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ECONOMIC COMMISSION FOR LATIN AMERICA
Committee of the Whole
Santiago, Chile
11 February 1952

PROGRESS REPORT ON CO-ORDINATION BETWEEN ECLA AND THE IA-ECOSOC

Joint statement of the Executive Secretaries of
ECLA and IA-ECOSOC

Background

The question of achievement of effective co-ordination and co-operation between the Economic Commission for Latin America and the Inter-American Economic and Social Council, as well as the measures to avoid any unnecessary overlapping between the efforts of the two organizations, have been under active consideration by those two bodies since the establishment of the Commission.

At the first session of ECLA, after a full exchange of views between the representatives of both organizations, an agreement was reached on co-operation and co-ordination.

In implementation of this agreement, frequent consultations on problems of common interest have led to the maintenance of close relations between the Executive Secretaries of ECLA and the IA-ECOSOC, and to active measures of co-operation, including the exchange of documents and materials as well as to the collaboration by the staff of the IA-ECOSOC in certain research projects of ECLA.

The co-ordination efforts of ECLA and IA-ECOSOC have been favourably reviewed at the sessions of U.N. Economic and Social Council. The debates at the annual sessions of the Economic Commission for Latin America and at the meetings of the Inter-American Economic and Social Council have emphasized the fact that the two organizations have been able to contribute to the understanding and solution of the economic problems of the Latin American countries while at the same time they have successfully avoided any unnecessary duplication between
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the work of their Secretariats.

In a joint statement presented to the second session of the Commission, the Executive Secretaries of the two agencies had declared that

"... Since both organizations must deal with similar problems in the same general field of research and study it is desirable that the studies made by one group supplement the results achieved by the other in such a way that the work of each will be greatly enhanced. It is our considered opinion that the test of effective co-operation lies in the net result of such combined efforts... We believe, in brief, that the problem of co-ordination should not be viewed in a narrow sense, that is, in a sense that would point to a rigid distribution of technical assignments...

In proposing a plan whereby the absence of unnecessary duplication can best be guaranteed we are conscious of a great sense of responsibility...

The Executive Secretaries should report... to their respective organizations on the manner in which they meet their responsibilities in guarding against unnecessary duplication and in maintaining effective collaboration."

The subject of co-ordination and co-operation with the IA-ECOSOC was considered at each of the sessions of ECLA, which were also attended by representatives of the IA-ECOSOC. In particular, the Commission made at its Fourth session a thorough review of the matter. The Commission members unanimously took the position that co-ordination at the Secretariat level is entirely satisfactory and agreed that the existing arrangements should be put on a more permanent and regular basis by establishing a permanent "Co-ordination Committee." (Annual report of ECLA to the Economic and Social Council, document E/2021)

At its Second Extraordinary meeting held in Panama in August 1951, the Inter-American Economic and Social Council also took up the subject of co-ordination and co-operation with ECLA.

The IA-ECOSOC in a resolution (ES-Res.32/51-E) expressed its interest and concern in "the making of arrangements of co-operation and co-ordination with other international agencies operating in Latin America, especially with the United Nations Economic Commission for Latin America."

In this resolution IA-ECOSOC accepted ECLA's invitation to establish a committee on co-ordination.

First Meeting of the Committee on Co-ordination. Washington, D.C.

In pursuance of the mandate contained in resolutions, the Executive Secretaries of the Inter-American Economic and Social Council and the Economic

Commission for Latin America consulted on the ways and means to implement the provisions for co-ordination at the Secretariat level.

After an exchange of correspondence the Deputy Executive Secretary of ECLA on behalf of the Executive Secretary, met with the Executive Secretary of the Inter-American Economic and Social Council in January 1952 and established the Committee on Co-ordination.

The agenda of the first meeting included the following points:

1. Establishment of the Committee.
2. Preliminary review of the ECLA 1952 work programme.
3. Preliminary review of the IA-ECOSOC 1952 work programme.
4. Projects of common concern to both organizations.
5. Date and place of next meeting.

The following was agreed at the meeting:

a) In agreement with the resolutions of the two agencies, the Executive Secretaries, or their representatives, shall meet at least twice a year, in order to review the arrangements for co-ordination and the progress of the work programmes of both organizations.

b) With reference to methods of co-operation the Secretariats of both agencies, whenever desirable, will as in the past co-operate in carrying out projects of common interest. Such co-operation may take the form, as may be advisable, of provision of background material and information, statistical data and other documentation, the exchange of staff and participation of the staff of one agency in working groups of the other.

c) In regard to the procedures for maintaining close and effective liaison, the meeting re-affirmed the agreement of the two Executive Secretaries to keep each other informed through current correspondence and periodic reporting on the progress of projects of mutual interest and to continue to make available to each other relevant information and material.

d) The meeting further undertook a preliminary review of the ECLA work programme for 1952, on the basis of the work programme and priorities of ECLA approved at the fourth session of the Commission (resolution 32(IV) and of the information contained in the progress Report prepared by the Executive Secretary for the session of the Committee of the Whole of the Commission (document E/CN.12/AC.16/2/ Rev.1) Arising out of this review the Committee assessed the relative interest of the two organizations in the projects presented in the ECLA programme.

