



ECONOMIC COMMISSION FOR LATIN AMERICA

ANNUAL REPORT

(8 May 1970 - 8 May 1971)

VOLUME II

**ECONOMIC AND SOCIAL COUNCIL
OFFICIAL RECORDS: FIFTY-FIRST SESSION**

SUPPLEMENT No. 4A

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New York, 1971

NOTE

**Symbols of United Nations documents are composed of capital letters combined with figures.
Mention of such a symbol indicates a reference to a United Nations document.**

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DRAFT PROGRAMME OF WORK AND PRIORITIES

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ABBREVIATIONS

ALAF	Latin American Railways Association
ALALC	Latin American Free Trade Association
BCIE	Central American Bank for Economic Integration
BTAC*	United Nations Bureau of Technical Assistance Operations
BTN	Brussels Tariff Nomenclature
CARIFTA	Caribbean Free Trade Association
CCE	Central American Economic Co-operation Committee
CEC	Central American Economic Council
CECLA	Special Committee on Latin American Co-ordination
CELADE	Latin American Demographic Centre
CIAP	Inter-American Committee on the Alliance for Progress
CIDA	Inter-American Committee for Agricultural Development
CLADES	Latin American Centre for Economic and Social Documentation
ECCM	Eastern Caribbean Common Market
ECLA	Economic Commission for Latin America
FAO	Food and Agriculture Organization of the United Nations
GATT	General Agreement on Tariffs and Trade
IA-ECOSOC	Inter-American Economic and Social Council
IASI	Inter-American Statistical Institute
ICAITI	Central American Research Institute for Industry
ICAP	Central American Institute of Public Administration
IDB	Inter-American Development Bank
IICA	Inter-American Institute for Agricultural Sciences
ILO	International Labour Organisation
ILPES	Latin American Institute for Economic and Social Planning
IMCO	Inter-Governmental Maritime Consultative Organization
LASH	Lighter aboard ship
OAS	Organization of American States
OTC	United Nations Office of Technical Co-operation
PASB	Pan American Sanitary Bureau
RDA	Regional Development Agency (Caribbean)
SIECA	Permanent Secretariat of the General Treaty on Central American Economic Integration
SITC	Standard International Trade Classification

*Replaced by OTC.

SNA	United Nations System of National Accounts
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNFPA	United Nations Fund for Population Activities
UNIDO	United Nations Industrial Development Organisation
UNITAR	United Nations Institute for Training and Research
UNRISD	United Nations Research Institute for Social Development
WHO	World Health Organization
WMO	World Meteorological Organization

DRAFT PROGRAMME OF WORK AND PRIORITIES

May 1971 to April 1973

INTRODUCTION

During the First United Nations Development Decade, the secretariat carried out a vast research programme into the region's major economic and social problems and co-operated with the various Governments in their solution. It is therefore now in a much more favourable position to undertake an action programme designed to attain the objectives of the Second United Nations Development Decade.

Events during the First Development Decade indicate that the gap that existed between the developed and the developing countries in the 1950s, far from narrowing, widened even further. Many of the economic and social development problems that the developing countries then had to face still remain unsolved, and in addition new obstacles and complications have arisen which make it difficult to improve the living conditions of much of the region's population, to relieve the consequent social tensions, and to achieve rapid and independent growth.

Nevertheless, there are grounds for optimism; it is clear that the difficulties are not insuperable, and progress has already been made in defining the problems and setting up institutional machinery to deal with them.

The ECLA secretariat can contribute to the Second United Nations Development Decade in four very important ways. It can: (a) carry out the economic and social research needed to supply Governments with the basic data on how to mobilize their domestic resources and will enable them to formulate an economic and social policy for that purpose; (b) study problems of foreign trade and external financing and of international scientific and technical co-operation; (c) provide Governments or groups of Governments, on request, with the technical assistance required to achieve the targets of the Second Development Decade; (d) promote the training of local officials in certain spheres of fundamental importance to the Latin American countries.

In carrying out these tasks, the secretariat will maintain even closer co-operation with other international agencies, particularly those of the United Nations family.

In reviewing the work programme, due attention was paid to the resolutions adopted by the General Assembly and the Economic and Social Council since the previous programme was prepared. Special attention was given to General Assembly resolutions 2561 (XXIV) on public administration and management, 2564 (XXIV) on special measures in favour of the least developed among the developing countries, 2563 (XXIV) on the role of the regional economic commissions in the field of development planning during the Second United Nations Development Decade, 2571 (XXIV) on international development strategy, 2626 (XXV) on the International Development Strategy for the Second United Nations Development Decade, 2641 (XXV) on the review and appraisal of the objectives and policies of the International Development Strategy, 2658 (XXV) on the role of modern science and technology in the development of nations and the need to strengthen economic and technico-scientific co-operation among States, 2683 (XXV) on the World Population Year, and 2687 (XXV) on the role of the regional economic commissions in the Second United Nations Development Decade; and Economic and Social Council Resolutions 1409 (XLVI) on the Second United Nations Development Decade, with special reference to the social aspects, 1426 (XLVI) on the utilization of natural resources, 1427 (XLVI) on natural resources, 1483 (XLVII) on population policies in the Second United Nations Development Decade, 1486 (XLVII) on work programmes and priorities in the field of

population, 1490 (XLVIII) on review of the activities of the United Nations system of organizations in the transport field, 1494 (XLVIII) on social policy and planning in national development, 1535 (XLIX) on development of natural resources, 1536 (XLIX) on the United Nations Conference on the Human Environment, 1538 (XLIX) on the application of computer technology for development, 1547 (XLIX) on development and co-ordination of the activities of the organizations within the United Nations system, 1549 (XLIX) on prior consultations on work programmes, and 1556 (XLIX) on the Second United Nations Development Decade.

SUMMARY OF CHANGES MADE IN THE WORK PROGRAMME

Unit	Completed ^{a/}	New projects	Discontinued, dropped, postponed or consolidated
Economic Development and Research Division	6	5	2
Office for the Caribbean	4	12	1
Rio de Janeiro Office	3	<u>b/</u>	1
Social Affairs Division	6	3	2
Trade Policy Division	7	4	3
Montevideo Office	4	1	-
Bogotá Office	-	-	-
Mexico Office	13	16	6
Industrial Development Division	20	7	5
Joint ECLA/FAO Agriculture Division	2	-	1
Natural Resources and Energy Programme	3	2	1
Transport Programme	3	3	3
Statistical Division	5	8	4
Latin American Economic Projection Centre	2	3	-
Public Administration Unit	2	2	2
Total	86	66	31

a/ Not including minor technical papers or completed subprojects.

b/ The list of new projects is subject to approval by the host Government.

REVIEW OF THE WORK PROGRAMME

The distribution of resources for carrying out the programme in 1972 and 1973 includes an annual increase of 5 per cent in the number of new posts requested in ECLA's budget estimates in order to expand the work programme in a number of areas. The first increase of 5 per cent would cover one of the two alternatives for increases in the number of posts presented in the budget estimates for 1972-1973. The other alternative calls for a number of new projects in fields in which research needs to be stepped up such as the environment, regional development, economic integration, industrial policy within the context of the Second Development Decade, and agricultural development,^{1/} for which a further 3.2 per cent increase in resources would be required.

It should be noted that not all of the projects included in this work programme can be completed within the periods set; first, because there will probably be changes in priorities as a result of changing circumstances and because unforeseen requests for assistance from Governments or groups of Governments have to be dealt with, and secondly, because some of the additional resources requested in the budget estimates for 1972 and 1973 may not be approved. It must also be borne in mind that in setting out the projects, account has not been taken of the large number of vacancies normally existing in the secretariat because it is not possible to anticipate in which units these vacancies are likely to occur.

The Commission, therefore, confirms its policy that, while it is desirable to adopt as firm a programme as possible, it is also essential that the secretariat should be empowered to use its discretion in adapting programmes to circumstances as they may arise and to the staff and other resources available to it.^{2/} Accordingly, the Commission authorizes the Executive Secretary to modify or eliminate certain projects, or establish different priorities, should developments at present unforeseen make this desirable in his opinion. Such alterations will remain within the framework of the programme adopted by the Commission.

The Commission also authorizes the Executive Secretary, in duly verified and exceptional cases, to use resources for organizing conferences and for arranging meetings of working groups and panels of experts as he may see fit, providing that prior authorization has been obtained from the Governments concerned and that consultations have taken place with any specialized agencies that may be interested. Conferences should be held only at the request of the majority of the member Governments, and within the limit of available resources.

^{1/} A list of these additional projects appears in the section "Other projects".

^{2/} Official Records of the Economic and Social Council, Twentieth Session, Supplement No.10A (E/2796/Rev.1), para.154.

EXPLANATORY NOTE

The work programme sets out the activities of the ECLA secretariat by programme, subprogramme and project.

The programmes cover broad fields of activity the nature of which remains basically unchanged from year to year, for example "00: Economic development and research".

The subprogrammes have a time-span of approximately six years and their usefulness lies in grouping and integrating the various projects in an orderly fashion within a more clearly defined conceptual framework and period than those provided by the programmes. An example of a subprogramme is "00-3: Income distribution".

The projects cover activities which lead to specific results - for example, a study, a seminar, or an advisory mission - within a period that can be fairly closely defined. Projects have a time-span of up to three years, which means that in theory the total number of projects listed in the present work programme constitute the total amount of specific activities planned by the ECLA secretariat during the three-year period 1971-1973. An example of a project is "00-33: Income redistribution policy in Latin America".

(Economic development)

UNIT: Economic Development and
Research Division

PROGRAMME: OO Economic development
and research

The work of this Division should follow the general lines of the activities envisaged for the Second United Nations Development Decade. This means devoting special attention to a definition of the strategy to be adopted by the Latin American countries, the objectives to be reached, and the policies and measures that would be suitable for attaining them. It also entails increasing and sustained efforts to make periodical appraisals of the progress, weaknesses and trends observable in the evolution of the Latin American economies.

Some of the more specific aspects of the proposed work programme are outlined below.

First, in the studies on the mobilization of domestic resources the main national factors on which the possibility of maintaining, enlarging and modernizing the production machinery depends will have to be considered, particularly investment potential, including the supply of imported capital goods, production of intermediate goods, output and installed capacity of the industries producing capital goods and consumer durables, and, lastly, productive reserves, i.e., the human and material resources that can be employed in production. In addition to the potential saving capacity, the financial methods and machinery required for channelling the potential savings will have to be studied and analysed.

Special attention must be given to the ways in which savings can be converted into investment, and to distributing investment between the various sectors in such a way as to obtain the greatest marginal social benefits from it.

In connexion with this last point, the problem of effective employment arises, involving separate analyses of rural and urban unemployment and underemployment. A study of unemployment and underemployment in rural areas will illustrate how the whole question of employment is bound up with the system of land tenure, the type of production and the techniques used. An effort will likewise be made to link urban employment with the underutilization of capital and the possibility of using labour in the most productive secondary and tertiary activities.

At the same time, the analysis should show to what extent urban activities can provide the country's population with enough goods and services, in the context of technological progress and the most productive use of the active population. It would deal, on the one hand, with the need to absorb unemployed labour and the new additions to the labour force and, on the other, with the disadvantages of what might be called a "technological freeze-up".

In addition to an over-all national policy for the mobilization of domestic resources, it will be necessary to consider the internal regional differences already existing within each country, because a high degree of geographical concentration - of population, of productive activity, of technical progress and of income - is characteristic of the present pattern of growth. A study would have to be made of whether and, if so, the extent to which the present geographical concentration of productive activity generates external economies - from the over-all national economic point of view - or whether it in fact introduces growing external diseconomies owing to problems of supply, housing and transport which can only be solved at an astronomical social and economic cost. This analysis will help to establish whether or

not it would benefit national economies to create new secondary and tertiary development poles rather than to encourage economic concentration in large urban areas.

Furthermore, although Latin America's industry has developed more rapidly than the other economic sectors, it has been unable to absorb redundant labour since the level of employment, which has depended on the technological structure as well as the economic growth rate, is not so high as it could and should be.

In this analysis very careful consideration should be given to the question of whether the highly concentrated economies are capable of maintaining a high enough level of activity to absorb the labour force which is constantly flooding into the cities, or whether, on the contrary, they are unable to do so and are responsible for the increasingly large urban marginal population engaged in barely productive activities.

The secretariat must continue its studies and technical assistance designed to help the Latin American countries at a relatively less advanced stage of economic development. The Commission's action programme for the Second Development Decade should include economic and social research on these countries, advisory services, training of personnel and regional co-ordination.

If all these studies and research programmes are to be fruitful, activities must be based upon sufficient data to enable countries to choose and develop over-all policies designed to attain the objectives under consideration. In addition to all that has already been achieved in the First Development Decade and parallel with research and long-term forecasts, there must be more intensive study of short-term operational policies and of the entire machinery for their implementation, and also of the means of doing away with the all-too-familiar institutional and structural obstacles to more rapid economic growth and better income distribution.

As regards income distribution, ECLA will continue compiling and systematizing existing data and obtaining new data through direct research. This information will enable it to study in greater depth what instruments could bring about improvements in the current pattern of distribution, which could be either means of redistributing income pure and simple (public expenditure and tax policy), or ways of acting on the root causes of the present distribution (concentration of property ownership, education problems, training and employment opportunities, spread of technical know-how, etc.).

At a later stage, this would lead to the study of the relationship between the various redistribution policies, the promotion of savings, investment potential, and all the other aspects of economic and social development that are relevant to the formulation of an over-all strategy and policy. Under the proposed plan of action for the Second Development Decade, an attempt will be made to examine general development policy from an interdisciplinary angle so as to cover all its social implications.

DESCRIPTION OF SUBPROGRAMMES, 1971-1977

OO-0 Economic Survey of Latin America

In the Division's view, it is essential to continue with the recently instituted practice of including in the Survey, in addition to the basic section on country trends, complete or summarized studies which give some idea of ECLA's main contributions to the analysis of the theoretical and practical problems of growth. The Survey will also include periodical evaluations of the achievements of individual countries during the

(Economic development)

Second Development Decade, These tasks will be of fundamental importance in the Division's activities during the 1970s, and will probably require substantial changes in the allocation and composition of its technical staff, and perhaps in its organization.

00-2 Development policy

Studies will be undertaken at regular intervals on short- and long-term national economic policies, both over-all and sectoral. A number of countries will be selected each year for more detailed study of the policies and instruments adopted.

00-3 Income distribution

The emphasis will be on country studies, following the pattern of the study of Argentina made some two years ago.

00-4 Mobilization of domestic resources

Work will continue on the mobilization and allocation of savings and on financial questions.

00-5 Regional development

The purpose of this subprogramme is to acquire deeper insight into the relation between the general pattern of development in Latin America, on the one hand, and the effect of the distribution of economic activity on the magnitude of rural-urban population shifts, patterns of income distribution and other factors, on the other.

00-7 The relatively less developed countries and integration

00-8 Human resources

No resources will be allocated to these two subprogrammes, which have a lower priority than the others.

LIST OF PROJECTS, 1971-1973

(Projects marked with an asterisk can be carried out within the period indicated only if the additional resources requested for 1972 are approved and all vacancies are filled.)

Economic Survey of Latin America, 1971, 1972, 1973 (00-01)

Besides over-all and sectoral evaluations of the Latin American economy, the Survey will contain a special analysis each year on a subject to be determined.

Initiation:	Continuing	Authority:	ECLA 79 (VI)
Completion:	February of every year	Priority:	High

Assimilation of technological progress (00-22) (new project)^{3/}

Earlier studies made by ECLA of the role of technology in employment and growth will be expanded; the work will be done in co-operation with the Industrial Development Division and the Joint ECLA/FAO Agriculture Division. Consultants will be recruited for short periods specializing in the technology of agriculture, of the traditional industries and of some of the fast-growing industries, chiefly those combining labour intensity with a high degree of value added.

Initiation:	Early 1972	Authority:	ECLA 289 (XIII), 290 (XIII)
Completion:	Late 1972		and 291 (XIII)
		Priority:	High

*Economic aspects of integration (00-23) (new project)

It seems advisable to complement the traditional studies on integration, which deal with integration from the standpoint of trade policy, with a study placing integration within its over-all economic context. The study will be preceded by an internal ECLA and ILPES seminar.

Initiation:	Mid-1971	Authority:	ECLA 289 (XIII), 290 (XIII) and
Completion:	Early 1973		291 (XIII)
		Priority:	High

Income distribution in selected Latin American countries (00-31)

This is the third in a series of four volumes on income distribution.

Initiation:	Open	Authority:	ECLA 229 (X), 233 (X), 263 (X)
Completion:	Open		and 290 (XIII)
		Priority:	High

Income redistribution policy in Latin America (00-33)

On the basis of the conclusions reached in the study on income distribution in Latin America, the Division is working on the identification of the main patterns and causes of the present income distribution structure. In addition, a second version of the study on social policies for income redistribution is being drafted, with special emphasis on educational questions.

Initiation:	April 1969	Authority:	ECLA 229 (X), 233 (X), 263 (XII)
Completion:	Mid-1971		and 290 (XIII)
		Priority:	High

^{3/} See also projects 05-1 "Technology in Brazil" (Rio de Janeiro Office) 05-3 "Technological change in Mexico", 04-094 "Progress in and resistance to technological change in Central America", and 04-24 "Identification of new industrial projects and of the requirements of technological research" (Mexico Office); 05-11 "The transfer of know-how in Brazilian industry" (Industrial Development Division); and 08-26 "Implications of technological innovation in maritime transport for Latin America" (Transport Programme).

(Economic development)

Private foreign investment in Latin America (OO-42)

This will be an analysis of the conditions and effects of private foreign investment in Latin America.

Initiation:	Early 1970	Authority:	ECLA 275 (XIII)
Completion:	Mid-1971	Priority:	High

Government investment (OO-43) (new project)

A study will be made of the volume, composition and methods of financing of government investment. The study will be presented to the Conference on Tax Policy to be held at Mexico City in 1971 under the joint sponsorships of ECLA and OAS.

Initiation:	Early 1971	Authority:	ECLA 289 (XIII)
Completion:	Mid-1971	Priority:	High

Conference on Tax Policy (OO-44) (new project)

This is a joint ECLA/OAS project. The Conference will be held at Mexico City, at the end of 1971. A single document will be submitted, with ECLA contributing the analytical section, which will include an examination of the differences between developed and Latin American countries as regards tax policy, recent trends, and the usefulness of fiscal policy and tax policy as a means of achieving given development targets. Although most of the work on this section will be carried out in Santiago, three ECLA economists will work in Washington for a total of three man-months in mid-1971.

Initiation:	January 1971	Authority:	ECLA 289 (XIII)
Completion:	December 1971	Priority:	High

Regional development within selected countries (OO-52) (new project)^{4/}

The problems of regional development within selected Latin American countries will be looked at from the standpoint of urban growth.

Initiation:	Late 1971	Authority:	ECLA 230 (X) and 290 (XIII)
Completion:	Late 1973	Priority:	Medium

Projects completed, 1969-1970

OO-01 Economic Survey of Latin America, 1969
Economic Survey of Latin America, 1970
OO-21 Latin American development policy (Second Development Decade)
OO-32 Income distribution in Latin America
OO-41 Financial intermediaries
OO-71 Economic problems of the relatively less developed countries

Projects discontinued, dropped, postponed or consolidated, 1969-1970

OO-51 Regional development experiences in Latin America
OO-81 Human resources

^{4/} See also projects 01-3 "Regional development in Brazil" (Rio de Janeiro Office), 01-31 "Regional and local development problems and policies in Latin America" (Social Affairs Division), and 02-22 "Regional integration and national integration" (Trade Policy Division).

ECLA: ECONOMIC DEVELOPMENT AND RESEARCH DIVISION
 LISTING OF PROJECTS PLANNED FOR IMPLEMENTATION AND RELATED
 REQUIREMENTS EXPRESSED IN TERMS OF MAN-HOURS

Projects	A B C	R/ NR	CP/ N	1971				1972				1973			
				Regular budget XB				Regular budget XB				Regular budget XB			
				P	C	RA	P	P	C	RA	P	P	C	RA	P
OO-0 Economic Survey of Latin America Economic Survey of Latin America, 1971, 1972, 1973 (OO-01)	A	R	CP	60	6			66	6			66	6		
OO-2 Development policy				24	9	12		30	9	12		30	9	12	
Incorporation of technical progress (OO-22)	A	NR	N												
*Economic aspects of integration (OO-23)	A	NR	N												
OO-3 Income distribution				26				26				26			
Income distribution in selected Latin American countries (OO-31)	A	NR	CP												
Income distribution policy in Latin America (OO-33)	A	NR	CP												
OO-4 Mobilization of resources				33				33				33			
Private foreign investment in Latin America (OO-42)	A	NR	CP												
Public investment (OO-43)	A	NR	N												
Conference on Tax Policy (OO-44)	A	NR	N												
OO-5 Regional development				12		12		12		12		12		12	
Regional development in selected countries (OO-52)	B	NR	N												
Management, substantive support and technical co-operation				1				1				1			
<u>Total</u>				<u>156</u>	<u>15</u>	<u>24</u>		<u>168</u>	<u>15</u>	<u>24</u>		<u>168</u>	<u>15</u>	<u>24</u>	

Note: The General Service complement consists of 7 established posts in 1971.

Projects marked with an asterisk can be carried out as planned only if new resources are made available.

Abbreviations: A,B,C: High, medium and lesser priority; CP, N: Continuing, new project; R, NR: Recurrent, non-recurrent project; P: Professional; C: Consultant; RA: Regional Adviser; XB: Extra-budgetary.

(Caribbean)

UNIT: Office for the Caribbean

PROGRAMME: OO Economic development and
research^{5/}

The Office will continue to assign high priority to the task of assisting area Governments in tackling the economic and social problems which arise as the Caribbean countries progress towards economic integration. This will involve, inter alia, the continuing collection of data on these countries both for analysis as a step towards finding solutions to the main problems and as a contribution to projects being undertaken by ECLA's substantive divisions. Studies on specific questions will be prepared.

As in the past, considerable emphasis will be placed on consultant and advisory services to Governments in different fields, particularly in support of the integration programme. In the sphere of economic integration, the CARIFTA countries have already taken significant steps towards the comprehensive liberalization of trade. In addition, agreement has been reached on a wide range of measures for accelerating the programme of co-operation in both the economic and the social fields.

Close collaboration is being maintained with the CARIFTA and ECCM Councils and secretariats on these matters. Consideration must also be given to the application of the trade agreements within the broader framework of over-all development. Studies must continue in fields where specific requests have already been made by area Governments. These include, inter alia, follow-up work on: (a) feasibility studies on location of industries and establishment of integration industries; (b) harmonization of fiscal and other incentives to industry; (c) the establishment of common external tariffs and the gradual development of a common trade policy.

In addition, urgent attention must be given to the policies and operation of the newly established Regional Development Bank for the Caribbean and to certain aspects of human resources development as they relate to the integration process.

In the area of economic development, research must continue into a number of sub-sectors. Of special importance are continuing studies in the fields of industry, tourism, agriculture and transport. The only work that has so far been done in the area of social development is that carried out by the Regional Adviser on Rural and Community Development. The current social situation in the subregion makes it imperative that more in-depth study should be given to social problems on a continuing basis.

DESCRIPTION OF SUBPROGRAMMES, 1971-1977

OO-0 Economic Survey of Latin America

Material is prepared in support of the subprogramme under this title conducted at Santiago. The coverage includes Barbados, Guyana, Jamaica, Trinidad and Tobago and the West Indies Associated States.

OC-2 Development policy

Assistance is given to the less developed territories in formulating common development policies in key sectors, as required by the Agreement establishing the ECCM.

^{5/} See also Economic Development and Research Division, Rio de Janeiro Office and Mexico Office.

00-3 Income distribution

This subprogramme incorporates some of the research undertaken in different fields at the national level. Its object is to promote and support statistical research in the countries of the Caribbean, and it includes joint operations with national institutions. The results of this work and those available from other sources of basic information will form the background for analyses of the characteristics of income distribution and of the changes in it which occur as a corollary of general economic development in selected countries.

00-8 Human resources

This subprogramme relates to studies in the field of human resources development in certain areas where regional action could be taken.

01-1 Social aspects of development

This subprogramme is carried out with the assistance of the Regional Adviser on Rural and Community Development. Given high unemployment ratios, young populations, and the social adjustments that must come with the restructuring of the economies, social development is a matter of high priority. The emphasis in the initial stages will be on social trends and manpower utilization.

01-7 Rural and community development

This subprogramme is carried on by the Regional Adviser in this sphere, who provides advisory assistance in training and on some functional, organizational and administrative matters connected with rural development. Assistance also includes advisory services to Governments on the organization of workshops at the national and subregional levels and short-term action-oriented study and research programmes.

03-6 General studies relating to integration in the Caribbean area

This subprogramme is carried out by a regional adviser, who will assist the CARIFTA countries, individually and collectively, in matters relating to the development of intra-regional and extra-regional trade and in the conduct of workshops.

03-7 Consultations and advisory services to intergovernmental bodies and member Governments (new title)

The number of subjects on which Governments consult ECLA has steadily increased, and advice now covers not only the application of trade agreements, but also the formulation of policy regarding the next step in the economic integration process. During 1971-1973 activities in this area will include follow-up work on the reports of the industrial evaluation and harmonization of incentives teams; these reports have already been presented to the Governments.

05-0 Industrial development

The ECLA/UNIDO team conducted an industrial evaluation in the CARIFTA countries, at their request. The report has been studied by Governments, and they have indicated their need for follow-up studies in identifying specific industries for location in the less developed territories and in some specific industrial sectors identified in the

studies. In-depth analyses will also be undertaken on agro-based and small-scale light engineering industries, and advisory services will be provided in these fields.

03-6 Co-ordinated agricultural development

Efforts will be concentrated on assisting Governments, at their request, in implementing the Protocol on the Marketing of Agricultural Products. Attention must also be given to the problem of agricultural development and the diversification sought under the CARIFTA and ECCM regimes; the problems of land reform, with particular attention to land tenure systems and land taxation; and on long-term agricultural development and planning, with special reference to the rationalization of production.

08-1 Transport and regional integration

Further progress towards integration in the Caribbean depends to a large extent on improvements in the transport sector; possible improvements must therefore be sought. In addition, the studies initiated on the Caribbean Basin Programme will continue well into the 1970s.

08-2 Maritime transport

A regional adviser will assist Governments in matters relating to the operation of maritime transport, as regards both schooner traffic, and the West Indies Shipping Service, now in process of reorganization.

08-7 Tourism

The countries participating in the CARIFTA Agreement have already decided to pursue a policy of development of regional tourism. The economics of tourism have so far been given only meagre attention, and little is known of the burdens of external loan servicing, the impact of tourism on payments for imports and the balance of payments, or of what benefits it might bring national economies.

09-4 Basic statistics

In response to requests from the smaller territories of the Caribbean, assistance is being given in improving the quality of basic economic statistics. It is geared to tackling some of the problems arising out of the process of economic co-operation; for example, the decision to adopt a common external tariff based on the BTN necessitated the conversion of the customs tariff in ECCM countries.

A specific aspect of this subprogramme is assisting the statisticians of these territories in implementing the decision to utilize separate classifications for tariff and statistical purposes; formerly both were based in some form on the SITC.

11-1 Seminars, workshops and courses on public administration

The pace of the integration process requires a fairly rapid formulation of solutions to administrative problems and government officials must be equipped to deal with the new situation. A series of workshops are planned for research, exchange of experience, training and the formulation of policy recommendations. In the main they will be conducted by the regional advisers with support from the ECLA secretariat and such assistance as is available from universities in the Caribbean.

LIST OF PROJECTS, 1971-1973

(Projects marked with an asterisk will be carried out only if the additional resources requested for 1972 are approved and all vacancies are filled.)

Economic Survey of Latin America, 1970, 1971, 1972 (OO-01)Advisory services on development policy (OO-27)

Advice is given to Governments at their request, priority being given to the formulation of uniform policies as contemplated in the ECCM Agreement.

Initiation:	1968	Authority:	ECLA 184 (IX) and 288 (XIII)
Completion:	Continuing activity	Priority:	High

Income distribution in the Caribbean (OO-37) (new project)

The first study in this series will be initiated in 1972. One or two of the larger countries of the subregion will be selected, the choice depending on availability of basic data.

Initiation:	Early 1972	Authority:	ECLA 229 (X), 233 (X), 263 (XII)
Completion:	Late 1972		and 290 (XIII)
		Priority:	High

The study will continue in 1973, when two other countries will be covered.

Initiation:	Early 1973	Authority:	ECLA 184 (IX) and 288 (XIII)
Completion:	To be determined	Priority:	High

*The problem of unemployment and its impact on economic development in the Caribbean (OO-87)^{6/}

A study will be initiated on the problems of unemployment and its impact on economic development. This problem assumes major proportions in the Commonwealth Caribbean; unemployment in individual countries being estimated to range from 12 to 20 per cent of the labour force. The study would cover the major causes of unemployment, and measures to remedy them.

Initiation:	Late 1971	Authority:	ECLA 263 (XII), 288 (XIII) and
Completion:	Early 1973		290 (XIII)
		Priority:	High

*Social trends in the Caribbean (OI-07)

Material on the Caribbean will be collected on a continuing basis for analysis and inclusion in the annual Economic Survey the 1973 Report on the World Social Situation.

^{6/} See also projects OI-41 "Social aspects of employment policy" (Social Affairs Division), OI-2 "Rural employment and unemployment in Mexico" and OI-092 "Employment situation in Central America" (Mexico Office), and OI-81 "Macroeconomic aspects of industrial growth" (Industrial Development Division).

(Caribbean)

The information will focus on demographic and urbanization trends, housing, education (including vocational training), youth development, social welfare service and migration of trained personnel.

Initiation: March 1971
Completion: Continuing

Authority: ECLA 230 (X) and 288 (XIII)
Priority: High

*Manpower utilization in the Caribbean (01-18) (new project)^{7/}

Closely related to the 1971 study on unemployment will be a study on manpower utilization and requirements. During 1972 it is proposed to undertake a study in these series to examine the requirements for skills in the light of social and economic change.

Initiation: January 1972
Completion: March 1973

Authority: ECLA 288 (XIII)
Priority: High

Advisory services on rural and community development (01-79)

Advice is given to Governments, on their request, on social and rural animation, training and some administrative matters.

Initiation: Continuing
Completion:

Authority: ECLA 290 (XIII)
Priority: High

Advisory services on trade policy and integration (02-18) (new project)

The regional adviser will advise Governments and regional secretariats, on their request, on trade policy and the formulation and application of common tariffs.

