several delegations pointed to the importance of increasing the share of national capital in the dynamic industries, which did most of the technological and scientific research in industry and had a dominant position in the structure of production in the more developed countries.

363. As regards increasing productivity through the introduction of advanced techniques, several representatives described the efforts their countries were making to absorb and adapt foreign technology and to create their own technology to satisfy national needs. National centres or councils for science and technology had been set up to promote action in that field. In that connexion, one representative expressed satisfaction at the establishment of the Intergovernmental Group on the Transfer of Technology in UNCTAD.

364. On the subject of agriculture, some representatives referred to the unequal distribution of resources, and the urgent need for suitable agrarian reform programmes to provide a more equitable income for the rural population and to bring about an increase in agricultural production and productivity. It was hoped thereby to improve the food supply and reduce the amount of external funds spent on importing food-stuffs. Reference was also made to the perfecting of new techniques for arid-zone agriculture and to the advantages of raising agricultural potential through the introduction of modern technology in certain exporting countries. One delegation mentioned the rise in the prices of agricultural imports and inputs, as a result of the application of high and sometimes discriminatory air and maritime freight rates.

365. A number of delegations mentioned specific examples of the progress that their countries had made in the development and assimilation into the national economy of areas and regions showing marked distortions, particularly as a result of the concentration of resources in urban areas.

366. Several representatives reported on the policies being carried out by their Governments to promote the redistribution of income, so as to facilitate social change and ensure the equitable distribution of the benefits of development among all the strata of the population. Tax policy was mentioned as a means of correcting inequitable income distribution, as were the adoption of measures to raise wage levels and hold down prices in order to increase the real income of workers, and the importance of government expenditure in achieving social objectives.

367. Some representatives said that the struggle of the various social sectors and groups to maintain and increase their share in the national product helped to accelerate inflation, and to produce stagnation in the economy in some cases.

368. As regards social objectives, several representatives described their countries' achievements in the field of education, such as the training of intermediate-level and graduate professionals and technicians, and in the improvement of health conditions, which had reduced the morbidity rate and increased life expectancy for Latin Americans.

369. As regards employment, several delegations said that efforts had been concentrated on increasing the income and the productivity of the economically active population, reducing unemployment and underemployment, improving skills and creating more posts for women.

370. Some representatives announced important achievements in the field of housing, although there was general agreement that the enormous housing shortage was still one of the most urgent problems facing the region.

(c) External co-operation

371. A number of delegations pointed out that the share of Latin American exports in world trade had continued to decline during the 1960s, owing in part to the very high proportion of traditional products among the region's exports, the protectionist measures adopted by developed countries and the need for Latin American countries to modify their domestic institutional and productive structures in order to produce and export manufactures. Several delegations referred to the problems caused by the steady increase in maritime freight rates approved by the shipping conferences.

372. Certain delegations considered that there were significant new prospects for exporting goods to socialist countries.

373. Several delegations noted that the joint action of the Latin American countries had played a significant role in the negotiation of trade preferences with developed countries, and they considered that such joint action would be advisable in the future. Appreciation was expressed at the fact that the European Economic Community was to start applying the general system of preferences agreed upon in UNCTAD on 1 July 1971, and the other developed countries were strongly urged to take positive steps in that direction during the year. Some of the delegations of developed countries described the measures they were taking to accelerate the introduction of the general system of preferences.

374. Several delegations drew attention to the unfavourable impact on Latin America of inflationary trends in the industrialized countries, which were increasingly affecting the prices of the equipment and other products that the region exported.

375. A number of delegations stated that their countries' economic and social development was closely bound up with the process of regional integration and drew attention to the progress made under the existing systems, which had led to a substantial improvement in intraregional trade. Some delegations pointed to the need to speed up integration so as to form real subregional economies. Others commented on the co-ordination of production and financial policies.

376. Certain delegations expressed concern that Latin America's external debt had reached such high levels, with service payments representing a substantial proportion of the region's exports. It was also noted that the terms governing repayment periods and interest on loans had deteriorated, particularly with respect to private loans.

377. The Commission was informed that IDB and IBRD had been rapidly increasing the volume of their loans and intended to continue to do so in the future. The representative of IDB stated that a large proportion of his agency's loans were and would remain on concessional terms. A representative of a developed country said that the total volume of his country's loans to Latin America had been maintained at a steady level over the past five years, most of them being channelled through multilateral agencies.

378. Some delegations pointed out there had been some progress in recent years towards compliance with UNCTAD's recommendation that the developed countries should supply at least 1 per cent of their gross national product as financial assistance to the developing countries. The representative of one developed country stated that his Government would make every effort to reach the 1 per cent target by 1975.

379. Referring to Special Drawing Rights, the observer of the International Monetary Fund said that the initial global allocation of \$9,500 million for the period 1970-1972 had been distributed according to member countries' quotas. He added that the creation of further Special Drawing Rights, which was subject to a voting majority of 85 per cent, would have to reconcile the interests of countries suffering from balance-of-payments problems with those of countries with sound reserve positions.

380. Several delegations expressed the view that direct foreign investment could play an important part in accelerating the development process, as a complement to domestic saving, provided it met selective national criteria and provided the kind of technology that was wanted or helped to improve the prospects for exporting manufactures to world markets. Some delegations said that foreign investment in Latin America had restrictive or negative effects because of the high rate of profits sought, the withdrawal on a substantial scale of invested capital and profits and, more recently, the trend to channel investment increasingly towards the purchase of national enterprises or towards the production of manufactures to satisfy domestic demand. Other delegations pointed out the advantages of establishing common regional or subregional standards or policies to overcome these problems.

(d) Recent trends

381. In 1970, Latin America achieved an over-all growth rate of 6.9 per cent (a relatively high rate for the region as a whole that compares favourably with the 5.5 per cent achieved in 1965-1969), which consolidated the trend of the preceding two years. This growth rate, the highest in the decade, was accompanied by an appreciable increase in capital formation, although there were some unfavourable features, particularly in the external sector.

382. In comparing the situations in the various countries, it was generally evident that the high growth rate was largely the result of the evolution of the relatively more developed countries of the region, which weighed heavily in the regional balance. Furthermore, the growth rate of the product rose not only in the traditionally dynamic sectors, but also in others - such as agriculture - which had made little contribution to the growth of the regional product in past years.

383. While recognizing that recent economic trends in the region had been generally favourable, some delegations laid stress on certain negative factors, such as the decline in Latin America's share in world trade, the growth of the external debt, and the fact that the benefits of economic expansion had not been fairly distributed in certain countries. It was also noted that the growth rates recorded during the past three years did not give grounds for assuming there was self-sustained and stable growth, since structural obstacles continued to exist that might well reverse the process, unless the same favourable set of circumstances was to recur. One delegation stated that the discouraging result shown by his country's economy

were caused by structural problems that had become clearly evident in recent years, and by the decline in world prices for its main export product.

384. The statements of several representatives showed marked similarities as regards the economic policy aims which their Governments had pursued in recent years, and the measures they had adopted to increase employment, curb inflation, expand exports, improve efficiency in the public sector, reduce external dependence, reinforce domestic saving and investment capacity, redistribute income more equitably and raise productivity in the main economic sectors.

385. One delegation expressed his Government's desire to raise the real investment coefficient and make better use of the domestic saving potential. To that end, it had taken steps to reduce the relative prices of capital goods, which were mainly of domestic origin, and had given priority to the application of technological advances emerging from the country's own industrial experience.

386. Some delegations stressed that transforming political and social structures and recovering the ownership of basic national resources were the means of consolidating a country's sovereignty and of making it possible to tap sizeable financial resources that had been outside national control.

387. One representative described the basic principles of his country's economic policy, which was aimed at ensuring the full utilization of its economic potential with a view to boosting real growth so as to achieve rapid social improvements, absorb unemployed manpower and curb inflation. He also drew attention to its decision to restructure the economy as regards public, semi-public and private ownership and to nationalize basic natural resources. Another delegation added that the only viable path for development in the countries of the third world was to launch large-scale structural changes, such as agrarian reform, and to nationalize basic industries, public services, the banking system and foreign trade.

Latin America and the Second United Nations
Development Decade

(a) The International Development Strategy

388. In introducing this subject, the representative of the Secretariat stressed that General Assembly resolution 2626 (XXV) was basically an international plan with quantitative and qualitative goals and objectives which it was proposed that the developing countries should attain during the Second Development Decade. It contained guidelines and specific proposals for programming international co-operation, and general suggestions regarding the policies which should be adopted by developed and developing countries and by international agencies to help towards the attainment of the proposed goals.

389. Most delegations underlined the importance of resolution 2626 (XXV), which in the opinion of the representative of one developed country constituted one of the most important decisions adopted by the Organization in the last few years and represented a serious commitment involving co-operation and joint action between developed and developing countries. Adopted by all the States Members of the United Nations, both developed and developing, it imposed an extraordinary effort towards growth which could only be a collective endeavour; in that way its goals

could be attained more rapidly and at less cost, thus preventing the aggravation of social tensions. Although it did not satisfy all Latin America's aspirations, it represented an expression by the States Members of the United Nations of their solemn resolve to adopt and implement specific policy measures to attain the agreed objectives within specified time-limits. Accordingly, the utmost importance should be attached to the activities that would ensure its effective implementation.

390. The representative of one developed country, restated her Government's view that the Strategy had only the status of a recommendation to Governments; nevertheless, it was her Government's firm intention to assist in its implementation.

391. In the opinion of the representative of another developed country, it constituted a moral commitment which had been carried as far as was possible. The developed countries' reluctance to agree to setting a growth rate of 6 per cent for the product has stemmed from a fear of the financial commitments which that might entail. He therefore suggested that if the developing countries should decide to try for a higher growth rate, they should at the same time declare that they had no intention of requesting additional financial aid from the developed countries. He also explained why it was difficult for Governments to promise strict compliance with financial assistance commitments; in the case of his own country, for instance, 80 per cent of the transfers to developing countries were effected on the initiative of the private sector, supplemented with government support.

392. The delegation of one developed country said that it had participated actively in the preparation and adoption of the International Strategy and that its position was clearly stated in the records of the General Assembly. However, his country would do its best to increase resource flows in moving closer to the target of financial aid to developing countries equal to 1 per cent of its gross domestic product, and would be prepared to take part in regional discussion on that point, although he thought that it would be impossible to modify at the regional level what the General Assembly had already approved at the world level. He therefore felt that the greatest possible emphasis should be given to the consideration of the role that ECLA should play.

393. Certain Latin American delegations expressed the view that the reservations formulated by some developed market-economy countries raised doubts as to their compliance with the Strategy. So that it should not be merely a declaration of intent, therefore, it seemed necessary to know on what terms those countries would fulfil their commitments. The representative of another Latin American country explained that the 6 per cent target established in the International Strategy was only a minimum rate which the countries could exceed if their particular circumstances permitted. He further recalled that the reservations expressed during the debate on resolution 2626 (XXV) had been made not only by countries with market economies but also by countries with centrally planned economies. The representative of one developing country pointed out that his Government would be prepared to withdraw its formal reservation concerning the chapter on policy measures in the Strategy, provided the industrialized countries withdrew their own reservations and demonstrated during the Decade that they were complying with, and implementing, all the policy measures established in the International Strategy.

(b) A development strategy for Latin America

394. In presenting the documents that had been prepared, the representative of the Secretariat stated that there were three basic tasks: to open the Latin American

debate on the International Development Strategy; to determine the specific activities which the Latin American countries and ECLA should carry out in the immediate future; and to establish a system for the appraisal of progress during the Second United Nations Development Decade. Since the resolution was couched in general terms and related to the entire international community, it would be advisable to examine what it implied for Latin America. Economic conditions and recent trends in Latin America held out a possibility of reaching, and even exceeding, the growth target for the product established in the Strategy; but it was not a question only of accelerating the growth rate, since consideration should be given to the structure, aims and social aspects of development. The Latin American countries should decide as soon as possible what aspects of their development programmes were most closely associated with the topics covered by the International Strategy. Such a regional approach would have a broad significance: first, it would help to define a Latin American position and attitude that showed more understanding of development problems and their external implications than those that had been formulated hitherto; secondly, it would provide useful information on the basis of which the countries could adopt decisions regarding goals and objectives; thirdly, it would serve as an effective instrument for guiding practical action in the Second Decade; and fourthly, it would create the necessary frame of reference for the regional appraisal that was envisaged.

395. Several delegations said that resolution 2626 (XXV) provided an excellent frame of reference for Latin America's work, although, in view of the widely differing political, economic and social situations in the region, it was difficult to lay down a single strategy for the whole of Latin America, particularly with regard to internal questions; besides which, such a strategy should be the result of the development plans which the different countries decided to adopt for the present decade. Therefore, it was the international sphere in which the application of the Strategy would be the most important for Latin America.

396. One delegation said that the strategy involved an over-all conception and set of systems for the region's future economic development. Another participant maintained that it was a natural improvement on the planning concept in force in the 1960s, since it was possible expressly to include economic policy and also to consider sufficiently long periods to permit fundamental changes to materialize.

397. Other delegations indicated points which should be included in the Latin American strategy for the 1970s. One delegation maintained that it was vitally important to include the image of the future society that was desired, with special reference, inter alia, to the political structure of the Government and the positions of the different social groups, the production and distribution structures and the social and cultural environment. It was also necessary to establish or improve the instruments that would outline that image in sufficient detail.

398. Some delegations stressed the need to link the Strategy closely with the far-reaching structural changes, mainly in the structure of ownership of agricultural land and other key economic sectors. They insisted that such structural changes were essential to development, which should not, moreover, be confused with mere economic growth that did not involve any modification of structures and might aggravate social and economic disequilibrium.

399. Several speakers emphasized the importance of the role of the external sector in the implementation of the Strategy, in areas such as foreign trade, foreign investment, the transfer of technology and regional economic integration.

400. Various delegations agreed that the Strategy should include specific measures to meet the most important social issues, such as employment, income distribution, regional imbalances and education and health questions.

401. Several delegations expressed the view that the annual growth rate of 6 per cent for the gross domestic product could and should be exceeded if the problems associated with unemployment income distribution, regional imbalances and the attainment of better levels of living were to be solved, inasmuch as the fundamental point of the Strategy was to achieve a rapid growth of the product which would help to bring about real social progress in the near future. Moreover, 6 per cent was only a minimum goal for the region, and the final rate would be decided by the growth rates achieved by each individual country.

402. One representative said that it did not seem to be of vital importance to establish a growth rate for the gross domestic product, since it could have only an indicative value. At the same time, he underlined the methodological value of the projections contained in document E/CN.12/865, since they provided an illustration of the operation and behaviour of the main economic variables and pointed up conceptual issues related to the evolution of the external sector.

