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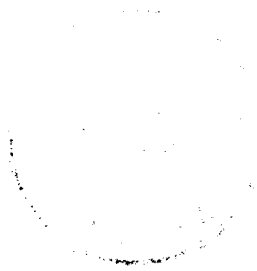


REPORT OF THE SIXTEENTH SESSION
OF THE COMMITTEE OF HIGH-LEVEL
GOVERNMENT EXPERTS
(CEGAN)

(New York, 22-24 May 1989)

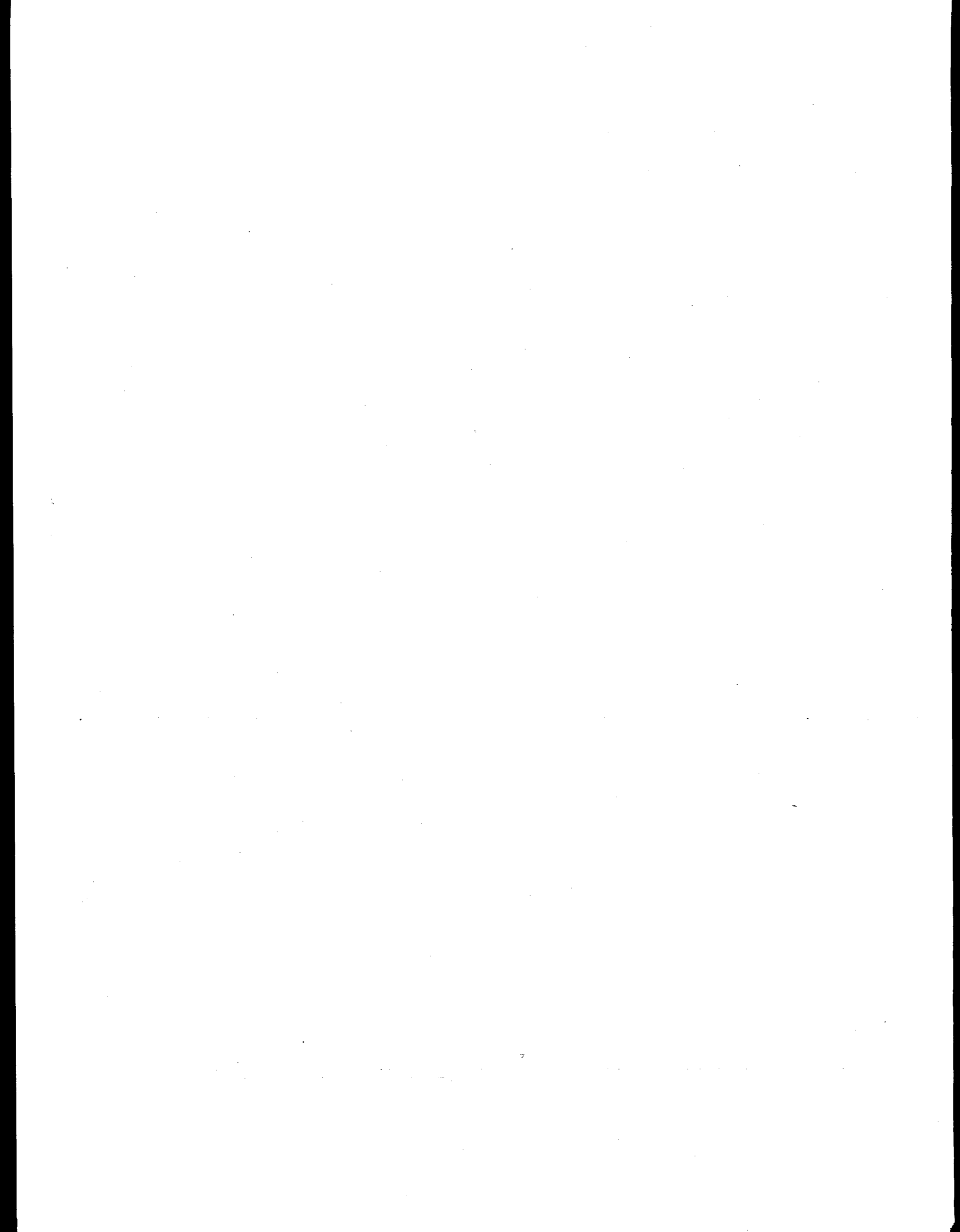


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Part One

A. ORGANIZATION OF WORK

Place and date of the meeting

1. The sixteenth session of the Committee of High-Level Government Experts (CEGAN) took place at United Nations Headquarters, New York, from 22 to 24 May 1989. CEGAN, which was established by ECLAC resolution 310(XIV), is made up of the developing member countries of the Commission. The meeting was held pursuant to the decision adopted by CEGAN at its fifteenth session, as endorsed by the Committee of the Whole at its twentieth session (New York, 30-31 March 1989).