Initiation: January 1971
Completion: Continuing

Authority: ECLA 291 (XIII)
Priority: High

Prospects for growth in intra-regional trade: the problems of small-scale industry in CARIFTA (03-62)

As a follow-up of the 1970 study on prospects for growth in intra-regional trade in selected agricultural commodities, it is proposed to examine the problems of small-scale industry, with special reference to integration. The study will cover such areas as light engineering, simple assembly industries and artisan-type industries.

Initiation: January 1971
Completion: March 1972

Authority: ECLA 254 (XI) and 288 (XIII)
Priority: High

*Location of small-scale industry (05-081) (new project)

One aspect of the report on industrial evaluation which requires urgent follow-up work relates to the location of industries in the less developed territories. During 1971 it is proposed to initiate a detailed study on identifying viable industries which can be located in these territories and on special measures for facilitating their establishment.

^{7/} See footnote 6.

Initiation: March 1971
Completion: Early 1972

Authority: ECLA 253, 254 (XI)
Priority: High

*Regional integration industries (05-082) (new project)

As a follow-up to the project undertaken in 1971, it is proposed to examine problems associated with the location of regional integration industries. The intention is to devise measures for minimizing polarization in the industrial sector and promoting the equitable distribution of these large-scale industries.

Initiation: March 1972
Completion: Mid-1973

Authority: ECLA 290 (XIII)
Priority: Medium

*Prospects for diversification in co-ordinated agricultural development (06-67)

Implementation of the Protocol on the Marketing of Agricultural Products has raised some initial problems which call for the formulation of a long-term policy. The CARIFTA countries propose to initiate phased studies to meet this need, but these efforts must be supplemented by more broadly based studies, especially in the area of agricultural diversification. During 1971 it is planned to undertake the first study in this broad field. The central problem to be investigated would be ways and means of lessening the area's dependence on the major export crops; this would involve preliminary examination of prospects in mixed farming, food production and supply of raw materials to area industries.

Initiation: Late 1971
Completion: Mid-1972

Authority: ECLA 251 (XI), 254 (XI) and
288 (XIII)
Priority: High

*Land tenure systems and land taxation in the Caribbean (06-68) (new project)

The purpose of this study is to make policy recommendations on these questions in connexion with agricultural diversification and development. This subproject would be carried out by a consultant and is estimated to require six man-months.

Initiation: Late 1971
Completion: Mid-1972

Authority: ECLA 225 (X) and 228 (XIII)
Priority: High

*Agricultural specialization and complementation (06-691) (new project)

This study would follow up and utilize the results of subprojects 06-67, 06-68 and 06-692. It would consist of mapping out a broad programme for agricultural development in the subregion, taking into account the possibilities for specialization and complementation that have been identified, soil types, and the suitability of the different territories for different agricultural activities.

Initiation: Early 1973
Completion: Late 1973

Authority: ECLA 288 (XIII)
Priority: Medium

*Prospects for general livestock farming (06-692) (new project)

It is proposed to undertake another study in the series "Prospects for diversification in co-ordinated agricultural development". The topic would be the

(Caribbean)

prospects for general livestock farming, including dairy farming, and it would be based on the results of the study on land tenure systems and the recommendations for land tenure reform.

Initiation: Early 1972
Completion: Late 1972

Authority: ECLA 288 (XIII)
Priority: High

Transport survey of the Caribbean Basin (08-17)

The purpose of this project is to draw up a phased transport development programme and to carry out feasibility studies for infrastructure projects having priority within the regional system. During 1971 it is proposed to undertake a preliminary survey of transport problems in relation to the expansion of regional trade, with the aim of drawing conclusions on which recommendations for future action in respect of maritime and air transport could be based.

Initiation: January 1971
Completion: Late 1971

Authority: ECLA 289 (XIII)
Priority: High

Expert Group on Transport Policy in the Caribbean 1971 (B) (08-19x)

The purpose of this meeting is to help formulate recommendations on the modernization of the schooner fleet in the Eastern Caribbean, with particular attention to minimum safety requirements, cargo protection and handling, schooner design and motive power; transport policies of CARIFTA and ECCM; integration of maritime and air transport services in the Caribbean Basin; and investment requirements for transport infrastructure in the Caribbean Basin. The meeting will be attended by twelve participants and will last ten working days. It will be held in Port-of-Spain in 1971.

Initiation: April 1971
Completion: Mid-1971

Authority: ECLA 251 (XI), 288 (XIII),
289 (XIII), and 290 (XIII)
Priority: High

Regional advisory services to Governments on maritime transport (08-27)

Initiation: 1971
Completion: Continuing

Authority: ECLA 251 (XI), 288 (XIII) and
291 (XIII)
Priority: High

Regional advisory services on ports and harbours (08-28) (new project)

Initiation: January 1971
Completion: Continuing

Authority: ECLA 289 (XIII)
Priority: High

Basic statistics (08-47) (new project)

As part of a continuing task, work will be done on building up the basic statistical series for use in the Office's research and advisory activities. Assistance will also be given to the statistical offices of the Associated States in improving the quality of their basic statistics.

Initiation: Continuing activity
Completion:

Authority: ECLA 196 (IX) and 197 (IX)
Priority: High

Co-operation in the organization of training programmes (11-17) (new project)

The Office co-operates with Governments and regional secretariats in the organization of training programmes at the subregional and national levels. These programmes are conducted to provide area officials with a higher level of expertise in certain technical fields related to national development efforts and the over-all integration programme.

Initiation:	1970	Authority:	ECLA 288 (XIII)
Completion:	Continuing	Priority:	High

Projects completed, 1969-1970

00-01 Economic Survey of Latin America, 1970 (Caribbean Area)

External tariff for the East Caribbean Common Market

00-47 The role of domestic savings in the financing of economic development

01-1 Social aspects of development

11-18 Seminar on central services to local authorities

Projects discontinued, dropped, postponed or consolidated, 1969-1970

01-27 Population growth in the Caribbean

ECLA: OFFICE FOR THE CARIBBEAN
LISTING OF PROJECTS PLANNED FOR IMPLEMENTATION AND RELATED
REQUIREMENTS EXPRESSED IN TERMS OF MAN-MONTHS

Projects	A B C	R/ NR	CP/ N	1971				1972				1973				
				Regular budget			XB	Regular budget			XB	Regular budget			XB	
				P	C	RA		P	C	RA		P	C	RA		P
00-0 Economic Survey of Latin America	B		C	12		13		13		12		13		12		
Economic Survey of Latin America, 1971, 1972, 1973 (00-01)	B	R	C													
00-2 Development policy																
Advisory services on development policy (00-27)	A	R	C													
00-3 Income distribution																
Income distribution in the Caribbean (00-37)	A	NR	N													
00-8 Human resources																
*The problem of unemployment and its impact on economic and social development in the Caribbean (00-87)	A	NR	N													
01-1 Social aspects of development				4		10		13		11		11		11		
Social trends in the Caribbean (01-17)	A	R	N													
*Manpower utilization in the Caribbean (01-18)	A	NR	N													
01-7 Rural and community development																
Advisory services in rural and community development (01-79)	A	R	C													
02-1 Trade and development)																
02-2 Inter-regional trade and economic)				7		11		1		11		1		11		
integration)																
Advisory services on trade policy and integration (02-27)	A	R	C													
03-6 General studies relating to integration in the Caribbean area																
Prospects for growth in intra-regional trade: the problems of small- scale industry (03-62)	A	NR	C													
Origin of goods criteria for CARIFTA (03-63)	B	R	N													
03-7 Consultations with, assistance to and participation in meetings of inter- governmental bodies, CARIFTA, WISA, ECOM, RDA	A	R	C	6	-	-		6	-	-		6	-	-		
05-0 Industrial development				6		12		9		12		9		12		
*Location of small-scale industry (05-081)	A	NR	N													
*Regional integration industries (05-082)	B	NR	N													
Advisory services in agro-based industries (05-083)	A	R	N													
Advisory services in small-scale industries (05-084)	A	R	N													

Projects	A B C	R/ NR	CP/ N	1971				XB	1972				XB	1973				XB
				Regular budget			P		Regular budget			P		Regular budget			P	
				P	C	RA			P	C	RA			P	C	RA		
06-6 Co-ordinated agricultural development				5	6	-		10		-			12					
*Prospects for diversification in co-ordinated agricultural development (06-67)	A	R	C															
*Land tenure systems and land taxation in the Caribbean (06-68)	A	NR	N															
*Agricultural specialization and complementation (06-691)	B	NR	N															
*Prospects in general livestock farming (06-692)	A	R	N															
08-1 Transport and regional integration				10		23		10		23			10		23			
Transport survey in the Caribbean (08-17)	A	R	C															
<u>Ad Hoc</u> Export group on transport policy, 1971 (B) (08-19x)	A	NR	C															
08-2 Maritime transport																		
Advisory services in maritime transport (08-27)	A	R	C															
Advisory services in ports and harbours (08-28)	A	R	N															
09-4 Basic statistics				3				3					3					
Basic statistics (09-47) (new project)	A	R	N															
11-1 Meetings, seminars and courses on public administration				3		3		3		3			3		3			
Training programmes (11-17)	A	R	N															
Seminar on central services to local authorities (11-18)	A	NR	C															
Management, substantive support and technical co-operation activities				16				16					16					
<u>Total</u>				<u>72</u>	<u>6</u>	<u>72</u>		<u>84</u>	-	<u>72</u>			<u>84</u>	-	<u>72</u>			

Note: This unit has a General Service complement of one provisional post. The Government of Trinidad and Tobago finances seven additional local level posts.

Projects marked with an asterisk can be carried out as planned if new resources are made available.

a/ Includes two provisional posts approved for 1970.

Abbreviations: A, B, C: High, medium and lesser priority; C, N: Continuing, new project; R, NR: Recurrent, non-recurrent project; P: Professional; C: Consultant; RA: Regional Adviser; XB: Extra-budgetary.

(Rio de Janeiro)

UNIT: Rio de Janeiro Office

PROGRAMME: OO Economic development
and research

The purpose of this programme is to co-operate with the Government of Brazil in research and training activities.

The work programme, which is prepared annually in agreement with the Brazilian Government, consists of studies on specific features of the Brazilian economy and training courses.

DESCRIPTION OF SUBPROGRAMMES, 1971-1977

OO-0 Economic Survey of Latin America

The current analysis of the Brazilian economy is prepared for the annual Economic Survey.

01-3 Regional development in Brazil^{8/}

This subparagraph consists in co-operation with the Brazilian authorities in the analysis of regional and urban policy and planning.

05-1 Technology in Brazil^{9/}

This subprogramme consists in co-operation with the Brazilian authorities in analysing the technology factor in the manufacturing sector and the transfer of know-how.

LIST OF PROJECTS, 1971-1973

The specific projects to be undertaken by the Office have not yet been agreed upon with the competent authorities of the Brazilian Government.

Projects completed, 1969-1970

00-35 Some aspects of income distribution in the economy of Brazil

02-15 Promotion of exports of manufactures

01-55 Course on housing programming

Projects discontinued, dropped, postponed or consolidated

00-45 External financing in Brazil

^{8/} See also projects 00-52 "Regional development in selected countries" (Economic Development and Research Division); 00-31 "Regional and local development problems and policies in Latin America" (Social Affairs Division); and 02-22 "Regional integration and national integration" (Trade Policy Division).

^{9/} See also projects 00-22 "Assimilation of technological progress" (Economic Development and Research Division); 02-27 "Advisory services on trade policy and integration" (Office for the Caribbean); 05-3 "Technological change in Mexico", 04-094 "Progress in and resistance to technological change in Central America" and 04-24, "Identification of new industrial projects and of the requirements of technological research" (Mexico Office); 05-11 "The transfer of know-how in Brazilian industry" (Industrial Development Division); and 08-23 "Implications of technological innovation in maritime transport for Latin America" (Transport Programme).

ECLA: RIO DE JANEIRO OFFICE, 1971-1973^{a/}LISTING OF PROJECTS PLANNED FOR IMPLEMENTATION AND RELATED
REQUIREMENTS EXPRESSED IN TERMS OF MAN-MONTHS

Projects	A B C	R/ NR	CP/ N	1971			1972			1973			
				Regular budget			Regular budget			Regular budget			XB
				P	C	RA	P	C	RA	P	C	RA	
00-0 Economic Survey of Latin America	A	R	CP	12			6	12		6	18		6
01-3 Regional planning				12				12			18		
05-1 Technological research							6			6			6
<u>Total</u>				<u>24</u>			<u>12^{b/}</u>	<u>24</u>		<u>12^{b/}</u>	<u>36</u>		<u>12^{b/}</u>

Note: This office has seven extra-budgetary local posts.a/ The list of specific projects will be prepared jointly with the Brazilian Government.b/ Provided by ILPES.Abbreviations: A, B, C: High, medium and lesser priority; CP, N: Continuing, new project; R, NR: Recurrent, non-recurrent project; P: Professional; C: Consultant; RA: Regional Adviser; XB: Extra-budgetary.

UNIT: Social Affairs Division

PROGRAMME: 01 Social development

In the past, both the theoretical work on the basic problems of underdevelopment (i.e., diagnosis and planning) and practical action to deal with them have either entirely disregarded the social aspects of economic development or simply pushed them into the background. For some time now, however, there has been an effort to make good this omission. Considerable attention is now being devoted to diagnosing and resolving social problems, and already during the First Development Decade they were being treated from both the theoretical and the practical angle. The starting point for such work in the Second Development Decade must be a recognition of the fact that theoretical research and studies and practical action are obviously interdependent. In many areas, it is difficult to draw any clear line between social problems and economic problems. Hence the frequently interdisciplinary character of the analyses, research and studies carried out by the secretariat, so that what might appear to be duplication in the work programme of different divisions is nothing more than a complementary examination of every aspect of the problem.

The basic concepts, the targets and the strategy of social development in Latin America are entering a stage of controversy and rethinking which may well last through the 1970s. For example, doubts are being expressed as to whether current population growth rates, trends of employment and the foreseeable quality of the population in terms of schooling, training, motivations and health are in fact compatible with any of the proposed objectives of development.

It is also somewhat doubtful, should the present trends of growth and change persist, whether the economy and society can ever acquire the capacity to provide the entire population with employment and opportunities for social participation. The policies being pursued at present seem hesitant and contradictory.

It may also be wondered whether the patterns and models currently serving as a basis for decision-making in matters of production and investment, and the much-talked-of regional inequalities in respect of technical progress, modernization, standards of living, population density, and opportunities within the framework of a national society are compatible with long-term development, by whatever criterion it may be defined. There is considerable uncertainty about the feasibility and effectiveness of the policies that have been applied to achieve regional decentralization and reduce the regional inequalities.

Lastly, there is room for doubt as to whether the sectoral programmes (education, health, housing, social welfare and social security), which of all the social aspects of development have come in for most attention in the past, can without fundamental reforms in content and objectives, make the contributions required from them to the raising and redistribution of incomes, to economic and social structural change, and to the attainment of the other fundamental objectives of modern economic and social development strategies.

In view of the changing character of the problems to be studied and the limitations upon resources available for studying them, flexible long-term research plans are needed. The subjects that need further exploration include: (1) formulation of unified approaches to development policy and definition and measurement of the social factors within such unified approaches; (2) analysis of political structures and decision-making processes, leading to a better understanding of the constraints on development policy and means of bringing the structures and processes more into line

with development requirements; (3) the characteristics of youth (ideologies, leadership, social stratification, access to employment) and their impact on future development; (4) urban social marginality (a subject on which research is already under way).

The secretariat has already begun research on population policy, bearing in mind the requirements of economic and social development, and the role of population and population growth in relation to the problems that are part and parcel of such development.

Another major subject - which is as complex as that of population - is regional and local development policy. The secretariat has in the past devoted a considerable part of its energies to advisory services, training activities, etc., relating to some of what are called the "social sectors", in particular, community development, housing, and social welfare. On the basis of earlier studies and research, the advisory field will in the immediate future be confined virtually to regional and local development.

Lastly, the secretariat has been engaged, in co-operation with some of the other competent international organizations, in studies of various aspects of employment policy. Continuing attention will be given to this subject within the wider context of developing policy, with specific activities governed by the objective of exploring important aspects not covered by other organizations.

DESCRIPTION OF SUBPROGRAMMES, 1971-1977

01-0 Social aspects of development

This subprogramme consists of a series of studies of components of Latin American social and political structures that are undergoing changes and are important for development policy.

01-1 Social policy and planning

This subprogramme includes both the formulation of general principles for policy and attempts to apply those principles to specific policy sectors.

01-2 Population policy

This is an attempt to lay a sound basis for the formulation of measures having to do with population increase, distribution and characteristics.

01-3 Regional and local development

The purpose of this subprogramme is to study the spatial aspects of development and to seek possible ways of reducing internal regional disequilibria, promoting local development, and regionalizing national development policies.

01-4 Social aspects of employment policy

This subprogramme aims at gaining a better understanding of the implications of present social change processes for the attainment of full employment objectives.

LIST OF PROJECTS, 1971-1973^{10/}

The process of urbanization and problems of marginal social groups (01-01)

During the second half of 1969 two sample surveys of marginal social groups were undertaken in Santiago and Guyaquil, financed with funds obtained through the United Nations Social Development Division. During 1970 data from these studies were processed. Related field investigations of social aspects of industrialization were undertaken in Quito and Lima during 1970. Work on analysis of findings will continue during 1971. Additional investigations may be undertaken should resources become available. The purpose of this project is to gain a better understanding of the origins and characteristics of urban marginal populations as a basis for employment policies and urban development policies.

Initiation:	1968	Authority:	ECLA 230 (X)
Completion:	Subject to availability of funds	Priority:	High

Modernization of political structures and sociological aspects of bureaucracy (01-03)

Some work has been done on this project but it has not been possible to undertake specific studies. A study of one aspect of this topic is now envisaged for 1971.

Initiation:	1970	Authority:	ECLA 189 (IX) and
Completion:	1971		230 (X)
		Priority:	Medium

Youth and its participation in economic and social development (01-06) (new project)

This is a research project on young people in Latin America to determine their participation in: (a) the formulation of development policies; (b) the implementation of such policies. This research will be directly linked with the work on project 01-12 "Unified approach to development analysis and planning", which is being carried out by the United Nations Social Development Division, the United Nations Research Institute for Social Development (UNRISD) and ECLA.

Initiation:	Early 1971 ^{11/}	Authority:	ECLA 189 (IX) and
Completion:	Late 1971 ^{11/}		230 (X)
		Priority:	Medium

Unified approach to development analysis and planning (01-12) (new project)

This project represents a continuation of work done previously under projects 01-1 and 01-11, which was completed with the publication of "Social Change and Social Development Policy in Latin America".

Initiation:	Early 1971	Authority:	ECLA 290 (XIII) and
Completion:	End 1972		General Assembly
			resolution 2543 (XXIV)
		Priority:	High

^{10/} Other projects in the field of social development are listed under the Mexico Office and the Office for the Caribbean.

^{11/} Provided that external financing can be obtained.

The demographic situation and its policy implications (01-21)

Because of the complexity of the population variable, this study takes an interdisciplinary approach, using as a frame of reference the wide range of difference in the development process in the region and incorporating into it the population factor as an interdependent variable. The study includes the sections of the following subjects: economic and social factors affecting demographic trends; economic and social consequences of current demographic trends in the region; activities at the public and private levels that tend to rationalize certain components of the population picture, and evaluation of their effectiveness. A preliminary version of the study was presented to the Commission at its fourteenth session. In the third phase more intensive studies are being undertaken of fertility, internal migration, urbanization, and family planning. This project depends in part on resources from the United Nations Fund for Population Activities and has been affected by delays in recruitment for posts financed by the Fund.

Initiation:	Late 1970 (third phase)	Authority:	ECLA 238 (X) and 290 (XIII)
Completion:	1971	Priority:	High

Expert Group to evaluate the population programme (XB) 1971 (01-22) (new project)

The purpose of this meeting is to seek the advice of a small number of experts on the development of the ECLA population research programme. It is to be financed out of extra-budgetary funds provided by the United Nations Fund for Population Activities.

Initiation:	Late 1970	Authority:	ECLA 290 (XIII)
Completion:	Late 1971	Priority:	Medium

Regional and local development problems and policies in Latin America (01-31)^{12/}

This study will concentrate on analysing the economic effectiveness of existing and proposed development models, on gaining a more systematic idea of economic interchange among national regions within certain Latin American countries, and on analysing the socio-political viability of the policies chosen to solve regional problems. The next step in this study is the preparation of a series of monographs on the regional problems of each of the Latin American countries and a systematic study of over-all planning decisions with particular reference to decisions having regional implications. As regards methodology, special emphasis will be placed on associating the broad masses of the people with planning.

Initiation:	1970	Authority:	ECLA 231 (X) and 290 (XIII)
Completion:	1971	Priority:	High

Course on Regional Development Planning, 1971, 1972, 1973 (XB) (01-33) (new project)

The first of these courses was held in 1970, in co-operation with ILPES. They will be held in a different country each year in co-operation with national institutes concerned with regional development.

Initiation:	Mid-year	Authority:	ECLA 290 (XIII)
Completion:	Late each year	Priority:	High

^{12/} See also projects 00-52 "Regional development in selected countries" (Economic Development and Research Division); 01-3 "Regional development in Brazil" (Rio de Janeiro Office); and 02-22 "Regional integration and national integration" (Trade Policy Division).

The costs of urban expansion in Latin America (01-43) (new project)

The purpose of this project is to conduct a case study during 1971 of the costs of urban expansion in a major Latin American city with a view to developing a methodology that could be readily applied to other cases. This project will depend on the possibility of obtaining external financing.

Initiation: Early 1971
Completion: Late 1971

Authority: ECLA 230 (X)
Priority: Medium

Social aspects of employment policy (01-41)^{13/}

This project is linked with the work programme of the Inter-Agency Regional Employment Programme for Latin America (Ottawa Plan). ECLA prepared draft documents in 1970 on labour markets and employment policy that are to be revised and consolidated during 1971. Further work is subordinated to the regional development and marginality studies described above.

Initiation: Mid-1970 (third phase)
Completion: Mid-1971

Authority: ECLA 227 (XII) and
290 (XIII)
Priority: Medium

Projects completed, 1969-1970

- 01-02 Social significance of the distribution of income
- 01-11 Techniques of programming in the different social sectors
- 01-21 The demographic situation and its policy implications (second phase)
- 01-21x Regional Population Conference (Mexico, 1970) (XB)
- 01-32 Working Group on Regional and Local Development
- 01-33 Course on Regional Development Planning, 1970

Projects discontinued, dropped, postponed or consolidated, 1969-1970

- 01-04 Expert Group on Social Policy Problems in Latin America 1971
- 01-12 Social welfare in the context of social sectoral policy

^{13/} See also projects 00-87 "The problem of unemployment and economic and social development in the Caribbean" and 01-27 "Manpower utilization in the Caribbean" (Office for the Caribbean); 06-2 "Rural employment and unemployment in Mexico" and 04-092 "Employment situation in Central America" (Mexico Office); and 05-81 "Macroeconomic aspects of industrial growth" (Industrial Development Division).

ECLA: SOCIAL AFFAIRS DIVISION

LISTING OF PROJECTS PLANNED FOR IMPLEMENTATION AND RELATED
REQUIREMENTS EXPRESSED IN TERMS OF MAN-MONTHS

Projects	A B C	R/ NR	CP/ N	1971				1972				1973			
				Regular budget			XB	Regular budget			XB	Regular budget			XB
				P	C	RA		P	C	RA		P	C	RA	
01-0 Social aspects of development															
The process of urbanization and problems of marginal social groups (01-01)	A	NR	CP	6				12				12			
Modernization of political structures and sociological aspects of bureaucracy (01-03)	B	NR	CP	5											
Youth and its participation in economic and social development (01-06)	B	NR	N	3											
01-1 Social policy and planning							6					20			
Unified approach to development analysis and planning (01-12)	A	NR	N	20				20							
01-2 Population policy							48 ^{a/}	24				24			
The demographic situation and its policy implications (01-21) (third phase)	A	NR	CP	12											
Expert Group to Evaluate Population Programmes 1971 (XB) (01-22)	A	NR	CP	12											
01-3 Regional and local development								12	6	12		12	6	12	
Regional and local development problems and policies in Latin America (01-31)	A	R	CP	12	6	6									
Course on Regional Development Planning 1971, 1972, 1973 (01-33)	A	R	CP	12		6		12				12			
The costs of urban expansion (01-35)	B	NR	N	4											
01-4 Social aspects of employment policy								12				12			
Social aspects of employment policy (third phase) (01-41)	B	R	CP	6											
Management, substantive support and technical co-operation activities				4				4				16			
<u>Total</u>				<u>96</u>	<u>6</u>	<u>18</u>	<u>48^{a/}</u>	<u>96</u>	<u>6</u>	<u>12</u>		<u>108</u>	<u>6</u>	<u>12</u>	

Note: The General Service complement consists of five established posts, including one provisional post, in 1971.

a/ Financed by United Nations Fund for Population Activities.

Abbreviations: A, B, C: High, medium and lesser priority; CP, N: Continuing, new project; R, NR: Recurrent, non-recurrent project; P: Professional; C: Consultant; RA: Regional Adviser; XB: Extra-budgetary.

UNIT: Trade Policy Division

PROGRAMME: 02 Trade policy and integration

The developing countries have laid special stress on the fact that they must be free to formulate and implement their domestic policies independently, even when such policies form part of a collective effort to overcome their own particular problems. The reasons for such an attitude are easily grasped. But it is not always easy to trace the dividing line between measures that are strictly national in scope and those that go beyond national limits. At the same time, considering that the Second United Nations Development Decade is an international undertaking in which some countries make commitments in favour of others in the fields of trade and financial aid, each of the recipient countries must be prepared to co-operate fully in the examination and evaluation of its own domestic policies; this does not mean that their policies would have to be submitted to an international authority for decision, but that they would at least be compared with other experiments and the extent to which these past experiments have or have not been compatible with the general aims and objectives of the Second Development Decade.

In this area, the work programme of the secretariat comprises studies and research on national policies, analysis of the measures adopted or which should be adopted at the international level, and evaluation of the progress which is being made towards fulfilling the objectives of the Second Development Decade.

Sufficient importance has not always been attached to the definition of the objectives and strategy of trade policy, an essential component of development programmes, when the whole range of policies and measures connected with the mobilization of domestic resources was under consideration. In most Latin American countries, trade policy has been characterized by its passivity, its lack of long-term objectives and by the fact that it is largely made up of isolated measures designed to meet permanent or temporary pressures and disequilibria on the balance of payments. As a result of this approach, in most countries trade policy has come to be identified almost exclusively with efforts to obtain specific concessions from the developed countries in the fields of trade and financial assistance. Intensive action was undertaken by the developing countries in the 1960s to obtain decisions and commitments on the liberalization of trade and an increase in transfer payments through agencies like GATT and UNCTAD.

This approach to trade policy was of course due to a set of specific circumstances. Given the structure of the foreign trade of the Latin American countries, it can be seen that if exports are to expand, the developed countries must adopt a more liberal policy with regard to access to their markets. But this, by itself, is not enough. Internal measures and policies which will help to modify the prevailing structure of external trade and the conditions governing exports and imports are essential also.

The scope of the work programme is therefore being expanded to include study of the measures which go to make up trade policy at the national level, that is to say, an analysis of the objectives, the formulation and the implementation of national trade policy in the context of the development strategy for the forthcoming decade. The study of measures and policies at the national level is also dictated by the need to take account of the progress being made in the adoption of measures at the international level, of the kind that may be adopted following the establishment of the system of general preferences in favour of the developing countries' exports of manufactures; if these countries are to take full advantage of the system, they must adopt internal measures suited to the requirements of the international market.

The study of measures and policies at the national level will fall under two headings: (1) determination of the objectives and strategy of the trade policy of the Latin American countries; and (2) study of the institutional machinery required for the formulation and implementation of trade policy.

Research under point (1) aims at making a broader and more detailed analysis of the trade policies followed by the countries of the region (particularly during the past decade), mainly with a view to determining the basic role of manufactures and semi-manufactures in the expansion of total exports and to linking this role with other facets of general economic policy.

In the context of measures intended to achieve the most effective mobilization of domestic resources, consideration must therefore be given to how far the present objectives of trade policy are in harmony with the over-all objectives of development policy, particularly in the fields of investment, industry, agriculture, etc. On the other hand, when analysing the instruments of trade policy (tariffs, exchange regulations, export and import systems) it will be necessary to investigate the compatibility of the various measures and the extent to which they are effectively applied, so that the study is not limited to an abstract analysis of changes that have occurred in legislation, but may help to assess whether effective use has been made of those instruments.

The research provided for under point (2) is essentially complementary to the above: here, the way in which trade policy is developed and applied is analysed from an institutional standpoint. The number and nature of the public, semi-public and private agencies which participate directly or indirectly in the formulation of trade policy varies from country to country, and the policy therefore reflects the influence of the different pressure groups. At the same time, the effectiveness of the various measures adopted depends partly on how the agencies responsible for their implementation and control operate.

In the 1960s there was much discussion at the international level of measures that might be adopted for the benefit of the developing countries. The two sessions of the United Nations Conference on Trade and Development and the GATT meetings at the ministerial level produced a set of recommendations covering nearly all the fields of economic activity. The immediate and fundamental task is therefore to reach agreements for the implementation of existing recommendations rather than to produce new recommendations. The measures adopted at the international level should be concentrated in the following spheres: (a) expansion of exports; (b) financial aid; (c) transfer of technology.

As regards financial aid, the main objectives of the Second Development Decade are: to attain the minimum target established at the second session of UNCTAD by obtaining a commitment from the developed countries to achieve that goal within a relatively short period; to eliminate the restrictions associated with tied aid; and to find acceptable solutions to the problems of excessive external indebtedness. There are recommendations and commitments on each of these questions which only require proper implementation; these would appear to determine the guidelines for action in this field.

(Trade)

DESCRIPTION OF SUBPROGRAMMES, 1971-1977

02-1 Trade and development

This comprises studies of the part played by the Latin American countries in UNCTAD and GATT, studies on Latin America's trade relations with the rest of the world, including questions of strategy, measures for promoting exports of manufactures, restrictions affecting trade, financial assistance (including foreign investment) and co-operation with CECLA and other Latin American groups in organizations such as UNCTAD or in dealings with the European Common Market. The effects of exchange rates and exchange policy on trade on manufactures are also studied under this subprogramme.

