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Ninth Session
Santiago, Chile

JOINT MEETING OF THE ECONOMIC AND SOCIAL DEVELOPMENT COMMITTEE
AND THE GENERAL BUSINESS COMMITTEE

PROVISIONAL SUMMARY RECORD OF THE FIRST JOINT MEETING
Held at Santiago on Thursday, 11 May 1961, at 4.5 p.m.

CONTENTS:

Activities relating to technical assistance and the preparation of investments in Latin America

- (a) Technical assistance activities (E/CN.12/553, E/CN.12/588 and E/CN.12/546/Rev.1)
- (b) Assistance from the United Nations Special Fund in the preparation of possible investments (E/CN.12/571)

Programme of work and priorities

- (c) Decentralization of the United Nations economic and social activities and strengthening of the regional economic commissions (E/CN.12/564, E/CN.12/572 and E/CN.12/599)

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/PRESENT



PRESENT:

<u>Chairman:</u>	Mr. KROON	(Kingdom of the Netherlands)
<u>Members:</u>	Mr. FIGUERERO	Argentina
	Mr. ZALLES	Bolivia
	Mr. FIÑERA	Chile
	Mr. VOLLERT	Colombia
	Mr. BOLAÑOS	Costa Rica
	Mr. NOYOLA	Cuba
	Mr. JATIVA	Ecuador
	Mr. CUELLAR	El Salvador
	Mr. KOJEVE	France
	Mr. PAREDES REGALADOS	Honduras
	Mr. KLUFMANN	Kingdom of the Netherlands
	Mr. GARCIA REYNOSO	Mexico
	Mr. LEON	Peru
	Mr. LAM	United Kingdom of Great Britain and Northern Ireland
	Mr. KELAKOS	United States of America
	Mr. RUOCCO	Uruguay
	Mr. FERNANDEZ	Venezuela

Associate member of
the Commission:

Mr. ROWACHEE British Guiana

ALSO PRESENT:

Observers from States
Members of the United
Nations not members of
the Commission:

Mr. BRUNNER	Austria
Mr. TREMBLAY	Canada
Mr. ALMASSY	Czechoslovakia
Mr. CUNEO	Italy
Mr. ANDO	Japan
Mr. CHABASINSKI	Poland
Mr. PAMFIL	Romania
Mr. PETERSEN	Sweden
Mr. KOSSAREV	Union of Soviet Socialist Republics
Mr. LJUBA	Yugoslavia

/Observer from

Observer from a State not a Member
of the United Nations, attending
in a consultative capacity:

Mr. HOFF Federal Republic of Germany

Representatives of
specialized agencies:

Mrs. FIGUEROA International Labour Organisation
Mr. MOSER Food and Agriculture Organization
Mr. VERA United Nations Educational,
Scientific and Cultural
Organization
Mr. MEYER International Bank for Recon-
struction and Development

Representative of
the International
Atomic Energy Agency:

Mr. FREEMAN

Representatives of inter-
governmental organizations:

Mr. CARDENAS Inter-American Development Bank
Mr. MAGARIÑOS Inter-American Free Trade
Association
Mr. LAGO CARBALLO Inter-governmental Committee
for European Migration
Mr. LERDAU Organization of American States

Secretariat:

Mr. PREZISCH Executive Secretary
Mr. HEURTEMATTE Commissioner for Technical
Assistance
Mr. GARCIA United Nations Technical
Assistance Board
Mr. SWENSON Deputy Executive Secretary
Mr. VALDES Secretary of the Joint Committee

ACTIVITIES RELATING

ACTIVITIES RELATING TO TECHNICAL ASSISTANCE AND THE PREPARATION OF INVESTMENTS
IN LATIN AMERICA

- (a) Technical assistance activities (E/CN.12/553, E/CN.12/588 and E/CN.12/546/Rev.1)
- (b) Assistance from the United Nations Special Fund in the preparation of possible investments (E/CN.12/571)

PROGRAMME OF WORK AND PRIORITIES

- (c) Decentralization of the United Nations economic and social activities and strengthening of the regional economic commissions (E/CN.12/564, E/CN.12/572 and E/CN.12/599)

