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ECONOMIC COMMISSION FOR LATIN AMERICA
Eighth Session
Panama City, Panama

COMMITTEE III

(General Business)

SUMMARY RECORD OF THE THIRD MEETING

Held at Panama City, on Friday, 22 May 1959, at 11 a.m.

- CONTENTS: Discussion of draft resolution on the appraisal of the programme for the period 1959-64 (Conference Room Paper N° 24)
- Discussion of the draft programme of work and priorities (Conference Room Paper N° 28)
- Rapporteur's Report
- Conclusion of the Committee's work

PRESENT:

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| <u>Chairman:</u> | Mr. FRANCO | Colombia |
| <u>Rapporteur:</u> | Mr. GEORGES-PICOT | France |
| <u>Members:</u> | Mr. LERENA | Argentina |
| | Mr. CABRAL de MELO | Brazil |
| | Mr. VALDIVIESO | Chile |
| | Mr. BROWN | Cuba |
| | Mr. ICAZA | Ecuador |
| | Mr. HAZ-RIEGOC | Guatemala |
| | Mr. ORDOÑEZ | Honduras |
| | Mr. URQUIDI | Mexico |
| | Mr. van SUCHTELEN | Netherlands |
| | Mr. SOLIS | Panama |
| | Mr. VALENTE | Paraguay |
| | Mr. BARNES | United Kingdom of Great Britain and Northern Ireland |
| | Mr. KOTSCHIG | United States of America |
| | Mr. PONS | Uruguay |
| | Mr. MOANACK | Venezuela |

ALSO PRESENT:

Observers from States
not members of the
Commission:

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| Mr. HOLLAI | Hungary |
| Mr. MIKHAILOV | Union of Soviet Socialist Republics |

/Secretariat:

Secretariat:

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| Mr. MALINOWSKI | Director, Regional Commissions Section |
| Mr. SWENSON | Deputy Director, Economic Commission for Latin America |
| Mr. SANTA CRUZ | Secretary of the Commission |
| Mr. TRANCART | Secretary of the Committee |

DISCUSSION OF DRAFT RESOLUTION ON THE APPRAISAL OF THE PROGRAMME FOR THE PERIOD 1959-64 (Conference Room Paper No.24)

Mr. SANTA CRUZ (Secretary of the Commission) read out the draft resolution on the appraisal of the programme for the period 1959-64 (Conference Room Paper No. 24).

Mr. URQUIDI (Mexico) submitted two amendments to the draft resolution. Firstly, he proposed that the word "endorses" in the first operative paragraph should be replaced by the words "notes with satisfaction" and that the word "and" should be added at the end of the paragraph. Secondly, he thought that the second operative paragraph should be deleted altogether, inasmuch as it referred to an item which the Committee had not yet considered.

Mr. KOTSCHNIG (United States of America) supported the Mexican representative's proposals.

Mr. LEBENA (Argentina) observed that if the second operative paragraph were deleted the last paragraph would have to be amended.

After an exchange of views, in which Mr. URQUIDI (Mexico), Mr. KOTSCHNIG, (United States of America) and Mr. SOLIS (Panama) took part, the CHAIRMAN proposed that the last paragraph should be amended to read: "Requests the Economic and Social Council and other organs of the United Nations as may be appropriate to give sympathetic consideration to that document".

The draft resolution, as amended, was approved unanimously.

/DISCUSSION OF

DISCUSSION OF THE DRAFT PROGRAMME OF WORK AND PRIORITIES (Conference Room Paper No. 28)

Mr. BARNES (United Kingdom) requested the Secretary to give a rough estimate of the sum that would have to be allocated in budget for 1960 to cover the inclusion of new projects.

Mr. SANEA CRUZ (Secretary of the Commission) said that it was not possible to give an exact figure but that an additional sum of approximately \$83,000 would be required.

Mr. URQUIDI (Mexico) congratulated the secretariat on the speed with which the projects arising out of the current session had been incorporated into the programme of work. He was concerned, however, to note that almost all the projects had been placed in group 1, the high priority group. He stressed the need to concentrate ECLA's activities on three major categories, namely: economic development, industrialization and the common market. He asked if the Secretariat had a criterion that it could apply for transferring some of those high priority projects to group 3 in the event of lack of funds.

Mr. SWENSON (Secretariat) explained that although almost all the projects had high priority the Commission had always authorized the Secretariat to modify or abandon certain projects or to establish a different order of priorities.

Mr. KOTSCHNIG (United States of America) said that he thought the item under discussion was too complex to be disposed of at a single

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meeting; at the meetings of the other regional commissions it was debated at considerable length. While he was not criticizing the Secretariat, inasmuch as, the responsibility for expanding its programme of work with Governments, he expressed concern that the programme should be so extensive. He agreed with the Mexican representative that there were too many high-priority projects and that anything that could be done to improve the programme in that sense would increase the likelihood that the funds required to carry it out would be approved by the Fifth Committee of the United Nations General Assembly. He noted that some projects, such as projects 16 and 17, had been postponed year after year for lack of funds. Furthermore, he thought that in some cases, such as project 6, the programmes were not sufficiently precise. Finally, he thought that a clearer explanation of the relationship between the activities of ECLA and those of other bodies should be given in the next programme if it was not possible to do so now. He also proposed that the Commission should bear in mind the possibility of establishing at future sessions a special committee to deal with the programme of work and order of priorities, in accordance with the example set by the Economic Commission for Asia and the Far East and the Economic Commission for Africa.