02-2 Intra-regional trade and economic integration

This covers studies on trade trends and problems in the region, the economic integration of Latin America, studies in connexion with ALALC, and participation by means of studies and advisory assistance in subregional integration movements, such as the Andean Group, CARIFTA, etc.

02-3 Courses, meetings and regional advisory services

These comprise advisory assistance rendered by the regional advisers attached to the Division, regional courses on trade policy, and meetings and seminars on questions connected with the above-mentioned subprogrammes.

LIST OF PROJECTS, 1971-1973^{14/}

Promotion of exports of manufactures and semi-manufactures (02-11)

This involves an analysis of the problems and obstacles impeding the expansion of exports of manufactures and semi-manufactures from the Latin American countries, and the identification of the measures required in the domestic and external spheres to solve these problems (see also Export Promotion Programme).

Initiation:	1968	Authority:	ECLA 269 (XII), 289 (XIII),
Completion:	To be determined		290 (XIII) and 291 (XIII)
		Priority:	High

Comparative study of international costs and prices in relation to trade in manufactures (02-12) (formerly 02-431)

An examination will be made of the way in which comparative international cost and price levels in the industries of different Latin American countries are affected by excessively high and fluctuating exchange rates, inflation, etc., in the context of the development of regional trade in manufactures and semi-manufactures. The study will relate mainly to economic integration, but it will also cover trade with countries outside the region. This study has been postponed on several occasions for lack of funds.

Initiation:	Pending	Authority:	ECLA 267 (XII)
Completion:		Priority:	High

^{14/} Other projects in the field of trade policies are listed under the Mexico Office, the Office for the Caribbean and the Montevideo and Bogotá Offices. See also project 00-23 "Economic aspects of integration" (Economic Development and Research Division).

Study of the trade policy of the Latin American countries (Second Development Decade) (02-13)

This involves an analysis of the evolution of trade policy in the Latin American countries with a view to showing the objectives that have been pursued and how far they have been achieved, and to pointing to the limitations or defects in the operational aspects of such policy. An attempt will also be made to determine whether the trade policy measures have maintained the necessary coherence or compatibility with elements of general economic policy.

Initiation:	Mid-1970	Authority:	ECLA 290, 291 (XIII)
Completion:	Late 1972	Priority:	High

Trade and financial relations between Latin America and the developed market-economy countries (02-141) (new project)

This study will examine the specific problems of the trade and financial relations of the Latin American countries with the principal developed market-economy countries, especially in connexion with the institutional mechanisms that exist or that may be established with some of those countries for holding consultations and negotiations on the measures that should be adopted to solve those problems.

Initiation:	Mid-1971	Authority:	ECLA 289, 290, 291 (XIII)
Completion:	To be determined	Priority:	High

Trade and financial relations between Latin America and Japan: suggestions for possible lines of action (02-142)

This project constitutes the continuation of a study, that has already been partially completed, on commercial and financial relations with Japan. It is intended to study the lines of action open to the Latin American countries for establishing a dialogue with Japan on the problems of reciprocal trade and on other aspects of financial co-operation and technical assistance.

Initiation:	Mid-1970	Authority:	ECLA 289 (XIII)
Completion:	-	Priority:	High

Latin American trade and economic relations with centrally planned economies (02-143) (new project)

This will be a study of trade and economic relations with centrally planned economies along the same lines as those of relations with the United States, the European Common Market and Japan.

Initiation:	1971	Authority:	291 (XIII)
Completion:	To be determined	Priority:	High

Collaboration with UNCTAD and advisory assistance to the group of Latin American countries within UNCTAD (02-15)

The aim of this permanent activity is to maintain close co-ordination with the work of the UNCTAD secretariat in the field of international trade and external financing, and at the same time to provide advisory assistance, when requested, to the group of

(Trade)

Latin American countries in the preparation of reports and memoranda on specific themes under discussion in the subsidiary organs of the Trade and Development Board.

Initiation:	Permanent	Authority:	ECLA 289, 290, 291 (XIII)
Completion:	Permanent	Priority:	High

Definition of the elements and instruments of a trade policy for the Latin American countries (02-16)

This study will set forth the general lines of a trade policy for the Latin American countries, and will define the specific objectives of such a policy and the operational instruments or mechanisms through which it may be implemented. In the context of the "International Development Strategy for the Second Development Decade", an attempt will be made to define the possible alternative lines of trade policy so as to enable the goals established in the Strategy to be achieved in so far as they relate to internal action by the Latin American countries.

Initiation:	1971	Authority:	ECLA 269 (XIII), 273 (XII),
Completion:	To be determined		289 (XIII), 291 (XIII)
		Priority:	High

Studies and collaboration requested by CECLA (02-19) (new project)

These activities have been going on for several years, but they are now included in the work programme for the first time as a specific project.

Initiation:	Permanent	Authority:	ECLA 285 (XIII)
Completion:	Permanent	Priority:	High

Regional integration and national integration (02-22)^{15/}

A study will be made of the possible influence of regional integration on national integration.

Initiation:	To be determined	Authority:	ECLA 265 (XII) and 290 (XIII)
Completion:	To be determined	Priority:	Medium

Regional course on trade policy, 1971, 1972 1973 (02-32)

This course is given annually and lasts seven weeks. The participants are government officials from the countries of the region. Preparation and follow-up activities require one man-year, provided by the United Nations Office of Technical Co-operation.

Initiation:	January every year	Authority:	ECLA 214 (X) and 291 (XIII)
Completion:	December every year	Priority:	High

^{15/} See also projects 00-52 "Regional development in selected countries" (Economic Development and Research Division); 01-3 "Regional development in Brazil" (Rio de Janeiro Office); and 01-31 "Regional and local development problems and policies in Latin America" (Social Affairs Division).

Expert Group on Trade Policy, 1972 (I) (02-34)

This meeting, previously scheduled for 1970, will be held in Santiago in the first half of 1972. It will be attended by twelve participants and will last ten working days. The cost will be borne by ECLA, subject to the approval of the United Nations budgetary bodies.

Initiation: Late 1971

Authority: ECLA 291 (XIII)

Completion: Late 1972

Priority: High

Advisory services by regional advisers (02-36)

A number of regional advisers are available for co-operation with government officials.

Initiation: Continuing

Authority: ECLA 291 (XIII) and TC 11 (II)

Completion: As missions are completed

Priority: High

Projects completed, 1969-1970

02-13 Review of the trade policy of the Latin American countries (Second Development Decade)

Trade and financial relations between Latin America and the United States

02-14 Relations between Latin America and the European Economic Community

02-16 Formulation and implementation of trade policy for the Latin American countries

02-31 First regional course on export promotion, 1970

02-32 Fourth and fifth regional courses on trade policy, 1969 and 1970

Projects discontinued, dropped, postponed or consolidated, 1969-1970

02-21 Latin American participation in trade negotiations between developing countries (postponed until 1972)

02-33 Expert group to evaluate the extent to which the trade policy commitments assumed by the developed countries have been fulfilled

02-35 Expert group on intra-regional trade and economic integration

ECLA: TRADE POLICY DIVISION
LISTING OF PROJECTS PLANNED FOR IMPLEMENTATION AND RELATED
REQUIREMENTS EXPRESSED IN TERMS OF MAN-MONTHS

Projects	A B C	R/ NR	CP/ N	1971				1972				1973			
				Regular budget			XB	Regular budget			XB	Regular budget			XB
				P	C	RA		P	C	RA		P	C	RA	
02-1 Trade and development				54				54				54			
Promotion of exports of manufactures and semi-manufactures (02-11)	A	NR	CP												
Comparative study of international costs and prices in relation to trade in manufactures (02-12)	A	NR	CP												
Study of the trade policy of the Latin American countries (Second Development Decade) (02-13)	A	NR	CP												
Trade and financial relations between Latin America and the developed market-economy countries (02-141)	A	NR	N												
Trade and financial relations between Latin America and Japan: suggestions for possible lines of action (02-142)	A	NR	CP												
Latin American trade and economic relations with centrally-planned economies (02-143)	A	NR	N												
Collaboration with UNCTAD and advisory assistance to the group of Latin American countries within UNCTAD (02-15)	A	R	CP												
Definition of the elements and instruments of a trade policy for the Latin American countries (02-16)	A	NR	CP												
Studies and collaboration requested by CECLA (02-19)	A	R	N												
02-2 Intra-regional trade and economic integration				54	6			54	6			54	6		
Regional integration and national integration (02-22)	B	NR	CP												
02-3 Courses, meetings and regional advisory services															
Regional course on trade policy 1971, 1972, 1973 (02-32)	A	R	N	10		5		10		5		10		8	
Ad Hoc Expert Group on Trade Policy, 1972 (B) (02-34)	A	NR	CP			3				3					
Advisory services by regional advisers and regular staff (02-36)	A	R	CP	10		28		10		28		10		28	
Management, substantive support and technical co-operation activities				4				4				4			
Total				132 ^{a/}	6	36		132 ^{a/}	6	36		132 ^{a/}	6	36	

Note: The General Service complement consists of six established posts in 1971.

a/ Includes one provisional post approved for 1970.

Abbreviations: A, B, C: High, medium and lesser priority; CP, N: Continuing, new project; R, NR: Recurrent, non-recurrent project; P: Professional; C: Consultant; RA: Regional Adviser; XB: Extra-budgetary.

UNIT: Montevideo Office

PROGRAMME: 03 Work with ALALC, the Andean
Group and CARIFTA

This Office represents the ECLA secretariat in its dealings with the organs of the Latin American Free Trade Association (ALALC) and participates directly in their meetings and studies, especially in the activities of the Standing Executive Committee; in reports to the ECLA secretariat on ALALC's progress, on the activities of the Standing Executive Committee and the advisory and consultative bodies, and on the work of the ALALC secretariat; establishes co-ordination and liaison between the two secretariats in connexion with their respective work in the field of regional economic integration; and co-operates with the delegations of member countries in the study of various technical problems.

DESCRIPTION OF SUBPROGRAMMES, 1971-1977

03-0 General studies relating to ALALC

Work under this subprogramme consists in the preparation of material to assist in determining ECLA's contribution to work on evaluating the progress of the integration movement. Work has begun on the compilation and classification of the data required for evaluating, as precisely as possible, the way in which the commitments undertaken under the Montevideo Treaty have been fulfilled and the results of the operation of the Treaty.

03-1 Advisory services to the ALALC secretariat and member countries

This subprogramme follows the main guidelines of the ALALC Action Plan (1970-1980), and the priorities for the period 1970-1973 which were established by the Standing Executive Committee in June 1970. ECLA's main contribution is in the fields of trade policy, industrial complementarity and agriculture, but it also covers other fields, such as transport, financial and monetary policy, and statistics. The activities planned under this subprogramme, and especially under project 03-11, will absorb virtually all the current working capacity of the Office and will also require specialized support from ECLA headquarters.

These activities are in fulfilment of the provisions regarding permanent technical assistance for the organs of ALALC contained in article 44 of the Montevideo Treaty and the Protocol annexed to the Treaty on the collaboration of ECLA and IA-ECOSOC.

LIST OF PROJECTS, 1971-1973

Harmonization of the trade policies of the Contracting Parties of ALALC (03-01)

Work in connexion with the formulation of a progressive programme of harmonization of trade policies has been brought into line with the priorities set in the ALALC Action Plan (1970-1980).

Initiation: Under way
Completion: To be determined

Authority: ECLA 265 (XII), 290 (XIII) and
293 (XIII)
Priority: High

(Montevideo)

Common external tariff (03-02)

The aim is to carry out a study that will clarify the basic assumptions of the common external tariff with a view to facilitating the formulation of a policy for the gradual harmonization of the standards and procedures currently being applied.

In view of the great differences in national tariff policies and in the machinery through which they are applied, and of the fact that these policies have a bearing on substantive aspects of the economic policy of the Contracting Parties, there is a need for a study to facilitate the adoption of a programme of gradual harmonization at the area level as the necessary first step towards the eventual adoption of a common tariff. This study would require an estimated six expert man-months and should be initiated during the first four months of 1971.

Initiation: Early 1971

Completion: Mid-1971

Authority: ECLA 290 (XIII) and 293 (XIII)

Priority: High

Non-tariff barriers (03-03) (new project)

The purpose of this study is to smooth the way for the implementation of the trade liberalization programme established in the Montevideo Treaty and to help clarify the existing situation as a basis for starting the area programme for the harmonization of trade policies.

Initiation: Early 1971

Completion: Late 1972

Authority: ECLA 290 (XIII) and 293 (XIII)

Priority: High

Co-operation with the ALALC secretariat (03-11)

This project absorbs most of the resources of the Montevideo Office and it consists in answering inquiries, providing assistance for meetings of working groups and of the ALALC organs, and preparing working documents.

Initiation: Continuing

Completion: As the different

activities are completed

Authority: ECLA 265 (XII), 290 (XIII) and

293 (XIII)

Priority: High

Projects completed, 1969-1970

Under project 03-11, work was completed on the following:

Evaluation of the integration process

Reciprocal trade and the ALALC negotiating machinery

Draft uniform customs code

Study of economic integration in Latin America and assistance to the regional and subregional integration organs

ECLA: MONTEVIDEO OFFICE
 LISTING OF PROJECTS PLANNED FOR IMPLEMENTATION AND RELATED
 REQUIREMENTS EXPRESSED IN TERMS OF MAN-MONTHS

Projects	A B C	R/ NR	CP/ N	1971				1972				1973				
				Regular budget			XB	Regular budget			XB	Regular budget			XB	
				P	C	RA		P	P	C		RA	P	P		C
03-0 General studies relating to LAFTA																
Harmonization of the trade policies of the Contracting Parties of LAFTA (03-01)	A	R	CP	12				12		6			12		6	
Common external tariff (03-02)	A	R	CP		6											
Non-tariff restriction (03-03)	A	NR	N													
03-1 Advisory services to the LAFTA secretariat and member countries																
Co-operation with LAFTA (03-11)	A	R	CP	12				12					24			
<u>Total</u>				<u>24</u>	<u>6</u>			<u>24</u>	<u>6</u>				<u>36</u>	<u>6</u>		

Note: The General Service complement consists of one established post in 1971.

Abbreviations: A, B, C: High, medium and lesser priority; CP, N: Continuing, new project; R, NR: Recurrent, non-recurrent project; P: Professional; C: Consultant; RA: Regional Adviser; XB: Extra-budgetary.

(Bogotá)

UNIT: Bogotá Office

PROGRAMME: 03 Work with ALALC, the Andean
Group and CARIFTA

One of the purposes of this Office is to prepare and co-ordinate specific studies relating to the economic integration of the countries that are members of the Andean Group.

DESCRIPTION OF SUBPROGRAMMES, 1971-1977

00-0 Economic Survey of Latin America

One of the Office's continuing tasks consists in reviewing economic development and economic trends in Colombia, Ecuador and Venezuela.

03-2 General studies relating to the Andean Group

The Bogotá Office devotes a good deal of its time to reviewing developments relating to the Andean countries' participation in the economic integration process, and it undertakes technical studies upon request by Governments.

03-3 Advisory services

The Bogotá Office collaborates directly, upon request, with the integration agencies of the Andean Group.

Work completed, 1969-1970

Under subprogramme 03-2, the Office co-operated in the preparation of working documents for use by the Andean subregional integration movement.

ECLA: BOGOTA OFFICE

LISTING OF PROJECTS PLANNED FOR IMPLEMENTATION AND RELATED
REQUIREMENTS EXPRESSED IN TERMS OF MAN-MONTHS

Projects	A B C	R/ NR	CP/ N	1971				1972				1973			
				Regular budget			XB	Regular budget			XB	Regular budget			XB
				P	C	RA		P	C	RA		P	C	RA	
00-0 Economic Survey of Latin America	B	R	CP	2				6				6			
03-2 General studies relating to the Andean Groups	A	R	CP	5				8				8			
03-3 Advisory services to the Andean Group	A	R	CP	5				10				10			
<u>Total</u>				<u>12</u>				<u>24</u>				<u>24</u>			

Abbreviations: A, B, C: High, medium and lesser priority; CP, N: Continuing, new project; R, NR: Recurrent, non-recurrent project; P: Professional; C: Consultant; RA: Regional Adviser; XB: Extra-budgetary.

(Mexico)

UNIT: Mexico Office

PROGRAMME: I. Economic development of Mexico
and the Caribbean area
II. Central American economic
integration

The basic approach and objectives of the Office's programme of work are determined by the resolutions adopted every two years at the ECLA sessions, the resolutions of the Central American Economic Co-operation Committee, and the action programmes of the United Nations, particularly those established by ECLA headquarters at Santiago. Following these guidelines, the Office has been able gradually to cover priority areas of basic research and economic and social policy that will help to make systematic progress towards greater understanding of the situation of the countries coming within its sphere of responsibility and towards taking up new aspects or problems of development. This approach has made it possible to benefit from past studies and to use them as a point of departure for more searching and wide-ranging analyses. This is the reason for the changes and modifications made in the present programme of work. While the programme of work formerly focused on studying the over-all problems and trends of development, the formation of the Central American Common Market, and the development of various sectors or branches of economic activity, henceforth - although without neglecting these fields - it will begin to cover different and complementary areas, relating, for example, to employment, the mobilization of resources for development, use of natural resources, technological change and the improvement or expansion of programmes of economic co-operation.

Programme I: Economic development of Mexico and the Caribbean area

Since its establishment, the Mexico Office has been providing technical assistance and carrying out both general and specific studies on Mexico and the Caribbean countries. The programme of work for the period 1971-1973 provides for continuing the periodical evaluations of economic trends in these countries, and for implementing a number of projects closely linked to the Second United Nations Development Decade and projects sponsored by ECLA for the Latin American region as a whole, or for the subregion. For this purpose, provision has been made for carrying out studies and furnishing advisory assistance relating to industrial policy, agricultural development, transport, domestic and external financing, employment and the establishment of economic co-operation links between the Caribbean area, Central America and other countries or groups of countries.

Programme II: Central American economic integration

Since 1951, the Mexico Office has been the United Nations unit with over-all responsibility for the Central American Economic Integration Programme, which covers Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama. It has furnished technical assistance to Governments and regional integration agencies, and provides secretariat, research and basic documentation services for the Central American Economic Co-operation Committee and its subsidiary organs (the Trade; Statistical Co-ordination; Transport; Housing; Building and Planning; Agricultural Development; and Electric Power Resources Sub-Committees, and regional and advisory groups on specialized sectoral questions).

DESCRIPTION OF SUBPROGRAMMES, 1971-1977

Programme I00 Economic development and research

This subprogramme covers research work relating to the development of Mexico and the Caribbean. The main studies planned deal with problems of external financing, mobilization of resources, income distribution and employment, trade relations, industrial complementarity, and development of the basic infrastructure in Mexico, Central America and the Caribbean.

05 Industrial development

The main purposes are to examine the relationship between economic development and industrialization policy; to evaluate the suitability of industrial policy with respect to new development objectives; and to co-operate in the compilation and analysis of data on selected branches of the manufacturing sector. The subprogramme is also designed to complement the basic data on the Mexican economy, and to provide the data and analytical work needed for the over-all and sectoral studies undertaken by the ECLA secretariat at the regional level.

06 Economic problems of agriculture

The main studies planned include analysis and over-all evaluation of irrigation policy in relation to the economic development of the agricultural sector; the past performance, problems and prospects of the livestock breeding industry; and an examination of employment in rural areas. This work is designed to include a number of topics relatively untouched in analyses of agricultural development, for subsequent inclusion in basic and economic policy studies.

09 Statistics

This subprogramme covers the compilation of statistics for studies on Mexico and the Caribbean, including the Economic Survey and the Statistical Bulletin.

10 Economic projections and planning

The main activities planned include the organization and direction of intensive courses to be held in Mexico City and other Mexican cities and the provision of teaching staff for them.

Programme II04-0 Economic development and planning in Central America

A number of activities are planned, including advising and co-operating with Central American integration agencies with a view to improving planning systems and speeding up development and economic and social integration in the region. Manpower problems, financing, methods of analysis, the operation of the public sector, and technology will be studied.

04-1 Trade policy of Central America

The main activities to be undertaken relate to the improving of the Common Market and the formation of a Central American customs union. The Office will also co-operate

(Mexico)

in the preparation of studies on the participation of the Central American Common Market in the Latin American integration process, in regional export promotion activities, and in the formulation of strategies for negotiations with third countries. The work and studies will be examined at the two meetings of the Central American Trade Sub-Committee scheduled for 1971 and 1973.

04-2 Industrial development of Central America

By 1971 preliminary studies on industrial policy and import substitution and protection in Central America will have been completed. The Office will continue to provide technical advisory services on the formulation and application of agreements and regulations for promoting industrial development, and it will develop guidelines for the planned industrial development of Central America during the Second United Nations Development Decade. It is also planned to resume the search for new industrial development possibilities within the Central American Common Market, to identify the needs for technological research, and to begin work on a set of projections of industrial growth which will provide a frame of reference for defining new economic policies at the regional level.

04-3 Agricultural development of Central America

Activities planned include co-operation with Central American integration agencies for the improvement of regional agricultural development policy; full participation in the work of the inter-agency group that is examining various agricultural and social aspects of rural development; and initiation of a study on the beef cattle industry for export and domestic consumption. The Central American Agricultural Development Sub-Committee may be convened to analyse the documents produced.

04-41 Transport in Central America

Activities will include advisory services to governments and regional agencies on highway development policy and projects; the completion of a study on alternative methods of transport within the Central American Common Market; definition of the most suitable geometrical design standards for the region; and technical assistance on shipping, harbour and customs policy at the national and regional levels. The Central American Transport Sub-Committee may be convened in 1972 to consider the results of the studies produced.

04-42 Telecommunications in Central America

The Office will co-operate with Central American Governments and agencies, upon request, on matters relating to the establishment of a Central American telecommunications system.

04-43 Electric power in Central America

Activities planned include the provision of technical assistance to Governments and regional agencies and the preparation of a number of reports on electricity development in Central America; and promotion of the programme of long-term multilateral electricity interconnexion and short-term bilateral projects.

04-44 Natural resources in Central America

Studies will be made on important drainage basins in the region and on costs and rates of water services, with a view to establishing uniform criteria for evaluating competing water uses. The subprogramme will also include a regional evaluation study of energy resources, subject to support from UNIDO and the Special Fund component of UNDP.

04-5 Statistics in Central America

This subprogramme covers the compilation of statistics for studies on Central America, including the annual Economic Survey and the Statistical Bulletin. The Office also co-operates with the statistical offices of the Central American countries and with integration agencies concerned with co-ordinating statistics at the regional level.

LIST OF PROJECTS, 1971-1973

(Projects marked with an asterisk can be carried out within the period indicated only if the additional resources requested for 1972 are approved and all vacancies are filled.)

Programme IEconomic Survey of Latin America (00-01)

The Economic Development Section is responsible for carrying out periodic research in co-operation with the other sections and staff of the Mexico Office. The aim is to make an over-all and sectoral evaluation of the development of the Mexican economy, highlighting the main events of the preceding year.

Initiation:	Continuing	Authority:	ECLA 44 (V), 64 (V) and 79 (VI)
Completion:	Continuing	Priority:	High

The problem of external financing in Latin America in the Second Development Decade (00-02) (new name and number)

This will be an attempt to analyse the part played by the external sector in the economic development of Mexico, with special reference to the policy of expanding exports of manufactures, import substitution, investment and external financing. The project will form part of the regional research being carried out by the ECLA secretariat under the programme for the Second United Nations Development Decade.

Initiation:	1971	Authority:	ECLA 290 (XIII) and 291 (XIII)
Completion:	1972	Priority:	High

The domestic market and Mexico's economic development (00-03) (new project)

The central purpose of this project, which was designed to fit into the work to be done in connexion with the Second Development Decade, is to examine the effects of income distribution and employment on the structure of the domestic market, and the influence of the market on supply and on the productive base, with a view to developing guidelines for co-ordinating policies on industrialization, employment and the social services.

Initiation:	1973	Authority:	ECLA 290 (XIII)
Completion:	1974	Priority:	High

(Mexico)

Economic development, integration and trade links in the Caribbean basin (00-04)
(new project)

Subject to the establishment of a joint programme of work on the above-mentioned subjects, with the participation of ECLA headquarters, the Office for the Caribbean, the Bogotá and Mexico Offices, and other United Nations bodies, the Mexico Office will initiate preliminary work, and undertake brief missions with a view to assisting the Office for the Caribbean and fulfilling commitments to organizations in neighbouring countries and groups of countries. The principal activities would include analysis of free trade and identification of opportunities for trade between CARIFTA and third countries; examination of specific branches of economic activity, such as transport, infrastructure and agriculture; and co-operation with SIECA in a study of the trade links between the Central American Common Market and the countries of the Caribbean basin.

Initiation: 1971
Completion: Open

Authority: ECLA 288 (XIII)
Priority: Medium

Industrial policy in Mexico (05-1) (new name)

The project for the evaluation of the development and industrial policy of Mexico will be continued as part of the programme for the Second United Nations Development Decade, in co-operation with ECLA headquarters, UNIDO and national organizations. Particular attention will be paid to the major instruments for promoting industrial growth employed by the Government, their impact on the industrialization process, the effects of the latter on the promotion of development, and the growth prospects of manufacturing industries.

Initiation: 1969
Completion: 1971

Authority: ECLA 250 (XI), 253 (XI), 254 (XI) and 290 (XIII)
Priority: High

Study of specific branches of industry (05-2) (new name)

The Mexico Office will continue to collaborate with national organizations and with ECLA headquarters in the compilation and analysis of statistics on selected branches of manufacturing industry, in the organization of meetings and in the provision of direct technical assistance.

Initiation: 1969
Completion: Open

Authority: ECLA 207 (IX) and 249 (XI)
Priority: Medium

Technological change in Mexico (05-3) (new project)^{16/}

The Office will prepare, in collaboration with national bodies and the ECLA secretariat, an over-all evaluation of the development, problems and prospects of the

^{16/} See also projects 00-22 "Assimilation of technical progress" (Economic Development and Research Division); 02-27 "Advisory services on trade policy and integration" (Office for the Caribbean); 05-1 "Technology in Brazil" (Rio de Janeiro Office); 04-094 "Progress in and resistance to technological change in Central America" and 04-24 "Identification of new industrial projects and of the requirements of technological research"; 05-11 "The transfer of know-how in Brazilian industry" (Industrial Development Division); and 08-26 "Implications of technological innovation in maritime transport for Latin America" (Transport Programme).

technological changes which have affected the Mexican economy. The aims are to clarify the impact of technical innovations on the economy as a whole and on specific branches of the economy; to determine their effects on productivity and the absorption of manpower; and to examine what role should be played by government promotion activities and by specialized national organizations.

Initiation:	1972	Authority:	ECLA 289 (XIII)
Completion:	1974	Priority:	Medium

Assessment of irrigation policy in Mexico (06-1)

The aim of this project is to make a general assessment of irrigation policy with a view to evaluating its contribution to the development of the agricultural sector, identifying possible future alternatives and making the results of the programmes carried out in Mexico available to other Latin American countries.

Initiation:	1971	Authority:	ECLA 225 (X) and 290 (XIII)
Completion:	1973	Priority:	High

Rural employment and unemployment in Mexico (06-2)^{17/}

This project provides for a preliminary analysis of employment, underemployment and unemployment in rural areas, which could later be extended to other sectors of the economy. Research will be carried out in collaboration with other international bodies, in accordance with arrangements made at ECLA headquarters.

Initiation:	1972	Authority:	ECLA 230 (X)
Completion:	1974	Priority:	Medium

The livestock industry in Mexico (06-3)

The study begun in 1969 on the development of the livestock industry in Mexico will be completed and reviewed in 1971. The work will include studies of specific areas and an outline of economic policy for accelerating the growth of the livestock industry.

Initiation:	1969	Authority:	ECLA 91 (VI)
Completion:	1971	Priority:	High

Statistics for specific studies (09-1) (new name)

This project consists in the collection, compilation and presentation of over-all and sectoral economic statistics for basic studies on Mexico and the Caribbean, including studies connected with the Economic Survey and the Economic Bulletin for Latin America.

Initiation:	Continuing	Authority:	ECLA 290 (XIII)
Completion:	Continuing	Priority:	High

^{17/} See also projects 00-87 "The problem of unemployment and economic and social development in the Caribbean" and 01-47 "Manpower utilization in the Caribbean"; 01-41 "Social aspects of employment policy" (Social Affairs Division); and 05-81 "Macroeconomic aspects of industrial growth" (Industrial Development Division).

(Mexico)

Courses on economic planning in Mexico (10-1)

Under this project, the Office will co-operate with ILPES, the Office for Technical Co-operation (OTC) and national bodies in connexion with the organization and co-ordination of the intensive courses to be held in Mexico City and other centres, and the organization of teaching activities by ECLA officials. The Mexico Office will also take an active part in selecting candidates and making arrangements with the various national bodies sponsoring the project.

Initiation:	1960	Authority:	ECLA 289 (XIII)
Completion:	Open	Priority:	High

Programme II

Balanced development of Central America (04-01)

In compliance with the resolutions of the Central American Economic Co-operation Committee and the Central American Economic Council, the secretariat will continue to furnish Governments with technical advisory assistance in planning, sectoral development and project evaluation, with a view to facilitating balanced development among the member countries of the Central American Common Market.

Initiation:	1966	Authority:	CEC 54 and CCE 142
Completion:	To be determined	Priority:	Medium

Analysis and projections of economic development in Central America (04-02)

The purpose of this continuing project is to collect basic data on the changes observable in the Central American economies and to subject them to systematic analysis with a view to supporting and supplementing the general and specialized research carried out by the Mexico Office. As part of this work, information is furnished annually on the over-all and sectoral short-term economic trends in the separate countries and the area as a whole, for inclusion in the Economic Survey. After consultation and agreement with the Government of Guatemala, a study will be initiated in 1973 on the evolution of the Guatemalan economy since the beginning of the 1950s, with particular reference to the impact of economic integration. This will complete the series entitled "Analysis and projections of economic development" covering the Central American countries.

Initiation:	Continuing	Authority:	ECLA 44 (V), 64 (V), 79 (VI)
Completion:	Continuing		and 233 (X); CCE 27
		Priority:	High

Fiscal equalization (04-03)

In compliance with the resolutions of the Central American Economic Co-operation Committee and the Immediate Action Plan adopted by the Central American Economic Council in March 1963, the secretariat will continue to assist the SIECA in the formulation of studies relating to the programme for equalizing the Central American fiscal systems.

