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E C L A

Economic Commission for Latin America

Twentieth session

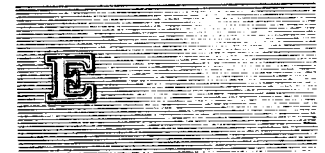
Lima, Peru, 29 March to 6 April 1984

REPORT ON THE WORK OF THE COMMISSION SINCE MAY 1981

ECLA activities in connection with natural
disasters in Latin America

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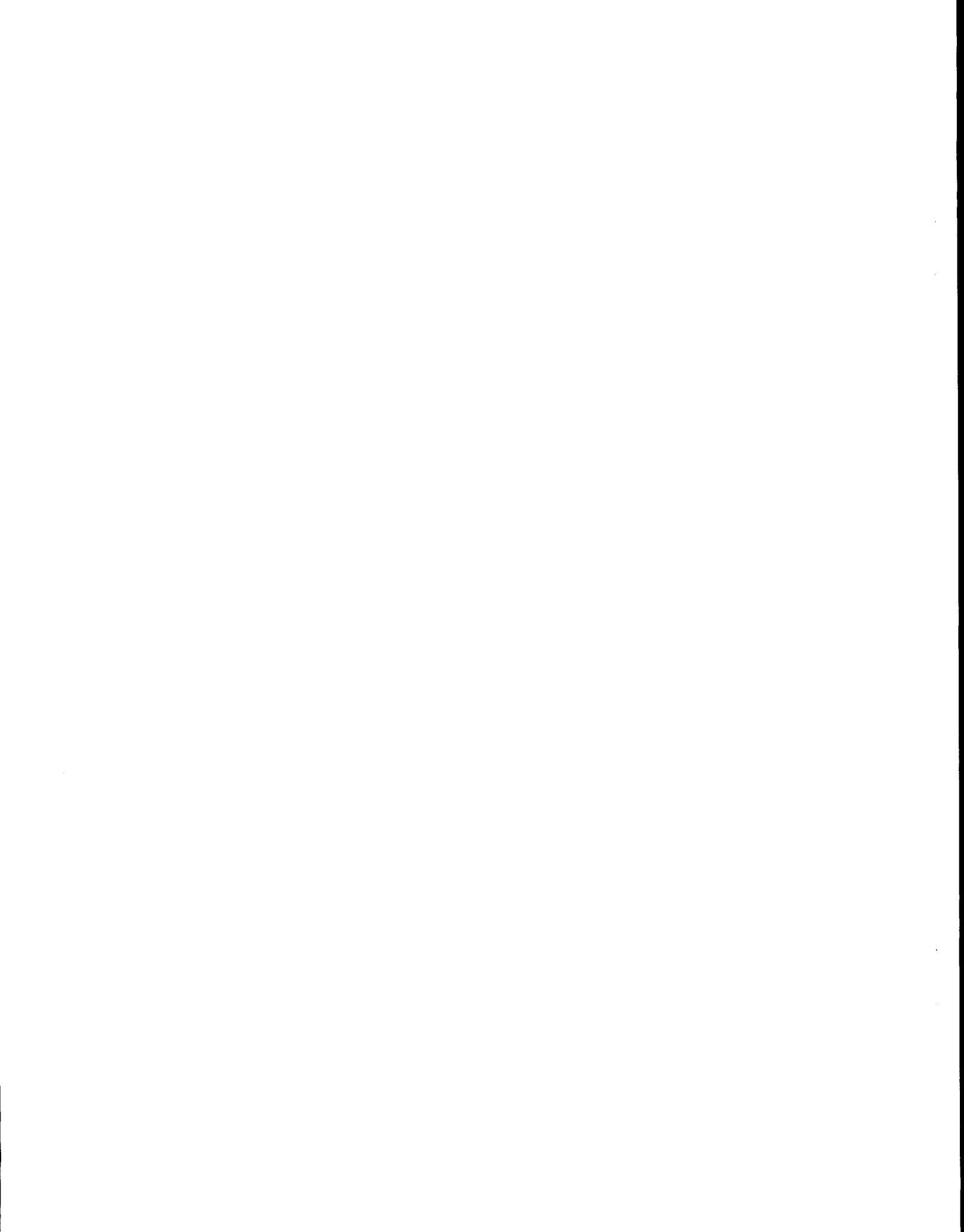
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ECLA activities in connection with natural
disasters in Latin America