Attendance

2. Representatives of the following member States of the Committee attended the meeting: Antigua and Barbuda, Argentina, Bahamas, Barbados, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Ecuador, Grenada, Guyana, Haiti, Jamaica, Mexico, Nicaragua, Peru, St. Kitts and Nevis, Saint Lucia, Suriname, Trinidad and Tobago, Uruguay and Venezuela.

3. A representative of the Latin American Economic System (SELA) also attended the meeting as an observer.

Election of Officers

4. In keeping with the usual practice when meetings of CEGAN held in off years between sessions take place in New York, the Officers from the preceding session of the Commission were re-elected, as follows:

<u>Chairman:</u>	Ambassador Paulo Nogueira-Batista, Brazil
<u>First Vice-Chairman:</u>	Mr. Evans S. King, Trinidad and Tobago
<u>Second Vice-Chairman:</u>	Mr. Jorge García, Cuba
<u>Third Vice-Chairman:</u>	Ambassador Pedro Daza, Chile
<u>Rapporteur:</u>	Ambassador Alfredo Ortuño, Costa Rica.

Agenda

5. The meeting adopted the following agenda:
 1. Election of Officers
 2. Adoption of the agenda
 3. Preparation of the new International Development Strategy for the Fourth United Nations Development Decade
 4. Other business
 5. Adoption of the report.

Documentation

6. The Secretariat presented to the Committee a document entitled "Provisional agenda" (LC/L.500(CEG.16/1)). The Committee also had before it conference room papers entitled "Note verbale addressed to the Committee of High-Level Government Experts (CEGAN)" and "Contribution by the member countries of CEGAN and ECLAC to the formulation of the International Development Strategy for the Fourth United Nations Development Decade".

Adoption of the report

7. The draft report of the session was presented and adopted in accordance with normal practice.

B. SUMMARY OF DEBATES

8. At the beginning of its debates, the Committee decided to set up a working group to discuss the document "Basic guidelines of the Latin American and Caribbean countries for the process of formulation of the International Development Strategy for the Fourth United Nations Development Decade".

9. The Committee held four plenary meetings. At the last of these, the Committee adopted the document mentioned in paragraph 8 above, the final text of which is given in Part Two of this report.

Part Two

BASIC GUIDELINES OF THE LATIN AMERICAN AND CARIBBEAN
COUNTRIES FOR THE PROCESS OF FORMULATION OF THE
INTERNATIONAL DEVELOPMENT STRATEGY FOR THE
FOURTH UNITED NATIONS DEVELOPMENT DECADE

A. NEED, FUNCTIONS AND APPROACH

10. Today, as we stand on the threshold of the twenty-first century, the member States of the United Nations have witnessed the further widening during the 1980s of the gap separating the developed countries from most of the developing nations. The first-named continue to grow and are carrying out far-reaching scientific and technological transformations, whereas the developing countries are in the midst of a crisis which seriously limits their leeway for action and the social and temporal scope of their policies. It is therefore essential that the multilateral system should recover a long-term perspective in the economic and social fields for all countries and should reestablish the imperative of development as its main objective. The new International Development Strategy (IDS) should constitute a political and technical instrument which serves these ends by politically strengthening United Nations activities in the economic and social sphere and thus giving the multilateral system the support needed so that the work of the Organization in the field of development can be as strong as its work in the search for peace.

11. The beginning of the 1990s should mark a turning point after a decade which has been lost as far as development is concerned. It is essential to reverse a situation which, in most of the developing countries, is characterized by economic stagnation or even retrogression, the worsening of social and political tensions and the lowering of the human status of vast segments of the population, all of which jeopardizes their possibilities of achieving present and future development. Therefore, boosting the economic and social development of the developing countries should be the main concern of the IDS. The reactivation of the economies of the developing countries promotes the interests of the developed countries and the world economy as a whole, by furthering the expansion of international trade and fostering greater economic and political stability, in keeping with the growing interdependence between the two groups of countries.

B. THE INTERNATIONAL ECONOMIC ORDER

12. The prevailing international economic order presents most of the developing countries with great obstacles in their attempts to overcome the present crisis, frustrating their individual and collective efforts for development. The persistence for five years of serious imbalances in the external relations of the OECD countries of greatest economic weight represents an erosion of the Bretton Woods system. These imbalances are the

result of the insufficiency of the attempts by certain developed countries to co-ordinate policies only among themselves. Consequently, there has been no success in eliminating tensions within OECD, nor in preventing instability of exchange rates and other prices, high interest rates and protectionism, all of which have had a most serious impact on the developing countries. In this way, the main parameters of the international economy are fixed without the participation of the developing countries, and without taking their interests into account. At the same time, in the field of trade, alongside genuine attempts at liberalization in some essential areas, efforts are being made to introduce deep changes in the GATT system, again without taking into account the interests of developing countries.