Initiation:	1966	Authority:	ECLA 186 (IX); CEC 54 and
Completion:	Open		CCE 138
		Priority:	High

Planning of economic development (04-04)

This project comprises two main types of activity. First, the Office collaborates closely with the OAS/IDB/ECLA/SIECA/BCIE Central American Advisory Committee on Planning in preparing and guiding the planning activities carried out by these agencies at the national and regional levels. Secondly, it co-operates with ILPES and OTC in organizing, directing and arranging teaching for the intensive Central American courses on development problems and project evaluation.

Initiation:	1963	Authority:	ECLA 233 (X) and CCE 124
Completion:	Open	Priority:	High

*The public sector in the economic development of Central America (04-05)

The aim of this project is to determine the role and nature of State participation in the economic and social development of the Central American countries. For this purpose, a study will be made of the functions and machinery involved in economic policy-making. An analysis of the effects of public and semi-public activities on the main economic variables, such as employment, the generation of real demand, the allocation of resources and the establishment of dynamic activities and development centres, is also part of this study.

Initiation:	1972	Authority:	ECLA 186 (IX) and CCE 50
Completion:	1973	Priority:	High

*Current analysis of the Central American economies (04-061) (new name)

The central purpose of this project is to study in depth the current trends of the Central American economies, with a view to determining the nature of adjustments and distortions in long-term policy - caused by temporary disequilibria - and to establishing criteria for bringing the immediate action of Governments in such fields as monetary, fiscal and balance-of-payments policy into line with the objectives of national and regional economic plans. This should also help to improve the analysis included in the Economic Survey and provide some policy guidelines for the region as a whole.

Initiation:	1972	Authority:	CCE 124
Completion:	1972	Priority:	Medium

*Regional model for the study of Central American economic trends (04-062) (new name)

On the basis of the research completed up to and including 1970, the aim of this project is to establish a formal framework for analysing the evolution of the Central American economies in terms of their interdependence and their relations with the rest of the world. The model would serve as a frame of reference for a quantitative assessment of the impact of integration on the development of these countries, and the possible effects on the Common Market of choosing different national and regional economic policy options.

Initiation:	1973	Authority:	CCE 124
Completion:	1973	Priority:	Medium

Economic development and integration in Central America (04-07) (new name)

The Office is called upon from time to time by the Central American Economic Co-operation Committee to undertake evaluations, within a medium-and long-term frame of reference, of the progress, problems and prospects of integrated development in the member countries of the Common Market. During the first stage of the project the secretariat will determine, at both the over-all and the sectoral levels, the impact of integration on national economies, the factors which make for fluctuations in the development of the area and of each individual country, and possible ways of mitigating the adverse effects of short-term structural disequilibria on the operation and improvement of the Common Market. After consultation with the Governments concerned, the study will be submitted to the Central American Economic Co-operation Committee at the beginning of 1971. A second stage of the project will be formulated on the basis of the Governments' recommendations; it will consist of a study of the problems and the economic policy measures that are considered to be of major importance for the development of the Central American economies within the context of the integration programme. In accordance with the decisions reached in September 1970 by the Central American Ministers of Economy, Commerce and Industry, ECLA is collaborating with SIECA on matters relating to the establishment of a modus operandi for the Central American Common Market and the reorganization of regional economic integration.

Initiation:	1969	Authority:	CCE 27
Completion:	To be decided	Priority:	High

Development financing in Central America (04-08) (new project)

This project is a direct outcome of ECLA resolution 290 (XIII). It is designed to determine the characteristics and problems of mobilizing internal and external resources for national development in line with regional priorities. The aim is also to evaluate the obstacles to the expansion of investment resources and to study the nature of disequilibria in the balance of payments and in the public finances. All this would meet the objective of presenting a coherent series of suggestions to the Central American Governments to enable them to take joint action to solve some of their financial problems connected with integration and development.

Initiation:	1970	Authority:	ECLA 290 (XIII), CEC 54, CCE
Completion:	1971		(AC.17) 5 and 22
		Priority:	High

Regional migration in Central America (04-091) (new project)

In compliance with Central American Economic Council resolution 54, the secretariat will examine, in co-operation with SIECA and other regional and international agencies, the background, causes and forms of the principal migratory movements within the Common Market area. On the basis of this examination, a preliminary diagnosis will be prepared on the employment aspects, to determine their magnitude and regional impact and their main economic and social implications. At a subsequent stage, different types of field work (interviews, guided observation and surveys) will be carried out in order to delve more deeply into the quantitative and qualitative characteristics of these movements, both seasonal and permanent, and their impact on the economies of the various countries and on the living conditions of the groups concerned.

Initiation:	1970	Authority:	CEC 54, CCE 144
Completion:	1972	Priority:	High

Employment situation in Central America (04-092) (new project)^{18/}

In accordance with the priorities established in ECLA resolution 290 (XIII), a general evaluation will be made of the employment situation in Central America. In particular, the study will focus on trends in manpower supply; employment, unemployment and underemployment patterns; and productivity trends. This project is closely associated with other projects included in the programme of work, such as those relating to migratory movements, employment in rural areas, and the way in which technical know-how is adopted and absorbed. When the general part of the study is completed, the secretariat will attempt to draw some conclusions and to arrive at guidelines that will help Governments to start implementing the necessary employment policies.

Initiation: 1970
Completion: 1973

Authority: ECLA 290 (XIII), CEC 54, CCE
27 and 73
Priority: High

Economic integration and social development (04-093) (formerly 04-62)

This project has three basic objectives: to identify the processes leading to the consolidation of certain social groups as a result of economic integration; to define the main advances made in social development; and to examine the processes and trends of social mobility and stratification in the region.

Initiation: 1973
Completion: 1974

Authority: CEC 54, CCE 27 and 73
Priority: High

Progress in and resistance to technological change in Central America (04-094) (new project)^{19/}

Work on this project is scheduled to begin in 1973. A study will be made of the salient features of progress in technological change in Central America and the obstacles to it, to complement the studies to be carried out on economic development, employment and foreseeable changes in the structure of production. The results will be used as a first step in establishing criteria for evaluating techniques and allocating resources, and also in the co-ordination of employment, industrial development, export promotion and other policies.

Initiation: 1973
Completion: 1974

Authority: ECLA 289 (XIII), CCE 121
Priority: Medium

^{18/} See also projects 00-87 "The problem of unemployment and economic and social development in the Caribbean" and 01-27 "Manpower utilization in the Caribbean" (Office for the Caribbean), 01-41 "Social aspects of employment policy" (Social Affairs Division); and 05-81 "Macroeconomic aspects of industrial growth" (Industrial Development Division).

^{19/} See also projects 00-22 "Assimilation of technological progress" (Economic Development and Research Division); 02-27 "Advisory services on trade policy and integration" (Office for the Caribbean); 05-1 "Technology in Brazil" (Rio de Janeiro Office); 05-3 "Technological change in Mexico" and 04-24 "Identification of new industrial projects and of the requirements of technological research" (Mexico Office); 05-11 "The transfer of know-how in Brazilian industry" (Industrial Development Division); and 08-26 "Implications of technological innovation in maritime transport for Latin America" (Transport Programme).

(Mexico)

Central American customs union (04-11)

In accordance with the Immediate Action Plan adopted by the Central American Economic Council in March 1969, the secretariat will co-operate with SIECA in studies and activities connected with the establishment of a Central American customs union. During the initial stage, attention will be concentrated on defining the characteristics of what the customs union should have and the procedures for establishing it, and on determining the probable economic and fiscal impact of the free movement of goods not produced in Central America. Subsequent stages will deal with various points likely to promote economic integration, such as the analysis of collateral requirements in relation to trade policy, the regional co-ordination of some aspects of fiscal and balance-of-payments policy, and problems of reciprocity.

Initiation:	1969	Authority:	ECLA 290 (XIII), CEC 54, CCE
Completion:	1974		118 and 134
		Priority:	High

Common Central American trade policy with the rest of the world (04-12)

In accordance with the programme of work adopted by the Central American Trade Sub-Committee in December 1967, the secretariat will collaborate with the Central American Governments and economic integration agencies in preparing studies on the role of the Central American Common Market in Latin American economic integration, its economic links with neighbouring countries or groups of countries which are in the process of integration, the strengthening of its trade relations with countries outside Latin America, and its participation in international meetings and agencies considering topics connected with trade policy. The secretariat will also continue collaborating in the work of the Joint SIECA/BCIE Export Promotion Unit and in studies leading to the formulation of a strategy for negotiating with third countries.

Initiation:	1968	Authority:	CCE 120 and 135, and CCE (SC.1)
Completion:	To be determined		26
		Priority:	High

Perfecting of the Central American Common Market (04-13)

The secretariat will continue to help and advise the Central American Governments and integration agencies with a view to bringing the Central American Common Market into full operation, with special reference to problems connected with its operation, the formulation and implementation of agreements and regulations, and the framing and orientation of trade and balance-of-payments policies. Work on this project, which is a continuing activity, consists in providing advisory assistance, preparing documents and participating in meetings of agencies of the Central American Common Market.

Initiation:	Continuing	Authority:	CCE 134 and CCE (SC.1) 26
Completion:	To be decided	Priority:	High

Meeting of the Central American Trade Sub-Committee (04-14)

The secretariat of the Central American Economic Co-operation Committee will consult the Governments regarding the possibility of convening a meeting of the Central American Trade Sub-Committee in 1971 to examine some of the studies on the customs union and the perfecting of the Central American Common Market. There will be further consultations in 1973 regarding another meeting of the Sub-Committee for the review and reorientation

of the programme of work on trade policy adopted at its thirteenth session. The work will be based on the studies made by the secretariat, the results achieved in the export promotion programmes and the new regional guidelines for economic integration and international trade.

Initiation:	1971	Authority:	CCE (AC.17) 18 and 25,
Completion:	1973		CCE (SC.1) 26
		Priority:	High

Industrial promotion and policy in Central America (04-21) (new name)

In accordance with the Immediate Action Plan adopted by the Central American Economic Council in March 1969 and the 1970 agreements of the Ministers of Economic Affairs, the secretariat will collaborate with SIECA in putting the Common Market's industrial policy into full operation. The progress and problems of industrialization in the Central American Common Market will have to be evaluated in 1974, with a view to establishing measures to achieve balanced development taking into account those countries whose industry is still relatively less developed.

Initiation:	1968	Authority:	ECLA 290 (XIII), CEC 54,
Completion:	1974		CEC 121 and 136
		Priority:	High

Analysis of the import substitution process in Central America (04-22) (new project)

The first phase of this study, which was initiated in 1969, should be completed by 1971; it deals with the characteristics of the import substitution process in relation to the progress made in the Central American Economic Integration Programme. The study has been divided into two phases: an analysis of the years 1957 and 1960 and the period from 1963 to 1967, followed by a detailed study of questions relating to industrial development policy and strategy.

Initiation:	1969	Authority:	CCE 121 and 136
Completion:	1971	Priority:	High

Improvement of regional industrialization machinery (04-23) (new name)

The secretariat will continue to furnish advisory assistance to the Central American Governments and integration agencies in connexion with industrial development in the Central American Common Market, with particular reference to the framing and implementation of industrial promotion agreements and regulations, protection policy, evaluation of specific investment projects connected with the Agreement on the Regime for Central American Integration Industries and the Special System for the Promotion of Production Activities, and examination of the problems and prospects of industrial financing and strategy over the next few years.

A start will be made in 1972 on the preparation of guiding principles for the Central American programme of industrial development in the Second United Nations Development Decade, taking into account the programme under way in 1971 and the possibilities of industrial complementarity with neighbouring countries.

Initiation:	Continuing	Authority:	CEC 53, CCE 121 and 136
Completion:	To be determined	Priority:	Medium

(Mexico)

*Identification of new industrial projects and of the demands of technological research
(04-24) (new name) 20/

As from 1971, work will be resumed on a project that was suspended late in the first half of the 1960s relating to the identification of new industrial development possibilities in the Central American Common Market and to the requirements of technological research in the area. This project will be carried out in close contact with SIECA, BCIE, ICAITI and UNIDO. The purpose is to undertake market surveys and studies on plant location and capacity for possible industrial projects of special importance for the region's development.

Initiation:	1971	Authority:	CCE 121 and 136
Completion:	1974	Priority:	High

Industrial growth projections (04-25) (new project)

Depending on the amount of information available in the various countries, the secretariat will start work in 1971 on preparatory studies for an industrial growth model taking account of future trends in the Central American countries that will provide a general frame of reference for the formulation of economic policy. With this model, it will be possible to analyse the trends in each branch of industry and to show their structural relationships. In addition, on the basis of the research done into some branches of manufacturing, an attempt will be made to identify the obstacles to growth at both the national and the regional levels. These studies will lead to new proposals for research into certain branches of industry which require study in the light of economic policy objectives.

After 1973, another survey of industrial productivity in Central America similar to that carried out in the early 1960s with support from BTAO and the ILO but extending to other branches of industry, will be carried out. The new survey would again be conducted in co-operation with the ILO and UNIDO.

Initiation:	1971	Authority:	CCE 121 and 136
Completion:	1974	Priority:	High

Regional integration of the agricultural sector (04-31) (new name)

In accordance with the Immediate Action Plan approved by the Central American Economic Council in March 1969, and the 1970 agreements of the Ministers of Economic Affairs, the Office will co-operate with SIECA in perfecting a policy for regional agricultural development. Special emphasis will be placed on the Common Market for agricultural and livestock products; the possibilities of specialization and promotion in respect of regional production; establishing common prices for staple products for domestic consumption; the establishment of a regional storage network and a regional fund for the purchase of grain from small producers; and devising the necessary machinery for controlling imports of grain from third countries. This work will be

20/ See also projects 00-22 "Assimilation of technological progress" (Economic Development and Research Division); 05-1 "Technology in Brazil" (Rio de Janeiro Office); 05-3 "Technological change in Mexico" and 04-094 "Progress in and resistance to technological change in Central America" (Mexico Office); 05-11 "The transfer of know-how in Brazilian Industry" (Industrial Development Division); and 08-26 "Implications of technological innovation in maritime transport for Latin America" (Transport Programme).

undertaken in co-operation with the Central American Marketing and Price Stabilization Commission and the FAO Advisory Group on Central American Economic Integration.

Initiation:	Continuing	Authority:	ECLA (XIII), CEC 54, CCE 137,
Completion:	To be determined		CCE (SC.6) 1 and 2, REA 13
		Priority:	High

Meeting of the Central American Agricultural Development Sub-Committee (04-32)

The secretariat of the Central American Economic Co-operation Committee will consult with Governments on the possibility of convening a meeting of the Central American Agricultural Development Sub-Committee towards the end of 1972 to consider some of the studies that have been completed on regional integration of the agricultural sector and social aspects of rural development. The meeting will also provide an opportunity for formulating a new programme of activities in the field of agricultural policy for the Sub-Committee and its secretariat.

Initiation:	1972	Authority:	CCE 31, CCE (AC.17) 25,
Completion:	1972		CCE (SC.6) 1
		Priority:	High

Social aspects of rural development (04-33)

In accordance with a resolution of the Central American Economic Co-operation Committee, a working group was set up in 1960 to examine the problems of land tenure and agricultural income in Latin America. The bodies participating in the group were the ILO, FAO, BTAO and ECLA. A new study group was set up in 1964 with the participation of FAO, the ILO, CIDA, IICA, SIECA and OTC/ECLA. The new group studied the chief agricultural problems of some of the Central American countries and provided technical assistance to various specialized institutes in the region. It is hoped to complete the unfinished studies on the general characteristics of land use and distribution in three Central American countries; to revise and publish the regional report on the chief characteristics of land tenure in Central America; and to begin research on a broader front into employment conditions in Central America and the free movement of labour at the regional level. In addition, national organizations will be advised on formulating and assessing specific projects, drawing up programmes, devising land settlement policies, and on the reorganization and strengthening of agencies concerned with rural development.

Initiation:	Continuing	Authority:	CCE 34, CCE (SC.6) 1, REA 3
Completion:	To be determined	Priority:	High

Development of the livestock industry in Central America (04-34) (new project)

When the study of the livestock industry in Mexico is completed, a similar study will be made during 1971-1973 in the Central American countries. The study will be aimed at evaluating previous livestock policy and suggesting various measures to help establish new policies and programmes to promote the development of livestock production for export and domestic consumption. These studies will help Governments to take decisions on plans for promotion of the livestock sector.

Initiation:	1971	Authority:	CCE (SC.6) 1, REA 8
Completion:	1973	Priority:	High

(Mexico)

Development policy for transport within the Central American Common Market (04-411)

Under this project, advisory services are furnished to Central American Governments and regional integration bodies regarding the formulation and improvement of transport development policy and the evaluation of specific projects of regional interest.

Initiation:	Continuing	Authority:	ECLA 290 (XIII), CCE 54,
Completion:	To be determined		CCE 127 and CCE (SC.3) 9
		Priority:	High

Transport alternatives in the Central American Common Market (04-412) (new name)

The study on transport alternatives in the Central American Common Market, which was begun in 1969, will be completed in 1971. Its aim is to determine the most efficient channels for the distribution of goods, taking into account the various means of transport and alternative routes. As a supplementary activity, a study will be started in 1971 on highway construction costs, to be used as a basis for budgetary control and the formulation of new highway projects. In addition, the study on future needs as regards roads and motor vehicles, completed in 1969, will be expanded.

Initiation:	1969	Authority:	CCE 127 and 139, CCE (SC.3) 9
Completion:	1972	Priority:	High

*Highway design and construction standards for Central America (04-413) (formerly 04-414)

This study, which will be undertaken in co-operation with BCIE, SIECA, and the Governments of Mexico, the Central American countries and Panama, will help to identify the most appropriate geometrical standards for highway design for the region in terms of topography, soil, climate, materials, costs, etc. The study will be initiated as soon as the agreements which are being drawn up between BCIE and the Governments have been concluded.

Initiation:	1972	Authority:	CCE 127 and 139, CCE (SC.3)
Completion:	1974		2, 7 and 9
		Priority:	Medium

Maritime transport and port development (04-414) (formerly 04-415)

In 1971-1973 continued technical advisor assistance will be given to the Central American Port Authorities Council, the Central American Shippers' Council, and the Central American Shipowners' Association on regional aspects of maritime transport and port development, and for joint projects and studies with SIECA, BCIE and ICAP, particularly with respect to uniform maritime, port and customs legislation and policy, the economic, technical and financial feasibility of investment projects and the training of port and customs personnel. Continued advisory assistance will also be given to the Central American Governments, and port and shipping enterprises, particularly in the establishment of national port authorities and in improving the productivity of port terminals and harbour operations.

Initiation:	Continuing	Authority:	CEC 58, CCE 92 and 127,
Completion:	1973		CCE (SC.3-GTTM) 1-7
		Priority:	High

Meeting of the Central American Transport Sub-Committee (04-415) (formerly 04-417)

The secretariat of the Central American Economic Co-operation Committee will consult Governments on the possibility of convening a meeting of the Central American Transport Sub-Committee towards the beginning of 1972 to examine the studies completed and formulate a programme of transport activities for the Sub-Committee and its secretariat.

Initiation:	1972	Authority:	CCE 64, CCE (AC.17) 25,
Completion:	1972		CCE (SC.3) 10
		Priority:	High

Telecommunications in Central America (04-42) (new project)

The Office will co-operate with SIECA, BCIE and the specialized agencies, upon request, in connexion with the construction of a Central American telecommunications network and its interconnexions with Panama and Mexico.

Initiation:	Open	Authority:	CCE 140
Completion:	Open	Priority:	Low

*Electric power development in Central America (04-431)

This project comprises two main types of activity; first, meeting the requests for technical assistance made by electric power enterprises and by regional integration agencies; secondly, drawing up, annually or periodically, technical reports relating to the harmonization and implementation of national electrification policies and programmes. These reports mainly comprise statistics relating to the production, consumption and marketing of electric power; comparative analyses of investment, cost and output, and of electricity management and sales; and information on developments and achievements in the electricity sector. As a corollary to this activity, it is hoped that by 1972 it will be possible to carry out an analysis of the various methods of preparing and evaluating electric power projects, with a view to adapting them to Central American conditions and, at a later stage, to promoting the uniform application of projects at the regional level.

Initiation:	Continuing	Authority:	ECLA 290 (XIII), CEC 54, CCE
Completion:	1973		126, CCE (SC.5) 5, 13 and 20
		Priority:	High

Long-term multilateral electricity interconnexion programme and short-term bilateral projects (04-432)

During 1971, the first drafts of documents prepared during 1969 and 1970 will be revised and issued in final form. They include: La interconexión eléctrica en el Istmo Centroamericano; evaluación de interconexiones para sistemas eléctricos combinados; Guatemala-El Salvador, El Salvador-Honduras, Nicaragua-Costa Rica, Costa Rica-Panamá (CEPAL/MEX/69/20) and La interconexión eléctrica en el Istmo Centroamericano (Características de centrales hidroeléctricas) (CEPAL/MEX/69/21). These studies - together with the draft Central American agreement on the interconnexion of electricity systems prepared by SIECA in co-operation with the United Nations Mission to Central America on Electric Power and Water Resources - will be submitted to the third session of the Regional Group on Electricity Interconnexion. This Group will hold a meeting in 1971 to agree on criteria for initiating electricity interconnexions between two or more countries. In addition, it is expected that national electricity development

(Mexico)

institutions will hold a number of bilateral meetings with the same end in view. On the basis of these arrangements, more detailed studies will be initiated of such sub-regional interconnexions as are recommended and, where appropriate, of projects in border areas. Some of these studies will probably be submitted to the Regional Group at its fourth session, which is planned for 1972. Furthermore, the Office will co-operate with SIECA in the preparation and implementation of bilateral or multilateral agreements on the development of electricity interconnexion projects. In 1972-1973 a study will be initiated on the possibilities and methods of electricity interconnexion between the Central American countries and neighbouring countries, covering the joint use of the large sources of hydroelectric power in the areas bordering on Mexico and Colombia, and the implications of such interconnexions for the development of hydro-electric potential within the Central American region.

Initiation:	1963	Authority:	CCE 126, CCE (SC.5) 2, 5, 7, 8,
Completion:	To be decided		13, 15, 18, CCE (SC.5-GRIE)
			1 and 2
		Priority:	High

Equalization of electricity rates (04-433)

This project was started in 1968 and it is designed to analyse policies and practices connected with electricity rates and electricity regulations with a view to harmonizing policies and practices and promoting the balanced development of domestic electricity markets and their eventual integration at the regional or subregional level. On the basis of the resolutions adopted at the first and second sessions of the Regional Group on Electricity Rates and of existing technical studies, research will be undertaken into rate structures, self-supply, market development, financial practices and price levels for electric power. The first studies to be undertaken will relate to the situation and characteristics of self-supply, and will draw up a basic outline of rate structures with a view to their harmonization at the national and regional levels. Subsequently, an evaluation will be made of the factors affecting the development of electricity markets, and a code of standard regional methods for the expansion of electricity services will be prepared. An analysis will also be made of the price and cost levels of electricity by categories of consumption and by levels of competition with other sources of power, with a view to establishing guidelines for a regional policy for prices and the use of resources. It is anticipated that the Regional Group on Electricity Rates will hold its third and fourth sessions in 1971-1972 to examine some of these studies.

Initiation:	1968	Authority:	CCE 126, CCE (SC.5) 5, 10, 13
			and 17, CCE (SC.5-GRIE) 1-5
Completion:	1973	Priority:	High

Standardization of electrical equipment and supplies (04-434) (new name)

This project was begun in May 1968 with the financial support of seven national agencies connected with electricity development in Central America. The United Nations Mission to Central America on Electric Power and Water Resource is responsible for the technical direction of the project.

During 1971, attention will be focused on preparing design criteria, working standards and standard specifications for the equipment and supplies required for improving electricity transmission and subtransmission systems, and on formulating procedures and methods to facilitate joint purchasing and exchanges of material among

the electricity companies of the region. At its seventh session, scheduled for 1971, the Regional Committee on Electrical Standards will examine the documents produced as a result of this research work. With the Committee's consideration of the documents this project will be completed.

Initiation: 1968
Completion: 1971

Authority: CCE 126, CCE (SC.5) 19, CCE
(SC.5-GRNG) 7 and 20
Priority: High

Central American Electric Power and Water Resources Sub-Committee (04-435) (new project)

The secretariat of the Central American Economic Co-operation Committee will consult Governments on the possibility of convening two meetings of the Central American Electric Power and Water Resources Sub-Committee, one in 1971 and one in 1973, to examine the studies undertaken and to formulate a programme of work for the Sub-Committee and its secretariat.

Initiation: 1971
Completion: 1973

Authority: CCE 59, CCE (AC.17) 25, CCE
(SC.5) 21
Priority: High

Water resources (04-441)

In 1971 the first phase of this project will be completed with the revision and publication of six national reports and one regional report evaluating water resources in Central America, for submission to the first session of the Regional Group on Water Resources. These studies cover the economic and social aspects of the water sector; the availability of water and its utilization potential; present and future estimated demand; legal, administrative, economic and financial questions and the selection of high-priority drainage basins. The second phase of the project will begin with the preparation of water-use programmes designed to promote optimum use of water resources; more detailed national and subregional studies on the basins of greatest importance to the region; and an analysis of tariffs and costs of water supply systems with a view to establishing standard criteria for evaluating competing water uses. In addition, the Office will continue to furnish technical assistance at the national and regional levels regarding ways and means of standardizing accounting systems, the calculation of rates and the preparation of statistics by enterprises concerned with irrigation and drinking-water supply, and regarding development and co-ordination of the activities of the specialized bodies concerned with the exploitation and control of water resources. It is expected that UNDP will support this second phase of the project.

Initiation: 1966
Completion: To be determined

Authority: ECLA 290 (XIII), CEC 54, CCE
126 and 139, CCE (SC.5) 1, 5,
7, 9, 13 and 16
Priority: High

Regional evaluation of energy resources (04-442) (new project)

This project requires support from UNIDO and from UNDP. It is planned to continue the project in 1971-1972 with an analysis of the over-all performance of the energy sector in Central America, which may subsequently be expanded to include Mexico and the Caribbean. It will cover the production and uses of petroleum by-products, hydro-electricity and non-mineral fuels. This study will complete the annual national and regional statistical series on the production, consumption and marketing of the energy

(Mexico)

used in different geographical areas to date. Subsequently, a general study will be made of ways and means of developing energy resources at the national and regional levels. For this purpose, it is planned to make projections of energy needs by type of consumption and type of energy; to evaluate the potential of different energy sources and the possibilities of using alternative forms of energy; and to analyse certain institutional and financial aspects of energy resources. At a later stage, the project may be expanded to include other natural resources, so as to promote a regional and integrated development approach to the joint use of Central America's resources. The project will be designed to make a systematic evaluation of the progress achieved and of the short- and medium-term prospects for the use of the most important natural resources of the region, and to establish guidelines for national and regional water policies.

Initiation:	1970	Authority:	CCE 126 and 139, CCE (SC.5) 11
Completion:	To be determined		and 15
		Priority:	High

Statistics for individual studies (04-51)

This project includes the collection, compilation and presentation of over-all and sectoral statistics for basic studies on Central America, including the work required for the annual Economic Survey.

Initiation:	Continuing	Authority:	ECLA 290 (XIII)
Completion:	Open	Priority:	High

Regional co-ordination of statistics (04-52)

The Office will co-operate with the statistical offices of the Central American countries and with regional integration agencies in activities relating to the co-ordination of statistics at the regional level.

Initiation:	Continuing	Authority:	CCE 3, CCE (AC.17) 25, CCE (SC.2)
Completion:	To be determined		54 and 58
		Priority:	Medium

Projects completed, 1969-1970

01-55 Housing and urban development

04-05x Economic development of British Honduras (Belize)

04-412 Study on transport services and costs in Central America

04-432x Equalization of electricity rates (regulation)

04-45 Streamlining and harmonization of public service systems

04-61 Economic, technical and social aspects of housing

Projects discontinued, dropped, postponed or consolidated, 1969-1970

(a) Dropped or discontinued

00-252 Strategy for development with integration

06-03x Development of agriculture in Mexico

04-063y Parity in real purchasing power of the currencies of Central America

04-233 Industrial survey in Central America

(b) Consolidated

00-04 Economic development, integration and trade links in the Caribbean Basin.

This project combines the following: (i) Studies on the economic development of the Caribbean area (00-251); (ii) Possibilities of industrial complementarity between Central America, Mexico and selected Caribbean countries (04-22); (iii) Effects on Central American land and sea transport of relations between Central America and the Caribbean Basin (04-416).

05-2 Study of specific branches of industry

This project combines the following: (i) Production of equipment for the chemical industry in Mexico (05-55) and (ii) Problems of the motor-vehicle industry in Mexico (05-621).

04-01 Balanced development of Central America

This project combines the following: (i) Programme for the medium- and short-term economic expansion of Honduras (04-011) and (ii) Programme for the medium- and short-term economic expansion of Nicaragua (04-012).

04-07 Economic development and integration in Central America

This project combines the following: (i) Implications of a Central American economic union (04-06x) and (ii) Tenth session of the Central American Economic Co-operation Committee (04-08).

04-23 Perfecting of regional industrialization machinery

This project combines: (i) Technical assistance to Governments on industrial matters (04-231) and (ii) Co-operation with SIECA and ICAITI in the evaluation of industrial projects (04-232).

04-31 Regional integration of the agricultural sector

This project combines: (i) Perfecting of the Central American Common Market (04-311) and (ii) Current situation and prospects of grain production in the Central American Common Market (04-312).