Floods, earthquakes, droughts, hurricanes and other natural disasters are a constant threat in Latin America and periodically strike with devastating impact somewhere in the region. They frequently have significant economic and social consequences for the countries they affect, and their results for the areas and localities which are struck are particularly tragic. The period since the nineteenth session of ECLA (Montevideo, 4-15 May 1981) was not an exception, and especially as a result of the heavy rains and floods which accompanied the "El Niño" phenomenon, it was a period in which the difficulties emanating from shrinking export markets and plummeting export prices were exacerbated by the effects of natural disasters.

Since its creation, ECLA has collaborated closely with Latin American countries which have experienced natural disasters. Traditionally, ECLA's role has been to assist countries to assess the economic and social impact which they have suffered. These assessments have been used to provide essential information to the Governments for the formulation of their policies to offset the effects of the natural disasters and have formed the basis for appeals to the international community for disaster relief assistance.

Although ECLA has extended the scope of its co-operation in recent years by also assisting in the elaboration of programmes for rehabilitation, reconstruction and development of the areas affected by natural disasters, it has not yet been possible to carry out the mandate given to the Executive Secretary in resolution 344 (AC.67), "Regional measures for disaster prevention and disaster preparedness adopted at the ninth extraordinary session of the Committee of the Whole in October 1974, which reads in part:

"Bearing in mind the impact of disasters on the economic and social development of the countries of the region,

"Considering that there is growing awareness of the need to strengthen national organizations and the machinery for mutual assistance in cases of natural disasters,

"1. Takes note with gratitude of the steps taken by the Executive Secretariat of the Economic Commission for Latin America and the Office of the United Nations Disaster Relief Co-ordinator with a view to preparing a plan for disaster prevention and mutual assistance in cases of natural disaster in the Andean subregion;

"2. Requests the Executive Secretary of the Economic Commission for Latin America and the United Nations Disaster Relief Co-ordinator to take appropriate measures to extend this type of activity to the rest of the region;"...

In all its activities related to natural disasters, ECLA co-operates closely with other United Nations agencies, in particular with the Office of the United Nations Disaster Relief Co-ordinator (UNDRO). To this end ECLA has carried out consultations in Geneva in January 1984 with UNDRO, the Pan-American Health Office of the World Health Organization (WHO/PAHO) and the World Meteorological Organization (WMO).

/Since May

Since May 1981, ECLA has carried out eight missions to seven Latin American countries following natural disasters. The costs of these missions were, in general, met by the United Nations Development Programme (UNDP).

In June 1982, following serious floods in Northwestern Nicaragua, ECLA responded to a request from the Government of Nicaragua by sending a mission staffed by the ECLA Office in Mexico. The corresponding report, "Nicaragua: The May 1982 floods and its repercussions on the economic and social development of the country (E/CEPAL/G.1206)" was presented at the Fifteenth Extraordinary Session of the ECLA Committee of the Whole, convened at United Nations Headquarters in July 1982 to promote rehabilitation and reconstruction assistance to Nicaragua. The report of the meeting is contained in document E/CEPAL/G.1209/Rev.2, entitled, "Report of the Fifteenth Special Session of the Committee of the Whole."

The exceptional climatic conditions in Central America in 1982 also produced droughts and floods in El Salvador and Guatemala, and in October 1982 ECLA missions responded to requests from the Governments of these two countries. The corresponding reports are "El Salvador: Los desastres naturales de 1982 y sus repercusiones sobre el desarrollo económico y social" (E/CEPAL/MEX/1982/L.30) and "Guatemala: Repercusiones de los fenómenos meteorológicos ocurridos en 1982 sobre la situación económica del país" (E/CEPAL/MEX/1982/L.31).

