



**UNITED NATIONS**

# **ECONOMIC COMMISSION FOR LATIN AMERICA**

## **ANNUAL REPORT**

**(9 April 1958 — 23 May 1959)**

**ECONOMIC AND SOCIAL COUNCIL**

**OFFICIAL RECORDS : TWENTY-EIGHTH SESSION**

**SUPPLEMENT No. 4**

**NEW YORK**

## 159 (VIII). Study of trends and prospects in the production and consumption of timber in Latin America

*The Economic Commission for Latin America,*

*Noting* with concern the contrast between Latin America's abundant forest resources and the steady and increasing flow of imports of forest products effected by the Latin American countries,

*Convinced* that the rapid and efficient utilization of Latin America's forest resources might represent an important contribution to the region's economic development, to inter-Latin-American trade and to the improvement of the standard of living of the population,

*Recognizing* that such utilization necessarily entails the analysis and evaluation of Latin America's forest potential and probable future requirements of forest products,

*Reiterates* its request, previously formulated in resolution 133 (VII), that the secretariat should contact the Food and Agriculture Organization of the United Nations (FAO) with a view to undertaking forthwith a study in close co-operation with that organization;

*Regrets* that this study should have been deferred for want of resources;

*Expresses the hope* that the secretariat may be allocated the funds required for carrying out the study in question, which is so urgently needed, that work on it may begin in the course of the current year and that it may be presented at the Commission's next session;

*Recommends to Governments:*

1. That they take suitable steps to improve information on the forest resources of their respective countries, as well as statistics on forest products, taking advantage whenever necessary of the services of the Bureau of Technical Assistance Operations, the Food and Agriculture Organization of the United Nations and other appropriate bodies;

2. That they co-operate fully with the secretariat, affording it the necessary facilities for carrying out the study.

22 May 1959

## 160 (VIII). Institutional framework of industrialization

*The Economic Commission for Latin America,*

*Considering* that the maintenance of the same rate of economic development as was registered by Latin America in the past, as well as the prospects opened up by the common market, call for an intensification of efforts to promote industrialization,

*Considering* that in many of the Latin American countries industrial development is encountering serious obstacles deriving from the institutional structures that are no longer appropriate for the present stages of development and of industrialization,

*Considering* that this maladjustment between the institutional system and the claims of an energetic industrialization process which could help to expedite the improvement of living standards assumes manifold forms, such as under-development of domestic capital investment markets, inadequate industrial credit systems and deficient industrial legislation,

*Considering* that it is necessary to co-ordinate measures of economic policy in the monetary, exchange, fiscal, foreign trade control and other fields in order to render the orderly industrialization process more effective,

*Considering* that the bodies responsible for the economic policy of the Latin American countries should be provided with data from which they can assess the influence of institutional factors on the industrialization process, as well as information on the relations between the industrialization process and over-all economic policy,

*Decides:*

1. To request the secretariat to carry out research on the institutional factors which help to accelerate or retard the rate of industrial development in Latin America. Studies on industrial legislation, financing, dissemination of techniques, marketing, development institutions, tariffs and the promotion or formation of a spirit of enterprise are especially recommended;

2. To recommend to the member Governments that they co-operate actively and resolutely with the secretariat in order to facilitate the work assigned to it by virtue of the present resolution.

22 May 1959

## 161 (VIII). Study of the metal-transforming industries

*The Economic Commission for Latin America,*

*Considering* that the economic development of Latin America calls for a sustained effort to create new industries, particularly if the possibilities that the regional common market would offer are borne in mind,

*Considering* that the metal-transforming industries are of special significance for economic development in that they help to increase the stock of capital goods and also to train skilled labour,

*Considering* that the metal-transforming industries, taken as a general category, cover a wide variety of activities with differing degrees of technical complexity,

*Considering* that it would be very useful for countries at the initial stages of industrial development to have at their disposal such background data and experience as would enable them to decide which of the metal-transforming industries it would best suit them to develop, with due regard to the degree of development, resources and markets of the various countries,

*Decides* to recommend to the secretariat that, with the co-operation of other international organizations working in the same field, it carry out a study of the technical and economic characteristics of the metal-

transforming industries and of the problems arising out of their establishment or expansion in the countries of Latin America.