Mr. HEURTEMATTE (Commissioner for Technical Assistance) said that United Nations technical assistance had become a major means of disseminating scientific and technical information of a type that at one time nations had kept to themselves as jealously guarded secrets. ECLA was playing a dynamic part in such programmes in Latin America. One effect of the administrative integration of the technical assistance services into the Department of Economic and Social Affairs had been to bring about closer ties between those services and ECLA, whose influence and authority in the field of technical assistance in Latin America had greatly increased. He was pleased to note that there was now a general realization that to carry out a large number of separate projects, requiring separate experts, was a waste of resources and that the greatest impact could be made with co-ordinated programmes; he referred in that connexion to the work of such advisory groups as that working in Bolivia, consisting of a team of experts under ECLA's direction, a procedure which made possible a wider use of the resources of a regional commission in national programmes.

It was clear from the documents relating to decentralization (E/CN.12/564, E/CN.12/572 and E/CN.12/599) that some formerly centralized functions had already devolved upon ECLA. An earlier attempt to transfer centralized /technical assistance

technical assistance functions to the Santiago and Mexico offices in 1956-58 had not been successful, because although officials had been transferred there had been no real transfer of functions. During the preceding ten years, there had been a rapid evolution in the functions of the regional economic commissions and they had been considerably strengthened. He referred to paragraph 318 of the consolidated report by the Committee on Programme Appraisals (E/3347/Rev.1), which pointed out that the experts, planners and administrators concerned with primary responsibilities for the economic development of their respective countries in the several regions met in the regional economic commissions rather than in the General Assembly or the Economic and Social Council. Some changes in the present pattern of operation would undoubtedly emerge as a result of the consultations between the Secretary-General and the regional economic commissions; Dr. Prebisch had produced a most useful paper on that subject (E/CN.12/599).

With respect to the technical assistance programme itself, there had been a slight increase in activities in 1960 compared with 1959 and it appeared that there would be a substantial increase during the two-year period 1961-62, especially if the figures for Special Fund Projects were included. At the special request of the Secretary-General considerable additional funds had been allocated for the Expanded Programme and the total budget for the regular programme amounted to 5.5 million dollars. Thus it would be possible to meet the needs of the many newly independent countries without prejudice to existing programmes. The new two-year programming procedure had simplified programming and it was expected that at its next session the Technical Assistance Committee would approve the programming of individual projects for the whole period required for execution. The main projects in the region were those for which ECLA was responsible, together with the Central American Integration programme in which the Food and Agriculture Organization and the International Labour Organisation were also co-operating. ECLA's services were also being used by the Central American Research Institute for Industry (ICAITI) and the Advanced School of Public Administration for Central America (ESAPAC).

/He referred

He referred to programming activities and expressed the hope that the gradual evolution in that field over the preceding ten years would culminate in the establishment of a training centre for economic development programming.

Mr. GARCIA (Technical Assistance Board) introduced the information paper on technical assistance provided in 1960 to countries and territories of the ECLA region under the Expanded and regular programmes (E/CN.12/553). Despite the severe reductions in the contributions to the Expanded Programme in 1960 and the pressing requirements of newly independent countries, the level of technical assistance to Latin American countries had been not much below that for 1959 - 7.2 million dollars compared with 7.5 million - and in addition there had been an increase in the regular programmes of the specialized agencies, reflected in the higher total of experts and fellowships compared with 1959. There had also been an increase in contributions to emergency funds, mainly as a result of the Chilean earthquakes. There had been a considerable increase in the contributions to the Expanded Programme for 1961, the Latin American contribution of 2.2 million dollars being 15 per cent higher than that for 1959. Funds allocated for the 1961 programme for Latin America, including the supplementary programme for Chile, were 868,622 dollars more than for 1960. The rapid expansion of Special Fund activities in 1960 had been accompanied by closer substantive and administrative relations between that body and the Board. The responsibilities of Resident Representatives continued to increase and the Board had consequently expanded the staff of its Latin American offices in order to improve the facilities available to Governments in connexion with the formulation and execution of the technical assistance programme.