403. Another speaker said that the growth rate was not the most important issue, since it might be better for a country to grow at a lower rate if it thus attained other objectives, such as a more equitable distribution of income.

404. Several delegations emphasized that the Development Strategy depended primarily on the internal efforts of the countries themselves, which should define their own goals and objectives.

405. It was generally agreed that the development effort called for profound structural changes. Two speakers said that special emphasis should be placed on agrarian reform and the nationalization of basic industries, public services, the banks and foreign trade operations; they stressed that the working classes should benefit most from such changes.

406. Other delegations pointed out that the changes in the economic and social structures that the developing countries would have to carry out, depending on their national features and peculiarities, could be effected under different régimes and with different political approaches.

407. Two delegations wished it to be recorded that they would like the secretariat, in its studies, research and advisory work and in its appraisal of the development process in their countries, to take account of the particular circumstances of their economies, since they were engaged in a profound process of structural reform, for which purpose they had chosen a socialist path involving a development strategy of their own.

408. On the subject of world trade, there was general agreement that a rapid expansion of exports was vital if the growth of the developing countries was to be accelerated and their external vulnerability reduced over the long term. To achieve that, two delegations advocated the establishment, at world level, of a system of preferences for primary products which would give the developing countries better prices and free access to the markets of the developed countries. One delegation suggested that ECLA should study what measures should be adopted to increase exports of those products and to evaluate the advantages to the developing countries of the application of the general systems of preferences by the developed countries; it also suggested that when the general system of preferences was next reviewed, the exports that were of primary concern to the Latin American countries should be included.

409. The importance of integration as an instrument for strengthening the external sector and overcoming regional imbalances in Latin America was also stressed.

410. Several delegations underlined the need to strive for an increase in exports of manufactures and semi-manufactures, to achieve which those products must have increasing access to the markets of the developed countries.

411. Great concern was expressed with regard to external financing; it was feared that the external resources obtained during the decade might be absorbed in servicing the existing debt and any further debts that were contracted unless the terms and conditions of payment were considerably improved. One representative pointed out that, in view of the shortage of external financing and the high cost of debt servicing, better prospects had been opened up by the allocation of Special Drawing Rights and by the changes in the policy of the international financing agencies. Another delegation stated that the developed countries' commitment to transfer 1 per cent of their gross national product to the developing countries, should not commit the latter in any way as to the use to be made of such resources. Two delegations (Cuba and Chile) expressed their concern in case the external resources obtained during the decade should also be absorbed by payments on foreign private capital.

412. Some delegations emphasized that foreign investment should be channelled in a way that was compatible with the development objectives and priorities of each individual country. It was emphasized that it would be appropriate to define a legal and economic framework to ensure that that would be so.

413. The delegation of one developed country emphasized that it was important to reach specific formulas for agreement so as to preclude any risk of the flow of such investment slowing down.

414. Referring to the transfer of resources in the form of technology, one delegation stressed the necessity for that to be done under conditions that were more equitable for the developing countries than hitherto, by overcoming the difficulties and obstacles contained in the existing legislation on trade marks and patents. Mention was also made of the need for more complete information on the choice of techniques available, so that decisions could be taken with a more complete knowledge of the facts; the need for regional centres for the adaptation and creation of technology was also stressed.

(c) The future role of ECLA

415. Several delegations stated that the Commission should establish a plan of work for the immediate future which would enable the secretariat to outline a Latin American version of the International Development Strategy in the light of the targets and objectives established by the countries in their national development plans. ECLA was to prepare a regional appraisal for the beginning of 1973, which would contain an evaluation of the progress achieved in relation to the targets established by the countries themselves and an appraisal of the implementation of the Strategy and of any external and internal factors which might have hindered the development process. Countries must carry out their own periodic appraisals, while ECLA would be responsible for the regional appraisal.

416. Several speakers pointed out that the regional appraisal would have to be carried out in collaboration with other regional and international organizations, so as to avoid duplication; furthermore, a regional appraisal should be based on the results of the national appraisals.

417. One representative said that ECLA should also make a periodical appraisal of how the developed countries were applying the policy measures set forth in the International Development Strategy, comparing the progress made with the commitments undertaken by those countries in resolution 2626 (XXV). In that connexion, the secretariat pointed out that the developed countries and the international financing organizations should give some indication of how they proposed to carry out the recommendations contained in the Strategy.

418. The delegations of Chile and Cuba considered that the Strategy followed conventional lines and did not take account of differences in the economic, political and social structures of the countries and that the appraisal of their respective experience should cover other questions also, particularly the transition from capitalism to socialism.

419. Another representative expressed the view that although the appraisal should take account of the particular features of individual countries, it was for them alone to choose their own domestic policies.

420. It was agreed that ECLA should study and prepare an appropriate methodology for the appraisal of progress in the Second Development Decade which would include measuring procedures that were better, more complete and more detailed than those used hitherto, so as to make it possible, inter alia, to distinguish between the evolution of the modern and of the traditional sectors of the economy, check income distribution periodically, analyse the real nature of unemployment and see the probable impact of education and health policies on the economy.

421. Some delegations considered that it would be highly desirable for ECLA to convene a meeting of regional development experts so as to improve and apply the techniques of appraisal to be adopted. It was suggested that technical meetings of that kind should be held before the fifteenth session, so that they could then submit their conclusions to the Commission.

422. One delegation felt that that suggestion, which was put forward in document E/CN.12/869 also, should be backed up by a permanent interchange of views between the ECLA secretariat and the Government officials responsible for the national programmes and appraisals.

423. At its 162nd meeting held on 7 May 1971, the Commission adopted five resolutions dealing with the International Development Strategy (for the text of these resolutions, see part III below).

424. The Commission adopted resolution 307 (XIV) on the Central American Economic Integration Programme by 23 votes to none, with 1 abstention.

425. The Commission adopted resolution 309 (XIV) on development planning by 25 votes to none, with 1 abstention.

426. The Commission unanimously adopted resolution 310 (XIV) on the International Development Strategy.

427. The United States representative said that, although he had previously entered a reservation in committees concerning operative paragraph 5 of the resolution, he supported it as a whole in a spirit of co-operation and on the understanding that the procedures of the Committee of High-Level Government Experts would follow standard United Nations practices as regards reporting back to the Commission and the simultaneous distribution of all documentation prepared by the secretariat to all members of the Commission.

428. The representative of the United Kingdom stated her understanding that the documentation for the Committee of Experts would be distributed to all members of the Commission.

429. The representative of Argentina said that it was his understanding that all documents relating to regional appraisals would be distributed to all members of the Commission but that the same rule did not necessarily apply to such appraisals at the national level, which countries might make available to the Committee for information purposes.

430. As regards the Strategy, the Commission unanimously adopted resolution 311 (XIV) on ECLA and the third session of UNCTAD, which it considered to be an extremely important forum for the discussion of concerted action by the developing and the developed countries. The resolution recommended that, in its studies on the Strategy, the secretariat should give high priority to the questions that were most directly related to the topics to be discussed at the third session of UNCTAD.

431. The Commission adopted resolution 313 (XIV) on the problems of the primary sector by 23 votes to none, with 1 abstention (for the text of these resolutions, see part III below).

ECLA's future role in the rationalization of the regional
structures of the United Nations

432. With regard to this agenda item, the Commission decided to approve the following consensus, on the understanding that it would be provisional for three months (see paragraph 8 of the consensus) and without prejudice to the consideration of the amendments mentioned later, should that be justified by the answers to the questionnaire of the Secretary-General that had not yet been received.

CONSENSUS

I. Introduction

1. The launching of the International Development Strategy for the Second United Nations Development Decade calls for the rationalization along suitable lines of the existing structures of the United Nations system so as to adapt them to the requirements of the Strategy and give them coherence.

2. Within such a coherent framework, it is intended to find the most suitable means for taking maximum advantage of the experience and knowledge that ECLA has acquired over more than two decades of action at the regional, subregional and national levels. Compared with the over-all structure of the organizations of the United Nations system, the regional structures of the economic commissions are in a better position to study and appreciate the problems in their respective regions.

3. To that end, it will be necessary to co-ordinate rationally and effectively the research and operational activities carried on by the Commission with those carried on at the world and regional level by the subsidiary bodies and the specialized agencies of the United Nations and by organizations outside the United Nations system. Through them, the Commission would be in a position to act as a centre for initiatives and for regional action in the economic and social development activities of the United Nations system of organizations.

4. The aim of such co-ordination of activities is to organize and maximize the use of United Nations resources in the region in order to make a real impact on the development and economic growth of the developing countries, at the national, subregional and regional levels.

5. The Study of the Capacity of the United Nations Development System a/ deals fairly extensively with the problem of the regional structures of the United Nations system, but focuses attention on the changes that should be introduced in the United Nations Development Programme. Although it hints at what might be future solutions in terms of greater correlation, or even the merging, of some controlling organs and secretariats of the organizations, it suspends judgement and suggests that an investigation be made "into ways and means of rationalizing the distribution and functions of all the regional structures of the United Nations system". b/

a/ See document DP/5.

b/ Ibid., appendix three, paragraph 45.

6. The Governing Council of UNDP endorsed this suggestion in the report on its tenth session ^{c/} and, as part of the Consensus approved at that session, invited the Economic and Social Council to consider, at its forty-ninth session, arranging an immediate inquiry into problems of the regional and subregional structures within the United Nations system which have a bearing on the improvement of the capacity of the United Nations development system. The debate in the Economic and Social Council led to the adoption of resolution 1553 (XLIX) of 30 July 1970, in which, inter alia, the Council requests the Secretary-General to prepare a questionnaire on the various aspects of regional structures and to forward it to the Governments with the request that they send their answers to their respective regional economic commissions. It further requests the executive secretaries of the regional economic commissions to prepare reports on the basis of the answers to the questionnaire and to submit them to the regional economic commissions at their next annual session in order to elicit comments from Governments. Lastly, it requests the executive secretaries of the regional economic commissions to submit their reports, together with the comments of Governments, to the Secretary-General, who is asked to report to the Economic and Social Council, as soon as possible, and at its fifty-second session at the latest, the results of the preliminary inquiry and to recommend concrete measures.

7. Owing to the few answers to the questionnaire received from Governments, the secretariat decided that the subject should be brought directly to the attention of government representatives at the Commission's fourteenth session.

8. This consensus embodies the views and opinions of Governments and is intended to serve as a basis for the report which the Executive Secretary of ECLA is to submit to the Secretary-General in compliance with Economic and Social Council resolution 1553 (XLIX). It must be regarded as provisional for a period of three months as from the closing of the present session of ECLA, pending the receipt of more replies to the questionnaire. At the end of this period, the Executive Secretary will prepare his report, in which the additional replies, if any, will also be taken into account. Governments which have not yet sent in their replies are urged to do so before the end of this period.

II. Regional structure of the United Nations

9. The existing regional arrangements and structures of the United Nations, its subsidiary bodies and specialized agencies should be better co-ordinated and more rationally organized so as to avoid duplication of effort and respond more adequately to the needs and desires of the countries of the region which these structures are intended to serve.

10. The capacity of the system should be increased through a more rational use of the existing structures and the harmonization of their respective work programmes rather than by increasing the number of agencies.

III. Geographical distribution

11. As a general policy measure, the regional and subregional headquarters of the United Nations subsidiary bodies and specialized agencies should, as far as possible, be located in the same places as the ECLA offices, while those concerned

^{c/} See document E/4884/Rev.1.

with specific technical fields should be located wherever they can best achieve their objectives.

12. The trend should be towards greater decentralization or subregionalization in the ECLA secretariat's research and operational activities, in the interests of greater efficiency.

IV. Relations and co-ordination between ECLA and other agencies

13. Immediate steps should be taken to set up the necessary machinery for closer co-ordination between the activities of the organizations of the United Nations system and those of ECLA, at the regional and subregional levels, with particular reference to the International Development Strategy. Such co-ordination would lead to fruitful co-operation in the continuing appraisal of economic and social progress in the region and to the promotion of joint regional and subregional development projects and programmes.

14. The co-ordination machinery should operate both vertically (Secretariat of the United Nations, secretariat of ECLA, regional offices, technical divisions, etc.) and horizontally (secretariat of ECLA, organizations of the United Nations system, etc.) to obtain really positive results.

15. The establishment of joint divisions by the ECLA secretariat and the United Nations subsidiary bodies and specialized agencies would permit the adoption of a common approach to the formulation and execution of unified projects and programmes designed to attain the development objectives of a specific sector at the regional level, both in research and operational activities and in technical co-operation.

16. The establishment of such divisions could start with the joint execution of projects, on an ad hoc basis, with organizations of the United Nations system, such as UNCTAD and UNIDO. At a second stage, these agencies would appoint a small number of technical experts who would be assigned to the relevant divisions of the ECLA secretariat; and at a third stage, the joint divisions would be established on the basis of the present divisions in the secretariat, on the same lines as the existing arrangement with FAO. Subsequently, the possibility should be explored of making similar arrangements with the other agencies of the United Nations system whose activities are most in harmony with those of the Commission.

V. Regional conferences and meetings

17. The subsidiary bodies and specialized agencies of the United Nations system convene so many general and sectoral conferences and meetings every year that Governments are often unable to send representatives to all of them.

18. In view of this limiting factor, it would be advisable to seek ways of rationalizing the number, the frequency and the agendas of these regional conferences and meetings, and ECLA should play a central role in this task. The best course would be to co-ordinate the United Nations regional conferences and meetings.

19. In this context, ECLA might agree with the subsidiary bodies and specialized agencies of the United Nations on the organization of joint regional conferences on topics of interest to the region. This machinery would make it

possible to adopt uniform criteria for common development objectives and to enrich sectoral discussions with ECLA's multidisciplinary and multinational contribution.

20. Furthermore, the organization of subregional and regional technical meetings should be promoted, also those of small groups of experts on specialized subjects, and their conclusions could then serve as the basis for the preparation of regional conferences.

VI. Strengthening of ECLA

21. ECLA is called upon to assume great responsibility, at the regional level, in the appraisal of economic and social progress during the Second United Nations Development Decade.

22. In order to achieve these objectives, the Commission will have to be strengthened, and one of the ways this can be achieved is through a more rational and effective decentralization of the economic and social activities of the United Nations, including operational and technical co-operation activities, as provided in the resolutions adopted by the General Assembly and the Economic and Social Council. d/

23. Close collaboration with the organizations of the United Nations system and the United Nations Development Programme will be needed.

