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### Introduction

In compliance with General Assembly resolutions 1518 (XV), 1709 (XVI) and 1823 (XVII), and Economic and Social Council resolutions 793 (XXX), 823 (XXXII) and 879 (XXXIV) on decentralization of the United Nations economic and social activities and strengthening of the regional economic commissions, the ECLA secretariat established a Technical Assistance Co-ordinating Unit in September 1962 with the main purpose of systematically co-ordinating the direct provision of advisory services to member Governments of ECLA and to the secretariats of regional and sub-regional economic integration agencies, and organizing special training courses, seminars and technical meetings of governments experts.

These activities are financed with ECLA's own resources and by the United Nations Development Programme, section 12 of the United Nations regular budget, the United Nations Trust Fund for Population Activities and funds donated by some European Governments. They cover the fields of natural resources and energy, export promotion, maritime and road transport, ports, regional development, economic development and development financing, statistics, national accounts, industry, public administration, rural community development, fiscal policy and budget programming, trade policy, and promotion of tourism. Up to 31 December 1971, the United Nations Regular Technical Assistance Programme was contributing fairly substantially to the financing of ECLA's operational activities in the region.

Early in 1970, the ECLA secretariat decided that these operational activities should be carried out in the form of programmes, grouping in each programme a number of regional advisers in related subjects, and supplementing some of them by specialized training courses and high-level technical seminars. By this means it is sought to harmonize and co-ordinate these activities with the research being carried out by the secretariat in each of the fields covered by the various operational programmes, with the two-fold purpose of adopting a common unified approach to both these activities and transferring the results of the research to the countries in the region by means of technical assistance. The final objective of this system is to ensure that ECLA's research activities should be applied in practice.

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With the aim of establishing the necessary machinery for the practical harmonization and co-ordination of these two activities, the ECLA secretariat established the Division of Operations in May 1972 with the purpose of setting priorities for the technical assistance provided by ECLA, administering operational programmes and projects approved in line with the policy and order of priority established in the Commission's work programme, and translating broad objectives and general policy guidelines into concrete operational objectives.

For this purpose, the Division of Operations is responsible for identifying and formulating multinational, regional and sub-regional technical assistance projects and programmes, taking into account the development objectives of countries or groups of countries, the resolutions adopted by intergovernmental bodies, and ways in which they can complement country projects; for co-ordinating ECLA's technical assistance to countries in the region, through both regional advisers and substantive staff members of the secretariat; and for co-ordinating in consultation with the technical divisions of the secretariat, the execution of interdisciplinary and multi-divisional projects which have the following objectives: (a) to assist in solving priority economic and social problems at the request of countries or groups of countries in the region; (b) to help develop their economies and institutions; and (c) to intensify regional and sub-regional economic integration.

In addition, at the request of governments, the United Nations Development Programme or participating and executing agencies, the Division of Operations co-ordinates ECLA's assistance to the Latin American Governments in the preparation of background document and briefs of the various sectors which are required by UNDP as the first phase in the country programming exercise and in the identification and formulation of projects included in the programme approved by the UNDP Governing Council.

This document presents information on the most important operational activities carried out by ECLA between January 1971 and August 1972, with both its own resources and those made available to it by UNDP, UNFPA, the United Nations bilateral technical assistance agencies. Although this information does not cover all the operational activities undertaken by the secretariat during this period, it clearly indicates that these activities form a highly important part of ECLA's overall work programme. Suffice

/it to

it to say that in 1970 it is estimated that the following use was made of the secretariat staff 1/:

Research activities	1 242 man-months
Operational activities	1 244 man-months

The man-months devoted to operational activities include substantive staff members and regional advisers attached to ECLA.

The estimates for 1971 are roughly similar, and the trend in 1972 indicates virtually no change.

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1/ See E/5027/Add.1.

I. DIRECT ADVISORY ASSISTANCE TO GOVERNMENTS

## A. Development of Natural Resources

### 1. Background

The year 1956 saw the beginning of technical assistance to the countries of the region in this field with the creation of the ECLA/OTC/WMO/WHO(PAHO) Water Resources Survey Group <sup>1/</sup>, which implemented various projects on water resources and energy stemming from ECLA resolutions 99 (VI), 164 (VIII), 165 (VIII), 166 (VIII), 204 (IX) and 302 (XIV), and resolutions 533 (XVIII) of the Economic and Social Council. Generally speaking, the activity of the regional advisers enrolled in the project took the line of ensuring that Latin America should take full and rational advantage of its water resources, and take appropriate measures to avoid the harmful effects of water.

The regional advisers assisted the majority of the Latin American countries in preparing studies on the economics of energy, and how to make the best multi-purpose use of water resources. As regards this latter topic, the fields covered have been: hydrometeorology, agrometeorology, hydrology, industrial drinking water, irrigation and drainage, hydroelectricity, disposal of sewage and contamination of water reserves, flood control and groundwater run off, legal and institutional organization.

The advisers also collaborated with the Central American Economic Integration Programme in a sub-regional study on water resources and the development of energy. It is hoped that it will be possible to prepare a similar study for the countries of the Andean Group.

### 2. Objectives

Among long-term aims may be mentioned aid to the countries of the region for developing natural resources, especially water, hydroelectricity and minerals, by means of national, regional (within a country) and inter-regional (border areas and groups of countries) studies, plus studies of river basins as part of the regional planning of economic and social development.

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<sup>1/</sup> As from 1971 the project was known as "Natural Resources and Energy Programme".

/Among short-term



Among short-term tasks are the identification of pre-investment projects, the evaluation of projects prepared by government authorities and preliminary feasibility studies, advisory services to the different countries on problems requiring immediate solution, and co-operation with these countries, the UNDP and the United Nations in the different stages of country programming.

3. Activities undertaken between January 1971 and July 1972 to meet these objectives

In order to achieve the aims mentioned in the preceding section, the regional technical assistance advisers and the staff-members of ECLA taking part in the project have evolved, inter alia, the following activities at the request of the interested Governments:

(a) Hydroelectricity

(i) Mission to Peru (January-February 1971)

A mission was sent to advise the Regional Office for the Development of the North of Peru (CORDEN) and the Reconstruction and Rehabilitation Committee (CRYRZA) for the area affected by the earthquake of 31 May 1970, in investigating the damage caused to electricity supply systems, analysing emergency solutions and recommending others. The result of this mission was the preparation of a programme for the development of the energy sector in the North of Peru. The peruvian Government is carrying out studies, projects and construction in accordance with the main recommendations of the report.

(ii) Mission to Jamaica (June-July 1971)

At the request of the Public Utilities Commission an economic report was prepared on the possibility of building hydroelectric stations with pumped storage power, entitled: Preliminary study of pumped storage power potential in Jamaica. This analysed the electricity generating resources of Jamaica, and production costs and suggested the most appropriate types of plant to install in Jamaica. Recommendations include:

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- To review the numerous bodies engaged in the research, evaluation and use of the water resources of Jamaica, with the aim of concentrating all these operations in the Electric Energy Authority;

- To study systematically where in Jamaica hydroelectricity is generated in order to find the most appropriate sites;

- To find out whether storage reservoirs could be built in the eastern area of Jamaica, since the rest of the country does not allow of it.

(iii) Mission to Nicaragua (November-December 1971)

Advisory services were provided to the Ministry of Economy, Industry and Trade on hydroelectric resources as part of the Central American Hydrometeorological Project, on water balance in Lakes Nicaragua, Managua and Apanás and on the use of the waters of Lake Nicaragua for generating electricity.

Existing data was analysed for this purpose; the water balance of Lakes Managua and Nicaragua was studied together with the factors involved in the estimate; a critical review was made of the studies on the generation of electricity using the waters of the River San Juan, which flows into the Atlantic; and the possibility of diverting the waters of Lake Nicaragua into the Pacific was studied. In addition, data and estimates on the water balance of the Apanás Reservoir were revised.

The report on this mission contains suggestions for additional studies and recommends, inter alia:

- The extension of the Central American Hydrometeorological Project into a second stage, in order to formulate and evaluate hydroelectric and irrigation projects, and other multi-purpose projects.

- The expansion of the studies for the project to divert the waters of Lake Nicaragua into the Pacific, taking into account that this will serve not only for generating electricity but also for irrigation, navigation and pisciculture.

/(b) Irrigation

(b) Irrigation and drainage

(i) Mission to Chile (July 1971)

At the request of the National Planning Office (ODEPLAN) the expert on irrigation and drainage joined the Commission made up of national authorities and international institutions (World Bank and IDB) to evaluate damages caused to drinking-water services in the provinces of Aconcagua and Valparaíso as a result of the earthquake of 8 July 1971. With the collaboration of the regional adviser in sanitary engineering of the WMO/PAHO attached to ECLA, a report was drawn up for the Government of Chile.

(ii) Mission to Nicaragua (November-December 1971)

Advisory services were provided for the Ministry of Economy, Industry and Trade on various studies and for the critical review of irrigation and drainage projects. As a result of this mission, the following reports were made to the Government:

- Report on the research project on underground water in the Pacific coast region, being carried out by the Government of Nicaragua with the aid of the UNDP.
- Report on irrigation in the valley of Sébaco.
- Report on irrigation and drainage in the Israel agricultural colony; this project is being implemented by the Government of Nicaragua with technical assistance from the Government of Israel and is financed by the IDB. Among the recommendations of the report, it was suggested that assistance should be requested from the UNDP to study the problem of drainage throughout the country, and particularly in the Israel agricultural colony.

(iii) Mission to Brazil (January-February 1972)

At the request of the Department of Sanitary Works (DNOS), which depends on the Ministry of the Interior, collaboration was provided in various aspects of irrigation, drainage and flood control in the valleys of the Rivers Sapucaí, Picaó and Piumi, all in the State of

/Mina Gerais.

Minas Gerais. The expert also made recommendations on the construction project of the Taquaril Tunnel to supply the city of Belo Horizonte with drinking water.

Some favourable results of this mission were the considerable savings in the drainage and facings systems of the irrigation channels of the Sapucaí project; recommendations on irrigation systems, administration and payment of investment by the irrigator; DNOS' decision, in accordance with the recommendations of the expert, to suppress the permanent drains, expansion joints and metal reinforcements in the Taquaril Tunnel.

(iv) Mission to Chile (March 1972)

Technical assistance was provided for studying the CONCHI Reservoir project in the province of Antofagasta, at present under construction. The adviser recommended, broadly speaking, a solution of great importance in terms of the cost and security of the construction, for the clamping of the right wall of the reservoir which for geological reasons appeared to be rather precarious. The recommendation was accepted by the Office for Irrigation and the solution project was handed over to engineers of the office. Other recommendations were made on the slopes of the weir; these were also accepted, both by the Office for Irrigation and by the French firm BACHY, technicians from which took part in the discussions and collaborated in the construction work.

(v) Mission to Brazil (May-June 1972)

The expert again returned to Brazil to advise the National Department of Sanitary Works (DNOS) on flood control and drainage in the coastal area of the north-east of Brazil, in the states of Rio Grande do Norte, Paraíba, Pernambuco and Alagoas, to review progress on the work recommended in the previous mission on the Valley of Sapucaí and to make an investment study of 30 million cruzeiros over a period of two years, in accordance with the agricultural possibilities of the whole valley.

(c) Legal and institutional aspects of the development of natural resources

(i) Mission to Paraguay (June-July 1971)

With the collaboration of the WMO regional adviser on hydrometeorology, assistance was rendered to the Technical Secretariat of Economic and Social Planning to create a national centre for the co-ordination of

/hydrological activities.

hydrological activities. The mission resulted in the drafting of a law to give an appropriate legal and administrative expression of the need of the country to institutionalize a system to concentrate information of this type.

(ii) Mission to El Salvador and Costa Rica (October 1971)

At the request of the Director of the Project on Underground Water in El Salvador, the advisor took part in the First Central American Seminar on Water Legislation during which various papers were read on water legislation, water rights and the administration of water resources.