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Second Meeting of the Committee on Co-ordination, Santiago, Chile.

The Second Meeting of the Co-ordination Committee was held in Santiago on February 8, 9 and 11, 1952. The Committee thoroughly reviewed the contemplated work programme of IA-ECOSOC for 1952-1953 and the programme of work of ECLA for 1952.

In reviewing the respective programmes of ECLA and IA-ECOSOC the Committee directed particular attention to those special areas in which each organization has a particular interest in view of the general nature of its work programme. In each work programme there are certain areas which involve practically no duplication and in its review of the respective programmes the Committee, therefore, took note of such areas of work only to the degree essential to assure the development and execution of well balanced programmes. For example, in the project in the field of labour and social affairs which represent important parts of the programme of IA-ECOSOC, the primary emphasis is in general directed to areas of research, consultation, and technical assistance which are not basic parts of the work programme of ECLA. Similarly, certain ECLA projects such as the current industry studies, the survey of technological research, the study of economic integration of Central America, the inquiry on operation of the Free Zone of Colon, the training of Latin American economists, etc., are projects in which IA-ECOSOC has no specific counterpart studies in the current work programme. It is understood, of course, that since all of these fields of study are related to the general work programme of the two organizations, the Secretariat of each will be kept informed on the progress made by the other in carrying out its respective programmes.

The area to which the Committee, by virtue of the respective programmes of work, directed special attention at its second meeting, included: financing of economic development; monetary and fiscal problems; certain aspects of international trade and finance; problems of transportation; production and distribution of wood pulp and newsprint; immigration; problems of agricultural development and industrial raw materials; housing and construction; and the improvement and utilization of statistics.

1) Financing of economic development

ECLA has a primary interest in the analysis of capital investment needs in the Latin American countries. IA-ECOSOC has undertaken a study on the financing of economic development in which considerable emphasis is placed on institutional sources of savings and the means of financing economic development. It was agreed that ECLA will coordinate its own programme with that of IA-ECOSOC so as to assure

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a set of supplementary reports in this important field. In order to effect such co-ordination it was also agreed that at the earliest possible date a detailed outline of its study in process be submitted by IA-ECOSOC to ECLA for the latter's information and guidance.

2) Monetary and fiscal problems

Several governments have indicated an interest in holding a conference on monetary and fiscal policies relative to the requirements of economic development. The Executive Secretary has discussed with the Director General of TAA the possibility of holding such a conference in 1953. The Co-ordination Committee discussed the interest of IA-ECOSOC in this conference and the Executive Secretary of ECLA expressed his wish that the Secretariat of IA-ECOSOC participate in the proposed ECLA/TAA meeting of experts. It is contemplated that the Executive Secretaries of IA-ECOSOC and ECLA will discuss such collaboration as soon as arrangements have been completed with TAA and the other interested agencies.

ECLA, in collaboration with the Fiscal Division of the U.N. Department of Economic Affairs, is planning a study of the effects of taxation on capital investment. The Committee took note that IA-ECOSOC will touch on certain problems of taxation incidental to the work it is doing in this field of financing development and that continuing exchange of information will be essential.

3) Certain aspects of international trade and finance

The problem of developing adequate foreign trade statistical series now being carried forward by the Division of Statistics of the Pan American Union, is a matter of direct and immediate interest to ECLA in connection with the latter's studies in both finance and trade. In view of this common interest it is considered essential that each of the two organizations concerned collaborate very closely in achieving the best possible results in this field.

As a further step toward the common objective, it is contemplated to hold a meeting at U.N. Headquarters, of IA-ECOSOC, ECLA and the Statistical Office of the United Nations some time during the latter part of this year.

The Fourth Meeting of Consultation of Foreign Ministers adopted a resolution in April 1951 which provided in part that IA-ECOSOC, in collaboration with appropriate organs and specialized agencies of the United Nations, study the problem of maintaining the purchasing power of the currencies and monetary reserves of the American States.

ECLA at its Fourth Session in June 1951 adopted a related resolution with particular reference to the accumulation of foreign exchange balances in European currencies. This resolution authorized the Executive Secretary, if he deems it necessary, to convene a group of consultants to study the problem and make
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recommendations for its solution. Inasmuch as the accumulation of foreign exchange balances has not as yet become an acute problem, the Executive Secretary has not yet set a time for a meeting of consultants, but if new developments warrant it, a definite date will be set for such a meeting and the IA-ECOSOC will be consulted as to how the objectives of the two resolutions may be co-ordinated.

In view of the fact that IA-ECOSOC has initiated the study recommended by the Ministers of Foreign Affairs and is currently carrying forward the work under resolutions adopted at Panama by its Second Extraordinary Session, it was agreed that the Executive Secretary of IA-ECOSOC will keep ECLA currently informed relative to the progress made on this part of its programme.