VII. Role of ECLA in the United Nations Development Co-operation Cycle

24. The United Nations Development Co-operation Cycle, as described in the consensus approved by the UNDP Governing Council at its tenth session, offers great possibilities for the ECLA secretariat to play a more active part in the various phases of the Cycle.

25. The systematic and regularly updated surveys of the economic situation of the region and the studies of the trends in internal development and in international economic relations carried out by ECLA can help to define the development prospects of the countries of the region, thereby helping them to determine the objectives of their national development plans, which ECLA can help them to formulate, as it has been doing for many years. ECLA can also collaborate in the preparation of technical co-operation programmes in each country and in the identification of projects to be financed by UNDP.

26. As regards regional and subregional UNDP projects, ECLA might co-operate in certain projects that are closely related to its work. The advantages would be twofold: the results of research carried out by the secretariat would be transmitted to the countries, and the research would be applied operationally in a practical way. It is considered that ECLA is prepared to collaborate with the specialized agencies of the United Nations in the implementation of these projects.

d/ See General Assembly resolutions 1518 (XV), 1709 (XVI), 1823 (XVII) and 2563 (XXIV) and Economic and Social Council resolutions 793 (XXX), 823 (XXXII), 879 (XXXIV) and 1442 (XLVII).

VIII. Structure for economic and social information and documentation

27. The Latin American Centre for Economic and Social Documentation (CLADES), which was set up in the ECLA secretariat with a donation from the Netherlands Government, is intended to support development activities, through the systematic organization of basic economic and social data.

28. CLADES will establish machinery to facilitate rapid access, at a reasonable cost, to economic and social data on Latin America for research workers, public and private institutions and international organizations.

29. CLADES will promote the establishment of national documentation centres and will help to standardize their systems of information handling. It will also endeavour to establish a system for the interchange of information between these centres, so as to be in a position to provide the extensive and up-to-date service that will be needed, among other things, for the appraisal of the region's economic and social progress during the Second Development Decade and to be able to furnish the basic material required for the programming of UNDP assistance that is to be done by the Governments themselves.

433. The representative of Bolivia proposed that the following text should be added at the end of paragraph 23 of the consensus: "To help the developing countries effectively, the United Nations should function as an integrated system within which ECLA would play a leading part in the region".

434. He further proposed that paragraph 26 of the consensus should be amended to read as follows: "As regards regional and subregional UNDP projects ECLA should, in consultation with Governments, bear the main responsibility for their identification and formulation, and also, when advisable, for their implementation".

435. Both proposals were supported by the representatives of Chile, Cuba, Ecuador and Paraguay.

436. The United States representative proposed that the first sentence of paragraph 13 of the consensus should be replaced by the following:

"Immediate steps should be taken to set up the necessary machinery for closer co-ordination of the activities of the Commission with those carried on by the subsidiary bodies and the specialized agencies of the United Nations and by organizations outside the United Nations system, with particular reference to the International Development Strategy".

437. This proposal was supported by the representatives of Uruguay and opposed by the representatives of Cuba and Guyana, who stated that the original text of paragraph 13 was preferable.

438. Lastly, the United Kingdom representative proposed that the following texts should be added at the end of paragraphs 12 and 22 respectively:

"One delegation considered that the promotion of activity at a subregional level should be related to specific problems."

"One delegation expressed doubts as to the advisability of further decentralization of work performed by the Department of Economic and Social Affairs of the United Nations, and as to the suitability of the regional economic commission undertaking operational functions in present circumstances".

United Nations Conference on the Human Environment

439. In his statement, the Secretary-General of the Conference described the preparations being made for the United Nations Conference on the Human Environment, to be held in Stockholm in 1972 and indicated the part the Commission was to take in them, particularly in organizing a preparatory regional seminar which would provide an opportunity to ascertain the regional perspective and viewpoint on the subject matter of the Conference.

440. The representative of the Secretariat drew attention to the preliminary report on the subject (E/CN.12/898), stressing that protection of the environment, far from placing obstacles in the way of development, actually helped to achieve the aim of all development, i.e., an increase in human well-being. It was often possible to take corrective measures in the developing countries which would cost them much less than the corrective measures they would subsequently be obliged to take.

441. There was general agreement as to the importance of the Conference and the preparatory regional seminar for Latin America, which the representative of Mexico invited the Commission to hold in his country.

442. Among the types of environmental deterioration that most affected Latin America, mention was made of pollution of the air, rivers and beaches, the destruction of forests on the high slopes of valleys, the destruction of indigenous species and the problems resulting from urban congestion. One representative pointed out that the tentative definition of the environment was not broad enough, since it mentioned only the effects of man's activities and said nothing about the results produced by natural phenomena like some types of erosion, the encroachment of the desert and earthquakes. He also suggested that a special fund should be established to finance the action arising out of the Conference's decisions; it would be financed by contributions mainly from the industrialized countries, since they were largely responsible for the problems of the human environment.

443. Another speaker said that Latin America's ecological problems were not due to a highly developed industry but to the distortions of the countries' economies, the acute degree of their external dependence, increasing internal social imbalances and a permanent structural disequilibrium. That was why consumption - and therefore pollution - was concentrated in the large cities, and also why there were no proper national policies to deal with such problems.

444. All speakers agreed that there should be close co-ordination between international agencies in this field. One representative said that it was for the countries to decide what their environmental policy should be and that the role of those agencies should be to promote exchanges of information on the basis of which environmental phenomena could be studied, with special reference to the phenomena of rural areas. Many of the problems connected with the population explosion were really the result of a bad geographical distribution of the population.

445. At its 159th meeting held on 5 May 1971, the Commission unanimously adopted resolution 301 (XIV) on the United Nations Conference on the Human Environment (for the text of the resolution, see part III below).

Latin American Institute for Economic and Social Planning

446. When it took up this item, the Commission had before it the report on the activities of the Latin American Institute for Economic and Social Planning (E/CN.12/880) submitted by the secretariat, and it heard a statement by Mr. Enrique Iglesias, Chairman of the Governing Council, the complete text of which is contained in document E/CN.12/911.

447. Besides reporting on the Institute's most recent activities in the field of training, research, advisory services, integration and projects, and on the work being carried on in various sectors, the Chairman of the Governing Council outlined the new slant that was being given to the Institute's work in Latin America. He particularly emphasized the broadening of its relations with Latin America and other regions and the impact of the Director-General's report entitled Change and Development. He further stressed that the seminars which ILPES was organizing over the next few years would provide the most appropriate means for discussion and dialogue on the economic, social and political problems which were becoming more and more imperative in the light of the new conditions prevailing in the region.

448. He expressed satisfaction at the decision adopted by the Committee of the Whole of ECLA (resolution 296 (AC.62)) in May 1970 that ILPES should continue its activities during a third phase which would cover the Second Development Decade, and he thanked UNDP and IDB for the financial support which they were giving the Institute. In that connexion, he said that the Governing Council was concerned about the unstable and precarious nature of the Institute's financing, which made its work less effective, and he urged Governments to support not only the activities of the Institute but also whatever formulas were necessary for achieving stable and adequate financing for it; ideally, that financing should come from the United Nations, without excluding any other income that ILPES might obtain from services it provided.

449. Several delegations expressed their appreciation to the Institute for the co-operation their countries had been receiving in various fields, especially with regard to training and advisory services in planning and projects.

450. Special mention was made of the work the Institute had been carrying on in development planning and of the progress made in developing a methodology. If the Institute was to increase its efforts during the next few years, thereby helping every Latin American country to reach its growth objectives in the over-all context of the International Strategy for the Second United Nations Development Decade, it was suggested that: (a) there should be more courses on planning techniques and more advisory services to Governments; (b) financial and other support should be given to the Institute to enable it to continue and intensify its work in an atmosphere of intellectual independence; (c) periodic meetings of the heads of planning offices throughout Latin America should be convened to provide an opportunity for them to exchange views and pool their experience on planning (see resolution 309 (XIV) on development planning).

451. The Commission decided that, in view of the increase in the number of member countries of ECLA and the need for a more equitable geographical distribution of the Council members elected by it, the number of members elected by ECLA should be increased to ten, and should be drawn from ten Latin American countries.

452. To that end, at its 159th meeting held on 5 May 1971, the Commission adopted resolution 299 (XIV) amending resolution 220 (AC.52), by virtue of which the Institute had been established (for the text of resolution 299 (XIV), see part III below).

453. The following members of the Governing Council were elected by acclamation for the period 1971-1973:

Roberto Arenas Bonilla (Director, Administrative Planning Department, Colombia)

Gladstone Bonnick (Director, Central Planning Unit, Jamaica)

Carlos Manuel Castillo (Minister of Industry and Trade, Costa Rica)

Enrique Iglesias (Former President of the Central Bank, Uruguay)

Gonzalo Martner (Director of the National Planning Office, Chile)

Luis Enrique Oberto (Director of the Planning Office, Venezuela)

Gert Rosenthal (Secretary General of the Planning Council, Guatemala)

Leopoldo Solís Manjárez (Director of Economic Research, Office of the President, Mexico)

Juan V. Sourrouille (Under-Secretary for Economic Affairs, Argentina)

João Paulo Reis Veloso (Minister of Planning, Brazil)

Latin American Demographic Centre (CELADE)

454. The secretariat of the Commission reported that CELADE had obtained financial support from the United Nations Development Programme for a further period of three years up to April 1974. However, although the problem of its financing had been solved for that period, CELADE was still without a legal status that would enable it to carry out legally binding acts.

455. It was agreed that CELADE should be given a legal status similar to that of the Latin American Institute for Economic and Social Planning, a solution which, besides representing no financial burden on the Commission or on the Governments, would facilitate the carrying out of new tasks in the future.

456. At its 160th meeting, held on 6 May 1971, the Commission adopted resolution 304 (XIV) on the Latin American Demographic Centre by 23 votes to none, with 1 abstention (for the text of the resolution, see part III below).

Programme of work and priorities, 1971-1973

457. Three representatives observed that the Programme of work and priorities, 1971-1973 (E/CN.12/875) could only be evaluated in a preliminary fashion, since what projects the secretariat was to be asked to undertake would depend on what decisions the Commission took regarding the Strategy for the Second Development Decade. One representative considered that the priorities assigned to the various subprogrammes

and projects were not sufficiently explicit, and another observed that that problem should be overcome, although it was admittedly difficult.

458. One representative expressed the view that there should be further consultation on the projects for which an increase in the ECLA budget would be required.

459. One representative congratulated the secretariat on the high quality of the work programme document, which in his view was superior to the documents of the same kind produced by other United Nations bodies. The quality of the documents prepared for the session seemed good on the whole but he regretted that they had not been distributed by the statutory dead-line, although there had been an improvement over previous performance. Ideally, the work programme should be distributed in December, as had been recommended at the thirteenth session, so as to give Governments time to communicate their preliminary comments to the secretariat for inclusion in the final draft of the document. With respect to documentation in general, he particularly objected to the tendency to issue documents dealing with substantive issues at the last minute in the form of information documents, as had been the case, for example, with documents E/CN.12/906 and E/CN.12/910. Unlike the other regional commissions, ECLA had hardly any between-session meetings; the secretariat should therefore try to issue some of its documents over a longer period of time and far enough in advance, rather than presenting Governments with a vast accumulation of documentation immediately before each session. The system of distribution should be reviewed also, since many documents appeared to be prepared and distributed outside the regular channels. The Committee for Programme and Co-ordination had requested the Commission to comment on the report of the Joint Inspection Unit on ECLA (E/4935 and Add.1) at its session, but that request appeared not to have been transmitted to the Commission, which made it difficult to express formal comments on the report.

460. The representative of the secretariat explained that the work programme contained only selected high-priority projects, which were chosen in accordance with the wishes expressed by Governments in other forums and bearing in mind that there was little short-term mobility among the specialized staff. Similarly, when the programme was prepared, an attempt was made to foresee what kind of decisions the Commission was likely to take, on the basis of the interest expressed by Governments at other meetings. As regards documentation, he explained that, although they dealt with substantive issues, some documents were not included in the agenda of the session but advantage was taken of the presence of delegations to distribute them, in which case the six-weeks rule was not observed. Other documents had a restricted circulation because they were of very limited interest or because they formed part of bigger documents that it was hoped to complete at a later date. Regarding the report of the Joint Inspection Unit, he explained that the request of the Committee for Programme and Co-ordination had not been received; in any event the secretariat considered that the Unit's report had been superseded by the report of the Administrative Management Service, which took account of it.

461. The work programmes of each unit of the secretariat were examined.

462. One representative said that his Government was interested in the formation of a special study group which would submit recommendations and propose ways of incorporating the primitive sector, particularly agriculture, in the economy.

463. In connexion with the Office for the Caribbean, one representative said that the Office was of great assistance to the countries of the area but that it was

regrettable that it was short-staffed and that the staff assigned to specific projects did not always have adequate experience of the area's problems. Priority should be assigned to the projects with asterisks in the following order: 05-081 "Location of small-scale industry"; 05-082 "Regional integration industries"; and 06-691 "Agricultural specialization and complementation".

464. The programme of work of the Office for the Caribbean, with the priorities suggested for projects 05-081, 05-082 and 06-691, was approved.

465. The work of the Social Affairs Division was considered. Two representatives said that project 01-06 "The social agents of the political input: youth and its participation in the decision-making process" dealt with extremely delicate political matters relating to the internal affairs of States and was therefore not directly within ECLA's competence. They could not support the project as described in the Programme of Work and suggested either that it should be deleted or that it should be reformulated with a different approach and presented to the Commission on some future occasion.

466. Another representative agreed that project 01-06 dealt with a delicate subject. His Government attached great importance to projects connected with population matters and was concerned about the funding for projects 01-21 "The demographic situation and its policy implications" and 01-22 "Expert Group to evaluate the population programme". He suggested that higher priority should be given to project 01-43 "The costs of urban expansion in Latin America", which might possible be combined with project 01-01 "The process of urbanization and problems of marginal social groups".

467. The representative of the Office of the Controller said that the United Nations Fund for Population Activities, which was to provide the funds for projects 01-21 and 01-22, was unable under its present procedures to commit its resources for more than one year at a time.

468. The representative of the Social Affairs Division said that it would be difficult to combine project 01-01 with project 01-43, since the former was concerned with the social aspects of marginality, while the latter was in a sense a cost-benefit evaluation of the urbanization process. With respect to project 01-06 he explained that it seemed appropriate, in an evaluation of socio-political trends in Latin America, for the participation of youth to be discussed, seeing that the Latin American population was basically young and that it did participate in the political processes of the various countries.