Mr. URQUIDI (Mexico) expressed thanks for the secretariat's explanation but said that he thought the Committee should indicate the high-priority projects which could be transferred to group 3 if necessary. For example, his delegation considered that project 19 was so extensive and would require

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so much staff that the secretariat was unlikely to be able to carry it out within the next two years. It could be assigned a lower priority. Projects 24 and 27, on energy might also be given a lower priority, since they would form part of the more general programme recommended by the Economic and Social Council in resolution 710 B (XXVII). The industrialization projects should be co-ordinated with the activities of a similar character approved by the Economic and Social Council at Mexico City and perhaps it would be necessary to place them in another category. So far as the studies on water resources were concerned, the programme indicated that they were to be carried out at the request of Governments. He did not therefore see how these studies could be given high priority if it was not known whether any such requests had been submitted.

Mr. SANTA CRUZ (Secretary of the Commission) thanked the representatives of Mexico and the United States for their observations. Although it felt that it should retain a certain latitude with regard to changes in the order of priorities, the Secretariat was greatly interested to know the views of Governments in that connexion. He admitted that there were too many projects in group 1 and thought it would be very useful if delegations could suggest some changes or make some general observations, which the secretariat would bear in mind.

Mr. SOLIZ (Panama) said that he thought the order of priorities should have a certain flexibility and that the programme could be approved as it stood, provided that Governments had an opportunity to express their views when it was put into practice.

Mr. CABRAL de MELO (Brazil) expressed the view that in the programme

of work the maximum importance should be attached, as had been indicated in the Trade Committee, to the studies in connexion with the common market.

Mr. BROWN (Cuba) and Mr. VALDIVIESO (Chile) shared that opinion.

Mr. PONS (Uruguay) thought that the highest priority should be given to the agricultural surveys already in progress, to those on housing and to those related to the common market.

Mr. BARNES (United Kingdom) agreed with the United States and Mexican representatives that the programme contained too many high-priority projects. He also thought that the document was too lengthy to be studied at the last moment and he supported the idea of establishing at the next session a co-ordination committee, which would study these questions in greater detail. Committee III should have begun studying the programme earlier, on the basis of document E/CN.12/529/Rev.1, which was not very different from Conference Room Paper No. 28.

The CHAIRMAN, speaking as the representative of Colombia, expressed the hope that the secretariat would take the comments of delegations into account and that Governments would communicate their views regarding the programme at regular intervals.

Mr. SANTA CRUZ (Secretary of the Commission) said that the secretariat would be grateful if delegations would make at the present meeting concrete proposals regarding the order of priorities.

Mr. URQUIDI

Mr. URQUIDI (Mexico) said that his delegation considered that projects 7, 8, 9, 11, (in part), 13, 15, 19, 24 (first paragraph), 25 (last paragraph), 26 and 27 should be placed in category 3. It seemed inadvisable to give those projects a high priority, because either they required more technical staff than the secretariat had at present, or they had to be carried out in co-operation with specialized agencies, which might work at a different pace, or they lacked the general character which should distinguish ECLA's work.

Mr. ICAZA (Ecuador) said that he attached great importance to projects related to agriculture, such as 11, 13 and 14. Secondly, the secretariat should be free to exercise some discretion in the work.

Mr. SWENSON (Secretariat) said that the Mexican representative had correctly pointed out the projects which could not be executed in the near future. Some of them, however, were very important and should retain their high priority; that applied, for example, to projects 11, 13, 15 and 27.

Mr. URQUIDI (Mexico) thanked Mr. Swenson for his statement. He proposed that the Committee should transfer to category 3 those of the projects mentioned by his delegation to which the Deputy Director had not referred: namely, 7, 8, 9, 19, 21 (first paragraph), 25 (last paragraph) and 26.

Mr. BROWN (Cuba) thought that project 19 should retain its high priority because of its consequences for the common market.

The Mexican proposal was put to the vote.

The Mexican proposal was approved by 16 votes to none, with 1 abstention.

/Mr. BROWN

Mr. BROWN (Cuba) asked that his reservation regarding the transfer to category 3 of project 19 should be placed on record.

Mr. LERENA (Argentina) explained that he had been unable to vote in favour of the proposal because his delegation had not had time to study the programme. He stressed that his delegation supported all the projects related to the common market and all the studies which would further Latin-American integration.

Mr. SOLIS (Panama) asked whether the proposal which had just been approved would involve some restriction on the freedom of action the Executive Secretary should have.

The CHAIRMAN explained that, under the general recommendation just approved, the Executive Secretary would retain full freedom of action.

Mr. KOTSCHNIG (United States of America) thought that it would be wrong to close the debate without mentioning the financial implications. They seemed reasonable and his delegation saw no reason to object to them, but he wished to make it clear that that opinion did not commit his Government in any way.

With reference to the projects which had been abandoned, he expressed regret at the elimination of the Preliminary Survey of organization and structure of capital markets in Latin America: resolution 3 (IV), to which his Government attached great importance.

Mr. SWENSON (Secretariat) explained that it had proved impossible for the secretariat to carry out that study within a reasonable period.

The programme of work and priorities 1959-60 (Conference Room Paper No. 23) was put to the vote.

/The programme

The programme of work and priorities 1959-60 (Conference Room Paper No. 28) was approved unanimously.

RAPporteur's REPORT

Mr. GEORGES-PICOT (France), Rapporteur, read out his report (E/CN.12/AC.44/2).

The CHAIRMAN thanked the French representative for his brilliant summary of the discussions and asked him to add some reference to the present meeting.

CONCLUSION OF THE COMMITTEE'S WORK

Mr. URQUIDI (Mexico), seconded by Mr. BARNES (United Kingdom) and supported by the other delegations, congratulated the Chairman on his conduct of the Committee's proceedings.

The meeting rose at 1 p.m.