



UNITED NATIONS

ECONOMIC COMMISSION FOR LATIN AMERICA

ANNUAL REPORT

(15 May 1956 - 29 May 1957)

ECONOMIC AND SOCIAL COUNCIL

OFFICIAL RECORDS : TWENTY-FOURTH SESSION

SUPPLEMENT No. 8

NEW YORK

(c) That over-all payments equilibrium in Latin America depends, in the final analysis, on the elimination of structural economic causes tending to keep certain countries of the region in a permanent debtor position;

(d) That the need to eliminate such conditions and encourage trade, both intra-regional and with the rest of the world, gave rise to resolution 101 (VI), adopted at the sixth session held at Bogotá (Colombia),

(e) That the development of intra-regional trade in conditions of steady expansion and, as far as possible, of equilibrium, is a basic requisite for the establishment and maintenance of a multilateral payments system and likewise for extending the participation of the Latin American countries in world trade,

Decides :

1. To take account of resolution 4 (I) of the Trade Committee;

2. To recommend to the secretariat that it continue and intensify its studies on inter-Latin American trade, principally with a view (i) to suggesting measures whereby the aforesaid structural disequilibria in the balance-of-payments situation of some Latin American countries may be remedied, (ii) to expanding trade both within and outside the region at increasingly high levels, and (iii) to expediting the transition towards greater liberalization of trade and a multilateral payments system.

27 May 1957.

Resolution 120 (VII)

INTER-LATIN AMERICAN TRANSPORT
(E/CN.12/461)

The Economic Commission for Latin America,

Considering :

(a) That the existence of satisfactory means of maritime transport and their co-ordination with land transport routes and inland waterways is a requisite for the expansion of inter-Latin American trade,

(b) That at the present time the defects of the transport system, and especially the existence of inadequately served trade routes, constitute an obstacle to the maintenance of regular trade relations between certain zones of Latin America,

(c) That chapter IV of the secretariat report entitled *Study of inter-Latin American trade* (E/CN.12/369/Rev.1)⁴⁰ contains background material useful for research into possible solutions for such problems,

(d) That resolution 101 (VI) assigns to the Trade Committee the responsibility of preparing specific formulae for the removal of obstacles to inter-Latin American trade, among them the problem of transport,

Decides :

1. To recommend to the secretariat that, after prior consultation with the secretariat of the Inter-American Economic and Social Council to avoid

duplication, it continue the studies on inter-Latin American transport and the problems thereof, especially inadequately served trade routes, in order to guide countries in the adoption of measures designed to impart greater regularity to inter-Latin American maritime transport;

2. To recommend to the Trade Committee that it devote particular attention to questions relating to transport, and include the relevant items on the agenda of its forthcoming session.

27 May 1957.

Resolution 121 (VII)

REPERCUSSIONS OF THE EUROPEAN COMMON MARKET
(E/CN.12/462)

The Economic Commission for Latin America,

Considering :

(a) That it is of great importance for all the Latin American countries to continue to observe the experiments in economic integration in progress in Europe and projected in other areas,

(b) That, under the terms of resolution 102 (VI), this Commission recommended to the secretariat that, in co-operation with the Department of Economic and Social Affairs of the United Nations, it should continue the analysis of the markets for those basic commodities which are of decisive importance for the economies of the Latin American countries,

(c) That both the stability and the prosperity of the economies of the Latin American countries, as well as the possibilities of their development at a satisfactory rate, largely depend on the volume and value of their exports of primary commodities, which in turn are conditioned by the situation of the available markets,

(d) That the creation of the European Economic Community and the possible formation of a free trade zone in Europe may have repercussions on the sales prospects and prices of Latin American primary commodities on the world markets, to an extent not yet possible to assess,

(e) That the trend towards European economic integration, while deserving the fullest sympathy of the Latin American countries, arouses in them some apprehension as to the implications of the establishment, at any rate for a time, of a preferential trade system and as to a possible decrease in the rate of growth of European investment in Latin America,

Decides :

1. To take note with interest of the preliminary study (E/CN.12/449 and Add.1) presented by the secretariat on the possible repercussions of the European common market on Latin America's export trade;

2. To recommend to the secretariat that it continue to observe closely the economic integration of Europe and other areas, and that it keep the member Governments supplied with the relevant information;

⁴⁰ United Nations publication, Sales No.: 1956.II.G.3.