4) Problems of transportation

IA-ECOSOC's immediate concern is with emergency problems of maritime transportation, maritime freight rates and insurance, the progress of the Inter-American Highway, and such problems of transportation as are implicit in specific aspects of the existing work programme. ECLA's work in this field is directed mainly to an analysis of the obstacles to and needs for transportation in relation to economic development. As an integral part of the project on the economic integration of Central America, ECLA and TAA, with the co-operation of the Division of Transportation and Communications of the U.N. Department of Economic Affairs, are making a study of transportation problems in Central America with a view to having its findings submitted to the conference on transportation problems in that area during the latter part of 1952. It was agreed that ECLA and IA-ECOSOC should consult regarding the programme of this conference with a view to enabling the ECLA/TAA study group to utilize materials and studies that have already been made by IA-ECOSOC and to having the Secretariat of IA-ECOSOC participate in the meeting of expert consultants.

5) Production and distribution of wood pulp and newsprint

The ECLA study on pulp and paper, which is one of the current special industry studies in process, is directed primarily to a study of "the present and future consumption of pulp, the availability of raw materials, the present capacity to produce wood pulp and paper and the extent to which existing technical knowledge on industrial processes could be applied to natural resources within the region for the manufacture of pulp."

The Secretariat of IA-ECOSOC has in process a technical report on the difficulties presently existing in obtaining newsprint, in accordance with a resolution adopted by the Fourth Meeting of Consultation of Ministers of Foreign Affairs of the Americas in April 1951. In view of the fact that this report will

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require an examination into "sources of production and distribution of newsprint under price conditions that are equitable for all the American countries", it follows that the Secretariats of both organizations will in part be concerned with similar aspects of the general problem of newsprint distribution. It is therefore considered essential that in order to avoid unnecessary duplication of effort, ECLA and IA-ECOSOC make provision for the exchange of statistical and other information. ECLA will transmit to IA-ECOSOC the data and information it has collected on this problem so as to assure that the two reports will supplement each other and contribute towards achieving as fully as possible the objectives of the respective resolutions under which the two reports are being carried forward.

6) Immigration

ECLA and IA-ECOSOC were represented at the first meeting of the Inter-Agency Co-ordination Committee on Migration in Latin America, held in Santiago on 7 and 8 February 1952. The Co-ordination Committee on Migration agreed that the activities of all the interested agencies should be co-ordinated insofar as possible, particularly through exchange of information and consultation. It is felt that ECLA's and IA-ECOSOC's activities in this field will be adequately co-ordinated through the work of the Committee on which both organizations will be represented.

7) Problems of agricultural development and industrial raw materials

The Committee considered that the present work projects of ECLA and IA-ECOSOC in the field of agriculture are supplementary rather than competitive or overlapping. It should be noted at this point that ECLA's work in agriculture is carried out jointly with FAO.

In its work in economic development ECLA wishes to express a paramount interest in the results of the agricultural studies being carried forward by IA-ECOSOC in its current programme of work particularly the study on rubber production and manufacture as recommended by resolution XXV adopted in April 1951 by the Fourth Meeting of Consultation of Ministers of Foreign Affairs, and the studies on coffee being made on behalf of the Special Commission on Coffee.

The Co-ordination Committee also took note of the study now being undertaken by ECLA, as a part of the Economic Survey, on the possibilities of expanding production of foodstuffs and raw materials for export.

8) Housing and construction

In view of the fact that IA-ECOSOC has a broad programme in the field of
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housing, ECLA at its Fourth Session decided not to include housing in its special industry studies. However, the Executive Secretary of ECLA stated at the Committee Meeting that ECLA may wish to include in its programme of special industry studies a report on productivity in the construction industry in Latin America. The Executive Secretary of IA-ECOSOC took note of his statement and expressed the wish to co-operate in any appropriate manner should the inclusion of construction as part of its special industry studies be approved at a subsequent meeting of ECLA.

9) The Inter-American Statistical Institute.

The Division of Statistics of the Pan American Union, as secretariat for the Inter-American Statistical Institute, is carrying forward as one of its recognized functions the development of statistical methodology and procedures in co-operation with the U.N. Statistical Office. The recent organization of an Inter-American Research Centre in economic and financial statistics in Santiago, Chile, which contemplates a 5-year programme, under the Programme of Technical Assistance of the Organization of American States, will contribute to the work in this field.

The ECLA Secretariat strongly supports this project, particularly because of the contribution it can make to the work of the Secretariat by providing more complete quantitative information. The Executive Secretary of ECLA stated that the Secretariat would be willing to co-operate and assist in the work of the Training Centre to the extent that its resources permit.

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Since the respective work programmes of ECLA and IA-ECOSOC must necessarily be viewed as balanced programmes, consisting of many related projects designed to achieve clearly defined objectives, this report should not be construed as an effort to place each project into an isolated compartment. Since we still believe, as emphasized in the Joint Statement of 1949 cited above, that co-ordination should not be viewed in terms of "a rigid distribution of technical assignments" no attempt has been made to cover necessarily every item in the respective programmes that might be considered as a separate assignment for purposes of research and study. It is believed, however, that the basis for effective cooperation has been firmly established in a manner which will achieve the two important objectives of permitting flexibility and assuring effective co-ordination.