469. The programme of the Social Affairs Division was approved with the following amendment to project 01-06:

"Youth and its participation in economic and social development (01-06)
(new project)

This is a research project on young people in Latin America to determine their participation in: (a) the formulation of development policies; (b) the implementation of such policies. This research will be directly linked with the work on project 01-12 'Unified approach to development analysis and planning', which is being carried out by the United Nations Social Development Division, the United Nations Research Institute for Social Development (UNRISD) and ECLA."

470. In connexion with the programme of the Trade Policy Division one representative said that his Government attached high priority to projects 02-12 "Comparative study of international costs and prices in relation to trade in manufactures" and 02-22 "Regional integration and national integration", and it would like them to be initiated soon.

471. Another representative said he would like more information on project 02-20 "Latin American trade and economic relations with centrally planned economies", which seemed to have disproportionate amount of resources assigned to it compared with the rest of the Divisions's programme. He was gratified that the secretariat was co-operating closely with the UNCTAD/GATT International Trade Centre (ITC) and with the Organization of American States.

472. The Director of the Trade Policy Division said that projects 02-12 and 02-22 had been pending for some time, owing to difficulties in recruiting. Project 02-20 had been wrongly placed under the head of intra-regional trade and economic integration and should be placed under trade and development, and the amount of resources assigned to it was also a mistake. The project was to consist of a study of the region's trade and economic relations with the centrally planned economies similar to the other studies undertaken on relations with the United States, the European Common Market, etc.

473. The programme of the Trade Policy Division was approved, with the amendments to project 02-20.

474. The Mexico Office was the next part of the programme to be considered. One representative said that the distribution of resources between the Office's two major programmes did not appear to be very well balanced. In his view, the Office's activities should be streamlined so that it specialized in a few areas of interest. Moreover, the number of high-priority projects seemed excessive.

475. The representative of the Mexico Office said that about 70 per cent of the Office's resources were assigned to the Central American countries because they were at a relatively less advanced stage of development and were engaged in a process of integration, so that they required more technical assistance.

476. The programme of work of the Mexico Office was approved, account being taken of the fact that the Mexican Government was soon to make a presentation regarding the technical assistance to be provided by the Office.

477. One representative commended the Industrial Development Division for its close collaboration with UNIDO. Another representative expressed concern at the dearth of programmed activities in the field of export promotion.

478. The Director of the Industrial Development Division said that the man-month figures given in the tables, were simply orders of magnitude indicating what part of the Division's resources was assigned to the multi-divisional Export Promotion Programme. In reply to another question, he said that ALALC was being kept informed of progress made on project 05-01, "Comparative analysis of industrial policy measures in the Latin American countries".

479. The programme of work of the Industrial Development Division was approved.

480. When the Natural Resources and Energy Programme came up for discussion, the Director of the Programme said the apparent imbalance between the three components of the programme, namely, water resources, energy and mining, was due to the way the Programme had been organized in the past, on the one hand, and to shortage of funds and difficulties in recruiting suitably skilled experts in mining, on the other.

481. The programme of work of the Natural Resources and Energy Programme was approved.

482. The programme of work of the Latin American Projections Centre was approved.

483. In reply to a question put by one representative, the Director of the Montevideo Office said that project 03-03 "Non-tariff barriers" was complementary to the work being done by ALALC and was a study of hidden restriction to trade.

484. The programme of work of the Montevideo Office was approved.

485. In connexion with the Transport Programme, one representative proposed that a study should be made of the possibility of undertaking a programme on tourism and of eventually establishing a Tourism Division within ECLA, for submission, with specific proposals, to the Commission at its next session.

486. The Director of the Transport Programme observed that, given the many existing organizations concerned with tourism in the region and outside it, co-ordination of such a programme might well be extremely complicated. Furthermore, it was expected that the proposed World Tourism Organization would come into operation relatively soon with the status of a specialized agency.

487. Another representative suggested that the Programme should give greater emphasis to land transport in its activities, with a view to ensuring that such transport made a greater contribution to the Latin American integration process, even at the risk of reducing its activities in other fields.

488. The work programme of the Transport Programme was approved, with a recommendation that the Commission should include a study of the possibility of developing a programme on tourism among its activities.

489. In the discussion of the programme of the Economic Development and Research Division, one representative expressed his satisfaction at the co-operation between ECLA and the OAS as described under project 00-44 "Conference on Tax Policy". In connexion with subprogramme 00-7 "The relatively less developed countries and integration", he expressed the hope that the secretariat would bear in mind the attention that was being given to those countries by other organs of the United Nations. He asked what savings might accrue if the Economic Survey were made a biennial publication and adapted to the needs of review and appraisal under the International Development Strategy. Another representative inquired how the Division's work on development policy (subprogramme 00-2) related to the annual analyses of economic policy prepared by the Inter-American Committee on the Alliance for Progress and another congratulated the Division on its work on income distribution and recommended that it should be intensified.

490. The Director of the Economic Development and Research Division said that the Division's work with respect to the relatively less developed countries was conditioned by the availability of suitable staff. He felt that the Economic Survey, as a record of progress in the countries of the region and a summary of ECLA's research work, should remain an annual publication. Work on development policy covered short-term problems in certain countries and also longer-term problems that were of concern to ECLA. With respect to income distribution, he said that any further work would involve more research and would depend on co-operation from national organizations and Governments, since the secretariat had exhausted the studies based on the existing material.

491. The work programme of the Economic Development and Research Division was approved.

492. Discussing the work programme of the Joint ECLA/FAO Agriculture Division, one representative said that the combination of efforts exemplified by the Joint Division was an especially useful way of organizing activities in the regional commissions. He was not sure, however, that the programme of the Joint Agriculture Division reflected the magnitude of the problem of agriculture in the region, or the major areas of current concern. He also wondered whether project 06-32, "Production, consumption and trade in cotton, wool, coffee, cocoa, tobacco and other agricultural products in the ALALC countries", might be undertaken in conjunction with the commodity surveys prepared by UNCTAD and FAO.

493. The Director of the Joint Agriculture Division said that the Division's work should be considered in relation to all the work of FAO in the region. Moreover, the programme of work was conceived in broad terms, so as to provide sufficient flexibility to enable it to respond to the changing needs and problems of Governments. He explained that project 06-32 had to be undertaken in Latin America because it specifically concerned the ALALC countries.

494. The programme of work of the joint ECLA/FAO Agriculture Division was approved.

495. In connexion with the work programme of the Bogotá Office, one representative wondered whether thought had been given to the possibility of relocating the Office in view of the fact that the secretariat of the Andean Group was based on Lima. A representative of the secretariat explained that the Office dealt not only with the Andean Group, but also with Colombia, Ecuador and Venezuela, and that that factor also had a bearing on the location of the Office.

496. The programme of work of the Bogotá Office was approved.

497. In the discussion of the programme of the Statistical Division, one representative expressed the view that the Division should concentrate on improving the capacity of member States to collect and compile statistics and on producing reliable over-all series for the region. He wondered whether the Joint Inspection Unit's suggestion regarding a standing conference of Latin American statisticians might not duplicate the work of the Inter-American Statistical Institute (IASI). Another representative said it would be useful for ECLA to endeavour to compatibilize the methodology used in its statistics so that they were uniform with those produced, for example, by the IBRD Group.

498. The Director of the Statistical Division said that the Division co-operated closely with IASI at the working level. With regard to the compatibility of statistics, he felt the question fell more within the purview of the United Nations Statistical Commission; that difficult problem was in any case receiving constant attention.

499. The programme of work of the Statistical Division was approved.

500. The work programme of the Public Administration Unit was then considered and adopted.

501. One representative noted that in its report, the Joint Inspection Unit had recommended that the question of the continuation of the Rio de Janeiro Office should be reviewed. He could approve its programme only if he was sure that the delay in approval of specific projects by the host Government did not imply that problems existed.

502. A representative of the secretariat said that a new five-year co-operation agreement had recently been signed between ECLA and the Brazilian Government covering two projects, one on regional development and the other on financial intermediation in Brazil.

503. The programme of work of the Rio de Janeiro Office was approved.

504. The executive, administrative and support programmes were examined and approved.

505. In analysing the Programme for the Promotion of Exports of Manufactures and Semi-manufactures, one representative said that there would seem to be some possibility of duplication of effort in that field, in view of the existence of the OAS bodies, CIPE and CICOM, and the work being done by the International Trade Centre. Another representative said he was not convinced that ECLA could usefully undertake an export promotion programme, since work in that field in the region could be carried out by CIPE.

506. Referring to his earlier statement commending the collaboration between the secretariat and the International Trade Centre in the export promotion field, the representative concerned said that he had taken note of the secretariat's assurance that it was co-ordinating its activities closely with those of other agencies. He was prepared to approve the programme on the understanding that duplication would be kept to a minimum. Another representative stated that his country's experience of the existing export promotion organizations had not been very satisfactory, since they tended to focus almost exclusively on problems of external demand. He would support the ECLA programme because he was sure it would give proper emphasis to the question of supply of industrial products for export within the context of national planning. Another representative expressed his support for the ECLA Export Promotion Programme, which in his view had a unified approach and dealt with questions not touched on by other agencies.

507. The Co-ordinator of the Export Promotion Programme explained that there was close co-ordination between the ECLA programme and those of the other agencies in the same field. In fact, the ECLA programme formed part of the United Nations Export Promotion Programme, which was being undertaken jointly by ITC, UNCTAD, UNIDO and the United Nations Department of Economic and Social Affairs, with the

co-operation of the ECLA Industrial Development Division, Trade Policy Division and Public Administration Unit.

508. Gratitude was expressed to the Canadian Government for its offer regarding a programme on technology, statistics and the food-processing industries.

509. The representative of Jamaica pointed out that, despite the adoption of resolution 288 (XIII), which requested that high priority should be given to the strengthening of the Commission's Office for the Caribbean, no progress had in fact been made towards including the Caribbean subregion in the wider scope of the Commission's work. His delegation appreciated the Executive Secretary's efforts to strengthen that Office in certain respects - efforts which had encouraged Jamaica to make a donation towards its expenses - but many of the projects approved at the thirteenth session which were of fundamental importance for further work in the subregion had not been carried out because the additional staff requested had not been provided. If the International Development Strategy were to be applied in the Caribbean, specific work would have to be done on the problems of production in both industry and agriculture. He would like to have an assurance that in the allocation of funds under the next ECLA budget, due attention would be given to the special needs of the Caribbean.

510. The representative of the secretariat expressed his appreciation of Jamaica's donation. As to the strengthening of the Caribbean Office, two provisional posts had been authorized, which had been allocated, in accordance with the wishes of the Director of the Office, to social affairs and to industry. The important considerations there were the problem of unemployment in the subregion and the need to respond to the urgent requirements of Governments in the industrial sector. As much as possible of the basic work on agriculture would be done by the United Nations Development Advisory Team for the Caribbean, as agreed by CARIFTA, FAO and ECLA, under the general head "rationalization of agriculture".

511. At its 159th meeting held on 5 May 1971, the Commission adopted resolution 300 (XIV) on planning methodologies and economic policy instruments by 20 votes to 1, with 3 abstentions.

512. At the same meeting, the Commission adopted resolution 302 (XIV) on natural resources by 21 votes to none, with 3 abstentions.

513. At its 160th meeting held on 6 May 1971, the Commission unanimously adopted resolution 305 (XIV) on the Caribbean Regional Integration Programme.

514. At its 161st meeting held on 6 May 1971, the Commission adopted resolution 306 (XIV) on the programme for the improvement of statistical services.

515. At its 162nd meeting held on 7 May 1971, the Commission adopted resolution 312 (XIV) by 22 votes to none, with 2 abstentions on the programme of work and priorities (for the text of these resolutions, see part III below).

516. The United States representative, explaining his vote, said that his delegation had been obliged to abstain in the voting on the resolution because it could not endorse the staffing levels implied in the work programme. The Administrative Management Service had recently completed a survey of ECLA, and his delegation reserved its position on the necessity for new posts until it had had time to study

the Secretary-General's budget recommendations based on the findings of the AMS study.

Renaming of the Commission

517. In accordance with resolution 2686 (XXV), consideration was given to renaming the Commission the Economic and Social Commission for Latin America, to correspond with the true nature of the Commission's activities in the economic and social fields.

518. All delegations concurred with the view expressed by the Chilean delegation that it was not necessary to rename the Commission; it was decided to retain the old name by which the Commission was known throughout the world.

Latin American Centre for Economic and Social Documentation

519. Note was taken of the fact that the Latin American Centre for Economic and Social Documentation (CLADES) had been set up in ECLA. The establishment of that Centre would enable ECLA to carry out its mandate to undertake or sponsor the collection, evaluation and dissemination of economic, technological and statistical information, and to make working arrangements with other organs for the fullest exchange of information necessary for the co-ordination of efforts in the economic fields. Owing to lack of funds, the Commission had hitherto been unable to organize such a centre, but the donation of the Netherlands Government, which covered the operational costs of the Centre for the first two years, had now enabled it to do so.

520. The Commission was informed that the rudiments of a regional information system existed in Latin America, but that most activities were connected with science and technology, scant attention being given to economic and social questions. The economic and social information and documentation system would be linked with UNESCO's UNISIST system of scientific and technological information and with the OAS system at the regional level.

521. The Centre would subsequently have to be financed from the regular budget or by donations, or by a combination of both methods. Its basic budget was microscopic, but in view of the Centre's importance for Latin America, there were grounds for hoping that many countries would be interested in maintaining it, seeing that some countries had already sent experts and made donations.

522. At its 160th meeting, held on 6 May 1971, the Commission unanimously adopted resolution 303 (XIV) on economic and social documentation. The representative of the United States, while not voting against the resolution, considered that it was somewhat premature for the Centre to offer technical assistance, as proposed in operative paragraph 5, before it had gained enough experience in the subject (for the text of the resolution, see part III below).

Establishment of relations between the Commission and the Intergovernmental Council of Copper Exporting Countries (CIPEC)

523. In reply to a request from the Intergovernmental Council of Copper Exporting Countries, whose members are Chile, the Democratic Republic of the Congo, Peru and

Zambia, the Commission decided to establish formal relations with the Council and to authorize it to send observers to all the meetings of the Commission of concern to it.

World Plan of Action for the Application of Science and Technology

524. It was recalled that the General Assembly and the Economic and Social Council had recommended that the Advisory Committee on the Application of Science and Technology to Development should draw up a World Plan of Action for the Application of Science and Technology to Development as part of the International Strategy, a task to be carried out in collaboration with the specialized agencies, the regional economic commissions and other organizations of the United Nations system.