22 May 1959

### 162 (VIII). Panels of petrochemical and iron and steel experts

*The Economic Commission for Latin America,*

*Considering* that various Latin American countries are making great efforts as was pointed out at the recent meeting of consultants on trade policy at Caracas, to establish or expand basic industries, such as the iron and steel and petrochemical industries, which require broad markets and heavy investment,

*Considering* that the greater part of the programmes for the establishment or expansion of such industries are still at an early stage and can therefore be directed towards optimum productivity, provided that they are able to depend upon a demand exceeding that of local markets,

*Considering* that it is advisable to give promoters and those responsible for such industries the opportunity of acquainting themselves with the effective possibilities offered by the Latin American common market for their products in the near future,

*Considering* that it is undeniably important for the better utilization of capital, technical processes and labour to avoid unnecessary duplication by means of a co-ordinated policy of specialization for the purpose of supplying the aggregate demand in the aforesaid regional market,

*Takes note* with satisfaction of the studies already undertaken by ECLA in this field; and

*Decides* to request the ECLA secretariat to convene panels of experts on basic industries, especially the iron and steel and petrochemical industries, in order to study as a whole the programmes being carried out in Latin America and to suggest possibilities for the specialization of production with a view to reaching optimum productivity in each of the branches already established or to be established in the region.

22 May 1959

### 163 (VIII). Pulp and paper

*The Economic Commission for Latin America,*

*Considering* the rapidly rising consumption of domestic and imported pulp and paper products in Latin America,

*Considering* the potential resources of raw materials which exist in Latin America,

*Considering* the need for regional co-ordination in the development of the pulp and paper industry in order to secure better use of natural resources and better coverage of various needs of the area,

*Estimating* that the need to study the possibilities of further development in the field of pulp and paper

both on a national and regional basis is increasing in importance and that the necessity of giving adequate and rational advice to this development continues to be desirable,

*Expressing* satisfaction for the work done so far by the Joint FAO/ECLA/TAO Pulp and Paper Advisory Group,

*Recommends* to Governments:

1. That they continue to utilize the services of the Group;

2. That the necessary measures be taken to secure the continuation of its beneficial activities in the region.

22 May 1959

### 164 (VIII). Planning and utilization of hydroelectric resources

*The Economic Commission for Latin America,*

*Considering* the existence of vast hydroelectric potential in Latin America and that in recent ECLA research this potential was estimated at 120 million KW,

*Whereas* the same research shows that only about 5 per cent of this potential has been developed and the uses of water as a means toward the economic development of the countries of the region are increasing daily,

*Whereas* the development of hydroelectric and similar resources promote the rapid growth of the country's over-all economy, mainly on account of the following factors: (a) a basic natural resource is utilized; (b) a high percentage of investment is spent within the country; (c) the use of non-renewable sources of energy decreases and, in many cases, the disbursement of foreign exchange for purchases of imported fuels is avoided,

*Whereas* there is an obvious shortage of the technicians required for the development and operation of hydroelectric and other kindred projects in the Latin American countries,

*Considering* that only through integrated programming studies can the maximum yield be obtained from a region's water resources and that experience has shown most of the Latin American countries to have been unable to carry out the aforementioned studies owing to their complexity and to the want of appropriately qualified personnel,

*Decides*:

1. To request the secretariat to explore the possibility and desirability of setting up a Latin American centre for the programming of hydroelectric projects, including the integrated development of resources, which might also be used as a training centre for technicians,

2. To recommend that this centre should use, as a basis of the first importance in its training activities, the specific studies that may be requested by member countries.

22 May 1959