Taking advantage of the presence of the expert in Central America to attend the seminar, the Government of Costa Rica requested him to prepare a report on the operation of the National Water Council of Costa Rica and the Government of El Salvador on the establishment of a water planning agency in El Salvador.

(iii) Studies prepared in Santiago

- The joint Commission for the Development of the Lake Merim Basin (Brazil-Uruguay) requested the expert to prepare a study on the legal and administrative aspects of the multi-purpose development of the River Yaguarón Basin (February 1972); this was prepared from data available in Santiago. This study will be used as material for the studies on the Yaguarón Basin undertaken by the United Nations through a project financed by the UNDP.

- As a result of previous missions, the expert completed a draft water code for Uruguay, which was recently presented to the Government; he also drew up a report for the Government of the Dominican Republic, containing an evaluation of the possibilities for the legal and institutional machinery of the country to satisfy the needs of developing the water resources.

/(d) Development

(d) Development of mineral resources

(i) Mission to Venezuela (October-November 1971)

Advisory services were provided for the Geological Office of the Ministry of Mines and Hydrocarbons on mineral prospecting programmes. The report of the mission underlined the great importance of the coal seams of the State of Zulia as a potential future source of supply of metallurgical coke for Venezuela itself and part of South America.

(ii) Mission to Nicaragua (November-December 1971)

Advisory services were provided for the National Geological Service in the exploration and evaluation of mineral deposits, mainly of copper. The expert visited the copper deposits of Madriz, studied earlier mining reports and drew up a preliminary report.

With the recognition of the deposits of Cerro del Cobre it was observed for the first time that there were indications of important copper deposits in the western part of Nicaragua. On the basis of the expert's report, the Government decreed several resolutions for carrying out an exploratory evaluation of the deposits.

(iii) Mission to Jamaica (April 1972)

At the request of the Department of Mines, the expert made various suggestions and recommendations for prospecting mineral metal deposits, mainly of copper. He reviewed all the geological, geochemical and geophysical data available in the country and made a visit to the field for purposes of information; he is at present preparing a technical report on this subject to be presented to the Government.

(iv) Mission to Ecuador (April-May 1972)

At the request of the Office of Mines and Geology, the expert visited the deposit of porphyritic copper in Chaucha, the first sizeable copper deposit discovered in Ecuador, and gave a series of lectures on economic geology at the request of the National Polytechnic School of Quito.

/(e) Hydrometeorology

(e) Hydrometeorology

(i) Mission to Venezuela (April 1971)

The regional advisers collaborated with the Central Co-ordinating and Planning Office (CCORDIPLAN) in preparing the UNDP programme on meteorology and hydrology. The projects for the period 1972-1974 are summarized in the background document prepared by the Office of the UNDP Resident Representative in Caracas.

(ii) Mission to Tunis (May 1971)

The expert took part in the study group of the Executive Committee of the WMO on Meteorology and Economic Development. The group suggested that country case studies should be made in six countries in different parts of the world, including Colombia in Latin America. The Executive Committee of the WMO approved the project which will be implemented with aid from the UNDP. The studies will be aimed at evaluating in each sector of the economy the present and potential benefits of the meteorological services in relation to their cost.

(iii) Mission to Paraguay (June-July 1971)

Assistance was given to the Technical Planning Secretariat, in collaboration with the regional adviser on legal and institutional matters, on the creation of a centre for co-ordinating hydrological activities.

(iv) Mission to Brazil (June 1972)

On a joint mission with the regional adviser on irrigation and drainage, the expert advised the National Department of Sanitary Works (DNOS) on the processing of hydrological data in the Division of Studies, and on the present situation of two hydrological systems, one in the River Sapucaí Basin and the other in the basin of Lake Feia.

Studies made in both areas were reviewed and short field visits made in order to ascertain the topographical, climatic and hydrological conditions. A rapid revision of the register of hydrological data was also carried out and advisory assistance on procedure was given.

/(v) Other

(v) Other activities

During 1971, the expert collaborated during various periods in different areas in the preparation of the Climatic Atlas of South America, prepared by the World Meteorological Organization. In visits to countries of the region he collected material for this work to which was added data available in ECLA. The Atlas with its first two sets of maps was completed and sent to the WMO secretariat.

(f) Drinking water, water for industrial use and drains

The regional adviser assigned to the Natural Resources and Energy Programme depends administratively on the WHO/PAHO Pan-American Centre of Sanitary Engineering and Environmental Sciences (CEPIS) whose headquarters is in Lima. ECLA and WHO/PAHO agreed that he would collaborate with the Health Planning Centre, CEPIS and local and regional programmes of WHO/PAHO. On account, then, of this agreement, a large part of his activities have taken place outside the field of action of the Programme.

(i) Mission to Paraguay (April-May 1971)

The Paraguayan Government requested the collaboration of the expert in updating the report on sanitary aspects of the water resources of Paraguay, prepared in 1966. In the preliminary report, after the first mission of experts in 1966, it was recommended that a request should be made to the UNDP to set on foot a programme of research on the underground waters of the Chaco region. When the second visit took place at the end of April 1971, the UNDP project on research into the underground water resources of the Central and Northeast Chaco was in operation.

/(g) Water



(g) Water resources development planning

(i) Mission to Argentina (June 1971)

At the request of the Under-Secretary of State for Water Resources, assistance was provided in establishing the bases for the national water resources plan which includes overall water resources planning, hydro-electricity, drinking water and sewerage, irrigation and flood control.

(ii) ECLA/ILPES/OTC Course on Regional Development Planning (October 1971)

Courses were held on water resources development planning and its relationship with regional development. In addition, a document was prepared as the text for these classes.

(iii) Mission to Chile (May 1972)

At the request of the UNDP Resident Representative, assistance was given to the Manager of UNDP project CHI/69/35 for the development of water resources in the Norte Grande area in defining the scope of the proposed studies of mathematical models. For this purpose, visits were paid in the Antofagasta Province to some 40 industries, water intakes, gauging stations, various water works, thermoelectric plants, mines and manufacturing plants, etc.

At several working meetings, the Project Manager, United Nations experts and specialists from Chilean universities discussed the scope of the study with mathematical models, and subsequently a draft version of these models (including a work programme and an organizational chart) was prepared with a view to embarking immediately on the preparatory studies.

At the present time, job descriptions are being prepared for the recruitment of local specialists and United Nations experts to make up the working group which is to study the mathematical models with the co-operation of the Universidad de Chile and the Universidad del Norte (Antofagasta). The suggestion that the project team should be reinforced has not yet been developed. It was proposed that economists, (UNDP, ECLA, ILPES), sociologists and demographers (ECLA, ILPES, CELADE) and other experts (ECLA, FAO, WMO) should be included with a view to converting the project into a genuine study of regional planning in a critical area of Chile where water is one of the principal limiting factors.

4. Extent to which the objectives were met

Generally speaking, the country studies prepared on the basis of advisory missions by the experts engaged in this regional project led, inter alia, to the following results: encouraging the national authorities to take a keener interest in water resources; increasing the investment and operational budgets for energy, meteorology, water supply for household and industrial use, and irrigation; facilitating the identification of problems related to water resources within the broader context of economic and social development; and encouraging the authorities to plan water resources projects well in advance and to reorganize the institutions concerned with the functional use of water.

In many cases it is difficult, if not impossible, to show that a particular government decision or measure has been adopted as a result of the technical assistance rendered by an expert or group of experts from a particular international agency.

In very special cases, such as the original conception of a unique project or the discovery of a mine, they can be linked without doubt to a specific technical assistance mission; but in many other cases the expert's conclusions or recommendations may coincide with the views already expressed by local specialists before the mission by international experts, which merely helps the government authorities to adopt a decision. In other cases the recommendations contained in the report on a technical assistance mission, for various reasons, have a favourable but delayed effect.

The following are a few cases where it can be considered that technical assistance missions of experts assigned to this regional project appreciably influenced the adoption of important government decisions:

- (a) The expansion and improvement of services and networks of meteorological and hydrological stations in Bolivia, Central America, Chile, Colombia, Ecuador, Panama, Paraguay and Uruguay, which were undertaken with UNDP assistance. The first project of this kind in Latin America (and probably in the world) was initiated in Chile in 1959, as a result of and encouraged by the overall study of water resources in this country by the ECLA/BTAO/WMO Water Resources Survey Group. Similar studies carried out later in other countries have led to the projects referred to as well as others which are in course of preparation.

/(b) Research

- (b) Research on groundwater in the Bolivian Altiplano, also undertaken with UNDP assistance, but with delayed effects.
- (c) Discovery of large copper deposits in west Nicaragua, which induced the Government to undertake exploration and evaluation activities.
- (d) The initiation of studies for the reform of water legislation and the establishment of bodies for the regulation and co-ordination of water use in Bolivia, El Salvador, Nicaragua, Uruguay and Venezuela.
- (e) The establishment of the River Paraíba del Sur Development Committee in Brazil.
- (f) A start on the sanitation of Lake Paranoá, in Brasília, to prevent eutrophication and pollution by schistosomiasis.
- (g) The covering of a number of regional technical meetings and seminars on various aspects of the electric power economy deriving from the seminar convened by ECLA, under the sponsorship of BTAO and the Mexican Government, in Mexico City in 1961. The subjects dealt with included statistics and terminology, rates and planning of electric power systems, while four meetings on rural electrification were held between 1962 and 1971.
- (h) The decision of the Central American countries to continue with the second stage of the evaluation of water resources (a study designed to obtain optimum rational water use in priority basins), with the collaboration of the group of experts working on this regional project and possibly some United Nations specialized agencies. The first stage was carried out in 1967 by the same group of regional advisers.

Some noteworthy cases of government decisions or important projects for which the recommendations of regional advisers provided helpful criteria include:

/(a) The

- (a) The construction of the Chocón-Cerros Colorados hydro-electric plant in Argentina.
- (b) The establishment of the National Electricity Enterprise (ENDE) and the National Electricity Department (DINE) in Bolivia.
- (c) The construction of the Corani hydro-electric plant and the establishment of the Cochabamba-Catavi-Oruro interconnexion in Bolivia.
- (d) Research on groundwater in the Paraguayan Chaco, a UNDP project in process of execution.
- (e) Changes in the water resources legislation and the institutional organization of this sector in Chile, Costa Rica, Ecuador, Peru and other countries. The establishment in Argentina of the Ministry of Water Resources (later converted into a department) and a National Water Advisory Council.
- (f) Changes in approach to the establishment of the level and structure of rates in several countries, particularly for electric power services and water supply.
- (g) Standardization of the accounting structures of electric power enterprises in Central America and Panama.
- (h) Other studies for evaluating water resources (surface water and groundwater) and planning their utilization at the national level (or from important river basins) within the context of economic and social development in a number of countries, improving and bringing up to date the studies originally prepared by the group of experts engaged in this regional project.

## B. Regional Development

### 1. Background

The inclusion of regional development in ECLA's operational activities is the result of the following three factors.

First, the greater knowledge which Latin America has acquired about the nature and projections of development, particularly in spatial aspects, has caused planning concepts and processes more and more to reflect the problems of regional location and distribution of development action and benefits, both in diagnoses and in policy and strategy formulation. This is manifested in practice by the concern and interest of Latin American Governments and planners to study and deal with social, economic and spatial problems deriving from the marked regional disparities within the majority of the countries in the region, and by their keen interest in planning problems in relation to urban development and the related infrastructure.

Secondly, the objectives of economic integration and complementarity, both in border areas and at the multinational level, which are pursued by the Latin American Governments involve certain strategic changes in the location of infrastructure and production activities. This is so, on the whole, in the case of transport infrastructure, especially as regards ports and roads providing access to frontiers; or in that of certain industries and establishments for processing agricultural commodities which require a functional location facilitating access to raw materials or semi-processed products covered by complementarity agreements, or in general to the markets of neighbouring countries. This has meant an increasing demand for technical assistance experts for the preparation of border regional development projects or multinational spatial integration studies with a view to multinational economic integration, such as the border studies being carried out by Venezuela or the multinational studies being undertaken within the framework of the Cartagena Agreement.