LISTING OF PROJECTS PLANNED FOR IMPLEMENTATION AND RELATED
REQUIREMENTS EXPRESSED IN TERMS OF MAN-MONTHS

Main programme and project items	A B C	R/ NR	CP/ N	1971				1972				1973			
				Regular budget			XB	Regular budget			XB	Regular budget			XB
				P	C	RA		P	C	RA		P	C	RA	
A. Executive management and relations with governments				60	-	-	-	60	-	-	-	60	-	-	-
B. (Programme I)															
1. Economic Survey of Latin America (00-01)	A		CP	4	1	-	-	4	1	-	-	4	1	-	-
2. The problem of external financing in Latin America in the Second Development Decade (00-02)	A		N	6	1	9	-	6	1	9	-	-	-	-	-
3. The domestic market and Mexico's economic development (00-03)	A		N	-	-	-	-	-	-	-	-	6	-	9	-
4. Economic development, integration and trade links in the Caribbean basin (00-04)	B		N	3	-	5	-	3	-	5	-	3	-	5	-
5. Industrial policy in Mexico (05-1)	A			6	-	6	-	-	-	-	-	-	-	-	-
6. Study of specific branches of industry (05-2)	B			2	-	-	-	2	-	-	-	2	-	-	-
7. Technological change in Mexico (05-3)	B		N	-	-	-	-	4	-	6	-	4	-	6	-
8. Assessment of irrigation policy in Mexico (06-1)	A		CP	6	1	3	-	6	1	3	-	6	1	3	-
9. Rural employment and unemployment in Mexico (06-2)	B		CP	-	-	-	-	6	1	2	-	6	1	3	-
10. The livestock industry in Mexico (06-3)	A		CP	3	1	2	-	-	-	-	-	-	-	-	-
11. Statistics for specific studies (09-1)	A		CP	4	-	-	-	4	-	-	-	4	-	-	-
12. Courses on economic planning in Mexico (10-1)	A		CP	4	-	-	-	4	-	-	-	4	-	-	-
C. (Programme II)															
1. Balanced development of Central America (04-01)	B		CP	3	-	3	-	3	-	3	-	3	-	3	-
2. Analysis and projections of economic development in Central America and Economic Survey of Latin America (04-02)	A		CP	6	-	-	-	6	-	-	-	6	-	-	-
3. Fiscal harmonization (04-03)	A		CP	4	-	17	-	4	-	16	-	4	-	16	-
4. Planning of economic development (04-04)	A		CP	4	-	6	-	4	-	6	-	4	-	6	-
*5. The public sector in the economic development of Central America (04-05)	A		CP	-	-	-	-	8	1	3	-	8	2	3	-
*6. Current analysis of the Central American economies (04-061)	B		N	-	-	-	-	6	-	-	-	-	-	-	-
*7. Regional model for the study of Central American economic trends (04-062)	B		N	-	-	-	-	-	-	-	-	6	-	-	-
8. Economic development and integration in Central America (04-07)	A		CP	6	1	-	-	6	1	-	-	6	1	-	-
9. Development financing in Central America (04-08)	A		N	6	-	3	-	-	-	-	-	-	-	-	-
10. Regional migration in Central America (04-091)	A		N	6	-	-	-	6	-	-	-	-	-	-	-
11. Employment situation in Central America (04-092)	A		N	6	1	-	-	6	1	-	-	6	1	-	-
12. Economic integration and social development (04-093)	A		CP	-	-	-	-	-	-	-	-	6	-	-	-
13. Progress in and resistance to technological change in Central America (04-094)	B		N	-	-	-	-	-	-	-	-	-	-	-	-
14. Central American customs union (04-11)	A		CP	14	1	12	-	14	1	12	-	14	1	12	-
15. Central American trade policy with the rest of the world (04-12)	A		CP	5	-	-	-	5	-	-	-	5	-	-	-
16. Perfecting of the Central American Common Market (04-13)	A		CP	14	-	-	-	17	-	-	-	14	-	-	-
17. Meeting of the Central American Trade Sub-Committee (04-14)	A		CP	3	-	-	-	-	-	-	-	3	-	-	-
18. Industrial promotion and policy in Central America (04-21)	A		CP	6	-	-	-	6	-	-	-	6	-	-	-

ECLA: Mexico Office (contd.)

Main programme and projects items	A B C	R/ NR	CP/ N	1971				1972				1973			
				Regular budget			XB	Regular budget			XB	Regular budget			XB
				P	C	RA		P	C	RA		P	C	RA	P
19. Analysis of the import substitution process in Central America (04-22)	A		CP	6	-	-	-	-	-	-	-	-	-	-	-
20. Improvement of regional industrialization machinery (04-23)	B		CP	6	-	24	-	6	-	24	-	6	-	24	-
*21. Identifications of new industrial projects and of the demands of technological research (04-24)	A		N	6	1	4	-	6	1	4	-	6	2	4	-
22. Industrial growth projections (04-25)	A		N	6	-	-	-	6	-	-	-	6	-	-	-
23. Regional integration of the agricultural sector (04-31)	A		CP	6	-	2	-	4	-	2	-	6	-	2	-
24. Meeting of the Central American Agricultural Development Sub-Committee (04-32)	A		CP	-	-	-	-	2	-	1	-	-	-	-	-
25. Social aspects of rural development (04-33)	A		CP	12	-	-	-	9	-	-	-	9	-	-	-
26. Development of the livestock industry in Central America (04-34)	A		N	7	-	-	-	11	1	-	-	11	1	-	-
27. Transport development policy in the Central American Common Market (04-411)	A		CP	3	-	2	-	4	-	2	-	4	-	2	-
28. Transport alternatives in Central American Common Market (04-412)	A		CP	3	1	10	-	4	1	5	-	4	1	5	-
*29. Highway design and construction standards for Central America (04-413)	B		CP	-	-	-	-	2	1	3	12	3	2	5	12
*30. Maritime transport and port development (04-414)	A		CP	2	-	12	-	4	-	12	-	4	-	12	-
31. Meeting of the Central American Transport Sub-Committee (04-415)	A		CP	-	-	-	-	1	-	1	-	-	-	-	-
32. Telecommunications in Central America (04-42)	C		N	1	-	-	-	1	-	-	-	1	-	-	-
*33. Electric power development in Central America (04-431)	A		CP	1	-	-	-	1	-	-	-	1	-	-	-
34. Long-term multilateral electricity inter-connexion programme and short-term bilateral projects (04-432)	A		CP	2	1	9	-	3	1	12	-	3	1	11	-
35. Equalization of electricity rates (04-433)	A		CP	1	1	9	-	3	-	12	-	3	-	11	-
36. Standardization of electrical equipment and supplies (04-434)	A		CP	1	-	4	4	-	-	-	-	-	-	-	-
37. Central American Electric Power and Water Resources Sub-Committee (04-435)	A		N	1	-	2	-	-	-	-	-	1	-	2	-
38. Water resources (04-441)	A		CP	1	1	12	-	5	1	12	-	5	1	12	-
39. Regional evaluation of energy resources (04-442)	B		N	1	1	-	-	3	-	-	-	2	-	-	-
40. Statistics for individual studies (04-51)	A		CP	12	-	-	-	18	-	-	-	18	-	-	-
41. Regional co-ordination of statistics (04-52)	B		CP	5	-	-	-	5	-	-	-	5	-	-	-
D. Internal services			CP	24	-	-	-	24	-	-	-	24	-	-	-
E. Administrative and finance services			CP	24	-	-	-	24	-	-	-	24	-	-	-
Total				312	13	156^{a/}	4	336	14	156^{a/}	12	336	16	156^{a/}	12

Note: This Office has a complement of 63 General Service posts in 1971, including three provisional posts approved for 1970.

Projects marked with an asterisk can be carried out as planned if new resources are made available.

Abbreviations: A, B, C: High, medium and lesser priority; CP, N: Continuing, new project; R, NR: Recurrent, non-recurrent project; P: Professional; C: Consultant; RA: Regional Adviser; XB: Extra-Budgetary.

^{a/} Two posts are provided by UNIDO.

UNIT: Industrial Development Division

PROGRAMME: 05 Industrial development

Thanks to the studies of industrial development - in both its over-all and its sectoral aspects - conducted by the secretariat, it has been possible to define various problems affecting the evolution, structure, economic viability and current situation of industry, and to analyse the trend of the industrial policy being applied in different countries and its effect upon such problems.

Despite growing efforts by many countries in the region to plan the development of their manufacturing sectors, there is no doubt that the methods and extent of the current industrialization process are affected primarily by the special aspects of an "extensive" process of import substitution restricted to national markets, without any kind of specialization or complementarity with similar economies or with other regions. This fact, combined with certain trends in economic policy, led to the indiscriminate application of over-high tariffs, which resulted in an unequal distribution of investment and employment among the various branches of industry. Capital was not used to its best advantage either, owing to inadequate scales of production and insistence on capital-intensive techniques. The best use has not been made of the potential growth and expansion that have been made possible by technological innovations and the opening up of markets through regional and subregional groupings within Latin America.

One of the principal aims of current industrial policy in overcoming these problems should be to speed up the industrial growth rate and to ensure that the region's industry makes more efficient use of the available productive resources. It is all the more important to galvanize the industrialization process into new activity because it has in fact been slowing down in most of the Latin American countries, with the result that Latin America's share of world manufacturing production has been steadily diminishing. Moreover, quite apart from all its unfavourable repercussions on the economies of the various countries, the inefficiency of the region's industry is a serious obstacle to its competitiveness.

The attainment of these objectives should not be seen merely as a process that will expand productive capacity, but rather as a process of change in the structure of production and in the general pattern of industrialization, depending on the role assigned to industrial development in the economy.

Naturally the range of these problems varies according to the stage of industrial development reached by the different countries. It is obviously necessary to devise industrial policies which take these factors properly into account, both in defining policy objectives and in deciding on the instruments to be used to attain them. This situation is unusual; as a rule, policies are the outcome of applying a set of measures and instruments - of a very general or sometimes far too specific nature - which have been superimposed over a long period, and the new instruments do not form an integral part of the group of measures in force.

In line with the characteristics of the current industrialization process, there seem to be two major spheres of action for the secretariat's research into industrial development: industrial production problems, on the one hand, and the opening up of external markets to Latin American industries, on the other.

The first of these implies a series of studies aimed at raising technological standards and developing scientific and technical research; increasing the productivity of labour and making the best use of available capital; installing factories of such a size that the most can be made of economies of scale, and

remodelling existing plants along similar lines; strengthening entrepreneurial capacity and achieving a greater structural integration of industrial activities; creating appropriate systems of industrial credit and financing; and reducing the costs and prices of manufactured goods.

In so far as the opening up of external markets is concerned, efforts should be directed mainly towards integration and the export of manufactures to countries outside the region, so as to enable the region to benefit from a wider market, and to encourage it to make import substitution more efficient than in the past.

Obviously these studies will be basic to the implementation of an industrial policy. This policy will have to be geared to and co-ordinated with over-all development aims, since many of the measures involved do not apply specifically to industry and their effects may jeopardize the development of other economic sectors. Thus the achievement of specific industrial development objectives is linked much more closely with the aims and goals of over-all economic development than with any action adopted in the sector itself or at the level of particular enterprises. This does not mean that industrial growth is a consequence of economic growth and would therefore have a passive role in the economy. The aim is merely to stress that the orientation and dynamic role of industry depend also on the decisions relating to it that are adopted within the context of over-all economic policy, on the continuity or stability of such decisions and, in a word, on awareness of the rules of the game governing industrial activities.

This analysis reveals several elements that must be borne in mind in the formulation of over-all industrial development policy for the coming decade, which should comprise policies on industrial promotion, technical training, technological modernization and the strengthening of Latin America's entrepreneurial capacity.

DESCRIPTION OF SUBPROGRAMMES, 1971-1977

05-0 Industrial economics

Studies in this field will be centred mainly on the industrial development options open to countries that belong to an integration movement and on the compatibility or incompatibility of their national policies. Work will continue on the comparative analysis and evaluation of the countries' industrial policies and of the impact of these policies on their industrialization as part of the Division's task in connexion with the Second Development Decade.

05-1 Technological research

The objective of this subprogramme is to analyse the technological factor in the manufacturing sector, both from the over-all standpoint and by branches of industry, with a view to defining recommendable policy measures.

05-2 Steel industry

The development of the steel industry and problems affecting integration, exports and technological research will be the main lines of study to be dealt with in this sector.

(Industry)

05-4 Forest industries

This subprogramme is being implemented by the ECLA/FAO/UNIDO Forest Industries Advisory Group for Latin America. Its work is based on the request for advisory assistance received from Governments.

05-5 Chemical industry

The aim here is to gain a better knowledge of the situation in the region at the level of sub-branches and products, especially in relation to integration, exports, and policy measures for the development of the industry. A regional adviser will be participating in this work.

05-6 Metal-transforming industries

Work will continue in this sector with a view to acquiring a better knowledge of the situation in the region at the level of sub-branches and products. The regional study of the motor-vehicle industry is in its final stage, and studies on other lines of metal-transforming are under consideration, particularly activities relating to the Andean countries. Consideration will also be given to problems connected with integration, exports and policy measures. The services of a regional adviser are also included in this subprogramme.

05-7 Exports of manufactures

This subprogramme is part of ECLA's multidivisional Export Promotion Programme. This Division is responsible for studying the supply of manufactures and semi-manufactures, covering the identification of export industries, the improvement and restructuring of existing export industries and the establishment of instruments to implement the most suitable policy for these purposes. The studies will cover both individual countries and groups of countries, and will be carried out with the help of a regional adviser. Included in this subprogramme are activities connected with training courses and seminars organized by the Export Promotion Programme.

05-8 Special studies

The purpose of this subprogramme is to examine macroeconomic aspects of industrial growth and to undertake specific research into problems relating to prices, costs, and the competitive potential of Latin American manufactures. This is part of the work involved in evaluating the industrial development process in the Second Development Decade.

05-9 Consumer industries

Work will be concentrated primarily on food industries. The research will be directed mainly towards the improvement of operational conditions in existing industry, the supply of better and cheaper products, and the establishment of new lines of production.

LIST OF PROJECTS, 1971-1973^{21/}

(Projects marked with an asterisk can be carried out within the period indicated only if the additional resources requested for 1972 are approved and all vacancies are filled.)

Comparative analysis of industrial policy measures in the Latin American countries (05-01)

The aim of this analysis is to examine and evaluate the industrial policies and the instruments used to implement them in each of the Latin American countries. The purpose of this work is to find out how far they are effective in solving the problems of industrial development in those countries and to assemble criteria for outlining industrial policy alternatives in the context of the work for the Second United Nations Development Decade.

Among the subjects covered there is an analysis of the implications for industrial development in Latin America of certain hypotheses concerning the future evolution of exports of manufactures.

Initiation:	1969	Authority:	ECLA 245 (XI), 253 (XI), and
Completion:	1971		254 (XI)
		Priority:	High

*Policies and strategy for industrial development in Latin America (05-03) (new project)

Various industrial strategy alternatives will be examined for individual countries or for countries taking part in integration programmes, based upon various studies - both general (05-1) and sectoral - which have been or are being prepared.

Initiation:	Mid-1970	Authority:	ECLA 289 (XIII)
Completion:	To be determined	Priority:	High

The transfer of know-how in Brazilian industry (05-11)

This study on the transfer of know-how through enterprise-to-enterprise agreements is in its final stage. It is being carried out in agreement with IDB and the Division of Public Finance and Financial Institutions at Headquarters.

Initiation:	1969	Authority:	ECLA 200 (IX), 203 (IX), 245
Completion:	1971		(XI) and 289 (XIII)
		Priority:	High

The special steels industry in the countries of the Andean Group (05-22) (new project)

The prospects for the development of the metal-transforming industries in the Andean Group of countries open up considerable opportunities for the production of special steels in the subregion. This has prompted the secretariat to formulate a project in this field, as part of its continuing activities in connexion with the development of the iron and steel industry in Latin America.

Initiation:	1971	Authority:	ECLA 289 (XIII)
Completion:	1972	Priority:	High

^{21/} Other projects in the field of industry are listed under the Office of the Caribbean and the Mexico Office.

(Industry)

Preliminary study on the use of wood in house-building and construction in Latin America (05-47) (new project)

From 5 to 16 July 1971, the first world consultative meeting on the use of wood in house-building and construction is to be held at Vancouver. The ECLA/FAO/UNIDO Forest Industries Advisory Group for Latin America will contribute a regional study on the current use of wood products in this field. An attempt will also be made to analyse and formulate general guidelines for future action, particularly in connexion with low-cost housing, in each of the Latin American countries. Hitherto, activities have been concentrated in Mexico, the Central American countries, Panama, Venezuela, Colombia, Ecuador, Peru, Bolivia and Chile.

Initiation:	1969	Authority:	ECLA 281 (XII)
Completion:	Mid-1971	Priority:	Medium

Advisory services for carrying out development programmes in the chemical industry (05-51)

Initiation:	Continuing	Authority:	ECLA 162 (VIII)
Completion:	As the different activities are completed	Priority:	High

The plastics industry in Latin America (05-54) (new project)

Initiation:	1971	Authority:	ECLA 162 (VIII)
Completion:	1972	Priority:	Medium

Advisory services to Governments in connexion with the metal-transforming industries (05-61)

Initiation:	Continuing	Authority:	ECLA 249 (XI)
Completion:	As the different activities are completed	Priority:	High

Prospects and procedures for regional integration of the motor-vehicle industry in Latin America (05-62) (new title)

This study, which is being carried out jointly with IDB and in co-operation with UNIDO, is now in the final stage. It will discuss the possibilities of integration and complementarity in the motor-vehicle sector in certain countries and in the context of some of the existing integration systems.

Initiation:	1968	Authority:	ECLA 249 (XI)
Completion:	Mid-1971	Priority:	High

Expert Group on Criteria for the Establishment of Export Industries, 1972 (B)
(05-71) (new project) 22/

To be financed by ECLA if resources requested are approved. Sixteen participants would attend the meeting which would last two weeks.

Initiation:	Late 1971	Authority:	ECLA 291 (XIII)
Completion:	Mid-1972	Priority:	High

Macroeconomic aspects of industrial growth (05-81)^{23/}

Tabulation will be made of various macroeconomic series relating to the industrial sector in the different countries of the region, for example, data on the gross product, the structure of the industrial product, employment, plant size, and labour productivity; analytical tables will be prepared to show those changes of structure in the manufacturing sector which are linked to such variables as the size of the market, population, and income distribution. Together with these activities a methodological scheme will be drawn up for evaluating industrial development in terms of the objectives of the Second Development Decade.

Initiation:	Under way	Authority:	ECLA 245 (XI)
Completion:	Early 1971 (first phase)	Priority:	High

The food industry in the countries of the Andean Group (05-91) (new title)

Work has begun on this project, which is to be carried out jointly with FAO. Its main purpose is to analyse the situation in the sector, identify projects for new industries, and indicate development possibilities in the subregion and the most appropriate policies to follow.

Initiation:	1971	Authority:	ECLA 281 (XIII)
Completion:	1972	Priority:	High

Projects completed, 1969-1970

- 05-21 The steel industry in the relatively less developed countries
I. Central America; II. Bolivia and Paraguay; III. Ecuador
- 05-13 The present situation of technological research in the steel industry
- 05-49 Regional Consultation on the Development of the Forest and Pulp and Paper Industries in Latin America

22/ See also Export Promotion Programme.

23/ See also projects 00-87 "The problem of unemployment and economic and social development in the Caribbean" and 01-27 "Manpower utilization in the Caribbean" (Office for the Caribbean); 01-41 "Social aspects of employment policy" (Social Affairs Division); and 06-2 "Rural employment and unemployment in Mexico" and 04-092 "Employment situation in Central America (Mexico Office).

(Industry)

- 05-52 The chemical industry in Latin America and its development between 1959 and 1967
- 05-55 The chemical industry: development possibilities in the CARIFTA region
- 05-54 The basic petrochemicals industry in Latin America
- Background material for the study of the development problems of the Andean subregion (subprogramme 05-0)
- 05-41 Appraisal of newsprint development opportunities in Latin America (ECLA/FAO/UNIDO Forest Industries Advisory Group)
- 05-42 World pulp and paper production consumption and trade, with special emphasis on Latin America (ECLA/FAO/UNIDO Advisory Group)
- 05-43 Development of the use of packaging paper in Latin America (ECLA/FAO/UNIDO Advisory Group)
- 05-44 Development of the sawmilling industry in Latin America (ECLA/FAO/UNIDO Advisory Group)
- 05-45 Development of the wood-based panel industry in Latin America (ECLA/FAO/UNIDO Advisory Group)
- 05-46 The overseas export possibilities for selected Latin American forest products (ECLA/FAO/UNIDO Advisory Group)
- 05-47 Preliminary survey of the use of wood in housing and construction in Latin America (ECLA/FAO/UNIDO Advisory Group)
- 05-48 Study of the pulp and paper industry in the member countries of CARIFTA (ECLA/FAO/UNIDO Advisory Group)
- 05-49 Report and recommendations of the Regional Meeting on the Development of the Forest and Pulp and Paper Industries in Latin America (ECLA/FAO/UNIDO Advisory Group)
- 05-41 Report on the newsprint industry in Latin America
- 05-03 Industrial policy in Latin America

Projects discontinued, dropped, postponed or consolidated

- 05-12 The stock of know-how in selected industrial sectors
- 05-53 Synthetic fibres
- 05-3 Non-ferrous metals
- 05-02 Analysis of systems and mechanisms for industrial planning in Latin America
- 05-82 Study of labour costs and productivity (in conjunction with the ILO)

ECLA: INDUSTRIAL DEVELOPMENT DIVISION

LISTING OF PROJECTS PLANNED FOR IMPLEMENTATION AND RELATED
REQUIREMENTS EXPRESSED IN TERMS OF MAN-MONTHS

Projects	A B C	R/ NR	CP/ N	1971				1972				1973			
				Regular budget			XB	Regular budget			XB	Regular budget			XB
				P	C	RA		P	C	RA		P	C	RA	
05-0 Industrial economies				34				41				41			
Comparative analysis of industrial policy measures in the Latin American countries (05-01)	A	NR	CP												
*Policies and strategy for industrial development in Latin America (05-03)	A	NR	N												
05-1 Technological research				8		12		12		12		12		12	
The transfer of know-how in Brazilian industry (05-11)	A	NR	CP												
05-2 Steel industry				12		12		12		12		12		12	
The special steels industry in the countries of the Andean Group (05-22)	A	NR	N												
05-4 Forest industries				12		12		12		12		12		12	
Preliminary study on the use of wood in house-building and construction in Latin America (05-47)	B	NR	N												
05-5 Chemical industry				12		12		12		12		12		12	
Advisory services for carrying out development programmes in the chemical industry (05-51)	A	R	CP												
The plastics industry in Latin America (05-54)	A	NR	N												
05-6 Metal-transforming industry				12		12		12		12		12		12	
Advisory services to governments in connexion with the metal-transforming industries (05-61)	A	R	CP												
Prospects and procedures for regular integration of the motor-vehicle industry in Latin America (05-62)	A	NR	CP												
05-7 Exports of manufactures						36				24				24	
Expert Group on Criteria for the Establishment of Export Industries, 1972 (B) (05-71)	A	NR	N	a/				a/				a/			
05-8 Special studies				18				18				18			
Macroeconomic aspects of industrial growth (05-81)	A	NR	CP												
Evaluation of industrial development in the Second Development Decade	A	NR	N												
05-9 Consumer industries				11				12				12			
The food industry in the countries of the Andean Group (05-91) (new title)	A	NR	CP												
Management, support and co-operation				7				7				7			
Total				132		60 ^{b/}		144		60 ^{b/}		144		60 ^{b/}	

Note: The General Service complement consists of 13 established posts in 1971.

Projects marked with an asterisk can be carried out as planned only if new resources are made available.

a/ The Export Promotion Programme Coordinator, attached to the Office of the Executive Secretary, will handle these and other export promotion projects (see also under the head of Trade Policy Division).

b/ Four posts are provided by UNIDO.

Abbreviations: A, B, C: High, medium and lesser priority; CP, N: Continuing, new project; R, NR: Recurrent, non-recurrent project; P: Professional; C: Consultant; RA: Regional Adviser; XB: Extra-budgetary.

Recent agricultural trends in Latin America present contradictory features. On the one hand, crop production, which represents about three-quarters of total agricultural output, grew fairly rapidly in the period 1955-1965, so that it was possible to satisfy the accelerated increase in domestic demand and meet the requirements of an expanding external demand. Although imports of vegetable products from countries outside the region continued to rise rapidly, they still account for only a small fraction of the total supply. On the other hand, livestock production increased at a rate which barely kept pace with population growth, which explains why per capita consumption of livestock products, which was already low from the nutrition standpoint, failed to improve during the period considered.

Despite the slow development of the livestock sector in nearly all the Latin American countries, livestock production in the region as a whole would seem to show relatively favourable growth indexes, although there are marked differences between the various countries. Nevertheless, if socio-economic indicators are examined it will be seen that livestock trends have not been so satisfactory. In the first place, the improvement of about 1 per cent annually in average per capita consumption is relatively slow, and large population groups suffer from under-nutrition or malnutrition.

Apart from environmental and cultural factors, this situation is closely associated with disparities in income levels in the agricultural sector itself. It is probable, therefore, that the annual per capita incomes of many millions of rural families are minimal or barely at the subsistence level, while a small group has an exceptionally large share in the agricultural product. This tremendous inequality in incomes obliges a huge sector of the population to live in want. The appearance in recent years of a new type of commercial agricultural entrepreneur who uses the most up-to-date techniques and attains high productivity levels has probably accentuated the concentration of agricultural income. The average increase in productivity for the economically active population has undoubtedly been the result of much higher rates of increase for comparatively small groups of modern farmers combined with no increase at all or even a drop in productivity for the vast majority. Even if the benefits deriving from the productivity increase in modern enterprises had been transferred proportionally to the wage-earners working in them, which is far from certain, the improvement in real wages would have reached only a fraction of the rural labour force.

A breakdown of the increase in productivity among different groups of agricultural operators and wage-earners shows that unemployment, both open and disguised, is becoming more serious in rural areas in the region. Despite the large-scale population shifts from rural to urban areas, which has meant a migration equal to at least half the natural growth of the rural population, the number of rural unemployed has increased, in absolute terms, by approximately one and a half million a year. Owing to the limitations imposed by the existing systems of land tenure, by the structure of demand for agricultural commodities and its slow growth, and by the progressive concentration of productivity, only a minor proportion of the new contingents of agricultural manpower find permanent employment at satisfactory income levels. According to some recent studies, 30 per cent of the economically active population in the agricultural sector is engaged in low-productivity farming.

The mechanization of agricultural activities, which has gained considerable impetus in some countries in recent years, has aggravated this situation. Owners of large farms,

who have more capital and higher aggregate incomes, have made more and more use of mechanical equipment, protected to a greater or lesser degree, according to the country, by policies aimed at enabling the farmer to obtain such machinery and equipment more easily and at a lower cost.

The difference between living conditions in the country and the towns has been one of the basic causes of the large-scale migration to the cities which has been going on in the region during the last few decades, although there are other attractions which also play an important part; moreover economic development requires that secondary activities should grow faster than primary activities, since only inasmuch as the ratio of agricultural producers to urban consumers decreases, can the income and level of living of the former improve and national production bases be diversified. Since certain sectors, or rather certain strata within the non-agricultural sectors, have increased their productivity more rapidly than the average, and since it is likely that the recent concentration already analysed in the case of the rural sector has repeated itself in the urban economy, it is clear that the population shift described above has in practice represented a change in the location of unemployment and under-employment.

Hitherto, the secretariat's work on agriculture has been centred on two broad spheres of action which are closely interrelated: (1) agricultural development strategy in terms of various assumptions regarding the improvement and redistribution of income; and (2), the possibilities of achieving greater complementarity between the agricultural economies of the different countries in the region, particularly those belonging to ALALC.

Within the sphere of analysis and formulation of proposals for action, the studies have been confined essentially to over-all questions. The aim is, however, to break down the analysis and strategy proposals to the country level. This should provide useful material for the agricultural strategy and policy to be adopted by Governments in the present decade.

Special attention will be given to the relationship between agricultural technology and employment. In view of the complexity of the subject and the shortage of empirical data on the nature of those relationships, the secretariat, in collaboration with the competent organizations - particularly FAO - should initiate direct studies in various countries, in which the national research agencies should play the major role.

The progress made in defining national agricultural development strategies and policies will facilitate their harmonization at the regional and subregional level. Therefore, by way of supplementing the above-mentioned activities, work will continue on the preparation of studies on production and consumption of specific products in order to determine the possibilities of increasing intra-regional trade in these products and to lay the bases for attaining greater complementarity at the production level. Such studies help to provide a broader knowledge about the highly complex, diverse and interrelated policies in each country which affect the production, marketing and consumption of the products concerned.

Agricultural commodities which serve as raw materials for industry, such as fibres and tobacco, will need to be given particular attention for integration purposes, since it will be necessary to reconcile policies and interests which may sometimes be conflicting.

DESCRIPTION OF SUBPROGRAMMES, 1971-1977

06-0 Agricultural development and planning

This subprogramme includes the preparation each year of material for background documents and papers for the FAO Regional Conference for Latin America and for ECLA sessions, and of special material on the economic problems of agriculture, as required. Special attention is given to the preparation of relevant material for the Second United Nations Development Decade. About two months each year are assigned to collaboration with ILPES, particularly in connexion with its courses on agricultural planning, the work of its advisory missions and its research activities. The Division also participates in other ECLA programmes, such as the programme on the relatively less developed countries, through participation in advisory missions to the countries concerned (Bolivia, Ecuador, Paraguay).

06-3 Study on integrated agricultural development in Latin America

As a result of the agreement reached by the ECLA and ALALC secretariats, systematic analysis of production, consumption, and trade in major agricultural commodities within the eleven ALALC countries was initiated in 1967. Reports on wheat, maize, rice, sugar and beef have been completed and distributed to member Governments and the ALALC secretariat for appraisal and comment. Work is proceeding with the studies on cotton, coffee, cocoa, milk products, tobacco and wool. With these, and other commodity studies, it will be possible to prepare an over-all framework for intra-regional trade in agricultural products, and to suggest appropriate ways and means of expanding this trade within the context of a co-ordinated approach to development. This project also includes the provision of direct assistance to ALALC on a continuing basis by an FAO economist stationed at Montevideo. Assistance will also be provided in 1971 and 1972 to CARIFTA, and to the Andean Group.

Besides work on general agricultural development at the subregional level, which will be carried out in collaboration with ILPES, it may also be necessary to undertake studies on ways and means of improving information systems and consultation machinery, with a view to promoting an increased flow of intra-regional trade in agricultural products.

LIST OF PROJECTS, 1971-1973^{24/}

Material for background documents (06-01)

This project consists in the preparation of papers for inclusion in the Economic Survey of Latin America (ECLA) and the State of Food and Agriculture (FAO).

Initiation:	January (yearly)	Authority:	ECLA 271 (XII) and 281 (XII)
Completion:	December (yearly)	Priority:	High

^{24/} Work on some projects listed in the previous work programme of this unit was delayed owing to an unforeseen increase in requests for co-operation from Governments of the area. Other projects relating to agriculture are listed under the Office for the Caribbean and the Mexico Office.

