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Seminar on Telecommunications and its Impact on the Economic and Social Development of Latin America and the Caribbean (TELALCA/90), organized by the Ministry of Transport and Telecommunications of Chile, the Inter-American Telecommunications Conference (CITEL), the International Telecommunication Union (ITU) and the Economic Commission for Latin America and the Caribbean (ECLAC)

Santiago, Chile, 21-25 May 1990



**ANNOTATED AGENDA**



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## DECLARATION OF PRINCIPLES

The first Seminar on Telecommunications and its Impact on the Economic and Social Development of Latin America and the Caribbean, entitled TELALCA/86, was held at the headquarters of the Economic Commission for Latin America and the Caribbean (ECLAC) in Santiago, Chile, from 12 to 16 May 1986. Now, four years later, is the right moment to convene a second seminar—TELALCA/90—on the same subject in order to generate a fresh exchange of ideas among both national telecommunications authorities and the authorities responsible for economic and social development in the countries of the region, with a view to strengthening and improving the network of infrastructure and services that constitute the inter-American telecommunications system. To that end, the following aspects are put forward for discussion:

- (a) the reasons for the increasingly closer links between telecommunications and development;
- (b) identification of the challenges to telecommunications posed by the process of economic and social development in Latin America and the Caribbean, and
- (c) measures required to give the inter-American telecommunications system the appropriate capacity to meet the region's current and future economic and social development needs.

## ANNOTATED AGENDA

1. *Inaugural session*
2. *Comments on the recommendations of the Santiago Declaration*

At the end of TELALCA/86, the participants adopted by consensus the *Santiago Declaration* to express their deep concern for ensuring that telecommunications be not only a medium but also a fundamental factor for change in satisfying demands created by economic and social needs. The *Declaration* made a number of recommendations to national telecommunications authorities to serve them as guidelines for formulating policy measures. It is now pertinent to ask what success has been achieved in implemented these recommendations, especially with respect to:

- (a) creating greater awareness concerning the importance of telecommunications as a key factor in the development of modern society, making national authorities better disposed towards allocating adequate resources for the full realization of this potential, and ensuring that the resources allocated are used with maximum efficiency;

- (b) undertaking permanent programmes that seek to reduce the disequilibrium between industrialized countries and developing countries as far as the access of the latter to telecommunications services and technologies is concerned;
- (c) achieving greater understanding and use of international co-operation as an effective means for reducing the above-mentioned disequilibrium.

International organizations, including ITU, ECLAC and its associated bodies, and the United Nations Development Programme (UNDP), were requested to carry out a number of activities which should also be reviewed by the seminar:

- (a) giving priority in their work programmes to the study of links between telecommunications and development;
- (b) urging the governments of Latin American and Caribbean countries to become more aware of the importance of assigning to telecommunications a role consistent with the multiplier effect it can have in the process of national development;
- (c) continuing to hold seminars and meetings in the region on the contributions of telecommunications to economic and social development, and giving the widest possible distribution to their results and conclusions.

### 3. *The changing telecommunications environment*

During the 1980s, a number of factors profoundly affected the telecommunications environment at both the national and international levels. In order to bring such factors into clearer focus, the Secretary General of ITU appointed a high-level committee of world-recognized experts in telecommunications. This committee submitted its ideas regarding policies necessary to make the best use of the prospects offered by this new environment in a report to the Plenipotentiary Conference of the ITU-member countries held in Nice in June 1989. After giving this report its special consideration, the Conference passed a resolution indicating the actions required to improve the efficiency of telecommunications systems as instruments of development. Now, on the occasion of TELALCA/90, the time has come to reconsider both the report and the resolution in a regional context.

### 4. *The economic and social development of Latin America and the Caribbean and the changing telecommunications environment*

Economic and social development gives rise to a number of requirements in the area of telecommunications that obviously also affect what has been described as the "changing telecommunications environment." This changing environment also opens up new technological prospects and makes it possible to satisfy the requirements of users and, especially, of the productive system. Such requirements result from the nature of modern economies that have an ever-increasing need to acquire, handle and transmit information.