525. It was pointed out that the ECLA secretariat would have an active part to play in dealing with the regional aspects of the World Plan of Action as it applied to Latin America, in co-operation with the specialized agencies and other organizations of the United Nations system and with the organizations of the inter-American system.

526. At its 162nd session held on 7 May 1971, the Commission adopted resolution 308 (XIV) on the study and transfer of technology by 25 votes to none against, with 1 abstention (for the text of this resolution, see part III below).

Date and place of next session

527. The representative of the Netherlands said that his Government had offered Curaçao as the venue of the Commission's next session, and that that suggestion had subsequently been supported by several countries. However, in order to preclude any possibility of disagreement among the members of the Commission, he requested that the following statement should be included in the report: "The Delegation of the Netherlands, without withdrawing its offer of Curaçao as the venue of the fifteenth session of ECLA, proposed that a decision on the subject should be postponed and requested the Executive Secretary to undertake the necessary consultations so that the venue for the fifteenth session could be selected at the most appropriate time and with the consensus of all the members of the Commission".

528. One representative expressed the hope that the Commission would hold its next session somewhere where it could be attended by all the member countries.

529. The Commission found those suggestions acceptable, and it requested the Executive Secretary to carry out the consultations and fix the date and place of the next session with the consensus of all the Governments of the countries members of the Commission.

Statement on the financial implications of resolutions 306 (XIV), 308 (XIV), 309 (XIV), 310 (XIV) and 311 (XIV) submitted in accordance with United Nations financial regulation 13.1 and rule 26 of the rules of procedure of the Economic Commission for Latin America

530. Under the terms of paragraph 2 (b) of resolution 306 (XIV), the secretariat would investigate the possibility of organizing a meeting of national officials concerned with the production and utilization of statistics. Should it prove

advisable to hold the meeting during 1972, a recommendation pursuant to the resolution would be submitted to the Economic and Social Council. The travel and subsistence costs of the participants, who would be government officials, would not be a charge on the United Nations budget. About 150 pages of special documentation would however be required, for which the services of two consultants for three months each would be necessary. Document translation and reproduction costs could be met out of the resources already available.

531. Under the terms of resolution 308 (XIV), the secretariat would seek the assistance of organizations within the United Nations system - such as UNCTAD, UNIDO and UNESCO - and the assistance of Governments and organizations within Latin America in developing and implementing a programme of work in the application of science and technology to development. In order to supervise and co-ordinate that work, however, the services of one professional staff member would be required. Secretarial assistance and travel funds would also be needed. The estimated cost would then be as follows:

	Dollars
Staff costs (1 P-5 and 1 secretary)	30,000.-
Travel	1,000.-
Total	<u>31,000.-</u>

532. Under the terms of paragraph 3 of resolution 309 (XIV), the secretariat was requested to convene meetings of the directors of planning offices in the region periodically. The secretariat would convene the first meeting as an ad hoc expert group in 1972, which would cost \$12,000.

533. For the preparation of the studies requested in paragraph 3 of resolution 310 (XIV), the services of experts in the field of development planning would be needed. It was estimated that twelve man-months would be required, at a cost of \$30,000.

534. As the meetings proposed in other operative paragraphs would be attended by government representatives, there would be no travel or subsistence costs to the United Nations budget. Document translation and reproduction costs could be defrayed out of resources already available, but interpretation costs would be supplementary.

535. All the resolutions requesting the convening of meetings of government representatives would involve interpretation costs, which would be \$220 a day if interpreters could be engaged locally. Additional costs would be incurred, however, if it proved necessary to engage interpreters elsewhere. It was explained that a proposed meeting schedule for the meetings of government representatives would be submitted with the Commission's report to the Economic and Social Council, to permit the establishment of more precise financial estimates.

PART III

RESOLUTIONS AND OTHER DECISIONS ADOPTED BY THE
COMMISSION AT ITS FOURTEENTH SESSION

Resolutions

536. At its fourteenth session, the Commission adopted the following resolutions:
- 299 (XIV) Enlargement of the Governing Council of the Latin American Institute for Economic and Social Planning
 - 300 (XIV) Planning methodologies and economic policy instruments
 - 301 (XIV) United Nations Conference on the Human Environment
 - 302 (XIV) Natural resources
 - 303 (XIV) Economic and social documentation
 - 304 (XIV) Latin American Demographic Centre
 - 305 (XIV) Caribbean Regional Integration Programme
 - 306 (XIV) Programme for the improvement of statistical services
 - 307 (XIV) Central American Economic Integration Programme
 - 308 (XIV) Study and transfer of technology
 - 309 (XIV) Development planning
 - 310 (XIV) International Development Strategy
 - 311 (XIV) ECLA and the third session of UNCTAD
 - 312 (XIV) Programme of work and priorities, 1971-1973
 - 313 (XIV) Problems of the primary sector

299 (XIV). ENLARGEMENT OF THE GOVERNING COUNCIL OF THE LATIN AMERICAN INSTITUTE FOR ECONOMIC AND SOCIAL PLANNING 38/

The Economic Commission for Latin America,

Bearing in mind that since the Latin American Institute for Economic and Social Planning was established in 1962 the number of countries members of the Commission has increased and that it is necessary to ensure a more equitable geographical distribution of the members of the ILPES Governing Council who are elected by the Commission every two years,

Considering that three of the eleven present members of the Council are appointed by the President of the Inter-American Bank, the Secretary-General of

38/ See para. 452 above.

the Organization of American States and the Executive Secretary of the Economic Commission for Latin America, and only eight are nationals of eight different Latin American countries and are elected by the Commission.

Decides to increase to ten the number of members of the Governing Council who are elected every two years at the regular sessions of the Commission, and requests that paragraphs 3 (a), 3 (b) and 3 (c) of resolution 220 (AC.52), by virtue of which the Latin American Institute for Economic and Social Planning was established, should be amended accordingly.

159th meeting,
5 May 1971.

300 (XIV). PLANNING METHODOLOGIES AND ECONOMIC
POLICY INSTRUMENTS 39/

The Economic Commission for Latin America,

Considering that the implementation of the Strategy adopted by the United Nations in General Assembly resolution 2626 (XXV) calls both for a long-term image of the future society and the preparation of medium-term plans and short-term policies,

Bearing in mind that the techniques developed in Latin America are geared principally to medium-term aims and mostly based on ECLA studies, particularly those on techniques for analysing and making projections of economic development and for project evaluation,

Noting that there is a woeful lack of methodological instruments for the preparation and evaluation of long- and short-term plans which would ensure that the specific economic policy measures to be applied are consistent with the desired evolution of the principal economic variables;

Recommends that the secretariat should accord priority to the study of:

(a) The methodological aspects of long-term plans, attempting in particular to establish techniques for the comparison of costs, alternatives and interrelationships between different structures of production, destinations of goods, structures of capital, income distribution patterns, consumption patterns, cultural levels and institutional organization;

(b) The economic policy instruments that could be mobilized in the short term to satisfy the long-term aims described in subparagraph (a). In particular, these instruments should be compared with those that are currently in use, so that the changes in them that are called for by the implementation of a development strategy may be evaluated.

159th meeting,
6 May 1971.

39/ See para. 511 above.

The Economic Commission for Latin America,

In accordance with General Assembly resolutions 2398 (XXIII), 2581 (XXIV) and 2657 (XXV) convening a United Nations Conference on the Human Environment, to be held in Stockholm in 1972, and establishing a Preparatory Committee,

Considering that the efforts of Latin American countries to improve the environment should be linked to those being undertaken at the world level and to the development objectives of over-all national policy in each country and that it is in their interest to take an active part in the preparations for and the work of the United Nations Conference on the Human Environment,

Considering that the Preparatory Committee for the United Nations Conference on the Human Environment has provided support for the holding of regional seminars in Latin America, Africa, Asia and the Middle East prior to the next session of the Preparatory Committee,

Bearing in mind that during the preparatory stage of the Conference, the precise nature, origin and consequences of environmental problems for the countries of the region should be clarified in the context of their respective stages of economic and social development,

1. Recommends that Governments should take the necessary steps to ensure the effective participation of the countries of the region in the Conference;
2. Urges Governments to co-operate, through the Commission's secretariat, in this Conference and, above all, in the Regional Seminar to be held in Mexico in collaboration with the secretariat of the Conference towards the end of August 1971, with a view to exchanging information and making a joint examination of problems affecting the region;
3. Urges Governments to participate actively in the intergovernmental working groups established by the Preparatory Committee for the Conference;
4. Requests the secretariat to continue to co-ordinate at the regional level the activities connected with the United Nations Conference on the Human Environment with the studies on the region's environmental problems that it is carrying out in connexion with development policies and plans.

159th meeting,
5 May 1971.

The Economic Commission for Latin America,

Considering that almost ever since it was first established the ECLA secretariat has been doing work, in co-operation with other United Nations agencies, on natural

40/ See para. 445 above.

41/ See para. 512 above.

resources, mainly on energy and water (resolution 99 (VI)) and on mining and other resources (resolution 239 (X)),

Bearing in mind that this work has been carried on in fields related to the knowledge and development of resources, the identification of obstacles to knowing and developing them and the definition of policy measures for overcoming such obstacles, research on planning methods, and advisory assistance to Governments in project evaluation and the establishment of the relevant institutional machinery,

Considering that by its resolution 1535 (XLIX), the Economic and Social Council established a Standing Committee on Natural Resources so that the United Nations could furnish the developing countries with broader and more effective co-operation in the utilization of their natural resources, through the Department of Economic and Social Affairs, the regional economic commissions, the United Nations Development Programme, the specialized agencies and the International Atomic Energy Agency,

Taking into account the fact that, in order to fulfil the objectives established within the framework of the International Strategy for the Second United Nations Development Decade, the secretariat must systematically compile technical data, carry out research on the utilization of natural resources and evaluate the progress made,

Aware that regional planning requires, inter alia, a knowledge of the availability and spatial distribution of natural resources,

1. Recommends that the secretariat should continue its work in connexion with natural resources and energy, within the context of national development programmes and the International Development Strategy for the Second United Nations Development Decade in co-ordination with the appropriate agencies of the United Nations system (the Resources and Transport Division of the United Nations Department of Economic and Social Affairs, the United Nations Development Programme, the World Health Organization and the World Meteorological Organization);
2. Requests the above agencies of the United Nations system to continue to co-operate with the secretariat of ECLA;
3. Requests the secretariat to assist countries in the regional planning studies that they are undertaking, and help to clarify the role played by natural resources and to apply the relevant programming techniques.

159th meeting,
5 May 1971.

303 (XIV). ECONOMIC AND SOCIAL DOCUMENTATION 42/

The Economic Commission for Latin America,

Considering that within an over-all approach to development in Latin America it is vitally important to have up-to-date and efficient national and regional information and documentation systems,

42/ See para. 522 above.

Considering the interest that the United Nations is showing in having a worldwide information system,

Bearing in mind that the Government of the Netherlands has made donations for the purpose of establishing a Latin American Centre for Economic and Social Documentation (CLADES) in ECLA, and that these donations have been accepted by the Secretary-General of the United Nations,

1. Expresses its gratitude to the Government of the Netherlands for its generous donation;
2. Recommends that the secretariat of the Commission should give the greatest possible emphasis to its documentation and information work in the economic and social spheres, and should furnish the Governments of the countries members of the Commission with whatever results may be of interest to them;
3. Stresses the need for the Latin American countries to have up-to-date national systems of economic, social, scientific, statistical and technological information;
4. Recommends that the Governments should help, through the regular and systematic transmission of information, exchanges of experts and the granting of donations and fellowships and in any other way, to strengthen the CLADES regional documentation system which has been set up within ECLA;
5. Recommends that CLADES should develop a programme for providing the countries that request it with technical assistance in the establishment of national centres for economic and social documentation.

160th meeting,
6 May 1971.

304 (XIV). LATIN AMERICAN DEMOGRAPHIC CENTRE 43/

The Economic Commission for Latin America,

Noting with satisfaction the work done by the Latin American Demographic Centre (CELADE) since 1957 in training Latin American specialists in population analysis techniques, promoting research on population questions and providing assistance to Governments in the region, which has helped towards understanding the impact of demographic factors on development efforts in these countries,

Bearing in mind General Assembly resolution 2211 (XXI) on growth and economic development, which calls upon the regional economic commissions to assist in further developing and strengthening national and regional facilities for training, research, information and advisory services in the field of population,

Considering that the Latin American Institute for Economic and Social Planning has been operating successfully as an autonomous agency under the aegis of the

43/ See para. 456 above.

Commission, in accordance with ECLA resolution 220 (AC.52), thus providing a valuable precedent and a proof of the effectiveness of this type of legal status,

Taking note of the decision of the Governing Council of the United Nations Development Programme (UNDP) to extend supplementary assistance to CELADE for a further period of three years as from 1 May 1971 and of the decision of the United Nations Fund for Population Activities (UNFPA) to give financial support to CELADE's activities, which means that CELADE's activities will be financed without additional cost to the United Nations regular budget,

1. Expresses its appreciation to the United Nations Development Programme and to the governmental and non-governmental organizations whose generous contributions have enabled CELADE to continue its operations up to now;
2. Also expresses its appreciation to the United Nations Development Programme and the United Nations Fund for Population Activities for the financial support they have decided to give CELADE from 1971 onwards;
3. Considers that CELADE's continued activities in the region are a most valuable complement to the work of the Economic Commission for Latin America;
4. Recognizes CELADE as an autonomous agency under the aegis of the Commission and requests it to continue to extend and improve its teaching, research and advisory activities in the field of population;
5. Suggests to the United Nations Development Programme and to the Governments members of CELADE that, in the Plan of Operations for the supplementary phase, the structure of CELADE and its financial and administrative arrangements should be adapted to its new legal status.

160th meeting,
6 May 1971.

305 (XIV). CARIBBEAN REGIONAL INTEGRATION PROGRAMME 44/

The Economic Commission for Latin America,

Considering that the countries of the Caribbean subregion have made a major effort towards regional economic integration,

Bearing in mind that the establishment and growth of the Caribbean Free Trade Association (CARIFTA) has contributed to an expansion of trade and co-operation among these countries,

Taking into account the assistance and co-operation given to member Governments of CARIFTA by the ECLA Office for the Caribbean,

Aware of the increasing importance of the evaluation of economic and social development for the implementation of national and subregional plans and programmes,

44/ See para. 513 above.