Development strategy (06-02)

Analytical work will continue on various models of agricultural development in Latin America. The basic hypothesis included in the provisional document (E/CN.12/829) submitted to the Commission at its thirteenth session (Lima, April 1969) has been expanded to cover additional variables relating to income distribution, technology and employment. A new, enlarged document on agricultural development strategy is being prepared, as part of FAO and ECLA's contribution to work in connexion with the Second United Nations Development Decade. The agricultural strategy model is also being applied to several individual countries.

Initiation:	1969	Authority:	ECLA 271 (XII), 281 (XII) and
Completion:	1971		290 (XIII)
		Priority:	High

Production, consumption and trade in milk products in the ALALC countries (06-31)^{25/}

The aim of this study is to analyse and recommend specific mechanisms for increasing intra-regional trade in these agricultural products and for harmonizing national production policies within the Latin American Free Trade Association. The study on rice, which was originally included in this project, has already been completed and distributed (E/CN.12/857).

Initiation:	1969	Authority:	ECLA 265 (XII) and 281 (XIII)
Completion:	Mid-1971	Priority:	High

Production, consumption and trade in cotton, wool, coffee, cocoa, tobacco and other agricultural products in the ALALC countries (06-32) ^{26/}

The aim of this study is to analyse and recommend specific mechanisms for increasing intra-regional trade in agricultural products and harmonizing national production policies within the Latin American Free Trade Association. No separate reports will be prepared for each of the products; the corresponding analyses will be included in the over-all consolidated regional study.

Initiation:	1970	Authority:	ECLA 265 (XII) and 281 (XIII)
Completion:	End 1971 ^{27/}	Priority:	High

Advisory services in agricultural integration (06-34)

The Division has an FAO economist stationed in Montevideo who provides direct advisory assistance to the ALALC secretariat in the field of agricultural integration.

^{25/} The original deadline, which was mid-1970, could not be met because of requests for assistance from the Board of the Cartagena Agreement.

^{26/} See also project 06-34.

^{27/} This project was originally scheduled to begin in 1969, but could not be started until 1970.

(Agriculture)

In 1970 this assistance was extended, with the same staff, to the Andean Group. The Joint ECLA/FAO Agriculture Section of the Mexico Office also furnishes some assistance in connexion with Central American integration.

Initiation:	Continuing	Authority:	ECLA 251 (XI), 254 (XI)
Completion:	As the different activities are completed		and 290 (XIII)
		Priority:	Medium

Projects completed, 1969-1970

06-01 Material for background documents (Continuing project)

06-31 Production, consumption and trade in rice in the ALALC countries

Projects discontinued, dropped, postponed or consolidated, 1969-1970

06-33 Agricultural integration

(This project consisted in collaboration with project 00-71 "Economic problems of the relatively less developed countries", carried out by the Economic Development and Research Division of ECLA. Although this collaboration continues to be available, the project as such is no longer explicitly carried in the work programme.)

ECLA: JOINT ECLA/FAO AGRICULTURE DIVISION
LISTING OF PROJECTS PLANNED FOR IMPLEMENTATION AND RELATED
REQUIREMENTS EXPRESSED IN TERMS OF MAN-MONTHS

Projects	A B C	R/ NR	CP/ N	1971			1972			1973		
				Regular budget			Regular budget			Regular budget		
				P	C	RA	P	P	C	RA	P	P
06-0 Agricultural development and planning												
Material for background documents (06-01)	A	R	CP	11			10	11		10	11	
Development strategy (II DD) (06-02)	A	R	CP	11			10	11		10	11	
06-3 Study on integrated agricultural development in Latin America												
Production, consumption and trade in milk products in the LAFTA countries (06-31)	A	NR	CP	12			5	12		5	12	
Production, consumption and trade in cotton, wool, coffee, cocoa, tobacco in the LAFTA countries (06-32)	A	NR	CP	12			5	12		5	12	
Advisory services on agricultural integration (06-34)	B	R	CP									
Management, substantive support and technical co-operation activities				2			6	2		6	2	
Total				48			36 ^a	48		36 ^a	48	

Note: The General Service complement consists of one established post in 1971.

a/ Provided by FAO. An additional post is financed by FAO in Montevideo in connexion with project 06-34.

Abbreviations: A, B, C: High, medium and lesser priority; CP, N: Continuing, new project; R, NR: Recurrent, non-recurrent project; P: Professional; C: Consultant; RA: Regional Adviser; XB: Extra-budgetary.

UNIT: Natural Resources and Energy
Programme

PROGRAMME: 07 Natural resources and
energy

Within the broad sector of natural resources, the secretariat has in the past completed studies on water resources, hydrocarbons and electric energy. The secretariat has only a small staff for this type of work, which, moreover, requires highly specialized personnel. The intention is therefore, as a first stage, to continue with general research work, technical assistance and the formation of advisory groups to carry out regional development studies on these subjects. When more staff are available, the intention is to make more comprehensive studies of these subjects, especially the question of mining resources, and to devote attention to the problems of and the strategy for the human environment.

Knowledge about the region's surface water resources is, on the whole, inadequate, a fact which is aggravated by the rainfall, which is irregular not only seasonally, but in its geographical distribution. Still less is known about groundwater resources, which provide a large proportion of the water used for human consumption, irrigation, sanitary purposes and industry, and they are utilized to a minimal extent in relation to the ample supply that may be presumed to exist in the region as a whole,

Furthermore, there is little planning of water use in terms of over-all development in the various countries; no proper policy exists, and the legislation on the matter is utterly inadequate since it was conceived to stimulate individual uses of rivers and it fails to provide for either the present economic and social situation or technological progress in the region. Moreover, water projects are highly capital-intensive and investment in this sector has not usually been given very high priority in development programmes.

In the light of the above considerations, the secretariat's action programme will in the first place provide for the study and analysis of the possibilities of basin-wide river development, in co-operation with the appropriate authorities, including those carried out through multinational projects, although it should not neglect its promotion activities or its technical co-operation in planning with national and regional bodies that may request it.

Water will be considered as one of the basic elements in interdisciplinary subjects such as regional and local development. The intention is also to promote meteorological and hydrological research and interrelated studies - cartography, geology, soils, and vegetation cover - with special emphasis on the study of the use of groundwater in arid or semi-arid areas.

Any rapid increase in consumption of the various forms of energy in Latin America is complicated by the high investment required to step up production capacity and the need for highly trained and specialized technical personnel in this field. It is clearly necessary, therefore, to plan technical research and projects with great care, and to establish a strict relationship between projected demand and planning of the supply of energy in its various forms, and also its place in each country's over-all economic development programme.

The Latin American Governments devoted special attention to the energy sector in the 1960s. Nevertheless there was marked inconsistency in some cases between what is considered the over-all economic policy most suited to national development and the actual policy adopted in connexion with energy. Thus examples could be given of the

extravagant use of electric power for heating purposes, lack of co-ordination between the prices of various interchangeable forms of energy, and insufficient investment resources mainly because of the abnormally low rates charged, which have hampered the expansion of investment and production in the sector.

From the foregoing observations it is easy to determine the principal objectives to be pursued: (1) to attain a sufficient supply of energy in its various forms to reach the economic growth target established; (2) to guarantee a reasonably regular supply; (3) to keep the social costs of this supply to a minimum, and to ensure that the prices of the different types of energy are in line with their costs and determine the best possible structure of production in the sector.

To achieve these objectives it will be necessary to carry out research, and recommend national and regional strategies and policies for the sector's development in consonance with over-all economic development; to promote full utilization of energy resources, including multinational projects; and to participate in multidisciplinary working groups set up to study the development potential of selected regions with a view to suggesting appropriate policies.

Although mining is not very important as a source of employment and its contribution to the gross domestic product is over 6 per cent in only two of the countries examined, in 1967 exports of mining products amounted to nearly 2,500 million dollars, or over 20 per cent of the total value of exports from the region. The proportion is considerably more than three quarters in two of the Andean countries, and half in a third.

Latin American mining is already an important source of inputs for industry and construction, but it is clearly desirable to intensify local processing of mining products. The eagerness shown by several countries to review national policies for exploiting their natural resources - particularly those that are non-renewable - highlights the need to modernize and adapt the relevant legislation and institutions. ECLA therefore considers that attention could usefully be paid to these aspects of the region's resources in the Second United Nations Development Decade.

DESCRIPTION OF SUBPROGRAMMES, 1971-1977

07-0 Energy

Material on the energy sector (production, trade and consumption of petroleum and derivatives, natural gas, electric energy, coal, etc.) is prepared each year for the Economic Survey of Latin America, and statistical series for it are maintained on a permanent basis. Technical assistance is extended to government technical agencies mainly in connexion with economic matters, special research work is undertaken, and seminars and meetings are held to clarify technical and economic problems connected with electric energy supply. Some economic studies relating to electric energy and petroleum will continue to be carried out on a permanent basis with a view to discovering how these forms of energy develop and to suggesting courses of action to authorities.

07-1 Water resources

The aim of this subprogramme is to consider the level of data available on the water resources in each basin, and what their characteristics are, and also to what use they should be put for economic and social development purposes. Besides technical and economic topics, the studies cover legal questions and questions of administrative

(Natural resources)

organization. All water uses are studied (drinking and industrial water supply, irrigation, electric power generation, sewage disposal, navigation, etc.), and also the harmful aspects of water (floods, water pollution, and erosion).

07-2 Other natural resources

This subprogramme, which is mainly concerned with mineral resources, has a lower budget allocation than the other two subprogrammes. Its principal activity is the collection and analysis of information on reserves, consumption, production, trade, prices, major projects, investments, etc., for inclusion in the Economic Survey.

LIST OF PROJECTS, 1971-1973^{28/}

Electric power development (07-01)

The purpose of this project is to promote suitable planning for and the expansion of electric power systems in the Latin American countries (i.e., urban, industrial and rural electrification schemes), with a view to facilitating economic and social development. Work consists in research and special studies, the provision of technical assistance, and the organization of seminars, symposia, study visits, etc. Special emphasis is placed on interconnexion of systems, the implementation of multinational projects, the expansion of rural electrification, standardization of equipment, etc.

Initiation:	Continuing	Authority:	ECLA 130 (VI), 164 (VIII) 204 (IX)
Completion:	As the different activities are completed		and 290 (XIII)
		Priority:	Medium

Study of petroleum resources and their utilization in Latin America (07-02)

This study is being revised for publication. In 1970 many statistical series were brought up to date and projections of petroleum consumption in several countries of the region were revised. The study describes the main developments in the complex field of petroleum economics as regards petroleum and natural gas exploration, production, investment, trade, refining and consumption in the Latin American countries. It will provide national authorities with data and estimates that should assist them in policy-making.

Initiation:	1967	Authority:	ECLA 239 (X) and 290 (XIII)
Completion:	End 1971 ^{29/}	Priority:	Medium

Economics of energy consumption (07-03)

The study, dealing with the alternative uses of different sources of energy for each type of consumer, seeks to determine the over-all optimum structure of consumption for each country. It should serve as a guide for the formulation of co-ordinated policies on energy in general.

^{28/} Other projects in this field are listed under the Office for the Caribbean and the Mexico Office.

^{29/} The deadline for this project has been shifted from 1970 to 1971 owing to continuing recruitment difficulties.

Studies are to be undertaken at the request of the competent authorities in each country by working groups comprising local professionals. Experience shows that the structure of energy consumption in a number of countries is far from ideal and is at times very much at variance with over-all economic policy. These studies should assist the competent authorities to formulate energy policies that are compatible with over-all economic and social policy and are co-ordinated within the energy sector, bearing in mind the availability of natural resources and the cost of their utilization.

Initiation:	As soon as a candidate is found to fill the vacancy	Authority:	ECLA 264 (IX) and 290 (XIII)
		Priority:	High
Completion:	Depending on requests from Governments		

Second United Nations Development Decade (07-C8)

Trends in the energy, mining and water resources sectors will continue to be kept under observation. Problems will be identified and desirable objectives defined with a view to suggesting development strategies. Research under this project will provide the authorities of the Latin American countries with general background data to assist them in the formulation of their natural resources and energy policies for the Second United Nations Development Decade.

Initiation:	1969	Authority:	ECLA 204 (IX), 239 (X) and 290 (XIII)
Completion:	Through 1980, as the different tasks are completed.	Priority:	Medium

Basic data on the economics of electric power (07-C91)

Up-to-date statistics are kept on electric power by country and by type of source (installed capacity and production) for inclusion in the annual Economic Survey, together with data on the main features, costs, sources of financing, etc., of major projects (power stations, transmission lines, etc.) under way or at the planning stage.

The collection of this basic data fulfils several needs. For example: (a) it provides a valuable yardstick for measuring economic and social development, not only because of the strict correlation between electric power and development but also because, statistically speaking, data on the sector are among the most reliable and detailed as regards their distribution over space and time and also are rapidly available; (b) it provides the competent authorities with timely data on long-term economic development and also on the current situation; (c) it provides the ECLA secretariat with a basis for preparing the reports requested by Governments.

Initiation:	Continuing	Authority:	ECLA 99 (VI), 164 (VIII), 204 (IX) and 239 (X)
Completion:	Continuing	Priority:	High

Water resources of Paraguay (07-12)

Like the other reports on water resources in Latin America, this report will provide a general picture of the geographical distribution, main features, current contribution to economic and social development, and future prospects of Paraguay's

(Natural resources)

water resources. It will also contain recommendations on ways of increasing the contribution of water resources to development, with special reference to legal and institutional matters. The field-work and research has been completed and the next stage is to prepare the consolidated report.

Initiation: Late 1970 ^{3C/}
Completion: Mid-1971

Authority: ECLA 239 (X) and 290 (XIII)
Priority: High

Water resources of Latin America and the Second United Nations Development Decade (07-15) (new project)

A study will be prepared giving an over-all picture of water utilization in Latin America, describing the problems involved in expanding water use, and suggesting objectives for the 1970s with the corresponding strategy options. The purpose of the study is to make it easier for national authorities to formulate policies for water development (drinking and industrial water supply, hydroelectric power, irrigation, pollution control, etc.). The study will also serve as a basis for ensuring that water use projects are compatible with over-all economic and social development, that they are given suitable priority in national and regional planning activities, and that provision is made far enough ahead to allocate the necessary funds for them.

Initiation: 1971
Completion: 1973

Authority: ECLA 239 (X) and 290 (XIII)
Priority: High

Group of experts on the water resources of Latin America and the Second United Nations Development Decade, 1972 (B) (07-16) (new project)

This group will consider the study to be prepared under the preceding project (07-15) and add its conclusions to it. The meeting will also provide a valuable opportunity for the ECLA/OTC/WMO/WPC/PASB Water Resources Group to exchange the experience and data it has acquired over a period of years with ten selected professionals from the countries of the region.

Initiation: Early 1972
Completion: Mid-1972

Authority: ECLA 239 (X) and 290 (XIII)
Priority:

Study of mineral resources and mining (07-21)

Statistical series by country on production, exports, reserves, investment, prices, etc., for the region's main mineral resources are kept up to date on a continuing basis. Trends in mining policy, international markets, regional integration and technological progress are also examined. A section is prepared each year for the Economic Survey covering major mining projects completed or under way which contains data on capacity, location, volume of investment, annual foreign exchange earnings, etc. The aim of this project is to provide national authorities, upon request, with data and brief analyses to assist them in the formulation of mining policy.

Initiation: Continuing
Completion: Continuing

Authority: ECLA 239 (X) and 290 (XIII)
Priority: Medium

^{3C/} The execution of this project has been delayed for six months owing to recruitment difficulties.

Projects completed, 1969-1970

07-11 Water resources of Central America

07-13 Water resources of Uruguay

07-14 Development of the River Plate Basin (contribution to the feasibility study on the Puerto Busch Project, in collaboration with IDB and other Divisions of ECLA and ILPES)

Projects discontinued, dropped, postponed or consolidated, 1969-1970

07-09 Five-year programme for the development of natural resources

(This project had to be discontinued because the anticipated financing did not materialize.)

ECLA: NATURAL RESOURCES AND ENERGY PROGRAMME

LISTING OF PROJECTS PLANNED FOR IMPLEMENTATION AND RELATED
REQUIREMENTS EXPRESSED IN TERMS OF MAN-MONTHS

Projects	A B C	R/ NR	CP/ N	1971				1972				1973			
				Regular budget			XB	Regular budget			XB	Regular budget			XB
				P	C	RA		P	C	RA		P	C	RA	
07-0 Energy						9				8		3		8	
Electric power development (07-01)	B	R	CP	4				5				5			
Study of petroleum resources and their utilization in Latin America (07-02)	A	NR	CP	4											
Economics of energy consumption (07-03)	A	NR	CP	7				9				9			
Second United Nations Development Decade (07-08)	B	R	CP	5	3	11		6	3	11		7	3	11	
Basic information on economics of energy consumption (07-091)	A	R	CP	2				2				2			
07-1 Water resources						8				7		3		7	
Water resources of Paraguay (07-12)	A	NR	CP	6		16		2							
Water resources of Latin America and the Second Development Decade (07-15)	A	NR	N	6		16		4		16		4		32	
Ad Hoc Expert Group on Water Resources (07-16)	A	NR	N					6		16					
07-2 Other natural resources															
Study of mineral resources and mining (07-21)	B	R	CP	8	3	12		8	3	11		10	3	11	
Management, substantive support and technical activities				6		3		6		3		17		3	
<u>Total</u>				<u>48^{a/}</u>	<u>6</u>	<u>75</u>		<u>48^{a/}</u>	<u>6</u>	<u>72</u>		<u>60^{a/}</u>	<u>6</u>	<u>72</u>	

Note: The General Service complement consists of 6 established posts in 1971.

a/ In addition, 24 man-months are borrowed from general vacancies.

Abbreviations: A, B, C: High, medium and lesser priority; CP, N: Continuing, new project; R, NR: Recurrent, non-recurrent project; P: Professional; C: Consultant; RA: Regional Adviser; XB: Extra-budgetary.

UNIT: Transport Programme

PROGRAMME: 08 Transport

Transport is foremost among the main problems arising in a strategy for accelerating Latin America's economic and social development in the 1970s. There are no aspects of the strategy that are not closely related to the problems or objectives of the transport sector.

Governments and regional agencies will have to redouble their efforts to modernize and expand the existing transport systems in the coming decade in order to achieve the following objectives: (1) the accelerated development and integration of the different countries through the construction of an adequate infrastructure covering the whole of the national territory and capable of mobilizing all resources; (2) the creation of a basic infrastructure and a regional land transport system as the corner-stone of economic integration; (3) the expansion and modernization of Latin America's maritime and air transport services on the basis of rational economic criteria, in order to ensure for the countries of the region a larger share in the transport of their foreign trade and to promote new exports.

In addition to defining and applying over-all development and co-ordination policies, it is essential to ensure the implementation on a stable and continuing basis of investment programmes and schemes for modernizing operational methods in the various transport sectors, in close correlation with over-all development policy and with particular regard to the spatial aspect. Measures for rationalizing institutions and regulating transport are also required.

Several countries are still faced with the serious problem of modernizing their railway infrastructure, equipment and operating systems and of reducing the huge financial deficits. The secretariat is continuing to collaborate with the Latin American Railways Association (ALAF) in this connexion and will pay special attention to the improvement of statistical, accounting and cost systems, which are essential instruments for the diagnosis of current problems, the formulation of adequate policies and the evaluation of results.

Although all the countries have made great strides in the construction of roads, it is imperative that they should redouble their efforts to extend and improve their road systems if the objectives of the Second Development Decade are to be achieved. Such efforts should be centred on increasing the proportion of paved roads, improving and extending secondary roads, and keeping highways in better repair. In view of the importance of proper road maintenance in order to protect the original investment, it is proposed that a Latin American seminar should be organized to review methods of programming, organizing, financing and executing maintenance work.

The execution in the 1970s of the extensive region-wide highway projects now in the initial stages of construction or under study would complete the skeleton of a regional road network, which should then be supplemented by secondary and feeder roads. In view of the scale of these regional projects and of other projects that might become necessary in the future, it would seem necessary to determine how far the regional arterial network proposed, under study or in process of construction would be suited to the optimum spatial economic structure of a future integrated region. In 1963 work began on a study of the development of the eastern region of Bolivia as part of the evaluation of a project for building a port (Puerto Busch) on the river Paraguay being carried out by the Bolivian Government with the assistance of the Inter-American Development Bank (Puerto Busch). This will be followed by other interdisciplinary regional studies which, in

addition to providing a basis for regional planning, will be of assistance in preparing proper methodologies for evaluating integration highway projects. In the initial stages, some work will be done also in the Andean region and the Caribbean.

Another problem of regional scope which deserves special attention in the next ten years is that of intra-regional railway transport, particularly the study and application of measures which could be adopted by railway companies and Governments with a view to making the best possible use of the existing international railways.

In order to take full advantage of the benefits deriving from land transport connexions, it will also be necessary during the present decade to eliminate the institutional, legal and administrative barriers that still exist in many countries. These barriers obstruct the economic operation of regional transport services and the establishment of regional companies or corporations for their joint development. The secretariat has co-operated with ALALC in the field of regional land transport and will continue its activities in so far as resources permit.

The development of inland-waterway transport will be of particular importance for backward regions in the interior of several Latin American countries. In spite of the possibilities offered by this means of transport, little is known about the present situation and the problems hindering development. A study will be made on the subject in order to demarcate more specific areas for future research.

Maritime transport also is obviously of great importance in the region's foreign trade. Nevertheless the share of the Latin American merchant fleets in the total world tonnage carried by sea is smaller today than it was fifteen years ago. The share in foreign transport of the regional fleets under the head of bulk exports is especially small.

In particular, the Latin American countries must intensify their efforts in the forthcoming decade to secure the adoption by the shipping conferences of a policy on the level and structure of freight rates that will be really compatible with the requirements involved in expanding the region's foreign trade, especially in connexion with new exports of manufactures. The secretariat has continued to provide advisory assistance to the shippers' councils that have been set up in several countries, and it is hoped that work in this field can be intensified in so far as resources permit. Lastly, the secretariat has continued to advise CECLA on shipping questions and will continue to co-operate with UNCTAD.

Maritime transport is at present making great technical progress, and completely new transport systems are being introduced. The expansion policy of the regional merchant fleets should take special account of the need to absorb these technological changes, and also the foreseeable changes in the structure of the region's external trade.

Technological innovations in maritime transport will also give rise to serious problems with regard to the restructuring of many ports in the region. The port problem can be seen to be even more serious if it is considered that, in spite of the efforts of several Governments to improve port conditions, operations in many Latin American ports are still slow and expensive. The secretariat intends to develop a methodology for quantifying port costs and measuring the comparative efficiency of the different ports in the region. It also wishes to collaborate with the port authorities in devising and introducing statistical and cost information systems.

There has been even more technological progress in air transport. Since the innovations require substantial capital and wide markets, there must be a closer co-ordination between the existing companies in the transport not only of passengers but of freight.

DESCRIPTION OF SUBPROGRAMMES, 1971-1977

08-0 General situation and problems related to national transport policy and transport co-ordination

Governments in the region continue to be faced with increasingly complex problems related to national transport policy and transport co-ordination, which are the subject of much controversy and remain largely unsolved. The problem is further complicated by new scientific and technological developments which may entail profound changes in the technical and economic structure of the transport system in the future.

08-1 Transport and regional integration

This relates to the expansion and improvement of the regional and subregional transport network, as a basic requirement for regional economic integration, development and trade.

08-2 Maritime transport

This is a field of major importance in the region, considering, inter alia, that: (a) with the partial exception of Mexico, foreign trade between the region and other parts of the world is carried by sea; (b) in spite of the need to give increasing attention to the expansion of land transport for regional integration and trade, the bulk of intra-regional trade will likewise continue for many years to be carried by sea; (c) merchant marines of countries in the region represent only a small and decreasing proportion of world shipping tonnage, and their gross freight revenue represents about 12 per cent of the foreign trade revenue of the region; (d) payments for freight are an important deficit item in the balances of payments of some countries in the region.

08-3 Roads and road transport

Countries in the region have made and are continuing to make considerable effort to expand their road networks, and road motor transport has become the most important sector in inland transport. Nevertheless, in a very recent year the total length of paved and all-weather roads in Latin America represented only 2.2 per cent and 3.2 per cent respectively of the world road network (excluding the Union of Soviet Socialist Republics and mainland China). One of the most significant deficiencies in the Latin American road network is the small number of international roads.

08-4 Railway transport

In spite of the efforts made in recent years in some countries, railways in the region continue to be faced with extremely serious problems relating to the modernization and rehabilitation of existing systems, the improvement of operating methods, and substantial financial deficits. Furthermore, the volume of international railway traffic in Latin America is at present of very little importance, and railways could undoubtedly make a much greater contribution to regional integration and trade.

08-5 River transport; 08-6 Air transport and 08-7 Tourism

These three subprogrammes have lower priority.

(Transport)

LIST OF PROJECTS, 1971-1973^{31/}

(Projects marked with an asterisk can be carried out within the period indicated only if the additional P-4 post requested for 1972 is approved and the vacancy is filled.)

*Transport and economic integration in Latin America (08-11)

This project is concerned with problems related to the gradual development of a regional transport network, in particular a road network, which was stressed as a basic factor for regional economic integration in the Declaration of the Presidents of America (Punta del Este, April 1967).

Preliminary work on this project has been started by a short-term consultant, who is compiling information on the present state and condition of existing international roads in the region.

Initiation:	1970	Authority:	ECLA 291 (XIII)
Completion:	1971 (first phase)	Priority:	Medium

Transport and integration in the Andean Group, first phase (08-14) (new project)

The first phase will consist of the preparation of a transport manual, providing specific information on transport facilities and costs for goods currently or potentially traded among the five member countries, in addition to Venezuela, and designed to assist the secretariat of the Board of the Cartagena Agreement and other bodies studying Andean integration which require data on transport.

Initiation:	1971	Authority:	ECLA 290 (XIII)
Completion:	1972	Priority:	High

Transport and integration in the Andean Group: second phase (08-15) (new project)

The second phase will cover the preparation of an analytical study on transport problems and Andean integration, with recommended solutions for them. The study would be based on the information obtained for the transport manual.

Initiation:	1972	Authority:	ECLA 290 (XIII)
Completion:	1973	Priority:	High

Problems of maritime transport related to the programmes of work and activities of UNCTAD, IMCO, CECLA and ALALC (08-22)

This is a continuing activity involving co-operation with the secretariats of the above-mentioned organizations and other agencies in connexion with their activities relating to the ECLA region.

Initiation:	Continuing	Authority:	ECLA 289 (XIII) and 291 (XIII)
Completion:	Continuing	Priority:	High

^{31/} The other projects in this field are listed under the Office for the Caribbean and the Mexico Office.

Establishment and functioning of consultative machinery, on a national and regional basis, between shippers' councils and shipping conferences and shipowners (08-24)

In compliance with various resolutions adopted by UNCTAD and the programme of work of its Committee on Shipping, ECLA has promoted the establishment of shippers' councils in various countries of the region. Work in this field is of a continuing character and involves liaison with shippers' councils, which are supplied with information relevant to their activities and on developments in UNCTAD. Attention will be given to the promotion of consultative machinery between the existing shippers' councils and shipping conferences and shipowners.

Initiation:	Continuing	Authority:	ECLA 289 (XIII) and 291 (XIII)
Completion:	Continuing	Priority:	High

Implications of technological innovation in maritime transport for Latin America (08-25) (new project) 32/

Technological innovation in maritime transport, especially the increasing unitization of cargo and the use of ever-larger bulk carriers, has in recent years disrupted traditional practices and transport patterns on routes between the highly industrialized countries. The influence of these innovations is now beginning to be felt in Latin America and other developing areas but little systematic study has been made of their implications, especially as regards quality of transport services, total cost of transport, port efficiency and investment, employment, expansion of Latin American merchant marines and the share of Latin American cargo carried by Latin American ships, conferences and the structure of freight rates, etc. To a certain extent different technological innovations compete with each other, such as containerization and the LASH system, and systematic study of the costs and benefits of alternative systems would permit the Latin American Governments to encourage the adoption of the system or systems they consider most advantageous.

The proposed project, the implementation of which is subject to the successful recruitment of an expert, will examine these crucial questions. To some extent the study is a logical follow-up of the earlier study on maritime freight rates and it would also complement the project on transport and integration in the Andean Group (08-14).

Initiation:	1971 (provided that the expert is recruited)	Authority:	ECLA 290 (XIII) and 291 (XIII)
Completion:	1972 (first phase)	Priority:	High

National and international road transport (08-31)

This is a continuing activity and includes collaboration with the Latin American Road Transport Association (ALATAC). Under this project a draft study has been

32/ See also projects CO-22 "Assimilation of technological progress" (Economic Development and Research Division); O5-1 "Technology in Brazil" (Rio de Janeiro Office); C5-3 "Technological change in Mexico"; O4-094 "Progress in and resistance to technological change in Central America" and O4-24 "Identification of new industrial projects and of the requirements of technological research" (Mexico Office); and O5-11 "The transfer of know-how in Brazilian industry" (Industrial Development Division).

(Transport)

prepared covering legal and administrative regulations governing the operation of commercial road transport for passengers and freight in different Latin American countries, the economic situation of the highway transport sector and its problems in these countries, and the development of international road transport between them.

Initiation:	1968	Authority:	ECLA 290 (XIII) and 291 (XIII)
Completion:	Continuing	Priority:	Medium

Preparation and implementation of a regional convention on land transport in the ALALC countries: aspects related to motor transport (08-32)

Close co-operation has been established with ALALC in connexion with a first draft of a convention which was discussed at a meeting of the ALALC Transport Committee in August 1968. For this meeting, the ECLA secretariat presented a paper on existing regulations regarding road transport in a number of countries. In view of the variety of problems involved, continuing work on this project will be required over the next few years.

Initiation:	Continuing	Authority:	ECLA 222 (X) and 291 (XIII)
Completion:	As the different activities are completed	Priority:	Medium

Collaboration with the Latin American Railways Association (ALAF) and its Committee on Statistics, Accounting and Costs (08-42)

This is continuing activity which began with the Seminar on this topic in 1968. ALAF has established a standing committee to continue work on improving railway information systems in Latin America, and the Transport Programme is to provide the committee with advisory assistance.