Thirdly, there is an ever-increasing direct demand from Governments for advisory assistance in the preparation, execution and appraisal of regional development projects at a national level, in expanding and regionalizing national development plans and in covering specific aspects of urban and local development policy.

ECLA started to provide technical assistance in connexion with regional development in 1969. The three ECLA advisers in this field have always worked together as a team, participating in individual or joint advisory missions and performing training activities at regional and national courses.

### /2. Objectives

## 2. Objectives

The following operational objectives are pursued by ECLA in connexion with regional development:

(a) to advise on social aspects in the formulation of regional and local development plans, policy and objectives, particularly in the co-ordination of urban, rural and community development programmes, and the organization of programmes for the training of government officials in regional and local development and the evaluation of projects;

(b) to advise Governments in identifying regions and the preparation of regional plans, models and techniques; planning the development of economically by-passed areas; giving national plans and strategies a regional approach; identifying sub-national regions for development plans and centres of growth; and organizing regional planning offices at both the sub-national and the regional level, with particular attention to the formulation of policy and the adaptation of regional planning techniques to the different national and regional conditions;

(c) to co-operate in establishing urbanization policies for certain areas, within the context of regional and national development plans, and in preparing medium- and long-term regional development plans, with emphasis on the spatial aspect, and recommendations for the best possible utilization of land and natural resources.

## 3. Activities carried out between January 1971 and July 1972 to meet these objectives

### (a) Social aspects of regional and local development

#### (i) Mission to Brazil (April 1971).

A training course in planning the social aspects of regional development was held in co-operation with the superintendency for the Development of the North-east (SUDENE) for technical officials of SUDENE and the north-eastern states of Brazil, at which lectures were given on this subject. While in Recife, at SUDENE's request, the expert examined, in general, the social effects of the development strategy for the North-east and put forward comments and suggestions for the inclusion and handling of the social variables.

/(ii) Mission

(ii) Mission to Venezuela (May/June 1971)

The Central Office for Planning and Co-ordination (CORDIPLAN) was assisted in the preparation of a methodology for giving a regional approach to the strategies and goals of the Fourth National Plan, a preliminary version of which was prepared for immediate trials and evaluation by CORDIPLAN. The expert also helped to organize a national seminar on the social aspects of regional development which was held at Jusapin, the headquarters of the National Centre for Training and Applied Research for Regional and Local Development (CIADEC), at which he introduced the subject of the social variables of a country's development at the regional level.

(iii) Second Course on Regional Development Planning

The expert gave classes on the social aspects of regional development at this regional course, which was held at ECLA headquarters in Santiago from August to November 1971.

(iv) Sixth Interregional Seminar on Regional Development

At Headquarters' request, the expert participated in this Seminar which was held at Quito from 19 September to 1 October 1971 under the sponsorship of the United Nations. He presented a paper entitled "An approach to regional development in Latin America" <sup>1/</sup>, prepared on the basis of his knowledge of the region acquired on the many advisory missions he had undertaken.

(v) Mission in Venezuela (November-December 1971)

The expert collaborated in the training course on Development Instruments organized in Ciudad Guayana by CORDIPLAN and CIADEC under the auspices of the Corporación Venezolana de la Guayana and designed for regional planning officers from Venezuela's national and regional agencies. He gave classes on the social aspects of development at the regional level and prepared teaching material.

(vi) Mission in Colombia (March-April 1972)

At the request of the National Planning Department, the expert helped to identify the aspects of Colombia's regional and urban development that need closer attention or replanning. He also collaborated in a preliminary study on regional and urban development activities and in the formulation of a study programme relating to the incorporation of spacial variables in the national planning system.

1/ See ESA/DPPP/Meeting PL VI/12.

(vii) Mission in Venezuela (May 1972)

The expert collaborated with CIADEC, CORDIPLAN and the Regional Planning Agency of the north-eastern region in organizing the second course on Regional Planning, held in Puerto La Cruz and intended for regional planning officers from CORDIPLAN and various ministries and decentralized institutions. He also gave lectures on "An introduction to the concept of regional development" and "Social aspects of regional development".

(viii) Study on the regional structure of development in Colombia

On the basis of a number of advisory missions carried out previously in Colombia and his knowledge of the country, the expert prepared a fairly comprehensive study that describes and analyses the territorial distribution of development in Colombia for use in preparing a diagnosis and formulating strategies for regional development. The study is to be one of a series covering each of the countries members of the Andean Group and forming part of the advisory services which the Board of the Cartagena Agreement receives from ECLA and ILPES.

(b) Regional development planning

(i) Mission in Peru (March-April 1971)

Advisory services were supplied to the National Planning Institute (INP) in connexion with the planning of the area affected by the earthquake of 31 May 1970 and comments were made on the "Plan for the rehabilitation and development of the area affected by the earthquake" prepared by INP. Advisory services begun in 1970 were continued in connexion with the study of changes in the pattern of land settlement in Peru, the prospective study of urban space and the definition of the work programmes of the INP Regional Programming Area.

(ii) Mission in Peru (May-June 1971)

The Commission for the reconstruction and rehabilitation of the area affected by the earthquake of 31 May 1970 (CRYRZA) and INP continued to receive assistance connected with the previous mission. Work was begun on the formulation of a regional socio-economic survey of the country.

/(iii) Mission



(iii) Mission in Venezuela (July-August 1971)

At the request of the Co-ordination and Planning Office (CORDIPLAN), assistance was provided in preparing a detailed preliminary programme for a study of the regional action policies that ought to be promoted in CORDIPLAN.

(iv) Second course on Regional Development Planning

The expert gave classes on regional development planning methodology for this regional course held at ECLA headquarters in Santiago from August to November 1971.

(v) Mission in Venezuela (December 1971)

The expert returned to Venezuela to continue assisting CORDIPLAN in examining regional action policies. He also gave classes on regional planning methodology for the training course on Development Instruments organized in Ciudad Guayana by CORDIPLAN and CIADEC under the auspices of the Corporación Venezolana de la Guayana for regional planning officers from Venezuela's national and regional agencies.

(vi) Mission in Peru (March 1972)

By agreement with INP, the expert returned to Peru to continue helping to plan the study of policies that should be promoted in order to change the pattern of land settlement. In the course of his mission, the expert also assisted the National Commission for the Co-ordination of the Public Sector in certain aspects relating to the development of Peru's eastern region.

(vii) Mission in Venezuela (May 1972)

By agreement with CORDIPLAN, the expert provided further assistance in connexion with the study of regional action policies. He also gave classes on the methodological aspects of regional planning for the second course on Regional Planning organized by CORDIPLAN, CIADEC and the Regional Planning Agency for the north-eastern region. In addition, he helped to prepare the programme for the third course, to be held towards the end of 1972.

(viii) Mission in Bolivia (May 1972)

At the request of the Regional Development Corporation of Santa Cruz, the expert gave a talk on the study prepared for the Corporation by ECLA and IDB (Socio-economic analysis of the Department of Santa Cruz).

/(c) Physical

(c) Physical planning (regional and urban)

The expert began work early in 1972.

(i) Mission to Peru (March 1972)

Advisory services were provided for the National Planning Institute (INP) on urban development strategies and case studies of urbanization, and included the preparation of preliminary indications of basic changes in the use of economic space, the preparation of a study on new cities within the context of national urban development on a par with national lines of action, and preliminary discussions on the planning of Metropolitan Lima in the context of national urbanization policies.

(ii) Mission to Venezuela (May 1972)

The expert collaborated with CORDIPLAN in preparing the outline of a work programme aimed at defining urban development strategies and policies within the regional context, for the regional development agencies of Nororiente, Guayana and Zulia. He also co-operated with the University of Zulia in the regional research programme on urban development which is linked to the UNDP project VEN-11. In addition, the expert gave assistance to FUNDACOMUN (UNDP project VEN-18) with regard to the possibility of establishing relations of a technical nature between town and regional planning, and on the approach which should be adopted in formulating town development strategies.

(iii) Mission to Costa Rica (June-July 1972)

The expert collaborated with the National Housing Institute and the National Planning Council in preparing the first stage of the national urban development plan and the direction it will take in the future.

(iv) Mission to Guyana (July 1972)

At the request of the Ministry of Housing Reconstruction, the expert conducted a brief preliminary mission to discuss in general terms the preparation of a medium- and long-term regional development plan, with special emphasis on physical development, and the preparation of schemes for establishing urban and rural centres in new settlement areas. The expert prepared several outlines which were left to be studied by the relevant authorities, and will return at a later date for more extensive collaboration in this area over a longer period of time.

4. Extent to which the objectives were met

Although very little time has elapsed since ECLA began operational activities in connexion with regional development, it may be confirmed that the results obtained are extremely satisfactory. The main results have been:

(a) The national training courses on the planning of regional development organized in Venezuela provided instruction on regional planning techniques and the analysis of the social variables of development at the regional level for about 70 Government officials. They also trained local technicians for collaboration with CORDIPLAN and the regional planning agencies in the new effort by the Venezuelan Government to regionalize development policies and strategies;

(b) In Peru, perspectives for occupying territory were set out in a definite form, and a normative study of future urban space in 1990 (city systems) was made. The review made of the development potential of the East of Peru led to the preparation of a UNDP project to make a complete socio-economic study of this region;

(c) In connexion with the project VEN-18, the role of FUNDACOMUN in the integration policies and strategies of urban-local planning within the context of regional development was clearly defined;

(d) In connexion with the project VEN-11, which the University of Zulia is carrying on at the regional level, the definition of the spatial-urban dimension within the context of regional development planning was given a suitable direction;

(e) Spatial and social variables were assimilated into the planning models of several countries, and the different socio-economic spaces for the promotion and regional development planning identified, using basic studies of the regionalization of the national territory from the administrative point of view.

## C. Export Development

### 1. Background

At the meeting of the Executive Secretaries of the regional economic commissions, held in New York in January 1967, an agreement was reached to combine activities and resources in a United Nations programme for the promotion of exports from developing countries 1/. The subject was discussed again at the meeting of Executive Secretaries held in July 1967, with the participation of the Secretary General of UNCTAD, the Director General of GATT and representatives of UNIDO, the UNDP and FAO. At that meeting it was reaffirmed that the programme should represent a co-ordinated effort with the participation of all the organizations of the United Nations system interested in this topic, with a view to ensuring the harmonious utilization of all the resources and activities of the various departments concerned with export promotion. It was also agreed that each of the economic commissions for the developing regions should set up a centre to promote the Programme; to that end it was recommended that regional trade promotion centres or programmes should be established within ECA, ECAFE and ECLA, and should operate under the direction of the respective Executive Secretaries 2/.

The UNDP, considering that export promotion fell within the sphere of the assistance that it provides, welcomed the proposal for improving the organization of the activities of the United Nations in this field.

In accordance with the above directives, in 1970 ECLA established an interdisciplinary programme of export promotion, one of the essential features of which - reflecting its operational bias - is the provision of advisory services and the organization of training courses and technical seminars.

Since 1965, ECLA, in co-operation with UNCTAD, has been preparing a series of studies on the short-term prospects for exports of manufactures and semi-manufactures by several Latin America countries 3/. These studies led the governments of the region to show interest in receiving assistance from the UNDP in this field.

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1/ See document E/4301.

2/ See document E/4410/Add.1.

3/ The studies relating to Argentina, Brazil, Central America, Chile, Colombia and Venezuela have been completed.

## 2. Objectives

In Latin America there exists a general consensus on the need to increase and diversify exports of manufactures; thus, the governments of many of the countries of the region have given the promotion of industrial exports a prominent place among their development objectives.