13. For the developing countries, the net transfer of resources to the industrialized world remains the main obstacle to the resumption of growth. Such transfers have risen mainly as a result of the increase in debt servicing --which has reached untenable levels-- and the very small inflow of financial resources into the developing countries. At the same time, there continues to be an ongoing deterioration in the terms of trade, instability in prices of raw materials, and a resurgence of protectionism, all of which also adversely affect those countries' economic development.

14. In these circumstances, it is essential to initiate a process within the United Nations system designed to resolve these problems. This process should be an integral part of global economic restructuring, in order to attain a fair and equitable international economic order.

15. At the same time, immediate agreements should also be reached on ways of eliminating the adverse effects of the present international order on the developing countries. To this end, it would be necessary to define mechanisms designed to compensate developing countries affected by economic decisions in which they have had no participation. In addition, efforts should be made to progress towards solutions to the main obstacles faced by the developing countries in resuming development. The International Development Strategy could be a suitable instrument for giving form to such agreements and ensuring their fulfilment.

C. CRITERIA FOR ESTABLISHING OBJECTIVES AND APPRAISAL MECHANISMS

16. Resuming the process of development implies securing an appreciable improvement in the general economic and social situation of the developing countries, especially in certain specific aspects considered to be essential. This improvement could be set out in the form of global objectives, coupled with others of a specific and/or sectoral nature for more detailed aspects. These two types of objectives would complement each other in the IDS.

17. The IDS would provide for a selection of both types of objectives, in close keeping with the commitments agreed to by the parties and the international co-operation agreements reached by governments in the Strategy, the aims of which would also be in accord with the operational capacity of

the institutional machinery designed for their execution and appraisal, according to a previously established schedule.

18. The selection of the objectives should also include identification of the necessary and effective means for reaching them. To the extent that the nature of the objectives so allows, goals and indicators which permit easy and timely quantification with regard to their fulfilment should be grouped together.

19. In its objectives, the IDS should concentrate on aspects which are essential to development. This process of selection would mean that many decentralized activities of the United Nations system, while retaining their own identity, would nevertheless be favoured by the fulfilment of the objectives selected in the Strategy, which, because of their wide-reaching scope, would have positive effects for them.

20. The United Nations system should be mobilized and co-ordinated for the execution of the Strategy, and the contribution to be made to such execution and appraisal by the different organs and specialized agencies of the system should be clearly defined. Special attention should be given to the question of the extent of the involvement of the multilateral financial institutions.

21. The IDS should be flexible, in order to ensure that it does not lose validity during the 1990s. The appraisal mechanisms should provide for the means and specific actions which will permit the introduction into the procedures and policies of developed countries of the changes needed to achieve the objectives and goals set forth in the Strategy.

22. The International Development Strategy should be presented in such a way as to create a real awareness of its importance in public opinion, which can be a decisive factor for its success.

D. OBJECTIVES

23. Within the context of the criteria already mentioned, the countries of Latin America and the Caribbean consider that the IDS should be aimed at reactivating growth and achieving sustained development, integrating the economic and social aspects and improving the standards of living of their populations.

24. Therefore, the main objective of the IDS in the 1990s should be to reverse the negative net transfer of resources. To that end, it will be essential to reduce the external debt burden substantially, remove the barriers to international trade, and improve the terms of trade and access to the markets of the developed countries. It will also be essential to increase financial flows to developing countries, especially those of a concessional character, and such flows could well include resources arising from reductions in arms spending.

25. Access by the developing countries to external resources is also important if they are to be able to carry out their national programmes designed to strengthen and diversify their productive capacity.

26. In order to achieve the objective of sustained development, the Strategy should include measures to support the developing countries' efforts to strengthen and expand their human resource base and their capacity to face the challenges of development and accelerated technological change. It should also include measures to strengthen the mechanisms promoting access to, and the transfer and indigenous development of, modern technology within those countries.

27. The removal of external restrictions on growth would facilitate the attainment of many other economic and social development objectives.

28. Another basic objective of the IDS should be to improve the living conditions of the broad masses of the population of the developing countries and, in particular, to reduce or eliminate situations of extreme poverty.

29. For the fulfilment of this objective, the developed countries should provide technical and financial co-operation, while the developing countries, for their part, should set afoot policies and strategies designed to achieve the expansion and better distribution of income and wealth, together with greater equality of opportunity.

30. The specific formulation of the objective referred to in paragraph 28, the mobilization of the resources involved, and the appraisal of its fulfilment, would be facilitated in this case by the identification of the social groups whose basic needs are as yet unsatisfied. The technical means for carrying out such identification already exist, and mechanisms should be established to enable all developing countries to have full access to them. Moreover, in some fields there is abundant experience of policies designed to overcome the shortcomings detected.