Initiation:	1968	Authority:	ECLA 254 (XI) and 290 (XIII)
Completion:	Continuing	Priority:	Medium

Projects completed 1969-1970

08-12 Transport problems of the relatively less developed countries

08-13 Transport problems related to integrated development of the River Plate Basin

08-41 International railway lines and connexions in Latin America

Projects discontinued, dropped, postponed or consolidated, 1969-1970

08-23 Port costs and efficiency in the region (partially consolidated with projects 08-14 and 08-26)

08-25 Maritime freights and export promotion and diversification (partially consolidated with projects 08-14 and 08-26)

08-51 General study on inland water transport in Latin America (postponed for lack of resources)

ECLA: TRANSPORT PROGRAMME
LISTING OF PROJECTS PLANNED FOR IMPLEMENTATION AND RELATED
REQUIREMENTS EXPRESSED IN TERMS OF MAN-MONTHS

Projects	A B C	R/ NR	CP/ N	1971			1972			1973					
				Regular budget			XB	Regular budget			XB	Regular budget			XB
				P	C	RA		P	P	C		RA	P	P	
08-0 General situation and problems related to national transport policy and transport co-ordination						12			12					12	
08-1 Transport and regional integration				4				4				9			
*Transport and economic integration in Latin America (08-11)	B	NR	CP	2				2				7			
Transport and the integration of the Andean countries (first phase) (new project) (08-14)	A	NR	N	18				4							
Transport and the integration of the Andean countries (second phase) (new project) (08-15)	A	NR	N					14				5			
08-2 Maritime transport															
Problems of maritime transport related to the programmes of work and activities of UNCTAD, IMCO, CECLA, LAFTA (08-22)	A	R	CP	3				3				3			
Establishment and functioning of consultative machinery, on a national and regional basis, between shippers' councils and shipping conferences and shipowners (08-24)	A	R	CP	2				2				8			
Implications of technological innovation in maritime transport for Latin America (new project) (08-26)	A	NR	N	6				16				12			
08-3 Roads and road transport															
National and international road transport (08-31)	B	R	CP	1				3				10			
Preparation and implementation of a regional convention on land transport in the LAFTA countries; aspects related to motor transport (08-32)	B	NR	CP	1				1				1			
08-4 Railway transport															
Collaboration with ALAF and with the Permanent Committee on Statistics															
Accounting and costs of railway enterprises (08-42)	B	R	CP	2				2				2			
08-5 River transport)															
08-6 Air transport)				1				1				6			
08-7 Tourism)															
Management, substantive support and technical co-operation activities				8				8				9			
<u>Total</u>				<u>48</u>	<u>12</u>			<u>60</u>	<u>12</u>			<u>72</u>	<u>12</u>		

Note: The General Service complement consists of 3 posts.

Projects marked with an asterisk can be carried out as planned if new resources are made available.

Abbreviations: A, B, C: High, medium and lesser priority; CP, N: Continuing, new project; R, NR: Recurrent, non-recurrent project; P: Professional; C: Consultant; RA: Regional Adviser; XB: Extra-budgetary.

UNIT: Statistical Division

PROGRAMME: O9 Statistics

This programme is concerned with the collection, analysis and presentation of statistics, for use by the ECLA secretariat and for general information, in the economic and social fields. In the context of the global programme of the United Nations Statistical Office, promotion of the development of national statistics and the improvement of international comparability are pursued. The programme covers participation in the regional technical assistance programme and maintenance of close contact with regional activities of specialized agencies and with the Inter-American Statistical Institute (IASI).

The basic programme of the Statistical Division covers external trade statistics, national accounts, industrial and commercial statistics, and demographic and social statistics. The basic aims remain unchanged, but the field of work will be enlarged to include: statistics on: transport, monetary and financial questions (including balance of payments); labour; and use of the computer to be installed on ECLA premises, subject to the availability of fresh funds. Attention should be concentrated on the establishment of a basic statistical programme in individual countries which facilitates the establishment and appraisal of an over-all economic and social development plan, especially in view of the necessities for the Second Development Decade.

DESCRIPTION OF SUBPROGRAMMES, 1971-1977

O3-1 Statistical series

These series relate to all main fields of activity, i.e., population and social questions, national accounts, foreign trade, mining, manufacturing, construction, electric power, agriculture and animal husbandry, transport, manpower and prices. Close contacts are maintained with the United Nations Statistical Office, specialized agencies, and the statistical offices of the various countries.

O3-2 Regional statistical advisory services

At the request of member countries, ECLA provides advisory services on statistical matters. For this purpose one regional adviser is assigned to ECLA during 1971 through the regional programme of the United Nations Office of Technical Co-operation. Secretariat staff is also available for this purpose and advice is given either by mail or, if resources permit, by missions.

O9-3 Meetings and seminars

These meetings are subject to the availability of funds from OTC. The secretariat prepares specialized documents for each. The meetings listed can, if necessary, be replaced by others in the light of the world programme. All meetings are organized in close contact with the United Nations Statistical Office.

O9-4 Statistical development in Latin America

In view of the need to improve the quality and quantity of statistics produced, and in view of the statistical requirements associated with activities in the context of the Second United Nations Development Decade, ECLA intends to contribute to the establishment of a plan for statistical development in the region. This subprogramme incorporates the earlier minimum programme of basic statistics and the statistical rapporteur system.

09-5 Studies on specific statistical topics

This subprogramme covers several detailed topics described in the projects section.

LIST OF PROJECTS, 1971-1973Statistical Bulletin for Latin America, Vol.VIII, Nos.1 and 2 (1971) Vol.IX, Nos. 1 and 2 (1972) and Vol.X Nos. 1 and 2 (1973) (09-11)

The series published in the Statistical Bulletin are prepared for use by the secretariat itself. The Bulletin regularly includes series of basic statistics and a special section on foreign trade or national accounts. The purpose of this publication is to circulate statistical information on Latin America and make it available to Governments and other users.

Initiation:	Continuing	Authority:	ECLA 48 (V) and 78 (V)
Completion:	Yearly	Priority:	High

Statistical series for the Economic Survey of Latin America (09-12)

This part of the regular work programme of the Statistical Division includes the preparation of the preliminary estimates for the current year.

Initiation:	Continuing	Authority:	ECLA 44 (V), 64 (V) and 79 (VI)
Completion:	First phase (31 December every year) Second phase (31 March every year)	Priority:	High

Statistical series for continuing and special studies by substantive divisions (09-13)

This is part of the normal work of the Statistical Division. Requests come at irregular intervals and are satisfied as far as resources permit.

Initiation:	Continuing	Authority:	ECLA 44 (V)
Completion:	As the different activities are completed	Priority:	High

Regional statistical advisers (09-21)

The purpose of this project is to contribute to the improvement of statistics in member countries. One regional adviser on sampling techniques is included in the manning table for 1971; two interregional advisers are also available to Latin American countries, one for advice on population and housing censuses and vital statistics, and the other on computer methods and electronic data processing.

Initiation:	Continuing	Authority:	ECLA 154 (VIII) and 196 (IX)
Completion:	As missions are completed	Priority:	High

Statistical advisory services by the secretariat (09-22)

The purpose of this project is to contribute to the improvement of statistical organization and production in member countries. As a permanent part of the secretariat's work, assistance is given to individual countries by mail on specific subjects. If resources permit, missions are also undertaken at the request of Governments. This project includes also the activities related to the UNDP/TA country programmes on statistics. In order to meet the increased demand for statistics during the Second Development Decade, ECLA plans to expand its activities in selected countries and to propose measures for the improvement of the statistical situation.

Initiation:	May 1969	Authority:	ECLA 154 (VIII), 196 (IX) and 290 (XIII)
Completion:	After completion of work in each country	Priority:	High

Expert Group on Statistics of Income Distribution, 1971 (B) (09-33) (new name)^{33/}

It is planned that this Group, to be convened in 1971, will discuss the statistical problems of income distribution. As such it can be considered the next stage in the series of meetings on national accounts which have been convened regularly every other year on the new and expanded United Nations System of National Accounts (SNA). This meeting, which will be the first on income distribution, will attempt to establish standardized concepts for use in the region. Papers will be prepared by the United Nations Statistical Office and ECLA. The cost will be borne by ECLA.

Initiation:	April 1971	Authority:	ECLA 196 (IX) and 290 (XIII)
Completion:	December 1971	Priority:	High

Seminar on Population Statistics and the Use of Computer Methods, 1973 (XB) (09-34) 34/ (new name)

This meeting will provide an opportunity for an exchange of experience and discussions on the most efficient data processing methods to produce the population census results and current vital statistics. The Seminar will be organized by an agency of the Federal Republic of Germany. The ECLA secretariat will participate in a limited form.

Initiation:	1971	Authority:	ECLA 196 (IX) and 290 (XIII)
Completion:	1973	Priority:	High

Working Group on Distributive Trade and Services Statistics, 1972 (XB) (09-36) (new project)

This meeting will be proposed to CTC for financing. Its purpose is to discuss methods and procedures for gathering and compiling statistics on wholesale and retail trade, catering, recreation, and personal services. Between 30 and 40 per cent of the gross domestic product of an average Latin American country originates in these sectors, and about 20-30 per cent at least of the economically active population works in trade

^{33/} Name changed from Ad Hoc Expert Group on National Accounts, 1971.

^{34/} Name changed from Seminar on Data Processing in Population and Housing Censuses.

and services. The United Nations Statistical Commission has drawn attention to the need to give more attention than hitherto to the special problems presented by these sectors.

Initiation:	September 1971	Authority:	ECLA 196 (IX) and 290 (XIII)
Completion:	November 1972	Priority:	Medium

Expert Group on Public Sector Statistics, 1972 (B) (09-37) (new project)

Ten Latin American experts will meet in Santiago for two weeks to discuss systematic collection of information on the public sector. Standard concepts and norms would increase international comparability. This would result in higher efficiency in statistics for this sector, which is of basic importance for economic and social development planning. ECLA will finance this meeting if its request for the necessary funds is approved.

Initiation:	1971	Authority:	ECLA 196 (IX) and 290 (XIII)
Completion:	1972	Priority:	High

Seminar on External Trade Statistics, 1972 (XB) (09-39) (new project)

This meeting will be proposed to OTC for financing. External trade statistics are a valuable tool for Governments in the formulation of trade policy and for enterprises in decision-making. To fulfil their role adequately, statistics on external trade should satisfy minimum requirements with respect to timeliness, quality and coverage, which are not satisfied in many countries of the ECLA region.

The purpose of the Seminar would be: (a) to investigate the external trade statistics system in use in Latin American countries and the existing problems - coverage, classification, valuation, partner country, coding and publication; (b) to ascertain the difficulties in obtaining timely reliable data; (c) to discuss the usefulness and applicability of existing worldwide and regional recommendations, with special reference to the centralized systems of the International Trade Statistics Centre, ALALC and SIECA; (d) the most useful external trade indicators.

Initiation:	Mid-1971	Authority:	ECLA 290 (XIII)
Completion:	Mid-1972	Priority:	High

Statistical development activities in Latin America (Conference on Planning and Statistics) (09-42) (new project)

On the basis of the existing recommendations and in view of the need for statistics for analysis, planning and integration, a minimum programme must be prepared for statistical information. This project will also be useful as a framework for the execution of project 09-22.

Initiation:	1970	Authority:	ECLA 196 (IX), 197 (IX) and
Completion:	June 1971		290 (XIII)
	(first part)	Priority:	High

Revision of a standard list of mining and manufactured products (09-51)

In 1970 the draft of the standard list was presented to the Working Group on Industrial Statistics, which requested that work on this subject should be continued. This project is related to the preparation of international recommendations for the establishment of a basic list of selected individual commodities for which industrial production data should be compiled.

Initiation:	1967	Authority:	ECLA 196 (IX) and 290 (XIII)
Completion:	End 1971 (second phase)	Priority:	High

Regional computer centre (09-52)

In anticipation of the establishment of a regional computer centre in ECLA, the Division is responsible for preparatory substantive and administrative details. The data-processing centre would in the first place be available for mathematical, research-oriented, statistical, administrative, operational and educational applications dictated by ECLA's substantive units. In addition it would serve ILPES, CELADE and other United Nations agencies in Santiago.

Initiation:	1969	Authority:	ECLA 271 (XII) and 290 (XIII)
Completion:	1972, depending on available resources	Priority:	High

National accounts (09-55) (new project)

This project involves three different subprojects. One, on input-output (09-551), includes an enquiry into the present situation of input-output statistics in Latin America, an analytical comparative study, and considerations on the use of these tables within the context of the new SNA. The second subproject, on capital formation statistics (09-552), covers the collection of much-needed information on gross capital formation and depreciation, which is essential for economic analysis and economic model-building and industrial development planning. The third subproject, on the public sector (09-553), investigates the statistical importance of this sector within national expenditures and the general economic system. The organization of systematic data compilation also comes under this head.

Initiation:	1970	Authority:	ECLA 196 (IX) and 290 (XIII)
Completion:	1973	Priority:	High

Industrial and distributive trade statistics (09-56) (new project)

This project comprises three subprojects: the first, regional industrial production index (09-561), consists in a revision and extension, in consultation with the United Nations Statistical Office, of methods used in the compilation of a regional industrial production index. This is much needed for purposes of regional analysis, and it would help to improve national statistical development. The second subproject relates to statistical indicators for dynamic industries (09-562), and it seeks to establish criteria for distinguishing between industrial establishments according to degree of development, growth potential, multiplier effect, etc.; the third subproject, on distributive trade and services statistics methodology (09-563) (see also project

C9-36), consists in a review of experience in the light of international recommendations and a formulation of draft proposals for updating methods and procedures.

Initiation: March 1970
Completion: June 1972

Authority: ECLA 196 (IX) and 290 (XIII)
Priority: Medium

External trade statistics (09-57) (new project)

Two subprojects make up this project. Tendencies of terms of trade (09-571) is a study based on the results recently obtained by the external trade statistics unit of the Division in connexion with unit-value and quantum index numbers; terms of trade and their trends are analysed. Statistical classifications of external trade (09-572) analyses existing classifications used in external trade statistics, including basic criteria, their use and their economic significance for Latin American development planning.

Initiation: January 1970
Completion: November 1971

Authority: ECLA 196 (IX) and 290 (XIII)
Priority: High

Demographic and social statistics (09-58) (new project)

One subproject, on indices of levels of living (09-581), revives a project which was in the work programme some years ago. It includes consideration of the desirability of social and economic indicators showing the level of living of the population. The other subproject, on occupational classification and demographic statistics (09-582), to be carried out in co-ordination with the ILO, will consist in the preparation of comments on the present occupational classification and its use in demographic statistics, especially population censuses.

Initiation: January 1970
Completion: June 1972

Authority: ECLA 196 (IX) and 290 (XIII)
Priority: High

Projects completed, 1969-1970

- 09-35 Working Group on Industrial Statistics, 1970 (B)
The report appeared as document E/CN.12/864 (originally scheduled for 1972).
- 09-11 Statistical Bulletin for Latin America
Three issues, 1969 and 1970 (vol. VI, Nos. 1 and 2; Vol. VII, Nos. 1 and 2).
- 09-31 Expert Group on Price and Quantum Indexes
The report appeared as document E/CN.12/843
- 09-53 Studies on the integrity of vital statistical data
To be published in collaboration with the Chilean Statistics and Census Office
- 09-54 Statistics on children and youth in Latin America
Published as supplement to Statistical Bulletin (vol. VI, Nos. 1 and 2).

(Statistics)

Projects discontinued, dropped, postponed or consolidated, 1969-1970

- 09-32 Study tour on statistical organization
- 09-38 Seminar on Vital Statistics (jointly with the ILO), 1972
- 09-41 Preparation of a minimum programme of basic statistics (consolidated with project 09-42)
- 09-61 Establishment of a statistical rapporteur system (consolidated with project 09-22)

ECLA: STATISTICAL DIVISION
LISTING OF PROJECTS PLANNED FOR IMPLEMENTATION AND RELATED
REQUIREMENTS EXPRESSED IN TERMS OF MAN-MONTHS

Projects	A B C	R/ NR	CP/ N	1971				1972				1973			
				Regular budget			XB	Regular budget			XB	Regular budget			XB
				P	C	RA		P	P	C		RA	P	P	
09-1 Statistical series				54	3			54				54			
Statistical Bulletin for Latin America, two issues each year (09-11)	A	R	CP												
Statistical series for the Economic Survey of Latin America (09-12)	A	R	CP												
Statistical series for special studies by substantive divisions (09-13)	A	R	CP												
09-2 Regional statistical advisory services				6		12		6		12		6		12	
Regional statistical advisers (09-21)	A	R	CP												
Statistical advisory services by the secretariat (09-22)	A	R	CP												
09-3 Meeting and seminars				14				14				26			
Working group on income distribution 1971 (B) (09-33)	A	NR	CP												
Seminar on statistics and the use of computer methods (proposed for financing by German foundation for developing countries) (XB) (09-34)	A	NR	CP												
Working group on distributive trade and services statistics 1972 (proposed to CTC) (XB) (09-36)	B	NR	N												
Expert Group on Public Sector Statistics, 1972 (B) (09-37)	A	NR	N												
Seminar on external Trade Statistics, 1972 (XB) (09-39)	A	NR	N												
09-4 Statistical development (new name)				12				12				12			
Activities on statistical development (09-42)	A	NR	N												
09-5 Studies on specific statistical topics				20				20				20			
Revision of a standard list of mining and manufacturing products (09-51)	A	NR	CP												
Regional computer centre (09-52)	A	NR	CP												
National accounts (09-55)	A	NR	N												
Industrial and distributive trade statistics (09-56)	B	NR	N												
External trade statistics (09-57)	B	NR	N												
Demographic and social statistics (09-58)	A	NR	N												
Management, substantive support				2				2				2			
<u>Total</u>				<u>108^{a/}</u>	<u>3</u>	<u>12</u>		<u>108^{a/}</u>		<u>12</u>		<u>120^{a/}</u>		<u>12</u>	

Note: The General Service complement consists of 16 established posts, including one provisional post.

a/ Includes one provisional post approved for 1970.

Abbreviations: A, B, C: High, medium and lesser priority; CP, N: Continuing, new project; R, NR: Recurrent, non-recurrent project; P: Professional; C: Consultant; RA: Regional Adviser; XB: Extra-budgetary.

(Projections Centre)

UNIT: Latin American Economic
Projections Centre

PROGRAMME: 10 Economic projections and
planning

The main objective of the Economic Projections Centre is the preparation of projections for the macroeconomic variables of the countries in the region, analysing the prospects and their implications on the basis of alternative assumptions.

DESCRIPTION OF SUBPROGRAMMES, 1971-1977

10-0 Economic projections and planning

Work covers the definition of targets and methodological questions. Results are divided into: direct or simple projections, which are basically extrapolations from present trends and structures; target projections, which are the most desirable combinations of growth levels; and feasible projections, which relate to variations obtained on the basis of a number of optimal assumptions, considered consistent with feasible structural changes and modifications of the trends.

10-01 Preparation of projections on the Latin American economy

Work involves estimation of the parameters of the relationships of a model which includes the main macroeconomic variables. The model makes it possible to examine the main factors determining the process of growth.

10-2 Exploration of techniques and methods of projection

Work in this field is to some extent a by-product of the examination of the questions dealt with in the other subprogrammes above. One of the main points to be investigated is the choice of the best macromodel to be used on the countries of the region. Some interesting experience is being accumulated in this connexion, although there is still much work to be done on such points as the possible interdependence of variables and coefficients, and the implications of required changes in some of them for all or some of the others.

10-3 Study of statistical and technical information required for preparing projections

This is done systematically as a prerequisite for the preparation of country projections. An examination of the available sources of information for the sectorization of the model is one of the first steps to be taken. The greater the sectorization, the greater the need for substantive knowledge in the related field. There are also decisions to be taken in the not infrequent case of different or even conflicting sources of data. The same may be said of regional problems, which will be considered in the next stage of the country studies.

10-4 Compilation and analysis of projections prepared by other organizations

This subprogramme covers both the initial stage of the preparation of projections once a decision has been made on the source to be accepted, as indicated in the project described above, and the final stages of the projections table, when a comparison of results is made. Among the organizations, agencies or units which are to be considered in relation to the published results on projections and planning, are the Centre for Development Planning, Projections and Policies, UNCTAD and FAO, and also the Inter-American Committee on the Alliance for Progress (CIAP), the national planning agencies, etc.

10-5 Short-term projections

The usefulness of different procedures and methods of short-term forecasting (up to one year) has not yet been firmly established. Various economic indicators and indexes describing the current behaviour of the main components of national accounts should be examined as possible means of forecasting for the current year as soon as the figures for the preceding year are available.

10-6 Planning of development; 10-7 Meeting and seminars on economic projections and planning, and 10-8 Projections relating to trade and regional integration

These are low-priority subprogrammes.

LIST OF PROJECTS, 1971-1973

(Projects marked with an asterisk can be carried out within the period indicated only if the additional local post requested for 1972 is approved.)

Economic projections and planning (10-00)

Analysis of the projections of the main macroeconomic variables of countries in the ECLA region in relation with the Second United Nations Development Decade. Special attention will be given to the size of the trade and savings gap, given different growth rate assumptions in each country. The implications of alternative export trends will be examined, and also the results of different assumptions on external financing. It is expected that the projections, which up to now have covered only eighteen Latin American countries, will now cover the countries of the Caribbean also.

Initiation: Mid-1971
Completion: Early 1973

Authority: ECLA 227 (X), 233 (X) and 263 (XII)
Priority: High

Expert Group on Over-all and Sectoral Long-Term Projections and Regional Integration Models, 1972 (B) (10-01) (new project)

The purpose in convening this group is to exchange and compare results and points of view with eminent experts in the field of projections in Latin America. Conceptual questions and econometric procedures and methods relating to long-term projections will be discussed, and also their relationship to problems arising from the great volume of data to be processed.

Initiation: Mid-1971
Completion: Mid-1972

Authority: ECLA 227 (X), 233 (X) and
263 (XII)
Priority: High

Expert Group on Optimal Location of Industrial Production Complexes, 1973 (B) (10-02) (new project)

Methodological and practical aspects of optimal location in the light of industrial integration will be discussed. Relevant factors are economies of scale, transport costs and other pertinent technical and economic questions. The Industrial Development Division will participate in this meeting.

Initiation: Late 1972
Completion: Mid-1973

Authority: ECLA 227 (X), 233 (X) and 263 (XII)
Priority: High

*Model for comparison of development strategies (10-03) (new project)

Alternative demand targets are established. Different strategies for production - choice of technologies and management organization - and distribution - policies, wages, taxes, etc. - are defined. Given certain assumptions on the values of technical coefficients, the model brings out the level of human resources and domestic and foreign capital required to satisfy the targets. Gaps are analysed and the possibility of reaching the objectives aimed at, is examined.

Initiation:	Mid-1971	Authority:	ECLA 227 (X), 233 (X) and 263 (XII)
Completion:	1973	Priority:	High

Preparation of projections on the Latin American economy, by countries (10-10)

The preparation of projections by countries requires a year-by-year examination of the recently available figures, and also possible retroactive modifications of official national accounts figures, which may entail different estimates for the parameters of the relationships in the over-all projection model. The model itself is being subjected to changes, although the main determinants of growth are still considered to be production, savings and investment, foreign trade requirements, and external financing. These changes are related to the stochastic relationships and identities or definitional relations, and to the explanatory variables themselves. Preparatory work being done in this area will soon be available. Exports, among other exogenous variables, also require special study, in order to improve the consistency of foreign trade country projections with models used in different regions of the world.

Initiation:	January every year	Authority:	ECLA 227 (X), 233 (X) and 263 (XII)
Completion:	December every year	Priority:	High

Study of statistical and technical information required for preparing projections (10-30)

There is growing dissatisfaction with the quality and extent of the statistical sources presently available, and there are indications that urgently needed improvements in national accounts and other statistical series will be introduced in the near future. This will entail a reconsideration of possibilities in every other area, as it will lead to greater sophistication in estimating and other techniques, but until such a situation prevails, the problem of carefully screening the available statistical information persists, with the attendant need to choose among different and even conflicting sources of data. One important point dealt with relates to the use of exchange rates and parity indexes for inter-country comparisons.

Initiation:	January every year	Authority:	ECLA 227 (X), 233 (X) and 263 (XII)
Completion:	December every year	Priority:	High

Compilation and analysis of projections prepared by other organizations (10-40)

This work entails a yearly examination of the main studies and projections of other organizations and groups.

Initiation:	January every year	Authority:	ECLA 227 (X), 233 (X) and
Completion:	December every year		263 (XII)
		Priority:	High

Projects completed, 1969-1970

10-C Economic projections and planning: studies on classification

10-1 Preparation of projections on the Latin American economy (yearly)

ECLA: ECONOMIC PROJECTIONS CENTRE
LISTING OF PROJECTS PLANNED FOR IMPLEMENTATION AND RELATED
REQUIREMENTS EXPRESSED IN TERMS OF MAN-MONTHS

Projects	A B C	R/ NR	CP/ N	1971			1972			1973		
				Regular budget			Regular budget			Regular budget		
				P	C	RA	P	P	C	RA	P	P
10-0 Economic projections and planning												
Economic projections and planning (10-00)	A	R	CP	2			2				2	
Ad Hoc working group on over-all and sectoral long-term projections and regional integration models 1972 (B) (10-01)	A	NR	N	4			2				2	
Ad Hoc working group on optimal location of industrial production complexes 1973 (B) (10-02)	A	NR	N				2				2	
*Model for comparison of development strategies (10-03)	A	NR	N	2			2				2	
10-1 Preparation of projections on the Latin American economy, by countries (10-10)	A	R	CP	18			18	18			24	
10-2 Exploration of techniques and methods of projections	B	R	CP	12			18	12			18	
10-3 Study of statistical and technical information required for preparing projections (10-30)	A	R	CP	10				10			10	
10-4 Compilation and analysis of projections prepared by other organizations (10-40)	A	R	CP	10				10			10	
10-5 Short-term projections (10-50)	B	R	CP	12				12			12	
Management, substantive support and technical co-operation activities				2				2			2	
<u>Total</u>				<u>72^{a/}</u>			<u>36^{b/}</u>	<u>72^{a/}</u>			<u>84^{a/}</u>	

Note: The General Service complement consists of two established posts including one provisional post, in 1971.

Projects marked with an asterisk can be carried out as planned only if new resources are made available.

a/ Includes one provisional post approved for 1970.

b/ Financed by the United Nations Trust Fund for Development Planning and Projections.

Abbreviations: A, B, C: High, medium and lesser priority; CP, N: Continuing, new project; R, NR: Recurrent, non-recurrent project; P: Professional; C: Consultant; RA: Regional Adviser; XB: Extra-budgetary.

UNIT: Public Administration

PROGRAMME: 11 Public administration

The administrative apparatus of the Latin American countries is notoriously weak as a tool for translating into action the policy guidelines required for development, and yet reform measures have hitherto had little result. Critical analyses seem to have pinpointed the reasons for this. It has been concluded that operational efficiency is not enough in itself (wrong decisions can also be efficiently implemented) and that inefficiency can be eliminated only if its external causes, such as structural unemployment, political instability, inflation and insufficient fiscal resources, can be counteracted. The poor results obtained have also been ascribed to inadequate reform strategies and systems. It has been recommended that steps be taken to strengthen planning agencies and to promote the training of senior administrators in the use of modern management techniques aimed at identifying and achieving objectives rather than at promoting operational efficiency.

Although essentially correct, the reorientation of administrative reform along these lines can produce significant results only over the long term. It has been recommended that: (a) efforts be concentrated on the establishment or strengthening of priority bodies, i.e., those responsible for the formulation and implementation of policies conducive to the attainment of essential economic development aims; (b) the over-all rationalization of the public sector be considered as a goal to be achieved in successive medium- and long-term stages.

The secretariat will carry out research with the aim of determining what agencies or other instruments should be established or strengthened in order to improve the formulation and execution of development plans, on the basis of an analysis of these plans and of studies of the public sector carried out by international organizations and public or private institutions in the Latin American countries. Thus, a meeting of experts on administrative capacity for development was held in 1970.

Experience seems to bear out the effectiveness of discussion between experts. For example, the work of the Meeting of Experts on Administration of Public Enterprises in Latin America and the Caribbean held by ECLA in November 1969 aroused considerable interest and gave rise to recommendations that the United Nations should carry out research on modern management practices and techniques, planning of enterprises, and administrative aspects of multinational enterprises in view of their growing importance for Latin American integration.

In ECLA resolution 290 (XIII) the Commission recommends that the secretariat, in the context of its programme of work, should give special attention to studies, research and advisory services related to the rationalization and modernization of public administration, and its adaptation to the requirements of development. As a result, efforts are likely to be concentrated on improving the efficiency of agencies of immediate importance for development, such as data collection and processing services (statistical, planning and other systems); the establishment and smooth operation of public enterprises, including those of a multinational character; the establishment or strengthening of bodies and instruments for stimulating, tapping and channelling savings; and development of scientific and technical research at the level and in terms of regional interests.

DESCRIPTION OF SUBPROGRAMMES, 1971-1977

11-0 Public administration in relation to economic development

In order to adapt public administration to development needs action must be taken in three basic directions, i.e., towards: (a) improving decisions, particularly those relating to over-all and sectoral policy; (b) preparing the substantive bodies concerned to carry out development plans efficiently and co-operate in their formulation; (c) ensuring the efficient organization and functioning of general services. The activities of the Public Administration Unit in assisting the Latin American countries in these fields comprise general research and studies, and advisory assistance in solving specific problems.

11-1 Meetings, seminars and courses on public administration

Seminars, which are a valuable means of updating technical know-how and exchanging experience, are particularly valuable to developing countries. Officials of these countries normally find it difficult to keep abreast of advances in science and technology and, more particularly, to understand the nature of the obstacles that impede the application of modern techniques in backward economic and social settings. The aim of this subprogramme is to organize courses for senior administrators and regional administrative planners. The Unit will also collaborate with ILPES in the public administration aspects of its courses.

LIST OF PROJECTS, 1971-1973

Expert Group on Administrative Aspects of the Export of Manufactures,
1971 (B) (11-13) (new project) 35/

This project is envisaged as an integral part of ECLA's priority programme for the promotion of the export of manufactures within Latin America and in outside markets. A meeting on the subject will be organized and conducted with the collaboration of the Industrial Development Division and the Trade Policy Division in order to maintain a desirable multidisciplinary approach.

Initiation: Mid-1970
Completion: Late 1971

Authority: ECLA 233 (X) and 290 (XIII)
Priority: High

Expert Group on Administration for Development in Latin America, 1972
(B) (11-15) (new project)

The previous activities of this Unit represent an experience of current problems of public administration in Latin America which is virtually unique. The experience acquired should be systematized and an attempt should be made to define the principal problems of public administration in the region. The purpose of this meeting will be to consider the factors that are holding back the development of more efficient public administration in Latin America and to suggest solutions. To be financed by ECLA, subject to approval by the Secretary-General and the General Assembly.