Therefore, those responsible for developing telecommunications have a fundamental duty to identify the relationships between telecommunications and economic and social development within a regional context. This is the only way in which the respective economies can channel sufficient resources towards establishing telecommunications networks and related information services that are compatible with such needs.

5. *Telecommunications and the regional integration process in Latin America and the Caribbean*

One of the basic prerequisites for successful regional development is that each of the countries of the region should always be prepared to participate in the processes of integration, not only economic and social but also with regard to trade, health, transportation, telecommunications and the like. Such processes may take place within the framework of regional or subregional organizations such as the Latin American Integration Association (ALADI), the Caribbean Community (CARICOM), the Board of the Cartagena Agreement (JUNAC), the Permanent Secretariat of the General Treaty on Central American Economic Integration (SIECA), or they may form part of the collective initiatives of countries of a subregion such as the Southern Cone, with its Meeting of Ministers of Public Works and Transport. At the same time, integration processes must be consistent with the geopolitical situation of the countries and take into account factors such as their surface area, population density and distribution, relative level of development, and the variety and distribution of their natural resources. In view of the number and complexity of such processes, it is apparent that they can only be efficiently and harmoniously co-ordinated through telecommunications. On the other hand, in order to develop telecommunications, there must be a process of regional integration which is efficient in organizing co-operative efforts designed to solve common problems associated with networks and services.

6. *New telecommunications services for the 1990s and their impact on regional development*

In the 1980s, many innovative technologies were introduced into telecommunications which could make available to users many new services related to the timeliness, reliability and quantity of information required by the development process. Now, in the 1990s, one of the biggest challenges facing the countries of the region will be to establish adequate mechanisms for meeting the growing demand for such services. This could require not only the replacement of equipment that has not yet served its useful life, but also the updating of concepts, standards and regulations that govern the operation of telecommunications. Those in charge of telecommunications planning must precisely identify the nature and scope of such changes far enough in advance so that they may be introduced in an orderly, adequate manner.

7. *Complementarities between telecommunications and information processing in economic and social development*

In the last few years, notable progress has been made with respect to complementarities between computing and telecommunications through the application of technologies such as digital switching and remote processing. This leads to the integration of networks and services that facilitate the transmission of data thus promoting the concept known as the "information society." However, the technological requirements involved in such integration become serious financial limitations that tend to reduce the chances of developing countries becoming members of that society within a reasonable length of time. Also, even when teleprocessing is accepted as an indispensable condition for remote access to information in support of regional development, in many countries telecommunications and information systems are treated under separate unco-ordinated policies. Latin American and Caribbean countries urgently need to adopt coherent and co-ordinated policies that will enable them to take advantage of complementarities without incurring costs that their economies can ill afford.

8. *Evolution and modernization of the ITU and the role of its Telecommunications Development Bureau (BDT)*

A constant conclusion of all ITU conferences and assemblies held in the 1980s was that certain changes had to be made in the organizational structure and working procedures of the Union to enable it to respond more efficiently to the needs arising from the changing telecommunications environment. That situation reached a critical juncture at the ITU Plenipotentiary Conference held in Nice, where a high-level committee was established to carry out studies on the nature of such changes. The Conference also deemed it necessary to establish, as a permanent body of the ITU, the Telecommunications Development Bureau, which was given a number of specific functions relating to the need to expand the ITU's area of technical co-operation. These specific functions include the following:

- (a) raising the level of awareness of decision makers concerning the important role of telecommunications in national socio-economic development programmes and providing information and advice on possible policy options;
- (b) promoting the development, expansion and operation of telecommunications networks and services, particularly in developing countries;
- (c) enhancing the growth of telecommunications through co-operation with regional telecommunications organizations and with global and regional development financing institutions, and
- (d) encouraging industry participation in telecommunications development in the developing countries.