Mr. PIÑERA (Chile) referred to document E/CN.12/553 and expressed Chile's gratitude for the emergency technical assistance received in connexion with the 1960 earthquakes. He noted with approval the work of the advisory groups, from one of which Chile was receiving valuable assistance, and the intensive training courses in economic development organized in a number of countries.

/With regard

With regard to the joint ECLA/BTAO Economic Development Training Programme (E/CN.12/588), he expressed the hope that the possibility might be considered of including a course on educational programming. Chile had joined with Colombia and Venezuela in submitting to the Special Fund a request for the establishment of a Latin American Institute for Economic Development Programming, which would in practice be a continuation of the joint ECLA/BTAO programme, with the technical and financial assistance of the Special Fund and perhaps of the Inter-American Development Bank and other institutions. He hoped that action could be taken on the matter at the present session.

Referring to the Information Paper prepared by the United Nations Special Fund (E/CN.12/571), he said that Chile had received valuable aid from the Special Fund in surveys relating to natural resources. It was hoped that further aid would be received in the fields of fisheries and manpower training. Chile strongly supported the Special Fund's policy with respect to fields of activity, as also the idea that it should assist Governments in close collaboration with the regional economic commissions.

In connexion with the report on the teaching of economics in Latin America (E/CN.12/546/Rev.1) he drew attention to the draft resolution submitted by Chile on the extension and improvement of education (Conference Room Paper N° 6/Rev.1).

With respect to the decentralization of economic and social activities, he supported the view expressed in paragraph 4 of the Executive Secretary's report (E/CN.12/599) with regard to the possible future extension of the contribution of the regional economic commissions to technical assistance activities. He also agreed with paragraph 18 of chapter VII of the report on economic development, planning and international co-operation (E/CN.12/582) regarding the three basic flaws which needed to be eliminated from technical assistance and with paragraph 19 regarding the need for systematic action in the fields of surveys of natural resources, technological research and technical training, and he endorsed the views expressed in paragraph 27 on the essential role of a development plan.

/Mr. KAUFMANN

Mr. KAUFMANN (Kingdom of the Netherlands) said that the purpose of decentralization should be to establish an international administrative structure and a modus operandi which would ensure optimum results. Such a structure could only emerge if centralization and decentralization were combined as much as possible. Some activities could be carried out more effectively if centralized, whereas others would benefit from decentralization. For instance, the general policy to be applied in spending technical assistance programme funds should be laid down by central organs. The regional commissions would naturally play an essential part in both the determination and the application of that policy.

He agreed with the general principles regarding the process of decentralization, as outlined in paragraph 7 (a), (b) and (c) of document E/CN.12/564. It was stated in paragraph 7 (c) that no uniform solution could be attempted for the organizational and administrative problems involved in the operational programmes of the United Nations because they varied substantially from case to case. He nevertheless hoped that efforts would be made to find a uniform solution; the suggestion made by the Executive Secretary of ECLA that the Technical Assistance Recruitment Services might be requested to consider attaching one of its officers to ECLA might be the first step towards a uniform solution.

Mr. KELAKOS (United States of America), referring to the question of decentralization, said that there was a role both for regional commissions and for United Nations headquarters. Decentralization should be carried out in such a way as not to detract from the activities of the Economic and Social Council and the specialized agencies, which were independent organs related to the United Nations.

Decentralization would have a considerable effect on the substantial benefits that could accrue from any particular activity. Many activities did not lend themselves to decentralization; hence a combination of centralization and decentralization was required. In that connexion paragraph 318 of the report Five-Year Perspective, 1960-1964 (E/3347/Rev.1), relating to the decentralization effected by the specialized agencies, was relevant. There should be no duplication of effort in decentralizing
/the activities

the activities of the specialized agencies and those of the regional commissions. He hoped that the Commissioner for Technical Assistance could assure him that his reference to decentralization in respect of regional commissions was confined to the decentralization of those particular technical assistance programmes for which the United Nations were the executing agency and did not concern the specialized agencies. He would also like to know how an operational technical assistance unit, if set up in ECLA, would be financed, whether the funds would come from the general funds of the United Nations or from the Expanded Programme of Technical Assistance, or whether additional funds would have to be provided for in the regular United Nations budget.