35/ See also the Expert Promotion Programme.

Initiation: August 1971
Completion: December 1972

Authority: ECLA 233 (X) and 290 (XIII)
Priority: High

Expert Group on Application of Computers in Public Administration, 1973

(B) (11-16) (new project)

The application of computers in the public sector in Latin America is an important and difficult subject. The purpose of this meeting is to analyse problems and to recommend to the Governments of the region the best methods to assure the most effective utilization of computer technology for development. To be financed by ECLA, subject to approval by the Secretary-General and the General Assembly.

Initiation: Mid-1972
Completion: December 1973

Authority: ECLA 233 (X) and 290 (XIII)
Priority: High

Projects completed, 1969-1970

11-11 Expert Group on Public Enterprises in Latin America

11-14 Expert Group on Administrative Capability for Development

This project replaced 11-13, "Expert Group on Purchasing and Supply".

Projects discontinued, dropped, postponed or consolidated, 1969-1970

11-12 Regional Conference on the Training of Senior Administrators
(owing to lack of funds)

11-13 Expert Group on Purchasing and Supply

Replaced by project 11-14, which has higher priority.

ECLA: PUBLIC ADMINISTRATION UNIT

LISTING OF PROJECTS PLANNED FOR IMPLEMENTATION AND RELATED
REQUIREMENTS EXPRESSED IN TERMS OF MAN-MONTHS

Projects	A B C	R/ NR	CP/ N	1971				1972				1973			
				Regular budget			XB	Regular budget			XB	Regular budget			XB
				P	C	RA		P	C	RA		P	C	RA	
11-0 Public Administration in relation to economic development (missions as requested)	A	R	CP	4	6	16	12 ^{a/}	4	5	16	12 ^{a/}	4	5	16	12 ^{a/}
11-1 Meetings, seminars and courses on public administration															
Administrative Aspects of the export of manufactures (11-13)	A	NR	CP	6	-	8									
Ad Hoc Expert Group on Administration for Development in Latin America, 1972 (B) (11-15)	A	NR	N					6	-	8					
Ad Hoc Expert Group on Application of Computers in Public Administration, 1973 (B) (11-16)	A	NR	N									6	-	8	
Management, substantive support and technical co-operation activities				2				2				2			
<u>Total</u>				<u>12</u>	<u>6</u>	<u>24</u>	<u>12^{a/}</u>	<u>12</u>	<u>5</u>	<u>24</u>	<u>12^{a/}</u>	<u>12</u>	<u>5</u>	<u>24</u>	<u>12^{a/}</u>

Note: The General Service complement consists of one established post in 1971.

^{a/} Associate expert financed by one Government.

Abbreviations: A, B, C: High, medium and lesser priority; CP, N: Continuing, new project; R, NR: Recurrent, non-recurrent project; P: Professional; C: Consultant; RA: Regional Adviser; XB: Extra-budgetary.

EXECUTIVE, ADMINISTRATIVE AND SUPPORT PROGRAMMES

The Office of the Executive Secretary, the Technical Assistance Co-ordinating Unit, the Washington Office and the Division of Administration do not have individual projects. Their functions are described in the following sectors.

UNIT: Office of the Executive Secretary

The Office of the Executive Secretary directs and co-ordinates the work of the secretariat and supervises the implementation of the work programme as approved by the Commission. It maintains liaison with Governments, specialized agencies and other organizations in the area, both governmental and non-governmental, and with United Nations Headquarters, the regional offices of the Commission, UNCTAD, UNIDO and ILPES. The Executive Secretary is a member of the Governing Council of ILPES and Chairman of the Governing Board of CELADE, a decentralized UNDP project.

The Office of the Executive Secretary comprises, besides the Office proper, the following units: Information Services, Documents Distribution and Reproduction Sections, and Editorial and Language Services.

The Office of the Executive Secretary is responsible for the preparation and publication of the Economic Bulletin for Latin America, which appears twice a year, and for the Export Promotion Programme for Manufactures and Semi-Manufactures. This Programme, which is under the charge of a Co-ordinator, has two regional advisers. (The Co-ordinator and the regional advisers are provisionally listed under the Industrial Development Division.)

UNIT: Technical Assistance Co-ordinating Unit

This Unit is in charge of all technical assistance activities at the regional level entrusted to the ECLA secretariat by the United Nations Office of Technical Co-operation, UNCTAD and UNIDO, and of technical co-operation projects agreed upon with UNITAR, the Economic Commission for Europe, Governments, foundations and other bilateral and multilateral agencies. It also co-ordinates the activities of regional UNDP projects for which ECLA has been designated as supervising agency. The Unit co-ordinates its activities connected with these projects with OTC, the substantive divisions of ECLA and the UNDP Resident Representatives. The Unit also assists CTC by undertaking programming missions, upon its request, to assist Governments in the evaluation and preparation of country technical assistance projects. It also helps ILPES in discharging its responsibilities with regard to the provision of advisory services to the countries of the region and administers CELADE fellowships.

DESCRIPTION OF SUBPROGRAMMES AND LIST OF PROJECTS

The subprogrammes and projects served by the regional advisers and experts are included in each organizational unit. A list of the complete titles of all regional advisers and experts serving 1971 is given below, by programme:

(Technical Assistance)

00 - Economic Development

1 Adviser on regional economic integration
1 Adviser on regional planning

01 - Social development

1 Adviser on the social aspects of regional and local development
1 Adviser on physical planning, urban and regional

02 - Trade policy

1 Adviser on the institutional aspects and formulation of trade policy
1 Adviser on the financial aspects of the external sector
1 Adviser on export promotion

.. - Export Promotion

1 Adviser on export marketing
1 Adviser on export promotion planning

.. - Economic integration of
the Caribbean area

1 Adviser on maritime transport
1 Adviser on trade policy and integration
1 Adviser on ports

.. - Multi-national
Interdisciplinary Development
Advisory Team for the Caribbean

1 Economist (Team leader)
1 Adviser on economic development
1 Adviser on rural and community development

04 - Central American economic
integration

1 Expert on development financing
1 Expert on economic development
1 Expert on industrial programming (appointed to SIECA)
1 Expert on industrial development
1 Expert on budget programming (appointed to SIECA)
1 Expert on fiscal policy (appointed to SIECA)
1 Expert on electricity services and financing
1 Expert on electric power development
1 Expert on multipurpose water use
1 Expert on transport economics
1 Expert on port development and navigation
1 Expert on customs unions

05 - Industrial development

1 Adviser on metal-transforming industries
1 Adviser on technological research
1 Adviser on pulp and paper
1 Adviser on the chemical industries
1 Adviser on the supply aspects of exports of manufactures

07 - Natural resources and energy

1 Adviser on hydroelectricity
1 Adviser on sanitary engineering
1 Adviser on irrigation and drainage
1 Adviser on hydrometeorology
1 Adviser on the legal and institutional aspects of natural resources
1 Adviser on mining development
1 Adviser on petroleum economics

08 - Transport

1 Adviser on transport economics

09 - Statistics

1 Adviser on sampling

11 - Public administration

1 Senior public administration adviser

1 Adviser on public administration

1 Regional associate expert on public administration

UNIT: Washington Office

The main function of the Washington Office is to assist the substantive divisions and the field offices by collecting and analysing material that is more readily available in Washington than in Santiago or the other regional Offices. The Washington Office has no projects.

UNIT: Division of Administration^{36/}

The Division of Administration is responsible for administering the finances and personnel of the ECLA secretariat, including the bimonthly preparation of manning tables in accordance with the budget allotments and other financial regulations issued by the Office of the Controller at Headquarters and with the Staff Rules and Regulations (subject, in certain cases, to the approval of the Director of Personnel). It recruits staff and/or technical assistance experts for the ECLA secretariat to undertake technical assistance projects for which the Commission is responsible and on behalf of the Headquarters Office of Personnel as required. It is responsible, subject to the general standards and procedures laid down by the Headquarters Office of General Services, for buildings and office maintenance, the procurement of equipment, supplies and services, and for the registry, mail and communications services; it makes the administrative arrangements for meetings of the Commission and its subsidiary bodies; and it provides the supporting services for such meetings. The Library, which is also part of the Division of Administration, provides reference and other material for research work undertaken by the Commission. Under the procedures to decentralize responsibilities, the Division of Administration is responsible for all administrative and financial arrangements in relation to regional advisers or experts provided under the United Nations technical assistance programmes. The Director of the Division is responsible for the over-all administrative and financial operations of the Latin American Institute for Economic and Social Planning.

The Institute's administrative and finance officer, who is paid from Institute funds, is considered to be outposted from the ECLA Division of Administration. The Director of this Division is also responsible for the over-all administrative and financial operations of the Latin American Demographic Centre. The Division has no projects.

^{36/} The units which make up this Division are: the Office of the Director, the Finance Section, the Office of Personnel, the Library, the Buildings Management and General Services Section. The administrative services of the Mexico Office are not listed under this Division but under the Mexico Office.

ECLA: MANAGEMENT, ADMINISTRATION AND SUPPORT

LISTING OF PROJECTS PLANNED FOR IMPLEMENTATION AND RELATED
REQUIREMENTS EXPRESSED IN TERMS OF MAN-MONTHS

Projects	A B C	R/ NR	CP/ N	1971				1972				1973			
				Regular budget			XB	Regular budget			XB	Regular budget			XB
				P	C	RA	P	P	C	RA	P	P	C	RA	P
Office of the Executive Secretary ^{a/}				228 ^{a/}	6	24	24 ^{b/}	228 ^{a/}	6	12	24 ^{b/}	228 ^{a/}	6	12	24 ^{b/}
Technical Assistance Co-ordinating Unit ^{c/}				24	-	-	-	36	-	-	-	36	-	-	-
Washington Office ^{d/}				36	-	-	12 ^{e/}	36	-	-	12 ^{e/}	36	-	-	12 ^{e/}
Division of Administration ^{f/}				132	-	-	12 ^{e/}	132	-	-	12 ^{e/}	132	-	-	12 ^{e/}
<u>Total</u>				420 ^{g/}	6	24 ^{h/}	48	432 ^{g/}	6	12 ^{h/}	48	432 ^{g/}	6	12 ^{h/}	48

^{a/} Includes, besides the OES proper, the Editorial and Language Service, the Information Services and the Documents Reproduction and Distribution Sections. The General Service complement in 1971 consists of 33 posts. ILPES provides 7 additional local posts for common services (Editorial and Language).

^{b/} One is provided by OPI and the other by ILPES.

^{c/} The General Service complement consists of 2 posts in 1971. The additional local post is financed by the Special Fund Overheads Account.

^{d/} The General Service complement consists of 2 posts in 1971. ILPES finances an additional local post.

^{e/} Financed by ILPES.

^{f/} The General Service complement in 1971 consists of 151 posts, including two provisional posts approved for 1970. Two additional local posts are financed by UNDP/OTC and seven are provided by ILPES.

^{g/} Includes one provisional post approved for 1970.

^{h/} Attached to the multi-divisional Export Promotion Programme.

Abbreviations: A, B, C: High, medium and lesser priority; CP, N: Continuing, new project; R, NR: Recurrent non-recurrent project; P: Professional; C: Consultant; RA: Regional Adviser; XB: Extra-budgetary.

OTHER PROJECTS

In addition to the programmes described in earlier sections, the work programme of the secretariat contains the following projects.

Export promotion programme^{37/}

At its twelfth session the Commission took note with satisfaction of the establishment of the United Nations Export Promotion Programme and supported the active participation of the ECLA secretariat in this Programme, which should be given high priority (resolution 269 (XII)). Under this Programme the regional commissions - ECLA among them - are to be centres of initiative and for this purpose should establish centres or programmes of export promotion in their respective secretariats. The ECLA programme stresses exports of manufactures and semi-manufactures.

In the light of the foregoing, at the end of 1969 the activities of ECLA in the field of export promotion which had been developing on a fragmentary basis throughout various units of the secretariat were combined in a Programme of Export Promotion. This Programme is of an interdisciplinary and multidivisional nature which ranges over the various aspects of the process of export promotion from the programming of production for export through the marketers of products in world markets. This reflects the recommendations of the Commission at its thirteenth session (resolution 291 (XIII)), requesting the intensification of the secretariat's work in the field of export promotion with special reference to the problems of supply, marketing and financing, including credit insurance.

At its thirteenth session, the Commission considered (resolution 289 (XIII)) the expansion and diversification of exports of primary interest to Latin America in the formulation of a concerted action programme as part of an over-all development strategy within the framework of the Second United Nations Development Decade and requested the secretariat (resolution 290 (XIII)) that in the context of its work programme, it should give special attention to studies, research and advisory services dealing, inter alia, with the development and diversification of production for export of manufactures and semi-manufactures. Such action would respond to the points of view expressed by the Latin American Governments concerning a general development strategy and would furnish the elements for an integral approach to the problems of export development, taking due account of inter-relations with economic development in general.

The secretariat considers that activities in this field should be essentially operational in nature and consist of direct technical assistance to Governments of the region upon their request. The Export Promotion Programme comprises basically three areas of activities in which ECLA is prepared to offer technical assistance to Governments, namely: (a) advisory services through a group of regional technical assistance advisers; (b) organization of training courses and seminars; (c) studies on specific problems related to the previous points.

This programme approaches export promotion from an integral point of view, that is, it places special emphasis in the aspects of industrial production for export and

^{37/} The resources to be allocated to this programme are budgeted for under a number of different units and will therefore not be given here. The activities listed here group together projects coming under the subprogrammes of the Public Administration Unit, the Industrial Development Division and the Trade Policy Division.

(Other projects)

includes institutional, administrative, financial, credit and credit insurance, as well as marketing aspects, all within the framework of a coherent export promotion policy. Such a policy or global strategy takes into account the interrelations of sectoral policies and measures throughout the entire process of exportation, with a view to making it more efficient and attain an increasing and sustained volume of exports of manufactures. The emphasis on supply problems of exportable products reflects the recognition of ECLA, through its experience in problems of industrial development, that this is one of the key points which has not yet received sufficient attention.

A group of regional advisers in the field of export promotion has been attached to ECLA and is at the disposal of the Governments of the region for short-term missions, both as a team and individually. The specific fields of the advisers are as follows: (a) general policy of export promotion; (b) programming of industrial exports; (c) supply aspects of exports of manufactures; (d) financial aspects and export credit; (e) institutional and administrative aspects of exports; (f) export marketing.

Within the framework of the United Nations Export Promotion Programme, the ECLA advisers, in addition to giving direct short-term technical assistance, are available to Governments to identify and prepare medium- and long-term technical assistance projects which could be rendered by the corresponding organizations such as UNCTAD and UNIDO under the United Nations Development Programme.

With respect to training courses, these are offered on regional and subregional bases and cover general problems of export promotion as well as specific subjects. In these courses ECLA works in close collaboration with the UNCTAD/GATT International Trade Centre and other organizations, and training programmes are held both at the headquarters of ECLA in Santiago and at the Trade Centre in Geneva. It is expected that future courses may count also with the collaboration of UNIDO. Furthermore it is planned to hold seminars in which experts from Latin America and other parts of the world would meet to analyse the formulation and execution of integral strategies for export promotion, and to hold technical meetings regarding the export potential for specific products.

In order to support the advisory services, special research on subjects of particular interest to Governments will be undertaken and technical papers and teaching material are to be prepared for the seminars and the training courses. In this fashion, the research activities will be eminently practical and act as a complement to the operational activities.

ECLA has established and maintains contacts with the organizations participating in the United Nations Export Promotion Programme, particularly with UNCTAD, UNIDO and the ITC, as well as with ALALC, CIPE and CICOM and bilateral organizations dealing with export promotion.^{38/}

Work on the following is planned over the next three years: advisory services to Governments; organization of the Regional Courses on Export Promotion; expert groups on (a) the formulation and execution of export promotion strategies, (b) the establishment of export industries, and (c) the financing of exports of manufactures; studies on industrial policy and exports of manufactures; prospects for exports of manufactures; trends in structure of selected industrial sectors; export potential of selected industrial sectors, such as forest industries; administrative aspects of exports of manufactures; the role of international enterprises in the exports of manufactures; and trading companies in international trade.

^{38/} See document E/4410/Add.1

Advisory services on export development

A group of regional advisers is available to advise Governments and regional or subregional secretariats, at their request, on general policies of export promotion, programming of industrial exports, supply aspects of exports of manufactures, financial aspects and export credit, institutional and administrative aspects of exports, and export marketing.

Initiation:	January 1971	Authority:	ECLA 290 (XIII) and 291 (XIII)
Completion:	Continuing	Priority:	High

Regional course on export promotion

This regional course for selected countries of the region will be in two parts: training in Santiago and Geneva, and practical work in the home countries of the participants and European markets (in collaboration with the UNCTAD/GATT International Trade Centre).

Initiation:	January every year	Authority:	ECLA 289 (XIII), 290 (XIII) and
Completion:	December every year		291 (XIII)
		Priority:	High

Ad-hoc Expert Group on Formulation and Execution of Export Promotion Strategies

It is planned to hold this meeting during the second half of 1971. The participants will comprise experts from Latin America and other countries, and the duration is estimated at ten days. The Trade Policy Division, the Industrial Development Division and the Public Administration Unit are collaborating in this project.

Initiation:	Early 1971	Authority:	ECLA 291 (XIII)
Completion:	Late 1971	Priority:	High

Ad-hoc Expert Group on Criteria for the Establishment of Export Industries

It is planned to hold this meeting during the second half of 1972. The participants will comprise experts from Latin America and other countries, and the duration is estimated at ten days. The cost will be borne by ECLA if the resources requested are approved by the General Assembly. The Industrial Development Division is expected to participate in this project.

Initiation:	Late 1971	Authority:	ECLA 291 (XIII)
Completion:	Late 1972	Priority:	High

Ad-hoc Expert Group on Financing of Exports of Manufactures

It is planned to hold this meeting during the second half of 1973. The participants will comprise experts from Latin America and other countries, and the duration is estimated at ten days. The cost will be borne by ECLA if the resources requested are approved by the General Assembly. The Trade Policy Division is expected to participate in the project.

Initiation:	Late 1972	Authority:	ECLA 291 (XIII)
Completion:	Late 1973	Priority:	High

(Other projects)

Latin American Centre for Economic and Social Documentation (CLADES)

In March 1969, the Government of the Netherlands offered a grant of 500,000 dollars to ECLA for the establishment of a regional centre for economic and social documentation at ECLA headquarters to supply information and facilitate work in connexion with the preparation and implementation of development strategy. The grant, which was earmarked for the construction of a building for the Centre and for purchasing the necessary initial stock of equipment, was accepted by the Secretary-General of the United Nations. Subsequently, a further grant of 150,000 dollars to cover two years' operating expenditure was accepted also.

During 1971-1972 the following activities are planned: establishing a reference library comprising directories, yearbooks, world and national lists of documentation centres, and similar material; setting up files and lists of institutions and organizations and programmes of international meetings; analysing and summarizing expert studies and reports of interest to ECLA and ILPES; establishing, in consultation with other international agencies, a list of descriptors in Spanish for electronic data retrieval; developing user profiles to determine the information needs of ECLA and ILPES; preparing and testing programmes for electronic data processing and retrieval; making a collection of microfiches of some of the main publications of ECLA, and, as appropriate, ILPES; and beginning work on the establishment of a regional network of documentation centres and other institutions generating specialized economic and social information.

Technology, statistics and the food-processing industries

The International Development Agency of Canada has made the ECLA secretariat an offer of co-operation. An additional programme of work is currently being prepared to take advantage of this offer, focusing on the following fields: the transfer of science and technology; statistics; and the food-processing industries.

Projects for which an 8.2 per cent increase in resources is required for 1972

In the Budget Estimates for 1972, the Executive Secretary has requested an increase of eight professional and fourteen local posts, requiring an anticipated increase in resources of 5 per cent. The projects which are dependent on these additional resources are identified in the main body of the Work Programme with an asterisk.

The secretariat, however, considered that there are a number of other activities it would be wiser to engage in which would require a further amount of resources above the 5 per cent ceiling. These activities are the following:

Economic aspects of integration. At the time the conceptual framework for Latin American integration was conceived, it was based on the European model. Since that time, however, a considerable amount of experience has been acquired in the various Latin American integration groups, and a systematic analysis of this experience should help to develop models that are more firmly based on conditions existing in the region (Economic Development and Research Division).

Industrial policy. It is wished to make country studies of the structure, characteristics of supply and demand for manufactures, and future evolution of the industrial sector (Industrial Development Division).

The environment. Human environment problems in the developing countries are very different from those found in the industrialized countries. Although attention should be paid in the developing countries to the deterioration of the environment as a result of industrial development, greater emphasis should be placed on other aspects, such as soil erosion, which is reaching alarming proportions (Natural Resources and Energy Programme).

Production, consumption and trade in agricultural products. Although this project is already under way, the number of products that have to be dealt with makes it advisable to strengthen the staff of economist specializing in this topic in order to expedite the completion of the individual studies (Joint ECLA/FAO Agriculture Division).

Regional development policy. One of the salient aspects of regional development policy is the cost involved in the process of urban concentration from the standpoint of the national economy, compared with the advantages in terms of efficiency deriving from the concentration of economic activities. It is wondered whether the process of urban concentration observed in the region does not entail excessively high investment by Governments in relation to the economic results of such concentration. Substantiated data on the costs and benefits of concentration are scanty, and it is necessary to carry out research to collect them. This would provide a basis for drawing important conclusions in respect of policies for the location of investment, the creation of development centres, urban development and the establishment or consolidation of urban networks (Social Affairs Division).

Appendix I

ECLA: STAFFING PROVISIONS, 1971

	Established									UNDP/OTC		Other		Total	
	ASG	D-2	D-1	P-5	P-4	P-3	P-2/1	Total	Local	Prof.	Local	Prof.	Local	Prof.	Local
Office of the Executive Secretary	1	1	1	1	2	-	2	8	6					8	6
Technical Assistance Co-ordinating Unit	-	-	-	1	-	1	-	2	2		1 ^{a/}			2	3
Public Administration Unit	-	-	-	1	-	-	-	1	1	2	-	1 ^{b/}		4	1
Editorial and Language services	-	-	-	1	1	7	-	9	11			1 ^{c/}	7 ^{c/}	10	18
Documents Reproduction and Distribution Sections	-	-	-	-	-	-	1	1	14				6 ^{c/}	1	20
Information Services	-	-	-	-	1	-	-	1	2			1 ^{d/}		2	2
Economic Development and Research Division	-	-	1	1	3	4	4	13	7	2				15	7
Washington Office	-	-	-	1	-	1	1	3	2				1 ^{e/}	3	3
Rio de Janeiro Office	-	-	-	1	-	1	-	2	-				7 ^{e/}	2	7
Office for the Caribbean	-	-	-	1	-	5	-	6	1				9 ^{f/}	12	10
Economic Projections Centre	-	-	-	1	2	1	2	6	2			3 ^{g/}		9	2
Trade Policy Division	-	-	1	-	4	4	2	11	6	2				13	6
Montevideo Office	-	-	-	1	-	-	1	2	1					2	1
Bogota Office	-	-	-	1	-	-	-	1	-					1	-
Industrial Development Division	-	-	-	3	2	5	1	11	13	7			1 ^{h/}	18	14
Natural Resources and Energy Programme	-	-	1	-	2	1	-	4	6	6				10	6
Transport Programme	-	-	1	-	1	1	1	4	3	1				5	3
Joint ECLA/FAO Agriculture Division	-	-	-	1	2	1	-	4	1			3 ^{i/}		7	1
Social Affairs Division	-	-	1	1	4	1	1	8	5	1		4 ^{i/}	1 ^{i/}	13	6
Statistical Division	-	-	-	1	3	2	3	9	16	1				10	16
Division of Administration															
Office of Chief	-	-	1	1	-	1	-	3	25					3	25
Finance	-	-	-	-	1	1	1	3	8				4 ^{c/}	3	12
Personnel	-	-	-	1	-	1	-	2	3		2 ^{a/}		2 ^{c/}	2	7
Library	-	-	-	-	-	1	-	1	6			1 ^{c/}	1 ^{c/}	2	7
Buildings Management and General Services	-	-	-	-	-	1	1	2	109					2	109
Mexico Office	-	-	1	3	6	6	10	26	63	13	7	1 ^{i/}	1 ^{c/}	40	71
Total	1	1	8	22	34	46	31	143	313^{k/}	41^{l/}	10	15	40	199	363

a/ Special Fund Overhead Account.

b/ Provided by the Government of Sweden.

c/ Provided by the ILPES.

d/ OPI appointments.

e/ Financed by the Government of Brazil.

f/ Financed by the Government of Trinidad and Tobago.

g/ Financed by UN Trust Fund for Economic Planning and Projections.

h/ Financed by IDB funds.

i/ FAO appointments.

j/ UN Fund for Population Activities.

k/ Of this total, 106 posts make up the ECLA/Institute consolidated manning table.

l/ Six posts financed by UNIDO.

Appendix II

ECONOMIC COMMISSION FOR LATIN AMERICA

DISTRIBUTION OF 1970 RECORDED COSTS BY MAIN ACTIVITY

Main activity ^{a/}	Gross salaries	Temporary assistance and overtime	Consultants	Ad Hoc Expert Group	Other costs ^{b/}	Travel of staff on official business	Distribution of conference services costs	Total
A. Policy-making organs								
Sessions of the Commission	-	-	-	-	-	-	-	-
B. Executive direction and management	357.2	1.5	1.3	-	113.6	36.6	81.7	591.9
C. Programmes of activity	<u>1 861.8</u>	<u>13.5</u>	<u>59.0</u>	<u>7.6</u>	<u>585.7</u>	<u>49.4</u>	<u>447.8</u>	<u>3 024.8</u>
(a) Economic development, planning and projections	618.4	4.0	16.8	-	194.5	17.3	185.3	1 036.3
(b) Natural resources and energy	102.9	2.3	-	-	32.5	1.6	22.4	161.7
(c) Transport and communications	81.3	-	8.3	-	25.5	1.7	22.4	139.2
(d) Agriculture and forestry	96.3	-	2.7	-	30.3	3.0	22.4	154.7
(e) International trade	239.3	3.0	6.4	-	75.2	9.6	16.8	350.3
(f) Industrial development	251.8	2.1	14.5	-	79.4	4.4	83.9	436.1
(g) Social development	163.6	-	0.8	-	51.4	5.3	28.0	249.1
(h) Housing, building and planning	-	-	-	-	-	-	-	-
(i) Statistics	279.3	2.1	6.5	-	87.8	6.5	44.2	426.4
(j) Public administration	28.9	-	3.0	7.6	9.1	-	22.4	71.0
D. Administration and Common Services								
(a) Administration and financial services	394.9	12.5	-	-	124.1	4.2	13.4	549.1
(b) Administration of technical assistance activities	42.3	-	-	-	13.4	3.0	16.7	75.4
(c) Library services	83.0	0.8	-	-	26.1	-	-	109.9
(d) Common services	270.7	6.7	-	-	545.9	-	-	823.3
E. Conference services costs	414.4	10.2	1.3	-	130.2	3.5	(559.6)	-
Total	<u>3 424.3</u>	<u>45.2</u>	<u>61.6</u>	<u>7.6</u>	<u>1 078.2</u>	<u>96.7</u>	-	<u>5 174.4^{c/}</u>

^{a/} Costs are distributed only by main activity. Thus, each section may refer to more than one organic unit. The main activities are those referred to in Economic and Social Council documents.

^{b/} Including common staff costs, covering home leave, permanent equipment, maintenance and rent of premises, general costs, entertainment allowance and prorated costs of the conference services.

^{c/} Excluding costs for improving the secretariat building in Santiago.

ECLA 1971: CONTRIBUTION OF EACH UNIT TO AREAS OF INTEREST TO THE SECRETARIAT

(Professional man/months)

Unit Area of interest	Research and development		Caribbean		Rio de Janeiro		Social affairs		Trade policy		Montevideo	
	R	O	R	O	R	O	R	O	R	O	R	O
Development policies	80	24		18		6	4	4	50	42		
Economic and social planning							14	12				
Annual <u>Economic Survey</u>	66		25		6				6			
Integration				75					4	14		30
Exports of manufactures									30	24		
Employment				6			8	4				
Population							36	36				
Regional and local development	12	12		6			24	22				
Science and technology						12						
Nutrition				1								
Human environment												
Administrative activities	1		19				4		4			
Total man/months	159	36	44	106	6	18	90	78	94	80	-	30

ECLA 1971: CONTRIBUTION OF EACH UNIT TO AREAS OF INTEREST TO THE SECRETARIAT (continued)

(Professional man/months)

Unit Area of interest	Bogota		Mexico		Industrial development		Joint ECLA/ FAO Agriculture		Natural resources		Transport	
	R	O	R	O	R	O	R	O	R	O	R	O
Development policies			35	25	55	30	8	12	10	20	8	12
Economic and social planning				4	4				10	20		3
Annual <u>Economic Survey</u>	2		5		4		2		3			2
Integration		10		356		35		34		6		14
Exports of manufactures					6	12						
Employment					6		4		1			
Population							3					
Regional and local development					3		3		11	36	8	3
Science and technology					8	12	2		3		3	
Nutrition					8	2	6					
Human environment							2		3	3		
Administrative activities			60		7		8		1	2	7	
Total man/months	2	10	100	385	101	91	38	46	42	87	26	34

ECLA 1971: CONTRIBUTION OF EACH UNIT OF INTEREST TO THE SECRETARIAT (concluded)

(Professional man/months)

Unit Area of interest	Statistics		Projections centre		Public administration		Management, admin, and support		Subtotal		Total
	R	O	R	O	R	O	R	O	R	O	
Development policies	10	20	34	4	2	7	4		300	224	524
Economic and social planning	15	20	53	7	2	7			98	73	171
Annual <u>Economic Survey</u>	28								147	2	149
Integration	10	3	1		2				17	577	594
Exports of manufactures			1		1	20		36	38	92	130
Employment	5								24	10	34
Population	3	4							42	40	82
Regional and local development	3		5	1	1				70	80	150
Science and technology					6	6			22	30	52
Nutrition									14	3	17
Human environment									5	3	8
Administrative activities	2		2				350	108	465	110	575
Total man/months	76	47	96	12	14	40	354	144	1 242	1 244	2 486

Note: Research activities are defined as studies of the basic economic problems of the region; operational activities as work involving direct technical co-operation to Governments.

Abbreviations: R = research. O = operational activities.

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