With a view to achieving this objective within a reasonable space of time, the governments have recognized the need for devising and energetically applying an integral set of measures designed to improve the efficiency of production, marketing and institutions, by developing their ability to cope with the requirements of export promotion. In this connexion, the Latin American governments have requested that special attention be paid to advisory services connected with the development and diversification of manufactures and semi-manufactures destined for export. This would be in keeping with the criteria they have suggested with regard to a general development strategy and would provide the necessary elements for an overall approach to the problem of export promotion, taking into account its interrelations with economic development in general.

This regional project has, therefore, been designed to provide advisory assistance to the governments of the region, on a continuous basis, in respect of the major topics connected with export development, namely: promotion, policy, planning, supply aspects, institutional aspects, financing, credit insurance and marketing.

## 3. Activities undertaken between January 1971 and July 1972 to meet these objectives

### (a) Mission to Panama (March-April 1971)

The Panamanian Government was given advisory assistance in relation to general export promotion policy, aspects of the supply of exports of manufactures and aspects of export financing and credit.

### (b) Mission to Peru (April 1971)

Discussions were held with the authorities concerning certain aspects of the elaboration of a strategy for exports of manufactures.

/(c) Mission

(c) Mission to Venezuela (April 1971)

In a joint mission with officials of UNCTAD and the UNCTAD/GATT International Trade Centre, the Programme collaborated in the analysis of the UNDP projects prepared by the Government of Venezuela in the field of export promotion. Subsequently, through CORDIPLAN, the Government submitted the projects for which Venezuela is requesting assistance from the UNDP.

(d) Mission to Bolivia (May 1971)

The Programme co-operated with the Bolivian Export Promotion Institute (INBOLPEX) in defining the major problems posed by the expansion and diversification of non-traditional exports, and criteria were suggested for the preparation of specific technical assistance projects in this field.

The recommendations made by the mission include: the organization of trade policy seminars; establishment of institutional machinery for the implementation of the sectoral industrial policy; strengthening of the National Office for Project Preparation and Evaluation; establishment of the National Institute of Standardization and Technological Research and of a National Engineering Enterprise.

(e) Mission to Mexico (June-July 1971)

Advisory assistance was given to the Mexican Foreign Trade Institute in respect of export promotion in an interdisciplinary and global framework. The report of the mission mentions the possibility of additional technical assistance by the Participating Agencies of the UNDP.

The Government has already requested some assistance on specific points mentioned in the report, including export-oriented industries and systems of information on foreign trade.

/(f) Mission

(f) Mission to Honduras (September 1971)

The Economic Planning Council has been according priority attention to the possibility of carrying out import substitution and increasing exports, as a means of solving the country's critical balance-of-payment problems.

Accordingly, the Council was provided with advisory assistance relating to the analysis of policies for the diversification of exports and markets, import substitution and the promotion and financing of exports. In the light of the mission's reports, the national authorities will possibly request UNDP assistance for the implementation of some of the measures recommended.

(g) Mission to Chile (November-December 1971)

The Programme co-operated with the Central Bank in the planning and execution of a foreign trade policy. As a result of the advisory services furnished, the Government has already taken certain measures, particularly with regard to the institutional restructuring needed for export promotion. It has also requested international technical assistance for the promotion of exports of specific products and in connexion with documentation and information on foreign trade.

(h) Mission to Central America (February-March 1972)

The Programme collaborated with PROMECA in the preparation of a co-ordinated regional policy for export promotion, including the instruments and mechanisms needed for its implementation.

The analysis will form part of the study entitled "Prospects for the economic and social development of Central America in the decade 1971-1980", which was initiated under the auspices of SIECA, co-ordinator for the regional agencies, and UNCTAD, as co-ordinator for the United Nations agencies.

Once this study is finished, its conclusions will serve as a basis for taking decisions in the Central American context and for requesting assistance from the UNDP in the formulation and implementation of the required measures.

/(i) Mission

(i) Mission to the Dominican Republic (April 1972)

Advisory assistance was provided to the Export Promotion Centre (CEDOPEX) regarding the establishment of a system of financing and export credit insurance, and in the formulation of a draft request for export credit funds.

Special attention was paid to non-traditional agricultural exports, which require the most financial assistance. Mention was made of other kinds of problems (transport and sanitation) which have an unfavourable impact on credit.

The Government, in co-operation with the competent bodies of the United Nations, is considering the desirability of requesting additional assistance in this field.

(j) Mission to Uruguay (June 1972)

Advisory assistance was furnished to the Planning and Budget Office in the planning of export industries, in connexion with the development plan for 1973-1977, the strategy for which is based on the export sector.

(k) Mission to El Salvador (June-July 1972)

The Central Reserve Bank was given advisory assistance in respect of financing and export credit insurance, and the financial instruments already established by the Bank were evaluated with a view to adapting them to the task of export promotion, particularly as regards exports to countries outside Central America. An analysis was also made of the possibility of setting up a national system of credit insurance.

(l) Mission to Nicaragua (June-July 1972)

Advice was given to the Nicaraguan Export Promotion Centre and the Banco Nacional concerning the design of a financial policy for export promotion and a study of the feasibility of establishing a system of export credit insurance.

/(m) Mission



(m) Mission to the Secretariat of the Caribbean Free Trade Association - CARIFTA (June-July 1972)

The CARIFTA Secretariat requested the co-operation of a joint mission from ECLA and the UNCTAD/GATT International Trade Centre to advise it on the preparation of a regional project to be submitted to the UNDP.

The draft of the project contains, inter alia, the following points:

- (i) The identification of non-traditional agricultural products regarded as having considerable export potential for the region;
- (ii) The organization and initial operation of a regional trade information network, which would facilitate the identification of export opportunities;
- (iii) The strengthening of institutions and the training of staff concerned with these activities;
- (iv) The formulation of the broad lines of a regional strategy for the development of non-traditional exports, in particular exports of processed and unprocessed agricultural goods.

The above-mentioned draft project is currently under study by the different organizations that would be involved with the implementation of the project. It is hoped that action will be taken not only in the field of international marketing, but also with regard to identification of export products, which in turn would be useful from the point of view of another request to the UNDP which the CARIFTA secretariat is currently considering with a view to rationalizing agricultural production in the region.

#### 4. Extent to which the objectives were met

The Export Promotion Programme started operating in 1970, and so it is difficult to point to any positive achievements that have resulted from its work. However, special mention may be made of certain activities. As a result of the mission to Central America, all the countries of the area requested advisory assistance from the Programme, which enables them to co-ordinate and harmonize their initiatives with those of Central America as a whole. Thus, too, the assistance given to the Mexican Foreign Trade Institute, during the stage of organization of its activities, led to the proposal of measures and international technical assistance, which were favourably received by the Mexican authorities.

The governments have shown unfailing interest in the services that are provided by the Programme's advisers, and have made an effective contribution of counterpart staff to work with them.

It would thus appear that ECLA, in adopting a regional approach and in placing emphasis on export policies and export planning, has opened up a field of activity in which governments do not as yet receive sufficient international technical assistance and which supplements the commercial and promotional aid offered by other organizations.

## D. Statistics

### 1. Background

The results obtained from technical assistance missions indicate that many countries have made progress in their endeavours to present reliable and timely information on population and related social questions. This progress, however, has been insufficient and has proceeded by fits and starts. Promising beginnings have not fully materialized owing to lack of continuous support from the Governments themselves and from international organizations. A dependable level of technical assistance is as necessary as ever.

Even in the countries of the region which are statistically relatively more advanced, advice on specific problems in the conduct of population censuses is being requested, especially on practical aspects of preparation of census plans, the preparation of questionnaires and enumeration instructions, the training of enumerators, supervisors and other field and office staff, and the preparation of tabulation plans. This is particularly important in view of the 1970 population and housing census programme for the Americas.

On the other hand, modern electronic equipment is a powerful tool for data processing, especially for dealing with the huge demand for information arising out of a population census. However, little experience exists in the countries of the region in the solution of specific problems which arise in the use of electronic data-processing equipment in the elaboration of the population census data. Only by an efficient use of the available equipment can the main objective of timely results be obtained.

It is also well known that statistical sampling can be applied to several phases of the population census and to demographic surveys. In certain occasions it could be applied to reduce the cost implied by a complete enumeration. Sampling could also serve for determining the quality of the data obtained in a full enumeration, for obtaining advance results, and for other purposes as well. Though Latin American countries have trained sampling experts in many cases, they have not yet acquired sufficient working experience to solve all the practical problems which arise when applying the theoretical principles to detailed work procedures.

Finally one of the most important uses of vital statistics, which may be obtained from registration records or from other sources, is for demographic analysis, which is an important aid in planning for economic and social development. Vital statistics yield information on the rate and

/trend of

trend of population growth and on the behaviour of its components. The vital statistics available in Latin American countries are not of such quality as to enable them to serve these purposes and improvement is urgently needed.

In the field of national accounts, it should be noted that since the end of 1968, the United Nations has recommended all Governments to use a new integrated system of national accounts. Latin American planning bodies can no longer cope with the increasing demand for information owing to the fact that their calculation methods and the national accounts systems themselves date from the period between 1958 and 1962 whereas in the meantime a wide range of more up-to-date basic statistics has become available, including many aspects of social accounting. Moreover, attention is now being given to the incorporation of a supplementary system of income distribution statistics, national balances and public sector accounts, all of which makes it more useful and indispensable.

In the past, ECLA's continuing activity in this field was a determining factor in the establishment of systems of national accounts in most countries of the region. ECLA, in turn, has been making intensive use of these data in its analyses of the Latin American economy.

## 2. Objectives

The objectives of the operational activities of ECLA in the field of statistics are as follows:

- (a) to advise countries in the region on practical aspects of the preparation of census plans, questionnaires and enumeration instructions, and census tabulation plans, and to devise programmes for the training of enumerators, supervisors and other field and office staff;
- (b) to advise on problems of design and use of sampling in population and housing censuses, and in continuous demographic statistics and the preparation of methodological studies and documents in the relevant area of specialization;
- (c) to advise on specific problems in data processing and computer methods related to population and housing censuses, including, if necessary, the design of tabulation forms, the preparation of computer programmes and the training of local personnel; to advise on the application of computer methods to other demographic and social statistics;

/(d) to

(d) to advise national statistical services on ways of improving the production and presentation of statistics on births, deaths, marital status, etc., and on methods of obtaining current vital statistics; to help co-ordinate national bodies concerned with the production of vital statistics;

(e) to advise on the use of the new United Nations system of national accounts, which includes tabulations for production, income, consumption, financial data and input-output; on the analysis and evaluation of the current national accounts estimates with a view to their use in planning and statistical research on income distribution, in line with the basic principles of the supplementary system of national accounts which is being prepared by the United Nations; on the elaboration of suitable ways of applying the aforementioned conceptual systems, taking into account each country's present and future statistical possibilities; to orient and co-ordinate the preparation of basic statistics for the integrated system of national accounts.

3. Activities carried out between January 1971 and August 1972 to meet these objectives

ECLA's operational activities in the field of statistics were carried out by regional advisers and substantive staff members.

(a) Population and housing censuses

(i) Mission to Paraguay (December 1971)

Advisory assistance was provided in some aspects of the organization of the 1972 National Population Census, the preliminary work having been undertaken with the assistance of US/AID experts.

An important problem arose in connexion with processing the census results, since there was no electronic equipment in Asunción for rapid and efficient data processing. One possibility was to send the material to the United States Census Office, but the regional adviser was against this in view of the risks of loss or destruction and the fact that no Paraguayan staff would take part in the work, so that a magnificent opportunity for training local personnel would be lost. There were two other possibilities: to hire equipment that was available in the neighbouring town of Corrientes (Argentina), which would be operated by Paraguayan staff;

to request assistance from the United Nations Trust Fund for Population Activities (UNFPA) in order to be able to bring computer equipment to Asunción for the time required to process the census results.

The Government of Paraguay finally chose the second course and submitted a request for UNFPA assistance to facilitate the processing of census data.