Now is an appropriate time to ascertain how successful the BDT has been to date and to determine its course of action in the coming years.

9. *CITEL and its participation in the process of developing regional telecommunications*

*The Inter-American Telecommunications Conference (CITEL)* is the agency of the Organization of American States (OAS) responsible for promoting an appropriate system of telecommunications for the region. During the past decade, its work was focused on giving greater emphasis to telecommunications requirements in order to complement regional development. In that connection, it should be borne in mind that networks and services for processing information in a timely fashion are key factors in the region's development. CITEL may thus wish to co-ordinate its activities more closely with other international bodies that promote economic and social development in the region such as the Inter-American Development Bank (IDB), the World Bank, ECLAC and the UNDP.

10. *Participation by other subregional and extraregional telecommunications bodies in the region's development*

Due to its geographical characteristics, the Latin American and Caribbean region is divided into a number of natural subregions such as the Caribbean Basin, Central America, the Andean Region and the Southern Cone, in which the countries have set up groupings to unite their development efforts. This trend towards integration is reflected in the subregional telecommunications agencies that support such action: the Association of State Telecommunication Enterprises of the Andean Subregional Agreement (ASETA), the Caribbean Association of National Telecom-

munication Organizations (CANTO) and the Technical Commission for Telecommunications in Central America (COMTELCA), among others. These bodies should carry out their tasks in close co-ordination with similar organizations at the regional or world level such as CITEL and the ITU. There are also extraregional organizations, such as the Hispano-American Association of Telecommunications Research Centres and Enterprises (AHCET), which collaborate widely at an enterprise level in the development of telecommunications in the region. All these agencies should closely co-ordinate their activities in order to avoid a duplication of efforts that would adversely affect the scarce resources of the countries in the region.

11. *The role of national telecommunications administrations in developing this sector in Latin America and the Caribbean*

The national telecommunications administrations are responsible for planning and co-ordinating the implementation of their countries' telecommunications systems, not only with respect to their own policies but also as those systems interface with international networks. In order to ensure that their system develops in a coherent manner and in accord with the national socio-economic context, each administration must have a clear idea about how its programmes fit into telecommunications development policies at the national and regional levels.

Also, in order to improve the efficiency of international telecommunications systems, mechanisms for co-operation between national governments must be improved. This topic was the subject of extensive discussions at recent meetings of the Regional Plan Committee for Latin America, whose conclusions are highly relevant to the subject matter of TELALCA/90.

12. *Human resources development and its impact on the progress of telecommunications in the region*

During the 1980s, great advances were made in the review and understanding of the important role that human resources play in development. Nonetheless, many countries have yet to make the crucial decision and find the will to implement human resources training and development activities in the light of modern concepts about the effective management of those resources.

Human resources management in telecommunications enterprises has generally been focused on specific development projects or job-related training. This concept has evolved towards the application of both approaches in planning the training activities that must be implemented. Moreover, it would be desirable for the region's telecommunications enterprises to participate in international co-operation projects whose aim is to develop human resources training.

13. *Economic policies applicable to development of telecommunications as a function of the region's socio-economic characteristics*

Every sovereign country has the right to define the development policies it considers most suitable to its own national characteristics. Therefore, in Latin America and the Caribbean, considerable differences are found in the economic measures applied for the development of national telecommunications. Such differences are especially noticeable in the following aspects: methodologies for defining telecommunications development priorities; the existence of national technological research; participation of national industry or dependence on the international market for the acquisition of equipment; monopolistic business practices or free competition; and participation by the

State and by the private sector in the ownership of telecommunications enterprises. Nevertheless, experience over the last few years has shown that there is a growing interdependence between countries as far as the development of telecommunications is concerned, so that the co-ordinated growth of countries in the changing environment of the next few years will require a reasonable combination of national sovereignty and regional integration. Countries must be fully aware of what this will mean for their processes of economic and social development towards the twenty-first century.

14. *Summary and conclusions*
15. *Adoption in plenary of the second Santiago Declaration*
16. *Closing session*