Requests the ECLA secretariat to continue its active co-operation with the Governments of the Caribbean Free Trade Association, and with the CARIFTA secretariat, especially in matters pertaining to the integration process;

Requests the ECLA secretariat to give due emphasis to the requirements of the countries of the Caribbean subregion when providing documentation and information and planning and carrying out studies and programmes of research, particularly in connexion with the implementation of the Strategy for the Second Development Decade.

160th session,
6 May 1971.

306 (XIV). PROGRAMME FOR THE IMPROVEMENT OF STATISTICAL SERVICES 45/

The Economic Commission for Latin America,

Considering that the formulation and appraisal of economic and social development plans and policies requires extensive, detailed and accurate statistical information, which entails growing responsibilities for national statistical offices,

Recognizing that the statistics available in many countries of the region do not at present satisfy these requirements, and that it is urgently necessary to redouble efforts to improve them at the national and international levels,

Recalling that General Assembly resolution 2626 (XXV) on the International Development Strategy refers to the intention of the developing countries to strengthen their planning mechanism, including statistical services,

1. Requests the Government of the Latin American countries to make every effort to improve the coverage, quality and up-to-dateness of their statistics, so as to satisfy the ever-increasing demands for information;

2. Recommends that the secretariat should:

(a) Intensify its efforts to assist the countries of the region to meet the statistical requirements which are considered of priority importance in the task of appraising the progress of the Strategy for the Second Development Decade, with special reference to the need to co-ordinate work on the compilation of basic data and the statistics derived therefrom, and to this end giving consideration to the more frequent use of such modern methods as sampling;

(b) Organize, if it deems it necessary, after consulting the Governments and in co-operation with the other competent organizations of the region, a meeting of national officials concerned with the production and utilization of statistics to consider ways of improving and standardizing, to the extent possible, the production of the statistical services, bearing in mind the views and priorities of the major users;

45/ See para. 514 above.

(c) Promote the co-ordination of systems and programmes of foreign trade statistics, taking as a basis the progress achieved within ALALC and other regional and subregional integration movements.

161st meeting,
6 May 1971.

307 (XIV). CENTRAL AMERICAN ECONOMIC INTEGRATION PROGRAMME 46/

The Economic Commission for Latin America,

Considering that the basic objectives of Central American economic integration were established at the fourth session of the Commission in 1951,

Bearing in mind that through its regional and specialized agencies, the United Nations has effectively contributed to the establishment and development of the Central American Common Market,

Considering that, in order to solve the problems affecting the Common Market, new research should be undertaken and the research already under way should be continued with a view to defining a set of measures for restructuring the integration programme,

1. Takes note of the studies which the secretariat of ECLA has made available to the Central American Governments and integration agencies in the last few years;
2. Requests the secretariat to continue to co-operate actively with these Governments and agencies, especially in questions that are specially important for the restructuring of the Central American Common Market;
3. Recommends that, in formulating and implementing its programmes of work and research, the secretariat should continue to give high priority to requests for technical co-operation from the Central American Governments and integration agencies;
4. Urges the United Nations Development Programme and other United Nations bodies to broaden and continue their firm support of the Central American Economic Integration Programme, with particular emphasis on the regional projects that are now being carried out.

162nd meeting,
7 May 1971.

308 (XIV). STUDY AND TRANSFER OF TECHNOLOGY 47/

The Economic Commission for Latin America,

Bearing in mind that, in order to reduce the disparity in the levels of living and technology between the developed and the developing countries, the

46/ See para. 424 above.

47/ See para. 526 above.

Economic and Social Council decided in resolution 1155 (XLI) that the Advisory Committee on the Application of Science and Technology to Development should prepare a World Plan of Action in that field,

Recalling that in resolution 2318 (XXII) the General Assembly endorsed the Economic and Social Council's decision and requested the Advisory Committee to consider carefully the regional aspects of such a plan and to seek, for that purpose, the co-operation of the regional economic commissions and the Economic and Social Office in Beirut,

Noting the section of General Assembly resolution 2626 (XXV) on the International Development Strategy for the Second United Nations Development Decade relating to the promotion, adaptation and creation of technology and its application to development,

Considering the establishment by the United Nations Conference on Trade and Development of an UNCTAD Intergovernmental Group which will shortly begin studying possible methods and procedures for the transfer of technology,

Taking into account the fact that the World Plan of Action is drafted in general terms, that specific programmes and projects should be prepared, and that the regional aspects of those programmes and projects will be the responsibility of the regional economic commissions, in close co-operation with the specialized agencies in their respective areas,

Recognizing the experience accumulated by the Economic Commission for Latin America in its long study of the economic development problems of the region,

1. Requests the secretariat to devise measures for establishing the necessary organizational procedures for carrying out the mandate entrusted to it by the General Assembly, and to give special attention in its programme of work to the study of technology and the promotion of its application as a means of accelerating economic development in the region and facilitating its transfer to the developing countries;

2. Recommends that in carrying out this work the secretariat should co-ordinate its activities with those of the specialized and other agencies of the United Nations system, such as the UNCTAD Intergovernmental Group mentioned above, and with the competent organizations of the inter-American system.

162nd meeting,
7 May 1971.

309 (XIV). DEVELOPMENT PLANNING 48/

The Economic Commission for Latin America,

Considering that the secretariat, and particularly the Latin American Institute for Economic and Social Planning, have both been working for many years to improve the systems and methods of development planning,

48/ See para. 425 above.

Bearing in mind that greater efforts will have to be made in this direction in the next few years so as to enable every Latin American country to achieve its development objectives, within the framework of the International Development Strategy for the Second United Nations Development Decade,

1. Decides to intensify its efforts to develop planning methods, including those connected with its work on structural changes, and to provide more training courses on planning techniques and advisory services to Governments;

2. Urges the competent bodies to provide the Latin American Institute for Economic and Social Planning with all the financial and other support it requires to continue and intensify its efforts to further planning in the region, while retaining the intellectual freedom that it must have;

3. Urges the secretariat to convene meetings of the directors of planning offices in the region periodically to provide an opportunity for exchanges of views on the planning experience the countries acquire in their use of planning instruments and their application of development policies.

162nd meeting,
7 May 1971.

310 (XIV). INTERNATIONAL DEVELOPMENT STRATEGY 49/

The Economic Commission for Latin America,

Having taken note of General Assembly resolution 2626 (XXV) laying down the International Development Strategy for the Second United Nations Development Decade, and of the document on the same subject presented by the secretariat (E/CN.12/869),

Bearing in mind that Latin America as a whole maintained the same growth rate in the First United Nations Development Decade as in the 1950s and made significant progress in various important economic spheres, but such progress was not evenly spread over all the countries of the region, the trends were not sustained and, in general, were not reflected in qualitative and structural changes that would help to satisfy the expectations awakened or alleviate the economic and social tensions prevailing in many countries of the region,

Considering that, in spite of some improvement in its external economic relations, Latin America is not receiving its fair share of the growth of the world economy, that the terms of trade have frequently shown unfavourable trends, and that payments disequilibria have often resulted in high levels of external indebtedness,

Bearing in mind that economic and social progress is the common and shared responsibility of the entire international community, as is recognized in United Nations resolution 2626 (XXV), and that the circumstances in which the Latin

49/ See paras. 426-429 above.

American economies are developing show the evident need for greater internal and external efforts to overcome the obstacles to economic and social progress,

Recognizing that the Latin American countries are anxious to attain appreciably higher development goals than in the past and to spread the resulting benefits more equitably, and that they have expressed their will and determination to participate actively in the action laid down in the United Nations International Development Strategy, inasmuch as it provides an appropriate framework for combining and harmonizing national policies and external co-operation measures,

Reaffirming that, as recognized by the General Assembly, the primary responsibility for development lies with the developing countries themselves, and making the most effective use of their national economic potential depends on each country's internal efforts and on the policies it adopts to that end, but that it is for the international community to facilitate and complement those efforts through the adoption of concerted and more favourable policy measures by developed countries in such fields as financing, trade, and technology,

Considering that ECLA will assume the main responsibility for appraisal at the regional level, "in co-operation with regional development banks and subregional groupings, and with the assistance of other organizations of the United Nations system",

Taking into account that the developing countries will, as appropriate, establish or strengthen their planning mechanisms, including statistical services, for formulating and implementing their national development plans during the Decade,

1. Recommends that the Governments of the developing countries members of the Commission should:

(a) Define as soon as possible their economic and social development goals and objectives in the context of their national programmes for the present decade, as indicated in the International Strategy, particularly with respect to the acceleration of their economic growth rates and the qualitative and structural changes that should accompany it, import and export needs, the mobilization of domestic resources and their complementary requirements in terms of external financial and technical co-operation;

(b) Strengthen and perfect planning systems that are attuned to each country's special characteristics, so as to provide themselves with the best possible technical bases for formulating and implementing their economic and social policies and to facilitate appraisals thereof;

(c) Adopt the necessary measures to improve their statistical services and, in particular, to make available up-to-date basic data for the periodical review and appraisal of progress towards national and regional development. These data should relate to: (i) the rate and steadiness of growth; (ii) the structural and technological changes that have occurred in the process of development; (iii) the social impact of the development process; (iv) trends and changes in the external sector.

(d) Make available periodically on a regular basis, particularly for the appraisal of the social effects of development, the basic statistical data required for following trends in: (i) employment and the structure of employment; (ii) income distribution; (iii) the level of living of the urban and rural population; (iv) regional imbalances; (v) the position with regard to nutrition, health, education, housing and other social factors;

(e) In the different international forums, press for the implementation of the policy measures contained in the International Development Strategy, both by the industrialized and by the developing countries;

2. Requests the developed countries and the international organizations concerned to announce, in good time and at regular intervals, the specific decisions and measures that they adopt, implement and envisage to give effect to the International Strategy;

3. Instructs the secretariat, in accordance with resolution 2626 (XXV), to adopt the necessary measures for:

(a) Carrying out appraisals at the regional level, the first of which should be submitted to the Commission at its fifteenth session. To this end, it urges the specialized agencies of the United Nations to examine the progress made in their respective sectors, to provide the necessary information and criteria and to collaborate with the Commission in carrying out the regional appraisals. With the same end in view the secretariat will endeavour to reach specific agreements with those agencies on the co-ordination of technical work and will make every effort to obtain studies and information from the regional, international and intergovernmental organizations operating in Latin America, and also to enlist their co-operation as much as possible. Governments will give the necessary instructions to their representatives in the institutions concerned, and the secretariat will try to co-ordinate such contributions with these organizations;

(b) Establishing the methods and criteria that will enable the countries and the secretariat itself to carry out the appraisals envisaged in resolution 2626 (XXV);

(c) Collecting and analysing data on trends in the Latin American economies in order to carry out the above-mentioned regional appraisals;

4. Requests the secretariat and ILPES to give priority to requests from Governments of member countries for technical assistance in connexion with tasks arising out of the Development Strategy;

5. Establishes a Committee of High-Level Government Experts, composed of the developing countries members of the Commission, to serve as a forum for analysing the different points connected with the achievement and appraisal of the objectives of the International Development Strategy in Latin America, in accordance with paragraphs 79 and 81 of General Assembly resolution 2626 (XXV). In consultation with Governments, the secretariat will convene the Committee at the appropriate time, and will submit to it the results of such meetings at the technical level as may be necessary and any studies it is carrying out on the subject;

6. Further requests the secretariat to continue the studies now under way and to initiate studies where they are not now being done for all developing countries in the region on:

(a) The different long-term development methods and strategies of the Latin American countries, so as to analyse their effects in such major areas as employment, income distribution, regional imbalances, sectoral trends, degree of external dependence, and technological development;

(b) The social aspects of development;

(c) Mobilization of domestic resources, including financial intermediation and the role of the public sector in the mobilization of such resources;

(d) Income distribution and basic research on income distribution patterns in the countries of the region;

(e) Regional imbalances and policies and the different aspects of the process of urbanization;

(f) Expansion, diversification and access to the export markets of the Latin American countries, and strengthening of their export capacity;

(g) External financing and how it may be increased on conditions and by methods that will ensure that it makes an effective contribution to the economic and social development of the Latin American countries;

(h) The share and the effects of private foreign investment in the Latin American countries;

(i) Progress towards integration, bearing in mind the integration systems now in operation.

162nd meeting,
7 May 1971.

311 (XIV). ECLA AND THE THIRD SESSION OF UNCTAD 50/

The Economic Commission for Latin America,

Considering that the resolution 310 (XIV) on the International Development Strategy adopted at the present session contains recommendations to Governments and instructions to the secretariat aimed at enabling Latin America to participate fully in the review and appraisal of the objectives and policy measures contained in the International Development Strategy for the Second Development Decade,

Considering that the third session of the United Nations Conference on Trade and Development (UNCTAD) to be held in Santiago, Chile, in April/May 1972, will provide an extremely important forum for the international community to discuss concerted action by the developing and the developed countries, to find new areas of agreement and to broaden those that already exist in respect of fundamental aspects of international trade, external financial co-operation and the development of technology,

Recognizing that the ECLA secretariat has provided the Governments of the region with efficient technical collaboration during the preparatory stages and throughout the first and second sessions of UNCTAD,

Recommends that, in its studies on the Strategy, the secretariat should give high priority to the questions that are most directly related to the topics to be discussed at the third session of UNCTAD, so that these studies provide more background material and technical criteria to support and harmonize the action of the Latin American countries in UNCTAD.

162nd meeting,
7 May 1971.

312 (XIV). PROGRAMME OF WORK AND PRIORITIES, 1971-1973 51/

The Economic Commission for Latin America,

Having examined the draft programme of work and priorities for 1971-1973,

Having made the changes in the programme suggested by the Governments of States members and incorporated the changes arising out of the resolutions adopted at its fourteenth session,

Aware that, in adopting the programme of work and priorities, it endorses the staffing levels required to accomplish the tasks described therein,

1. Approves the programme of work and priorities for 1971-1973, as amended in accordance with the resolutions and decisions adopted at its fourteenth session;
2. Reaffirms the resolutions which provide authority for the specific projects contained in the programme of work and priorities;
3. Requests the Executive Secretary to report to the Commission at its fifteenth session on the implementation of the programme of work and priorities, 1971-1973, as approved.

162nd meeting,
7 May 1971.

313 (XIV). PROBLEMS OF THE PRIMARY SECTOR 52/

The Economic Commission for Latin America,

Considering that the primary sector - particularly agriculture - in the Latin American countries, is obviously lagging behind in terms of modern social, economic and technological innovations, partly as a result of the priority assigned by Governments to the development of manufacturing industry,

51/ See paras. 515 and 516 above.

52/ See para. 431 above.