(ii) Mission to Bolivia (April 1972)

The National Statistical Institute (INE) was given assistance in carrying out the Oruro City Census. Stress was laid on the importance that should be given to the conduct of the National Census, for which purpose the competent authorities should issue the legal documents authorizing it to be carried out, since this manifestation of the Government's intentions was virtually a prerequisite for the submission of requests for UNFPA assistance, it being unlikely that the census could be performed exclusively with local resources.

(iii) Mission to Ecuador (May 1972)

Assistance was given to the National Statistical Institute (INE) in the preparation of the plan for the National Population Census and in the evaluation of this body's requirements. The draft Census Plan prepared by INE was critically reviewed and the Institute's requirements in terms of data-processing equipment and an expert in census organization were determined. The expert prepared a draft request to be presented by the Government of Ecuador for UNFPA assistance in this respect.

(iv) Mission to Colombia (July 1972)

Assistance was furnished in the presentation of a request to UNFPA and the scheme for the organization of a census was analysed in collaboration with officials of the National Statistical Administration (DANE). The expert proposed some changes in the powers assigned to the head of the census organization to enable him to carry out his functions efficiently and responsibly.

(b) Sampling for demographic statistics

(i) Mission to Chile (July 1971)

Advisory assistance was provided to the National Statistical Institute in respect of the design of a continuous multi-purpose household sample, at the national level, and by province, area and major agglomeration. In this connexion, the expert collaborated in drafting the plan of work for the design of a household sample, which lists the 33 steps that must be taken to achieve that end; in the regionalization of the sample; in the determination of the size of the sample; in devising the framework for the sample, in selecting the sample and in the general method to be followed in selecting the sample.

(ii) Mission to Panama (December 1971)

The Programme co-operated with the Directorate of Statistics and Censuses in certain stages of the conduct of the household survey. In particular, the expert provided assistance in the socio-economic stratification of the city of Panama; in the definition of the different sampling units to be used; in the system for selecting the sample; and in the problem of failure to reply to the questionnaire.

(iii) Mission to Argentina (February 1972)

Advisory assistance was provided to the National Institute of Statistics and Censuses in connexion with the design of a national household sample. This assistance covered the co-operation of the expert in connexion with the following: the plan of work, which listed 36 steps to be taken; the budgeting that would be required for the different stages of research; the stratification of the population; the method to be applied for linking sampling units placed in the wrong strata; the disaggregation of variables; the minimum sizes of the different disaggregations for obtaining estimates of the required accuracy; estimators of totals by area; and estimators of totals for estates.

(iv) Mission to Bolivia (March 1972)

Advisory assistance was provided to the National Statistical Institute in the design and application of sampling in population and housing censuses, particularly in connexion with the experimental census of Oruro. To that end, the regional adviser discussed various alternatives, in the light of the resources and time available, that could be used to evaluate the coverage

and content of census data; the selection of the sample for such an evaluation; the methods to be used to estimate errors in coverage; and the methods to be used to estimate errors in census content.

(v) Mission to the Dominican Republic (May 1972)

At the request of the National Statistical Office, the expert gave advisory assistance in the estimation of results of the National Demographic Survey and in the adjustment of population tables obtained from the National Population and Housing Census of 1970. The National Demographic Survey covered the entire area of the country. The size of the sample was about 31,000 households and the duration was from December 1969 to March 1971. The information requested was obtained from families in four different sampling rounds.

In carrying out this mission, the expert co-operated in the mechanics of programming the process of data collection from the stage of manual analysis onwards; design of the data processing registers; the detailed chart of each tabulation; the calculation of the different estimators of totals and proportions to be applied in each case; the establishment of the method of statistical checks to be used in the different stages of work; the programme of analysis of consistency; and the consistency required and the critical method to be applied to the results. The expert also co-operated in the preparation of a statistical model designed, within certain limits, to assign consistent values to these characteristics and provide census tabulations representative of the population under study.

(c) Computation and data processing

The expert took up his duties in July 1972.

(i) Mission to Paraguay (July 1972)

At the invitation of the Directorate of Statistics and Censuses, the expert travelled to Asunción as an observer of the Fifth National Population Census and Third National Housing Census conducted in Paraguay on 9 July 1972.

During his stay, the expert co-operated with the above Directorate in the formulation of a project to be presented by the Government to UNFPA for financing the hire of an electronic computer to process the data from these censuses in accordance with a system specially designed by the United States Census Office (CENTS).

/(d) National



(d) National accounts

(i) Mission to Costa Rica (June 1971)

The programme of activities of the secretariat of the Central American Monetary Council was discussed in connexion with the application of a common system of national accounts for the countries of the subregion along the lines recommended by the United Nations.

(ii) Mission to Panama (June 1971)

The Department of Economic Studies of the Statistical Division and the United Nations expert on national accounts received assistance in connexion with research being conducted into income distribution and with the application of the new United Nations system of national accounts.

(iii) Mission to Colombia (June 1971)

The National Administrative Department of Statistics (DANE) received advisory assistance regarding the incorporation of Colombia's national accounts into the national statistical system. An appraisal was made of the situation and recommendations put forward in connexion with the activities of the Department of Economic Studies of the Banco de la República, which is at present responsible for preparing the national accounts. Advisory services were also provided for reorganizing, enlarging and relocating the national accounts team within DANE, adapting DANE's statistical programmes to the need for macroeconomic estimates, and defining long-term technical assistance requirement.

(iv) Mission to Peru (June 1971)

Discussions were held with officials of the national accounts team of the Banco Central de Reserva and with the Planning Institute regarding the future activities of an inter-agency committee created by special Government decree so as to modify the national accounts system currently employed in Peru.

(v) Mission to Argentina (January 1972)

At the request of the National Institute of Statistics and Censuses, the expert made a preliminary diagnosis of the feasibility of preparing annual estimates of income generated and population employed by province, and outlined a short- and medium-term work programme to achieve that objective,

/with emphasis

with emphasis on the need to adapt and improve existing or projected statistics, and to lay down the conditions for developing new sources of information. To that end, an analysis was made of the regional calculations in existence; programmes of basic statistics were analysed with a view to identifying ways in which they can be brought into line with the regional estimates mentioned above; a study was made of the feasibility of carrying out provincial estimates of the items mentioned above; guidelines for short- and medium-term work plans were established; and the staff and staff training requirements to fulfil the recommended programmes were identified.

(vi) Mission to Ecuador (February-March 1972)

The National Economic Planning and Co-ordination Board and Central Bank received assistance in making a preliminary evaluation of the current state of the national accounts and in preparing a short-term work programme for improving the estimates they contain, following which an expert on the subject was sent to the country on a six-month mission. The latter began work at the beginning of May and prepared an overall appraisal of Ecuador's national accounts estimates in which he indicated their principal shortcomings. He also made recommendations as to how the calculations could be improved and new sources of information incorporated.

(vii) Mission to Peru (March 1972)

A plan of work was discussed with the United Nations expert on national accounts currently assisting the Government so as to co-ordinate, through him, the request for basic information that is needed for appraising Peru's economic and social progress during the Second Development Decade. An analysis was also made of the INP's project for the distribution of income and recommendations put forward for its inclusion in the programme for improving the system of national accounts being carried out by the UNDP expert.

(viii) Mission to Paraguay (March-April 1972)

The Central Bank received assistance in evaluating the suitability of the procedure and sources of information employed in preparing the estimates of the gross domestic product by sector of economic activity, at current and constant prices. Methodological recommendations were made for improving calculations in terms of the availability of basic statistics, and programmes were suggested for improving and extending those statistics.

/(ix) Mission

(ix) Mission to Bolivia (May 1972)

At the request of the Ministry of Planning and Co-ordination, the expert studied the possibility of introducing the new United Nations system of national accounts and indicated the kind of information that was required for its implementation. Present calculations were accordingly examined and attention drawn to the major drawback that the existing system of accounts had not been accompanied by a programme of basic statistics. It was also pointed out that proper advantage had not been taken of the technical assistance provided by UNDP for eight years owing to the rapid turnover of national counterpart personnel and the consequent need to form new teams on numerous occasions.

(e) Industrial statistics

(i) Mission to Argentina (March 1971)

The expert collaborated with the National Institute of Statistics and Censuses (INDEC) in work connected with the industrial surveys and the Economic Census planned for 1972. He collaborated in preparing the outline of the basic data which should be obtained on the subject of the volume of production, the value added of industrial production, the labour force employed in industry by activities, hours worked, wages and salaries and other data necessary for determining the indicators of the industrial sector. Advisory services were also provided for the National Development Council (CONADE) in determining new indicators required for a more detailed study of the behaviour of the sector.

(ii) Mission to Uruguay (March 1971)

The progress achieved following the advisory assistance given in 1970 was reviewed with the collaboration of technicians from the Central Bank.

(iii) Mission to Paraguay (April 1971)

At the request of the Central Bank, the expert collaborated in setting up a work programme for compiling regular data based on ECLA's minimum list of manufactured products and on the industrial survey.

(iv) Mission to Brazil (April 1971)

The expert collaborated with the Fundación Getulio Vargas and the Brazilian Statistical Institute in preparing a programme connected with industrial surveys with a view to obtaining more data on industrial production.

/(v) Mission

(v) Mission to Argentina (March-April 1972)

This new mission was requested by the National Institute of Statistics and Censuses in order to continue advisory assistance in preparing the Economic Census. The implementation of the recommendations proposed in the previous mission was reviewed, and the outcome was found to be extremely satisfactory.

(vi) Mission to Uruguay (April 1972)

The new mission to the Central Bank indicated the progress made since the previous mission and provided collaboration in preparing the list of products for which regular information on output would be required.

4. Degree to which the objectives were met

Some examples will illustrate the degree to which the aims of these operational activities have been achieved.

(a) The basic statistical requirements to improve the system of national accounts in the long-term in Paraguay were identified. With regard to short-term estimates, the main deficiencies were shown up and the improvements which should be made indicated.

(b) The plan for a continuing sample of households in Chile, and the survey itself, will keep up to date, nationally and regionally speaking, statistics on labour, housing conditions, the structure of the household, family income and expenditure, internal migration, and the attitude of the population as regards social, economic and political affairs.

(c) The household survey in Panama and Argentina will give the characteristics of housing and demographic variables, as well as the structure of family budgets at different socio-economic levels.

(d) The national demographic survey carried out in the Dominican Republic, which was a pioneer effort in Latin America for its plan, and which takes in a sample and a sub-sample in the accumulation of data, developed throughout all its stages within the limits forecast by the Government and by the expert. For the first time in the Dominican Republic, the tabulations of this survey will provide data on the fertility of the population, birth-rate, death-rate, marital status, internal migration and economically active labour force, which will be fundamental for evaluating the results put forward in family planning and for the programming of the country's population policy in the future.

/(e) Virtually

(e) Virtually all the expert's recommendations were considered when the census of the population of Oruro, Bolivia, was made, and the proposed methods of evaluation were applied. The Oruro census has great experimental significance for the national population and housing census to be made in 1973.

(f) Many of the expert's suggestions on the organization of the census and the content of the questionnaires were accepted by the National Statistical Institute for Ecuador for the population and housing census to be made in 1973.

## E. Industry

### 1. Background

In April 1969 an agreement was reached with UNIDO on a series of co-ordination and co-operation procedures for industry, destined to make full and rational use of the resources of UNIDO and ECLA.

UNIDO's regular technical assistance programme has therefore been financing four regional advisors' posts to provide advisory services for the countries of the region and for regional integration movements in specific branches of industry.

### 2. Objectives

- (a) To assist in formulating and evaluating projects for chemical industries and studies on the present situation and the development prospects of specific industries;
- (b) To collaborate in developing programmes connected with the metal manufactures and machinery industry, including the car and agricultural machinery industries;
- (c) To provide advisory services for evaluating programmes and projects for developing the pulp and paper industries;
- (d) To collaborate on problems of technological research in industry.