In November 1982, following serious drought in Nicaragua after the earlier floods, an ECLA mission returned to that country to update and complete the earlier evaluation. The report is entitled, "Repercusiones de los fenómenos meteorológicos de 1982 sobre el desarrollo económico y social de Nicaragua" (E/CEPAL/MEX/1983/L.1).

The year 1983 was the year of El Niño, and one of the first countries to be affected, in late 1982 and 1983, was Ecuador. In response to a request from the Government, a mission with ECLA staff from the Mexico Office and Santiago headquarters and from the Food and Agriculture Organization (FAO) visited Ecuador in February 1983. The corresponding report is entitled, "Ecuador: Evaluation of the effects of the 1982-1983 floods on economic and social development" (E/CEPAL/G.1240).

In view of the disastrous impact of the 1983 climatic situation in Bolivia, Ecuador and Perú, the Secretary-General named the UNDP Assistant Administrator and Director of the Regional Bureau for Latin America as his personal representative and requested that he carry out a mission to the three countries to assess the damages resulting from the natural disaster. An ECLA representative participated in the mission of July 1983 and the resulting reports served as the basis for a special meeting convened by the Secretary-General at United Nations Headquarters on 10 August 1983 to appeal to the international community for emergency relief.

Because of the significance of the damages assessed, a multicountry project was undertaken by the United Nations Development Programme to assist Bolivia, Ecuador and Peru to prepare on an urgent basis a programme for rehabilitation and reconstruction. ECLA was designated as the executing agency for the project and

fielded a multi-agency mission from August to October 1983 composed of more than a dozen staff members of ECLA, FAO, ILO, WHO/PAHO and UNEP. The corresponding report is entitled, "The natural disasters of 1982-1983 in Bolivia, Ecuador and Peru" (E/CEPAL/G.1274).

Also in 1983, following a request from the Government of Paraguay, ECLA sent a mission to that country to assist the Government in the preliminary assessment of the severe damage which had resulted from heavy rains and floods which had also been caused by El Niño.

Despite the fact that ECLA has usually been able to respond to requests from member Governments for assistance in assessing the economic and social damage resulting from natural disasters, the Secretariat has not yet systematized its activities in this field. It would, for example, be useful to prepare manuals for the orientation and guidance of ECLA staff who are assigned to such missions, to inform Governments of the scope of assistance which might be obtained from ECLA and to indicate the type of information which ECLA missions need in order to make their assessment. It is the intention of the Executive Secretary to undertake activities in this regard, within the framework of existing resources and in close collaboration with UNDRO, UNDP, WHO/PAHO and other agencies of the United Nations System as well as regional organizations, as appropriate.

1. The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that proper record-keeping is essential for the integrity of the financial system and for the ability to detect and prevent fraud. The text notes that without reliable records, it would be difficult to verify the accuracy of financial statements and to identify any irregularities.

2. The second part of the document focuses on the role of internal controls in ensuring the accuracy and reliability of financial information. It describes how internal controls are designed to prevent errors and to detect any unauthorized transactions. The text highlights that internal controls are a key component of an organization's risk management strategy and are essential for maintaining the trust of investors and other stakeholders.

3. The third part of the document discusses the importance of transparency and disclosure in financial reporting. It notes that providing clear and concise information about an organization's financial performance is crucial for making informed investment decisions. The text emphasizes that transparency is also essential for maintaining the integrity of the financial system and for preventing fraud.

4. The fourth part of the document discusses the role of external audits in ensuring the accuracy and reliability of financial information. It describes how external audits are conducted by independent auditors who provide an objective assessment of an organization's financial statements. The text notes that external audits are a key component of an organization's risk management strategy and are essential for maintaining the trust of investors and other stakeholders.

5. The fifth part of the document discusses the importance of ethical behavior in financial reporting. It notes that financial reporting is a highly sensitive area and that it is essential for all participants to act with integrity and honesty. The text emphasizes that ethical behavior is essential for maintaining the integrity of the financial system and for preventing fraud.