Requests the secretariat to study in more detail the problems that have hitherto prevented the primary sector from being incorporated in the modern sector of the economy, as far as social, institutional, economic and technological factors are concerned.

162nd meeting,
7 May 1971.

Other decisions

537. The Commission approved a consensus with regard to ECLA's future role in the rationalization of the regional structures of the United Nations (see paras. 432-438 above).

538. It was decided to retain the present name of the Commission (see paras. 517 and 518 above).

539. The Commission decided to establish formal relations with the Intergovernmental Council of Copper Exporting Countries (CIPEC) (see para. 523 above).

540. The Commission decided to postpone a decision on the date and place of its next session (see paras. 527-529 above).

PART IV

DRAFT RESOLUTION FOR ACTION BY THE ECONOMIC
AND SOCIAL COUNCIL

541. The Commission decided to transmit the following draft resolution to the Economic and Social Council:

"The Economic and Social Council

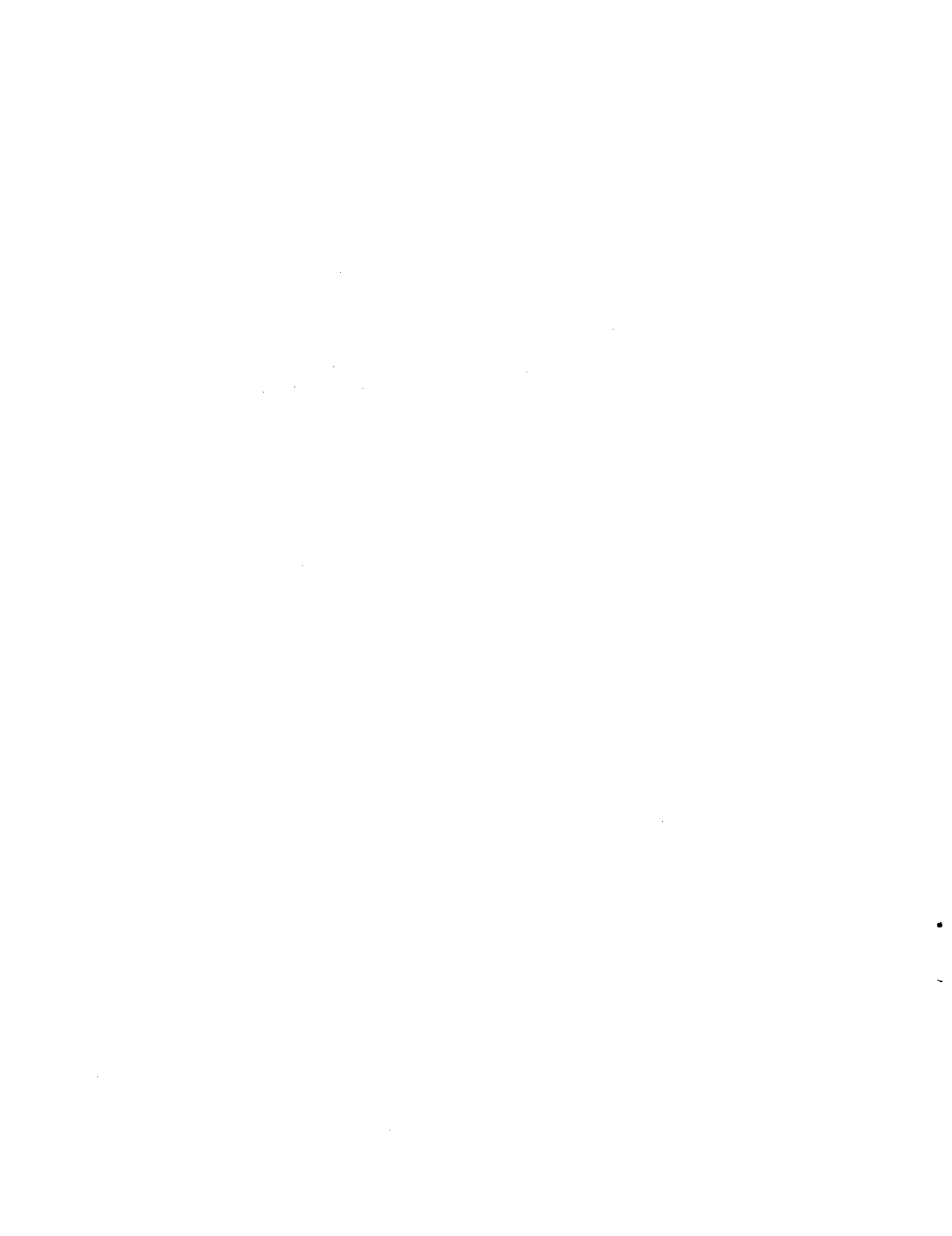
"1. Takes note of the annual report of the Economic Commission for Latin America covering the period 8 May 1970 to 8 May 1971 and of the resolutions and recommendations contained in Parts II and III of that report;

"2. Endorses the programme of work and priorities contained in Part V of the report."

PART V

PROGRAMME OF WORK AND PRIORITIES

[Part V of this report is published as Volume II]



Annex I

LIST OF MEETINGS OF SUBSIDIARY BODIES DURING THE PERIOD UNDER REVIEW

Body and officers	Session	Symbol of report <u>a/</u>
IGE-ENALUF Working Group on Electricity Interconnexion: Costa Rica-Nicaragua <u>Discussion leader,</u> Mr. Alvaro Robles	Second session First part San José, Costa Rica, 4-6 March 1970	GRIE/GT-N-CR/II/4
<u>Discussion leader,</u> Mr. Luis Manuel Debayle	Second part Managua, Nicaragua, 26-28 November 1970	
Working Group on Coding Standards for Electrical Equipment and Materials <u>Chairman,</u> Mr. Alcalá Bolaños	Third session Managua, Nicaragua, 21-25 September 1970	CRNE/GTC/III/2
Regional Committee on Elec- trical Standards <u>Chairman,</u> Mr. Alcalá Bolaños <u>Rapporteur,</u> Mr. Sergio A. Chocano	Sixth session Managua, Nicaragua, 25-30 September 1970	CCE/SC.5/CRNE/VI/4
Regional Group on Elec- tricity Rates <u>Chairman,</u> Mr. Victor Urrutia <u>Rapporteur,</u> Mr. Mauricio Posada	Second session Panama City 26-30 October 1970	CCE/SC.5/GRTE/II/5

a/ Copies of reports that are not available through the normal distribution channels at United Nations Headquarters or at the Geneva Office may be obtained from the Regional Commissions Section of the Department of Economic and Social Affairs at United Nations Headquarters.

Annex II

LIST OF MEETINGS AND SEMINARS

Title	Place and date	Symbol of report <u>a/</u>
Inter-Agency Meeting on Central American Co- ordination	Guatemala City 19-21 January 1970	
Meeting of the Working Group on Regional Technical Assistance for Central America	San Salvador, El Salvador, 4 and 5 March 1970	CEPAL/MEX/70/9/Rev.2
Meeting of the Central American Advisory Committee on Planning	Washington, D.C., 6-8 April 1970	CEPAL/MEX/70/9/Rev.2
Training course on export promotion techniques for the English-speaking countries of the Caribbean	Port-of-Spain, Trinidad and Tobago, 13-24 April 1970	
Inter-Agency Meeting on Population Studies in Central America	Guatemala City 21-23 April 1970 Costa Rica 7 and 8 September 1970	
First Inter-Agency Meeting on the Co-ordination of Maritime Transport and Port Development	Guatemala City 21-23 April 1970	
Fifth Inter-Agency Meeting on Co-ordinated Development of the Economic Infrastructure	Guatemala City 12-18 May 1970	
Regional Consultation on the Development of the Forest and Pulp and Paper Indus- tries in Latin America	Mexico City 19-26 May 1970	E/CN.12/858
Fifth Regional Course on Trade Policy	Santiago, Chile, 29 June to 14 August 1970	

Annex II (contd.)

Title	Place and date	Symbol of report <u>a/</u>
Working Group on Industrial Statistics	Santiago, Chile, 3-14 August 1970	E/CN.12/864
Course on Regional Development Planning	Santiago, Chile, 31 August to 3 October 1970	
Subregional training course on export promotion for selected Latin American countries	Santiago, Chile, 31 August to 11 September 1970	
Latin American Working Group on the Motor-Vehicle Industry	Santiago, Chile, 21-30 September 1970	
Meeting of Experts on Documentation	Santiago, Chile, 25 and 26 September 1970	
Seventh Intensive Course on National Accounts for Central America	Mexico City 5-30 October 1970	
Tenth Basic Course on Economic and Social Planning	Mexico City 5-30 October 1970	
Third Inter-Agency Meeting on Land Tenure and Rural Development	Mexico City 13 November 1970	
Meeting of Experts on Administrative Capability for Development	Santiago, Chile, 16-20 November 1970	E/CN.12/879
Role of Meteorological Services in the Economic Development of Latin America	Santiago, Chile, 30 November to 5 December 1970	

a/ No symbol is given where the report is not available.

Annex III

LIST OF DELEGATIONS

STATES MEMBERS OF THE COMMISSION

Argentina: Juan V. Sourrouille, Gabriel O. Martinez,*
Juan José Fernández Prato,** Carlos Mazzitelli,**
Juan A. Lanus,** Juan Jorge Jordán,**
Antonio Estrany y Gendre**

Barbados: D.A. Blackett, E.M. Bentham*

Bolivia: Arturo Nuñez del Prado, Carlos Machicado,*
Victor Márquez,** René Mercado,**
José M. Illescas,** Alfredo Olmedo**

Brazil: Joaquim de A. Serra, Pedro Pénner da Cunha,*
Guilherme Leite Ribeiro,**
Luis Felipe Teixeira Soares,**
Clodoaldo Hugueney Filho,**
Luis Henrique Pereira da Fonseca**

Canada: Andrew D. Ross, Ambassador; Cameron D. Miller,*
M.S. McKay,** P.J. Thibault**

Chile: Pedro Vusković Bravo, Gonzalo Martner,*
Alfonso Inostroza,* Hugo Cubillos,*
Diego Valenzuela,** Edda Rossi de Pérez,**
Fernando Pardo,** Jacobo Schatan,**
Ernesto Torrealba,* Jorge Bertini,**
Pío García,** Sergio de la Cruz,**
Enrique Sierra,** Mario Silberman,**
Fernando Flores,** Rubén Céspedes,**
Hernán Frigolett,** Sergio Ramos,**
Helio Varela,** Sergio Lazzerini,**
Oscar Agüero,** José Miguel Insulza,**
Sergio Sánchez,** Bayardo González,**
Julio de la Fuente**

Colombia: Jorge Valencia Jaramillo, Alvaro García Herrera,
Ambassador,* Ignacio Combariza,**
Alberto Añez Ariza**

Costa Rica: Viriato Camacho, Ambassador;
Carlos Manuel Castillo, Carlos Eduardo Echeverría

*/ Alternate.

**/ Adviser.

Cuba: Marcelo Fernández Font, Mario García Incháustegui,
Ambassador,* Rafael Núñez Cuesta,*
José R. Viera Linares,* Oscar Pinto Santos,**
Michael Vazquez y Montes de Oca,**
Jorge Pollo García,* * William Haber Yaha**

Dominican Republic: Franz Baehr Cabral, Ambassador

Ecuador: Miguel Antonio Vasco, Minister without Portfolio,
Pedro Aguayo Cubillos,* Cornelio Marchan**

El Salvador: Armando Peña Quezada, Ambassador

France: Gabriel Lisette, Ambassador; Henri Chollet ,*
Paul Bertin,** Elisabeth de Miribel,**
J. Cheminade,** Ives de Kermel**

Guatemala: Roberto Velásquez Oliva,
Humberto Solís Gallardo

Guyana: Anne Jardim, Ambassador to Venezuela

Honduras: Efraín Reconco Murillo, Carlos H. Díaz*

Jamaica: Hugh N. Bonnick, Rolston Williams

Mexico: Eliseo Mendoza Berrueto,
Roberto Dávila Gómez Palacio,* José Bravo Silva,**
Leopoldo Solís Manjarrez,**
Marconi Osorio Granados,** Luis Bravò Aguilera,**
Eduardo Alcaraz Ortíz,** Francisco Javier Alejo,**
Luis Cossio Silva**

Netherlands: I.C. Debrot, Ambassador; R.A.C. Henríquez ,*
A. Raan ,** J.F. Boddens Hosang ,** V.P. Bareño**

Nicaragua: Reynaldo Navas Barreto, Ambassador;
Harmodio Ampié

Panama: Roger Decerega, Ambassador;

Paraguay: Pablo Gonzalez Maya, Ambassador;
Julio Peña del Molino Torres*

Peru: Arturo García, Ambassador;
Oldemar Saavedra Magne,*
Jaime Stiglich Bérninzon**

Trinidad and Tobago: George Hamel Legall, Thomas Ainsworth Harewood,
Knowlson W. Gift.

United Kingdom of Great
Britain and Northern
Ireland: D.H.T. Hildyard, Ambassador; E.M. Young,*
Henry McQuade,** Susan Darling**

United States of America: John Jova, Ambassador; John W. Ford*
 Paxton T. Dunn,* Joel W. Biller,** Robert P. Coe,**
 James C. Dean,** Charles J. Montrie,**
 Richard H. Morefield;** Dennis H. Morrissey**

Uruguay: Ricardo Zerbino, Francisco Bustillo del Campo,*
 Alberto Bensi6n,** Enrique Arocena**

Venezuela: Tom6s Polanco Alc6ntara, Ambassador;
 Jes6s Alberto Fern6ndez Jim6nez, Hermann Soriano,*
 Freddy Christians Pinto,* Freddy Navas*

STATES MEMBERS OF THE UNITED NATIONS NOT MEMBERS OF THE
 COMMISSION, PARTICIPATING IN A CONSULTATIVE CAPACITY

Belgium: Alexandre Van Mossevelde

Bulgaria: Marin Ivanov, Ambassador

Czechoslovakia: Milos Vesely, Ambassador

Hungary: Ferenc Cs6sz6r, Karoly Havas,* Peter Sugar**

Israel: Naphtali Gal

Norway: Carl Helge Guldbakke

Poland: Witold Jurasz, Ambassador; Olgierd Podobinski*

Romania Vasile Dumitrescu, Ambassador; Aurel Rotaru

Spain: Luis Velasco Rami

Sweden: P. Christer M. Manhusen

Union of Socialist
 Soviet Republics: Vladimir Andreev, Lev Astafiev,**
 Vladislav Kourenkov,** Oleg Jartchenko**

Yugoslavia: Radomir Radovi6ć, Ambassador

OBSERVERS OF STATES, NOT MEMBERS OF THE UNITED NATIONS,
 PARTICIPATING IN A CONSULTATIVE CAPACITY

Federal Republic
 of Germany: U. Lebsanft, Ambassador; R. Fischer,*
 Hans Jensen,* E. Reiche**

Switzerland: Georges Peyraud

REGIONAL ORGANIZATIONS

Latin American Demographic Centre: Jorge Somoza, Juan C. Elizaga

Central American Institute of Public Administration: Carlos Enrique Gutierrez Luna

Latin American Institute for Economic and Social Planning: Raúl Prebisch, William Lowenthal, Oscar J. Bardeci, Francisco Giner de los Ríos

UNITED NATIONS BODIES

United Nations Children's Fund (UNICEF): Oreste Fernández

United Nations Conference on Trade and Development: Manuel Pérez Guerrero
Pedro Abelardo Delgado

United Nations Development Programme: Paul-Marc Henry,
Luis M. Ramírez Boettner

SPECIALIZED AGENCIES, IAEA AND GATT

International Labour Organisation: Albert Lauterbach, José Luis Bustamante

Food and Agriculture Organization of the United Nations: Juan Felipe Yriart, Pedro Moral López, John Menz

United Nations Educational Scientific and Cultural Organization: Julián Juez

World Health Organization: Emilio Budnik, a/Tulio Fernández, a/David A. Tejada-de-Rivero a/

International Bank for Reconstruction and Development: Luis Escobar

International Monetary Fund: Jorge del Canto

a/ Also representing the Pan American Health Organization.