3. Activities undertaken between January 1971 and August 1972 to meet these objectives

The most important activities of ECLA staff and UNIDO regional advisors during this period were:

(a) Collaboration with the Board of the Cartagena Agreement in reviewing the present situation in the steel, metallurgical coke, metal manufactures and machinery, motor-vehicle, paper and cellulose, petrochemical, fertilizer and food industries in the countries of the Andean Group, with a view to studying the development prospects of these industries in the future within the expanded market so as to allow the Board to formulate its sectoral development programmes;

(b) Advisory assistance for Ecuador so as to establish criteria for a strategy and the bases of a development policy for the chemical industry; to prepare a work programme for the Government institutions in charge of programming, promoting and developing the chemical and petrochemical industries; and to identify new sectoral projects and to analyse the feasibility of some projects formulated by the Government;

(c) Collaboration with the Government of Colombia in a feasibility study for establishing in Colombia a multinational enterprise for exporting metallurgical coke and coking coals; and

(d) Collaboration with the Institute of Economic and Social Planning (IPEA) in Brazil and the Brazilian Institute for Forestry Development (IBDF) in analysing the prospects for exporting non-traditional forestry products to the markets of Western Europe.

4. Extent to which the objectives were met

It is extremely difficult to indicate the extent to which the aims have been achieved, because it is very seldom that follow up activities are engaged in once an advisory mission has been completed. Some results, of advisory missions carried out by regional advisors and ECLA staff, however, follow:

(a) The National Institute of Technology and Standardization of Paraguay was set up with the aid of the UNDP on the recommendation of ECLA experts;

/(b) As

(b) As a result of a study prepared by ECLA, a Machine Tool Centre was created in Argentina;

(c) The study on metallurgical coke in Colombia was the result of an ECLA proposal to the Andean Development Corporation (CAF) which is very interested in examining the feasibility of exploiting Colombia's coal resources (Colombia being the only country in the region which possesses this type of coal on a large scale), since there exist great difficulties in supplying coking coal; these will become more pronounced in the next few years with the projects for expanding the steel industry which are being anticipated for Latin America.

(d) The studies of the different branches of industry for the Board of the Cartagena Agreement are in different stages of progress and are continually being referred to by Board experts for drawing-up sectoral agreements which have to be presented to the Governments of the Andean Group for their perusal;

(e) As a result of the collaboration with Ecuador over the chemical and petrochemical industries, an Inter-Institutional Committee was set up with the task of implementing the proposals and suggested recommendations;

(f) The study on forestry products in Brazil showed that there exist possibilities for expanding exports of sawn wood and wood veneers, and in particular, good possibilities for installing in Brazil a short-fibre cellulose export industry in the region of Espirito Santo or Minas Gerais.

## F. Transport

Advisory assistance missions in the field of transport were undertaken by staff members of ECLA. A regional adviser on transport economics began his activities in June 1972.

### (a) Advisory assistance to the Latin American Railways Association (ALAF)

ECLA co-operated in the preparation of ALAF's work programme for the development of integrated statistics on railways in the region and in activities to improve statistical and cost accounting systems for the railways in ALAF member countries.

### (b) Mission to Honduras

At the request of the Planning Council of Honduras (CONSULPLAN), assistance was furnished in the preparation of a pilot study of transport services in the Puerto Cortés-San Pedro-Tegucigalpa-San Lorenzo corridor with a view to developing a methodology that CONSULPLAN could apply subsequently to other corridors.

### (c) Mission to Peru

ECLA co-operated in Peru with the Reconstruction and Rehabilitation Commission (CRYRZA) concerned with the area affected by the earthquake of 31 May 1970 to assist CRYRZA to improve its capability in three areas, namely: relating projects in the transport sector with objectives and projects in other economic sectors; programming of the transport sector; and identification of projects to be financed by the International Bank for Reconstruction and Development, the Inter-American Development Bank, US-AID and other bilateral assistance agencies. Assistance was also provided for in the drafting of the chapter on infrastructure in the five-year plan for the area.

In May 1972, the first of a series of joint ECLA/IBRD missions was undertaken to consider the establishment in Peru of a data and documentation bank for transport planning.

/(d) Mission



(d) Mission to Venezuela

Advisory assistance was provided to the National Transport Council of Venezuela for the design of a feasibility study on inland waterway transport.

(e) Advisory assistance to the Board of the Cartagena Agreement

A programme of co-operation with the Board was set in motion to develop the basic guidelines for an integrated study of transport in the Andean subregion.

II. ADVISORY ASSISTANCE TO INTEGRATION AND  
FREE-TRADE PROGRAMMES

## A. Central American Economic Integration Programme

### 1. Background

The Central American Economic Integration Programme was formally started in 1952 on the occasion of the first meeting of the Central American Economic Co-operation Committee, a subsidiary organ of the Economic Commission for Latin America, formed by the Ministers of Economy of Costa Rica, El Salvador, Guatemala, Nicaragua and Honduras. Ever since, the United Nations has been giving technical assistance to that programme consistent with the interest of the Central American Governments in increasing trade among themselves, substituting imports from outside the area, intensifying their agricultural development and industrial production, as well as in establishing a system of subregional electricity interconexion and improving their transportation systems and infrastructure, within the plans for promoting the integration of their economies and expanding their markets through the co-ordination of development plans and the establishment of new regional enterprises.

The efforts of the Central American governments culminated in the signing of the General Treaty on Central American Economic Integration in December 1960. This treaty would not only benefit the countries of the Central American market but would also strengthen their export capacity to other countries outside the region.

In the field of commerce and trade, assistance was originally provided for the formulation of a Standard Central American Tariff Nomenclature (NAUCA), which was adopted by the countries in the mid-1950s. Later on, experts from the United Nations technical co-operation programme and from ECLA collaborated in the establishment of a common external tariff for imports from outside the area, which was incorporated as a protocol to the General Treaty on Economic Integration. These experts also collaborated in the negotiation of another protocol to the General Treaty, for the liberalization of trade between the member countries of the Central American Common Market, by means of the gradual elimination of customs tariffs among them. Continuous assistance was provided throughout the 1960s in connexion with the implementation of the General Treaty and its Protocols and the introduction of such changes in them as practical experience showed to be necessary.

On the other hand, the efforts for increasing trade among the member countries of the Common Market required improvement in their physical infrastructure, particularly as regards their transport systems. In this respect, the regional experts of the United Nations and UNCTAD have done

much to help the countries to solve their problems in the field of land and sea transport and the organization, administration and operation of their ports.

At the end of the 1960s, tensions that had been growing among certain member countries erupted, and there was a breakdown in the growth of Central American trade. Since then, the main line of endeavour has been to help the Common Market to re-establish trade flows, and to overcome the difficulties caused by the above-mentioned conflicts. In any event, despite these difficulties, trade among Central American countries grew again in 1970 and 1971, at a rate comparable to that prevalent in the years immediately preceding the 1969 crisis.

The support given by the United Nations to the industrial sector has been highly significant for the process of Central American economic integration. During the first phase of the Programme, the work done in the industrial sector consisted in the formulation of economic integration and research policies, which was the governments' contribution to expediting the development of the institutional and legal framework within which the industrialization programme would be carried out, on the basis of a policy of reciprocity in the field of trade and industry and the optimum location of manufacturing industries.

With the help of the United Nations and other organizations for international co-operation, the efforts of the Central American governments resulted in the establishment of a common market, which was a decisive factor in the increase in industrial production during the 1960s.

When the General Treaty on Central American Economic Integration entered into force, with the purpose, inter alia, of contributing to industrial integration, the United Nations placed great emphasis on the preparation of feasibility and policy studies, to enable the countries involved in the process of integration to benefit from the possibilities of organizing certain large-scale industrial activities. This would not only benefit the Central American market but would also strengthen the capacity of the countries of the region to export to countries outside the region. The resolutions of the Economic Co-operation Committee made a noteworthy contribution to the achievement of those objectives, in particular those resolutions relating to the 1966 industrial common market policies in the field of industrial co-ordination, promotion, financing, productivity and technical training of personnel.

In 1961, when the Central American countries agreed to accelerate the development efforts of the area by means of regional planning and regional co-ordination in the implementation of plans, activities in the respective countries were begun for the purpose of establishing industrial planning machinery and for the formulation of initial development plans for the manufacturing sector. As a result, the ECLA/IDB/OAS Central American Joint Programming Mission was established. The United Nations supplied the industrial development experts required by the mission.

In 1967, planning was officially established at the regional level, through the incorporation of the Joint Mission into SIECA, as a Development Division. Through the industrial planning experts assigned to SIECA's Development Division, the United Nations (and later UNIDO) have been giving advisory assistance to the countries of the Central American Common Market in the task of accelerating their industrial development. To that end plans of operation have been initiated and assistance has been provided to ICAITI in the study of projects entrusted to it by the Economic Council and the Central American Bank, for the creation of an industrial credit programme. At the regional level, these experts have actively participated in the preparation of studies designed to assist the governments of the area in the application of measures related to the adoption of industrial policies and in the study of prospects for the expansion of exports of goods from those countries constituting the Central American Common Market.

## 2. Objectives

To assist the Governments of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua in fields which are of the utmost importance for the economic development of the region within the framework of the Central American economic integration process. These fields can be divided into six main groups of activity: (a) electric power development; (b) natural resources development; (c) economic and social development; (d) budget programming and fiscal policy; (e) transport, and (f) industrial development.

### (a) Electric power development

(i) Optimum development of the hydroelectric and other natural resources in the area for the production of electric energy and integration into one regional system of the installations and operations of the six national Central American systems and the Panamanian systems, so as to make efficient use of the generating facilities and to obtain the advantages inherent in large-scale purchases, standardization of design and construction, adoption of uniform rates and procedures;

/(ii) Joint

(ii) Joint planning, financing, construction and operation of international projects by two or more countries, improvement of services, and reduction of operating costs and, consequently, of the cost of electric energy to the consumer, through the steps mentioned above.

(iii) Subregional interconnexions, between two or three countries through the exchange of surplus energy and the subsequent development of firmer interconnexions as part of a regional system; and

(iv) The adoption by all the countries of a regional agreement for the exchange and purchase of electrical equipment and materials on a regional basis, including the adoption of a uniform system for the identification of equipment and material.

(b) Natural resources development

(i) To ensure the optimum development of water resources in Central America, through country-wide evaluation of water resources potential and demand through 1990, the identification of all problems preventing the rational and optimum utilization of water and the planning of the integrated development of water resources in priority basins, including the estimation of the existence, use and availability of water, as well as the multipurpose development of resources.

(ii) Examination of the legal, institutional, economical and financial aspects of water resources research, development and conservation; and

(iii) Identification of all the problems that prevent the optimum development of water resources, and formulation of recommendations to solve these problems.

(c) Economic and social development

(i) To analyse the effects of public and semi-public activities on the main economic variables, such as employment, generation of demand, allocation of resources, performance of financial institutions in the external sector, establishment of development poles and centres of activity.

(ii) To assist regional bodies in the area and individual governments in carrying out studies and analyses of the functions and existing machinery involved in economic policy-making, and to collaborate in the formulation of national development plans.

/(d) Budget

(d) Budget programming and fiscal policy

(i) Development, in each country, of a programme for the implementation of a performance budget system with particular reference to methodological procedures, to the relationship between sectoral planning and the corresponding budgetary provisions, and to the establishment of an effective link between budget and planning offices.

(ii) To carry out a global study of the basic elements required for the formulation of a Central American fiscal model.

(iii) To advise on the adoption of a programme and performance budget systems in each country;

(iv) To hold training courses for budget officials;

(v) To advise SIECA on the establishment of a regional organization to supervise internal sales tax administration and on the preparation of country studies and a subregional study on the effects of economic integration on tax revenue;

(vi) To assist in the preparation of a subregional study on the legal framework of internal taxes on the production, distribution, and sale of goods.

(e) Transport

(i) To establish national and regional policies in the fields of maritime transport and port development to comply with the basic foreign trade objectives of the Central American countries;

(ii) To foster the creation of a subregional commercial fleet that could render satisfactory service and obtain adequate economic results and to improve and enlarge existing national commercial fleets, through the application, inter alia, of measures to facilitate their eventual integration into supranational organizations;

(iii) To establish promotional freight rates for the most important import and export goods of the subregion and to promote coastal trade and river navigation including simplification of systems and procedures.