Resolution 123 (VII)

**ECONOMIC INTEGRATION OF CENTRAL AMERICA
(E/CN.12/464)**

The Economic Commission for Latin America,

Taking into account that the Central American Economic Co-operation Committee, established in 1952 in pursuance of resolution 9 (IV), held its fourth regular session at Guatemala City, in February 1957, and has presented a report on the session and on its activities during the preceding year,

Considering the great practical importance of the Committee's activities for the economic development and integration of Central America, and the value of its experience for other projects relating to economic integration or complementarity, as well as to the promotion of intra-regional trade in various parts of Latin America,

Bearing in mind the report (E/CN.12/431) reviewing the co-operation of the Secretariat with, and its substantive service to the Committee, and the technical assistance extended to the programme by the United Nations Technical Assistance Administration, FAO and other specialized agencies,

Decides :

1. To take note with deep satisfaction of the activities and resolutions of the Economic Co-operation Committee, as well as of the work of the secretariat and those United Nations agencies that provide technical assistance in connexion with the programme,

2. To congratulate the Committee on the progress achieved, and, particularly, on the success of the Central American Advanced School of Public Administration, the recent establishment of the Central American Research Institute for Industry, the work on a standard customs nomenclature and statistical co-ordination, the studies and projects designed to facilitate the development of new industries, and the increasing participation of Central American private enterprise in the evolution and programming of the economic integration of the region; and, further, to recommend that it continue to implement its work programmes;

3. To take note of the importance of the agreement reached by the Committee during its fourth regular session concerning the signing by the Governments of Costa Rica, el Salvador, Guatemala, Honduras and Nicaragua, in the near future, of a Central American Multilateral Free Trade and Economic Integration Treaty and of an Agreement on Central American Integration Industries;

4. To recommend to the Governments members of the Commission that they study the procedures and progress of the Central American Economic Integration Programme, as constituting an experiment of great significance for the evaluation of other possible similar projects in Latin America, especially those relating to the Latin American regional market, the study of which is being sponsored by the Trade Committee and the Commission.

27 May 1957.

3. To recommend to the secretariat that it carry out studies on world market prospects for Latin American primary commodities, taking into consideration in particular the consequences that may arise from the European common market, from the possible establishment of a free trade zone in Europe, and from other similar projects;

4. To recommend that these studies be conducted along broad lines, so that they cover both the indirect effects on Latin American trade of the possible repercussions of European integration on third areas, and also the probable trend of trade in Latin American primary commodities over a reasonable future period;

5. To suggest that the secretariat endeavour to co-ordinate the execution of such studies with others of a similar nature undertaken by the secretariats of the General Agreement on Tariffs and Trade, the Economic Commission for Europe, the Economic Commission for Asia and the Far East, and by other competent United Nations agencies;

6. To make the following recommendations to the member countries of the Commission, especially those of Latin America : (a) that they consider the desirability of carrying out consultations on the possible repercussions of the European common market; and (b) that they send representatives, in an appropriate capacity, to international conferences at which questions bearing on the European common market and its possible effects on Latin America's economy and trade are considered.

27 May 1957.

Resolution 122 (VII)

**TRADE OF LANDLOCKED COUNTRIES
(E/CN.12/463)**

The Economic Commission for Latin America,

Whereas :

(a) At their plenary meetings on 9 August 1956 and 20 February 1957, the Economic and Social Council and the General Assembly adopted, respectively, resolutions 614 (XXII) and 1028 (XI), in the first of which the attention of the United Nations regional economic commissions is called "to the advisability of studying difficulties preventing expansion of international trade", while in the second the Governments of Member States are invited "to give full recognition to the needs of landlocked Members in the matter of transit trade",

(b) The economic development of landlocked countries is largely determined by satisfactory transit trade conditions which permit them satisfactorily to expand their international trade,

Decides to recommend to the Governments of the Member States the desirability of granting the greatest possible facilities for the expansion of the international trade of landlocked countries.

27 May 1957.