The United States delegation had the greatest confidence in the ability of the Secretary-General and felt that he should be allowed to use his staff as he deemed fit. The secretariats of the regional commissions were extensions of the Headquarters Secretariat and if the Secretary-General felt that he could make better use of them, the United States would support him.

Mr. NOYOLA (Cuba) said that the decentralization of the United Nations economic and social activities and the strengthening of the regional economic commissions would make an important contribution to the safeguarding of the independence of the regional commissions in their work. The draft resolution on co-operation with the Organization of American States adopted at the previous meeting of the General Business Committee, against which Cuba had cast the only negative vote, had weakened the possibility of independent action by ECLA. Cuba felt that, if the United States had reservations about decentralization, it was obviously a useful undertaking for Latin America, and would therefore vote in favour of the draft resolution on decentralization, (Conference Room Paper N° 24).

Mr. HEURTEMATTE (Commissioner for Technical Assistance), replying to the first question raised by the United States representative, said that the proposed decentralization would relate only to the technical assistance functions now being performed by United Nations Headquarters; and not to those undertaken by the specialized agencies. He could not reply to

/the second

the second question because the source of the funds to defray the cost of the proposed technical assistance operations unit in ECLA depended upon the nature of the unit's activities. He felt that the question could best be decided by the Advisory Committee on Administrative and Budgetary Questions.

Mr. KOJEVE (France) expressed some reservations with respect to operative paragraph 4 of the draft resolution on decentralization of activities. In that paragraph the Secretary-General was asked to take steps to secure from the competent bodies of the United Nations the necessary resources for creating an operational technical assistance unit within ECLA. The probable cost of that action had not been specified and in view of the financial implications involved he suggested that the fourth operative paragraph should be amended to read: "To recommend to the Secretary-General that he study the means by which the objectives stated in General Assembly resolution 1518 (XV) and Economic and Social Council resolution 793 (XXX) can be most effectively secured so as to enable the Economic Commission for Latin America to contribute as fully to technical assistance as it should under article 1 (c) of its terms of reference." If the paragraph in question remained unchanged, his delegation would be compelled to abstain in the vote on the draft resolution.

Mr. KAUFMANN (Kingdom of the Netherlands) and Mr. KELAKOS (United States of America) supported the amendment.

Mr. VALDES (Secretary of the Joint Committee) said that it was the usual practice at ECLA conferences for financial implications to be discussed during the final debate on draft resolutions at a plenary meeting of the Commission. A statement on the financial implications of draft resolutions adopted by the various committees was being prepared by the secretariat.

Mr. LAM (United Kingdom) felt that, in view of the draft resolution adopted at the previous meeting of the General Business Committee, reference might be made in sub-paragraph (d) of the preamble and in operative paragraph 3 to co-operation with the Organization of American States.

/Mr. NOYOLA

Mr. NOYOLA (Cuba) could not agree that the proposed decentralization was in any way related to co-operation with OAS. In fact, such co-operation would only serve to weaken, not strengthen, ECLA.

Mr. de ALMEIDA (Brazil) said that he would be unable to support the French amendment, since it would reduce the scope of the information which the General Assembly had instructed the Secretary-General to provide on the subject of decentralization.

Mr. PREBISCH (Executive Secretary), referring to the point raised by the United Kingdom representative, said that ECLA would have the services of three staff members from OAS in its work relating to the Economic Survey and an equal number to assist in its transport activities.

Mr. PIÑERA (Chile), Mr. NOYOLA (Cuba) and Mr. GARCIA REYNOSO (Mexico) said that they would oppose the French amendment.

The amendment proposed by the representative of France was rejected by 14 votes to 4.

The draft resolution on the decentralization of the economic and social activities of the United Nations and strengthening of the regional economic commissions, submitted by Argentina, Brazil, Colombia, Ecuador, El Salvador, Mexico, Nicaragua and Venezuela (Conference Room Paper N° 24) was approved by 17 votes to none, with 2 abstentions.

The meeting rose at 5.50 p.m.