(iv) To establish and improve national port authorities, and

(v) To improve the installations and equipment of port terminals to reach maximum capacity and discourage unnecessary new construction.

/(f) Industrial

(f) Industrial development

(i) To advise and collaborate with SIECA in the selection and evaluation of industrial projects that would be located in Central American Common Market countries, in preparing an industrial development strategy for Central America, and in expanding and applying various SIECA agreements on industrial development in Central American Common Market countries;

(ii) To advise Central American Common Market agencies, such as ICAITI and the Central American Bank for Economic Integration (BCIE) on possibilities of exporting manufactures and drawing up projects for the chemical industry;

(iii) To collaborate with the Central American governments in connexion with the criteria to be applied in the selection of industrial projects, the feasibility of which will be studied, and in the evaluation of industrial projects;

(iv) To develop complementary activities in connexion with the evaluation and formulation of proposals for improving the organizations which deal with Central American industrial policy; and

(v) To analyse the possibilities of developing and modernizing specific branches of industry, and to prepare development programmes for the industrial sector.

3. Activities undertaken between January 1971 and August 1972 to achieve these objectives

(a) Electric power development

(i) The expert collaborated with the Central American Regional Committee on Electrical Standards in the elaboration of several draft coding standards in respect of equipment and materials for electricity distribution systems in Central America and in connexion with electrical and mechanical design criteria for electrical energy transmission and subtransmission systems, which were approved by the Committee at its seventh session. Moreover, a set of draft standards were prepared in respect of equipment for auxiliary electric power stations, public lighting and other matters which will be submitted to the Committee for consideration at its next session. In the same field, a review was made of the inventories of equipment and materials of the electric power companies in Central America and they were brought into line with the uniform coding system. A definite code was drawn up for Central America;

/(ii) In



(ii) In response to a request by the electric power companies of the region, a comparative analysis was made of the tariff structures prevailing in the major companies with a view to their harmonization at the national and regional levels. The study includes comments on the average cost of electrical energy in individual countries, companies and sectors of consumption; analysis of the rates applied by each company, price levels and consumer frequency in each sector of consumption, determination of the percentages of the company's income that correspond to each block of the rates analysed, and some conclusions and recommendations on general guidelines to facilitate the harmonization of rates at the levels indicated.

(iii) At the request of the Government of Panama, assistance was provided in the evaluation of the draft contract regulating the concession granted to the Panamanian Power and Light Company in the cities of Panama and Colón;

(iv) A study was carried out in each of the Central American countries to determine the possibility or desirability of establishing a regional laboratory for testing electrical materials. To that end, a check was made of the installations available for such tests throughout the area, the needs of the countries in that respect and possible alternatives for the maintenance of standards for such materials throughout the subregion; and

(v) Advisory assistance was provided to the Costa Rican Electricity Institute (ICE) and the Nicaraguan Power and Light Company (ENALUF) in the studies required to solve the problems that have arisen in respect of the programmes for electricity interconnexion systems between both countries, particularly as regards the determination of rates for the exchange of electrical energy between them.

(b) Natural resources development

(i) At the request of the governments of the subregion, an evaluation of the energy sector in Central America is being completed, it covers the historical evolution and projections of energy consumption; technical, economic and institutional aspects of the supply of petroleum products; situation of natural resources available for the production of energy (petroleum, hydroelectricity, geothermal energy, fuels and vegetation), and objectives and future prospects for the development of the sector.

(ii) The municipality of Guatemala City was given advisory assistance in the preparation of a draft request to be presented to the UNDP, to determine the availability of groundwater in the Guatemala Valley and other important areas, and possible methods of tapping that resource;

//(iii) A

(iii) A diagnosis was made of the situation with regard to water resources in each of the countries, including estimates of the sectoral availability and use (present and future) of water and an examination of the economic and financial, and the legal and institutional aspects. The analysis defines the problems preventing or restricting the rational utilization and conservation of water, and recommendations are made for solving those problems in the short term;

(iv) The expert co-operated with the governments of the subregion in the preparation of a request to the UNDP for technical assistance in carrying out the second phase of the Central American Hydro-meteorological Project (UNDP/OMS; REG-60).

(c) Economic and social development

(i) At the request of the Ministry of Finance of Costa Rica, recommendations were made for the establishment of a system of control and co-ordination of external financing and on the possibility of establishing similar mechanisms to cover the countries of the Central American Common Market.

(ii) At the request of the Government of Panama, a study was prepared on the benefits and cost of the Panama Canal to Panama and to the United States, and on the saving that it signifies for its users, considering the indirect as well as the direct effects of the operation of the Canal on the economies of both countries, alternative routes, size of ships, rates conditions of operation and the economic flows generated by the passage of ships through the Canal. These works are part of a broader study on the possibility of building a canal at sea level.

Moreover, at the request of the Government, work is being completed on a study which analyses the foreseeable repercussions on the economic and social development of the country of the construction of a new canal at sea level;

(iii) At the request of the National Planning Council (CONAPLAN) of El Salvador, econometric accounting and other models were drawn up with a view to checking the compatibility of sectoral plans with each other and with the global plan which is being prepared for the period 1973-1977;

(iv) The Planning Council of Honduras (CONSUPLAN) was given advisory assistance in the revision of the main lines of the Economic and Social Development Plan which is currently being prepared and in the formulation and harmonization of overall and sectoral plans;

/(v) Assistance

(v) Assistance was provided to the Planning Office in Parama in connexion with the formulation of the main lines of an overall and sectoral development plan, in the medium term;

(vi) At the request of the National Economic Planning Council of Guatemala, advisory assistance was provided in the formulation of annual operational plans for 1972 and 1973 within the context of the general development plan now being implemented, in connexion with sectoral plans in the field of industry and social aspects; and

(vii) At the request of the Central American governments, a study was made of the evolution of the integration process in the region and a set of notes and summaries was prepared on the same subject, including the identification of the various types of problems confronting the integration process and analysis of the conflicts that have arisen since 1969 and their importance in the integration crisis. A set of basic proposals has also been put forward to solve the short-term problems of the Central American Common Market; they include suggestions for alternative measures that could be applied to overcome or mitigate the adverse effects of that crisis.

(d) Budget programming and fiscal policy

(i) Assistance was given to the Ministry of Finance of El Salvador in the formulation of the national budget for 1972 (covering the central government and all the autonomous agencies and State financial institutions) and in the preparation of a methodological handbook for the programming of that budget. The expert also collaborated with the National Planning Council (CONAPLAN) in the preparation of a diagnosis of public sector financing for the period 1971-1974, and in the financial guidelines for the 1973-1977 plan. Assistance has also been furnished in connexion with the elaboration of a project to set up a National Corporation for Urban Renewal;

(ii) The expert co-operated with SIECA in the following: establishment of a Central American mechanism for supervising national systems for the administration of taxes on consumption, to ensure the uniform application of integration regulations and avoid distortions in intra-area trade which could be caused by lack of uniformity in the application of those regulations; analysis of the taxation aspects of the Central American capital market; study of the taxation structure of the Central American countries, including income, wealth and supplementary taxes, sales and consumption taxes, prospects for introducing a uniform system of taxation of the value added, and revision of the main features of the system of incentives to industrial development through the introduction of machinery to stimulate the better utilization of labour and local resources and an increase in exports of industrial products;

/(iii) At

(iii) At the request of the Government of Nicaragua, an information document was prepared on the legal provisions establishing and regulating the tax on movable property introduced by the Government and its general effects on Central American goods produced outside Nicaragua;

(iv) At the request of SIECA, a report was prepared containing comments on the preliminary outline drawn up by the ICAP taxation mission on the possibility of a tax reform in Costa Rica. The report, after commenting on the different alternatives suggested, refers to the importance of taxation as a factor in the general level of prices, especially in the case of Costa Rica, where inflationary pressures have become more intense since 1970. Moreover, the report concurs with the conclusion of the ICAP mission that the most important thing in the country's present circumstances is to harmonize credit policies with fiscal efforts, with a view to restricting the growth of credit to the private sector, which showed an upswing of more than 16 per cent in 1970;

(v) With a view to orienting the deliberations of the Standardization Commission of the Central American Common Market, at SIECA's request a study was prepared on the main effects that will be felt as a result of the change in exchange parities introduced by Costa Rica on 13 July 1971 in respect of imports from Central America;

(vi) At the third meeting of the Standardization Commission of the Central American Common Market, held in Managua on 12 and 13 August 1971, it was agreed to set up a Technical Working Group to prepare a draft for the creation of a regional mechanism designed to supervise the administration of internal taxes on consumption. With a view to providing the said Group with elements of judgement for establishing that mechanism, the expert collaborated with SIECA in the preparation of a study on the establishment of a regional mechanism to supervise the administration of internal taxes on consumption;

(vii) Assistance was provided to the Technical Budget Office of Guatemala in the preparation of forms and orientation of the appraisal of progress in the implementation of the public sector programme and performance budgets instituted in 1971. The new system of appraisal is designed to detect the problems associated with implementation, to find solutions to those problems and to propose measures to fit each case. Assistance was also provided to the secretariat of the Economic Planning Council, together with an ILPES mission, in the development of a methodology to be applied by that secretariat in the preparation of annual operational plans for the

/implementation of

implementation of the 1971-1975 Development Plan. Within the context of this assistance, the expert collaborated in the design of the planning methodology for the public sector and the sectoral plans and programmes for the economy as a whole;

(viii) In response to a request by the mayor of the municipality of Guatemala City, the expert provided technical assistance in connexion with the formulation of a research and study plan for the city's financing system, with a view to reforming the structural and administrative aspects of the system of income distribution;

(ix) The expert co-operated with the Budget and Planning Office and with the Central Bank of El Salvador in the analysis and adoption of the classification of public sector expenditure and the relevant regulations. Moreover, forms were prepared for the presentation of summaries of the budgets of the central government and autonomous organizations and instructions for their use, and advisory assistance was provided to various central government agencies and autonomous institutions in the elaboration of preliminary draft budgets for 1972.

Lastly, an estimate was made of central government income for 1972, the amounts of current saving and of financing for operational and investment expenditure were calculated, and a study was begun on the proposed future reforms to the budget and treasury laws and the general provisions of the budgetary law for 1972;

(x) At the request of SIECA, the expert collaborated in public sector planning with the ILPES mission which was advising the Planning Office (CONAPLAN) of El Salvador on the elaboration of that country's Development Plan for 1973-1977.

(xi) At the request of the Government of El Salvador, the expert collaborated in the organization and conduct of a seminar on programme budget administration (12 to 16 June 1972) with a view to seeking the most effective form of participation and arousing greater interest in the budgetary process on the part of high-level officials in the public sector. The heads of ministries and other central government institutions and the managers, chairmen or directors of autonomous institutions and State enterprises took part in the seminar, which was organized by the Ministry of Finance of El Salvador under the auspices of SIECA, the Central American Public Administration Institute and the Inter-American Training Centre in Public Administration, with headquarters in Caracas.

/Following this

Following this seminar, the expert collaborated in the organization and conduct of a course (26 June to 28 July 1972) for the training of public sector staff in the elaboration of the budget in co-ordination with development plans. The course was attended by 40 public sector officials from El Salvador, who will be responsible for preparing the public sector budget for 1973, and

(xii) At the request of the Ministry of Finance of El Salvador, the expert provided technical assistance in improving the preparation and execution of the budget and in the reform of the system of financial reports by the above Ministry; these reports will cover the economic, fiscal and financial performance of the central government and of the public sector as a whole.