International Atomic Energy Agency:

Pedro Herzberg

* * *

General Agreement on Tariffs and Trade:

Desmond Peart

OTHER INTER-GOVERNMENTAL ORGANIZATIONS

Andean Development Corporation:

Oscar del Pino, Edgar Camacho Omiste

Board of the Cartagena Agreement:

Manuel Arana Castillo

Caribbean Free-Trade Association:

Shirley Omawale

Central American Bank for Economic Integration:

Gustavo Pavón Castillo

European Economic Community:

Gabriel Lisette, Ambassador; Henri Chollet, Philipp Masserer, Wolfgang Renner

Inter-American Development Bank:

Pedro Irañeta

Inter-Governmental Committee for European Migration:

Guillermo L. Mulet, Bruce A. Greene

Latin American Free Trade Association:

Pedro Liscano Lobo

Permanent Secretariat of the General Treaty for Central American Economic Integration:

Salvador Sánchez Aguillón

Organization of American States:

Roberto González-Cofiño, ^{b/} Victor Tokman, ^{b/}
Alejandro Escobar, ^{b/}
Luis Olivos Ruiz de Gamboa

^{b/} Also representing the Inter-American Committee on the Alliance for Progress.

NON-GOVERNMENTAL ORGANIZATIONS

International Confederation of
Free Trade Unions:

Luis Lavin

International Federation of
Christian Trade Unions:

Luis Ernesto Molano

World Federation of Trade Unions:

Enrique Avendaño Atenas,
Ricardo García Posada

Inter-American Council of
Commerce and Production:

José Rafael Revenga, Jorge Ross

International Federation of
Women Lawyers:

Iris Vittini de Gutierrez

International Planned
Parenthood Federation:

José Valladares

ANNEX IV

LIST OF THE PRINCIPAL DOCUMENTS ISSUED BY THE ECONOMIC COMMISSION
FOR LATIN AMERICA SINCE THE FIFTH EXTRAORDINARY SESSION
OF THE COMMITTEE OF THE WHOLE

<u>Symbol</u>	<u>Title</u>	<u>Language</u> ^{a/}
E/CN.12/854 and Add.1	Posibilidades para la industria siderúrgica en los países de menor desarrollo relativo II. Bolivia y Paraguay	S
E/CN.12/856	Antecedentes para el estudio de los problemas de desarrollo de la subregión andina	S
E/CN.12/857	Situación actual, problemas y perspectivas del comercio del arroz en los países de la ALALC	S
E/CN.12/858	Account of the proceedings and recommendations of the Regional Consultation on the Development of the Forest and Pulp and Paper Industries in Latin America	E, S
E/CN.12/859	Situación actual, problemas y perspectivas del comercio del trigo en los países de la ALALC	S
E/CN.12/860	Guía del exportador latinoamericano	S
E/CN.12/861	La obtención y el uso de la información sobre los recursos hidráulicos en América Latina	S
E/CN.12/862	Tendencias actuales de la organización administrativa para el riego	S
E/CN.12/863	Income distribution in Latin America United Nations publication, Sales No.: E.71.II.G.2 (in the press)	E, S
E/CN.12/864	Report of the Working Group on Industrial Statistics	E, S

^{a/} The letters E, F and S indicate English, French and Spanish, respectively.

<u>Symbol</u>	<u>Title</u>	<u>Language</u>
E/CN.12/865	Latin America: Macroeconomic projections for the 1970s	E, S
E/CN.12/868 and Corr.1 and Add.1 and Add.2	<u>Economic Survey of Latin America, 1970</u> , vols. I and II (preliminary version)	E, S
E/CN.12/869	Latin America and the Second Development Decade	E, S
E/CN.12/872	Public enterprises: Their present significance and their potential in development	E, S
E/CN.12/873	La intermediación financiera en América Latina	S
E/CN.12/878	Estudio sobre la clasificación económica y social de los países de América Latina	S
E/CN.12/882	The foreign trade and trade policy of the English-speaking Caribbean countries	E, S
E/CN.12/883	Política subregional agraria en los países del Pacto Andino	S
E/CN.12/884 and Corr.1 and Add.1	Trends and structure of the Latin American economy	E, S
E/CN.12/885	The Central American Common Market and its recent problems	E, S
E/CN.12/886	The process of integration among the CARIFTA countries	E, S
E/CN.12/887	Recent events in the Latin American Free Trade Association (ALALC)	E, S
E/CN.12/888	Evolution of the Cartagena Agreement	E, S
E/CN.12/889	International economic co-operation and the third session of UNCTAD	E, S
E/CN.12/896	Aspectos regionales del desarrollo en los países latinoamericanos	S
E/CN.12/L.42	Indices de precios al por mayor del sector industrial por grupos de productos	S

<u>Symbol</u>	<u>Title</u>	<u>Language</u>
E/CN.12/L.43	Indices de volumen de la producción manufacturera	S
E/CN.12/L.44	The chemical industry: Development possibilities in the CARIFTA region	E
E/CN.12/L.45	América Latina: Principales indicadores derivados de los censos y encuestas industriales	S
E/CN.12/L.46	Posibilidades para el desarrollo de la industria siderúrgica en países de menor desarrollo relativo I. América Central; II. Bolivia y Paraguay; III. Ecuador. Resumen	S
E/CN.12/L.47	Las economías de escala en la industria siderúrgica	S
E/CN.12/L.49	América Latina y el Caribe. Producto e ingreso. Principales conceptos a precios corrientes, 1960 a 1968	S
E/CN.12/L.50	América Latina y el Caribe. Formación de capital y su financiamiento. Principales conceptos a precios corrientes, 1960 a 1968	S
E/CN.12/L.51 and Add.1	Producto interno bruto de los países de América Latina	S
	<u>Economic Bulletin for Latin America</u> Vol. XV, No. 1, first half of 1970 (United Nations publication, Sales No.: E.70.II.G.6)	E, S
	<u>Economic Bulletin for Latin America</u> Vol. XV, No. 2, second half of 1970 (United Nations publication, Sales No.: E.70.II.G.7) (in the press)	E, S
	<u>Statistical Bulletin for Latin America</u> Vol. VI, No. 2, September 1969 (United Nations publication, Sales No.: E/S.70.II.G.2)	E/S (bilingual publication)
	<u>Statistical Bulletin for Latin America</u> Vol. VII, No. 1-2, June 1970 (United Nations publication, Sales No.: E/S.70.II.G.5)	E/S (bilingual publication)

<u>Symbol</u>	<u>Title</u>	<u>Language</u>
	<u>Statistics on Children and Youth in Latin America</u> , Supplement to Statistical Bulletin for Latin America, 1970	E/S (bilingual publication)
	<u>Statistical Bulletin for Latin America</u> Vol. VIII, No. 1, March 1971 (United Nations publication, Sales No.: E/S.71.II.G.4)	E/S (bilingual publication)
CEPAL/MEX/70/3	Problemas de carácter social con que tropieza la población salvadoreña desalojada de Honduras	S
CEPAL/MEX/70/7 TAO/LAT/105	Coordinación de los puertos Santo Tomás de Castilla y Barrios, Guatemala	S
CEPAL/MEX/70/8 Rev.1	Apuntes sobre el desarrollo y la integración económica de Centroamérica	S
CEPAL/MEX/70/11	Centroamérica. Sector Industrial: Valor bruto de la producción y valor agregado, 1950-68	S
CEPAL/MEX/70/12	Posibilidades de interconexión de los sistemas eléctricos de algunos países del Istmo Centroamericano	S
CEPAL/MEX/70/13	Istmo Centroamericano: Reseña de actividades en el sector eléctrico. Primer semestre de 1970	S
CEPAL/MEX/70/14	Los problemas del Mercado Común en 1960-70	S
CEPAL/MEX/70/20	Comentarios sobre las necesidades de adiciones en generación para el sistema nacional interconectado de Guatemala en el periodo 1970-80	S
CEPAL/MEX/71/2	Consideraciones sobre la situación del empleo en Centroamérica	S
CEPAL/MEX/71/6	Istmo Centroamericano: Reseña de actividades en el sector eléctrico. Segundo semestre de 1970	S
CENTRAL AMERICAN ECONOMIC CO-OPERATION COMMITTEE		
E/CN.12/CCE/362	Consideraciones económicas y técnicas para establecer lineamientos sobre la segunda etapa de revisión del Arancel de Aduanas Centroamericano	S

<u>Symbol</u>	<u>Title</u>	<u>Language</u>
E/CN.12/CCE/SC.3/ 28 TAO/LAT/106	Estimación de costos de transporte de mercancías en Centroamérica	S
E/CN.12/CCE/SC.3 29 TAO/LAT/110	Análisis de la situación portuaria en Centroamérica y Panamá, 1964-69	S
E/CN.12/CCE/SC.5/ 77 TAO/LAT/107	Estudio comparativo de costos de la energía eléctrica en Centroamérica y Panamá, 1967 y 1968	S
CCE/SC.5/CRNE/ VI/2	Proyecto de norma de trabajo CRNE-13 Especificaciones de equipos y materiales para redes de distribución de energía eléctrica	S
CCE/SC.5/CRNE/ VII/2	Proyectos de norma de trabajo CRNE-13-A, CRNE-13-B y CRNE-14	S
CRNE/GTC/III/ DT.2	Grupo No. 33. Herramientas. Codificación provisional	S
CRNE/GTC/III/DT.3	Proyecto de codificación de los materiales y equipos correspondientes a los grupos: 02 Metales ferrosos; 03 Metales no ferrosos; 08 Combustibles, lubricantes, aceites, pinturas, barnices, esmaltes y productos conexos; 26 Artículos de ferretería; 31 Tubería para uso eléctrico y accesorios; 32 Tubería hidráulica y accesorios	S
CCE/SC.5/GRTE/ II/2	Antecedentes y objetivos de la Segunda Reunión del Grupo Regional sobre Tarifas Eléctricas	S
CCE/SC.5/GRTE/ II/3 TAO/LAT/108	Estado y perspectivas de la electrificación rural en el Istmo Centroamericano	S
CCE/SC.5/GRTE/ II/4	La depreciación y amortización de los activos fijos en la industria eléctrica de los países del Istmo Centroamericano	S
WORKING GROUP ON INDUSTRIAL STATISTICS		
Santiago, Chile, 3 to 14 August 1970		
ST/ECLA/Conf.39/ L.2	Proyecto de lista uniforme de productos mineros y manufacturados	S
ST/ECLA/Conf.39/ L.3	A few considerations on industrial statistics in Latin America	E, S
ST/ECLA/Conf.39/ L.4	Informe preliminar	S

MEETING OF EXPERTS ON ADMINISTRATIVE
CAPABILITY FOR DEVELOPMENT

Santiago, Chile, 16 to 20 November 1970

ST/ECLA/Conf.38/ L.1	A critical approach to planning in Latin America by Ricardo Cibotti and Oscar Julián Bardeci	E, S
ST/ECLA/Conf.38/ L.2	Latin American multinational public corporations: Possible contribution to the development and integration of Latin America; by Marcos Kaplan	E, S
ST/ECLA/Conf.38/ L.3	Developmental systems, by Gerald E. Caiden	E, S
ST/ECLA/Conf.38/ L.4	Reflections on strategy of administrative reform: The federal experience in Brazil, by Kleber Nascimento	E, S
ST/ECLA/Conf.38/ L.5	Capability and rationalization: Efficiency and sufficiency, by Julio C. Rodríguez Arias	E, S
ST/ECLA/Conf.38/ L.6	The operational modernization of planning: An identification of critical areas, by Breno Genari	E, S
ST/ECLA/Conf.38/ L.7	Development of the personnel and research essential to implementation of development plans, programmes and projects, by Donald C. Stone	E, S
ST/ECLA/Conf.38/ L.8	Appraising administrative capability for development, prepared by INTERPLAN and published by the United Nations	E, S
ST/ECLA/Conf.38/ L.9	Description and evaluation of the progress achieved in administrative capability in Central America and of the obstacles to its development by Wilburg Jiménez Castro	E, S
ST/ECLA/Conf.38/ L.10	Bases for an administrative reform, by Gustavo Martínez Cabañas	E, S

<u>Symbol</u>	<u>Title</u>	<u>Language</u>
ST/ECLA/Conf.38/ L.11	Public administration for what? A pragmatic view, by Albert Waterson	E, S
ST/ECLA/Conf.38/ L.12	Administrative capability for development in Latin America: A general diagnosis and measures to strengthen it, by the Public Administration Unit, ECLA	E, S
ST/ECLA/Conf.38/ L.13	Development planning and the planning process, by Oscar Oszlak	E, S
ST/ECLA/Conf.38/ L.14	Quelques remarques générales sur l'importance de la 'capacité administrative' dans les pays en voie de développement (Algunas consideraciones generales sobre la importancia de la capacidad administrativa en los países en vías de desarrollo) by Michel Crozier	F, S
ST/ECLA/Conf.38/ L.15	Public administration problems in Latin America and solutions from the United States of America; by Win W. Crowther and Gilberto Flores	E, S