(e) Transport

(i) At the request of the interested regional agencies, preliminary observations are being prepared for the second stage of the Central American Highways Plan which takes in an analysis of the Central American Common Market road system and public investment, plus aims and policies and programmes to be followed;

(ii) On the basis of data accumulated by the expert, a regional study, which included an analysis of the 21 largest ports, was made on the physical, operational and administrative situation of the ports of Central America and Panama and of the regional bodies concerned with ports;

(iii) Advisory services were provided to Central American shipping enterprises and regional institutions such as the Central American Shipowners' Association (ACAMAR) and the Central American Shippers' Association (USUARIOS) on legal, administrative and operational aspects of shipping; to Governments and port authorities in the region on port development; and to the Central American Port Authorities Commission (COCAAP) on the organization and activities of a Working Group on accounts, costs and tariffs, which met in July 1971;

(iv) Advisory assistance was given to port enterprises in Santo Tomás de Castilla, Champerico and FEGUA and the FLOMERCA shipping line, in Guatemala; to the Autonomous Ports Executive Commission (CEPA), in El Salvador; to the National Port Authority, in Honduras; to the Port Authority of Corinto and to MAMENIC, in Nicaragua; to JAPDEVA, FEALP and the TICA LINE shipping line, in Costa Rica; and to the Ministry of Industry and Trade of Panama; in establishing the National Commission on Shipping and Port Development;

/(v) Advisory

(v) Advisory assistance was given to the Central American Shipowners' Association (ACAMAR), for its organization and consolidation; on the reservation of a percentage of area coastal traffic and the application of uniform legislation in this respect; on the initiation of studies on the possibilities of intervention in petroleum trade, and on the dissemination of the aims and objectives of ACAMAR;

(vi) The expert also collaborated with the Central American Shippers' Association in questions connected with the organization, consolidation and financing of relations with the governments and other interested agencies, and measures to ensure the smooth running of the Association;

(vii) Advisory assistance was given to Honduras and El Salvador in the organization of national shipping enterprises and the promotion of shipping activity, with a view to their possible assimilation into the Central American Shipowners' Association (ACAMAR). The expert also advised the Central American shipping enterprises on the possibility of establishing a multinational fleet in conjunction with the "Transportación Marítima Mexicana" shipping line and of signing a contract for the provision of joint shipping services to the Far East; and

(viii) Technical assistance continued to be furnished to all the ports in the countries of the subregion and to regional port authorities in order to find a solution to their problems, and in connexion with the improvement of services and the training of staff to work in the ports. A Working Group on Combined Transport was set up, and in Costa Rica, the Inter-Institutional Group on Port Training was established within ICAP and prepared a training programme in collaboration with the regional expert.

(f) Industrial Development

(i) The expert collaborated with the Nacional Financiera de México and ILPES experts in an analysis of the evolution of the industrial sector in Mexico and its relation to both overall and sectoral economic development. The study also includes indications of the future development of Mexican industry in terms of factors such as the absorption of labour, balance of payments, increased exports and an improvement in the situation of external dependence;

(ii) The expert collaborated with SIECA in preparing a study on industrial cost structure in Central America, on the utilization of installed capacity in various branches of industry, on industrial co-operation in a regional context, and in preparing a report on the experience and prospects of the system of integration industries.

/(iii) The

(iii) The expert collaborated with SIECA in preparing a regional inventory of industrial projects in the area; in drawing up a project for a regional industrialization strategy; and in a study of the possibilities and prospects for developing specific branches of industry, e.g., assembly of radios and television sets, the pharmaceutical industry, the petrochemical industry, etc. Collaboration with SIECA also included studies of the Central American agreements on industrial integration and an analysis of the study on multinational Central American enterprises;

(iv) Collaboration with SIECA was continued in the preparation of the first stage of the study on the situation of the textile industry in Central America and some short-term regulative measures. This study was presented to the Standardization Commission of the Central American Common Market at the end of April 1972;

(v) At the request of SIECA, a study was prepared on the experience of the Central American Common Market in the implementation of the Agreement on the Régime for Central American Integration Industries and the possibilities of reforming this Agreement. Work was completed in April 1972 as part of the evaluation of the instruments of industrial policy covered by the study on the prospects of economic and social development in the region over the ten-year period 1970-1980, which is at present being prepared by SIECA;

(vi) The expert collaborated with SIECA in drawing up an outline of a Central American integrated industrial development policy for the 1970s;

(vii) Advisory assistance was given to the Planning Council in El Salvador in connexion with the formulation of a strategy and medium-term plan for industry in that country. The expert also collaborated in revising the industrial diagnosis, and in formulating a timetable of industrial planning activities for the period October 1971-December 1972, which covers the work recommended to make possible the formulation of the strategy and the plan for industry;

(viii) The expert collaborated with a high-level SIECA technical working group in preparing elements of judgement and general comments on the problem of restructuring the programme of Central American Economic Integration;

(ix) Advisory assistance was given to the Municipality of Guatemala City in drawing up a plan for the promotion of industrial estates.



#### 4. Extent to which the objectives were met

The Central American Economic Integration Programme is probably one of the most outstanding programmes undertaken by the United Nations in the field of development and international co-operation. Its value resides in the fact that, as a result of the method of work chosen and the regularity of the efforts made, it has gradually led to the adoption of a wide and varied range of economic policy measures and to the initiation of structural changes that have already opened up new avenues for progress that could hardly have been conceived of - let alone carried out - in a context other than that of regional co-operation.

The extent to which the objectives have been, or are being, achieved must be assessed in terms of concrete results and also in light of the fact that the programme, has been aimed at an area in Latin America that is economically relatively less developed and where obstacles and resistance to change are especially acute owing to the shortage of management, technical and capital resources.

From the outset, the integration programme took a pragmatic approach establishing limited objectives and preparing basic studies leading up to negotiations and the conclusion of formal agreements. Given these ends, the technical assistance provided by the specialized agencies of the United Nations significantly helped to get research and operational work under way and to promote the adoption of the first joint measures in trade, industry, agriculture and transport.

After a preparatory period of slightly more than ten years (1951-1962), the perseverance of the Central American governments bore fruit in the establishment of the Central American Common Market, which marked the beginning of a new phase in the development of the subregion. While it is difficult to assess the real scale of all the changes that resulted from the entry into force of the General Treaty, one fact is certain: intra-area figures have risen from insignificant values to close to 300 million dollars per year, and it has proved possible to step up import substitution and implement a joint trade policy vis-à-vis third countries designed to reshape the external sector to make it compatible with the requirements of development. Moreover, as regards institutional matters a complete network of regional organs was rapidly set up and is now responsible for administering and improving the Common Market.

The key factor that has made regional technical assistance programmes for Central America so effective has been, as noted earlier, the method of work used and the fact that the pace of change was consonant with the features of the region. Once the governments had set themselves the objective of economic integration and established the most immediate targets, United Nations technical assistance was mainly aimed at identifying areas where co-operation was in the common interest and at analysing the prerequisites for the establishment of the Common Market. During this stage, far from being dispersed, technical assistance was gradually concentrated on activities that were of decisive importance for the establishment of the free trade area.

Furthermore, instead of developing ideas or programmes in an academic fashion, activities were based on the declared objectives of governments and technical assistance was related to the pace and requirements of political decision-making. With this in mind, United Nations regional technical assistance experts were allowed on purely national matters, and were provided with substantive direction and backstopping by the permanent staff of ECLA, and later of the Permanent Secretariat of the General Treaty on Central American Integration (SIECA).

In this connexion, the fact that the regional technical assistance programme is discussed and prepared within the Central American Economic Co-operation Committee has helped to eliminate duplication of effort, supersede purely local views, and above all has made it possible to establish a set of priorities in line with Central American thinking on the most important areas of work in which the Common Market requires co-operation from United Nations specialists.

Once the Central American Common Market has been established, the priority areas for technical assistance automatically changed. First, certain projects had been completed or outlived their usefulness; secondly, a number of tasks formerly undertaken by international experts became the day-to-day responsibility of the integration agencies of the CACM; thirdly, new fields for regional co-operation emerged requiring much more technical resources than governments could supply, while other more traditional fields continued to demand an increasing amount of resources. In 1966, for example, the emphasis was gradually shifted from the central problem of the formation of a free trade area to much more specific topics such as initial efforts to standardize practices for budget programming and overall and sectoral planning, road traffic and identifying the physical and financial requirements for completing the regional highway system, the regional system of telecommunications, ports and harbours, electricity interconnexion, evaluation of industrial projects of regional interest, productivity, etc.

/In other

In other words, the conclusion of the General Treaty, far from marking the end or the culmination of an international co-operation programme, merely marked the beginning of a much longer process during which the Central American economies will merge together. It is hardly surprising, therefore, that the Central American Integration Programme has required technical assistance for such a long period and will continue to do so in the future. Past experience shows that economic integration is not something that can be brought about within the space of a few months; many years, even decades are required. Since Central America is in a sense an experiment - perhaps the first and probably the most important - undertaken by a group of developing countries that are endeavouring to work out their own response to the challenge of underdevelopment, it justifies the priority received from the United Nations and its specialized agencies.

Furthermore, a series of recent events has intensified the need to undertake expanded programmes of technical assistance. Probably the most important has to do with the fact that the growth rate has begun to fall off before the Common Market has been able to establish alternative forms of growth to offset the decline in the traditional export sector. Since the rate of growth of the purchasing power of exports has fallen considerably over the past five years, there has again been a general bottleneck in the external sector. While its deflationary effects were temporarily offset by the dynamism of intra-area trade, and through compensatory public expenditure and an increased external debt, it was not long before public spending reached a ceiling imposed by static government income. For this reason, and also for balance-of-payments reasons, it became necessary to apply restrictive measures that further depressed the rate of growth of the Central American economies. Given such adverse circumstances, it is hardly surprising that the resulting socio-economic tensions have had an impact on Common Market trade. Moreover, as the economic recession became more evident, it became more difficult to adopt new decisions at the regional level, inter alia, because governments had less freedom to manoeuvre and tended to concentrate on the most pressing short-term problems.

Helping to solve or at least alleviate the most evident effects of the crisis that Central America is now undergoing, without detriment to the progress made in the formation of the Common Market, is certainly a task that is very much in line with the objectives of the United Nations as a whole.

Relating this specifically to technical assistance, four major fields for co-operation can be distinguished. The first relates to activities that warrant immediate attention from the organs of the Common Market, or from governments, such as the development of joint sectoral policies, the

identification or evaluation of regional investment projects and the improvement of the legal and institutional instruments and machinery for integration, and also certain urgent problems of common concern (financing, public finances, etc.). The second relates to assistance in connexion with specialized topics or the establishment of new programmes of regional co-operation. This involves helping to undertake technical studies that will only be translated into specific action in the medium or long term and yet are extremely important for pinpointing or identifying significant development opportunities. Examples of these are projects relating to the interconnexion of electricity systems, the joint use of water and energy resources, study of the possibilities and costs of the various alternative methods of transport for intra-area trade in goods, and the identification of regional possibilities for import substitution and the promotion of new exports. The third field consists of undertaking work at the national level on the basis of standard criteria that will subsequently facilitate the adoption of decisions at the regional level. This is being done through advisory services for the harmonization of port, shipping and tariff policies, or the reorganization of certain public services. Fourthly, there are a number of tasks closely linked with the identification and evaluation of long-term integration and development strategies with which governments are concerned and which are essential in order to make joint policy for growth more dynamic. Under this head come research work connected with the problems and methods of application of the principle of harmonious development, the formation of a customs union, relations with third countries or groups of countries, and the formulation of a joint policy for financing and protecting the balance of payments.

So far, an attempt has been made to give a brief summary of the main characteristics, development and current requirements of the regional technical assistance programme for Central America. A number of related points should also be mentioned.

The activities conducted essentially by ECLA and SIECA along with other regional and United Nations agencies within the regional technical assistance programme are co-ordinated by means of various mechanisms which, by avoiding duplication, offer the advantage of a constructive pooling of efforts.

Besides holding frequent bilateral consultations, the ECLA secretariat takes part in the SIECA/BCIE/ICAITI/ICAP/SECOMCA Inter-Agency Co-ordination Meetings and in the periodic meetings convened by the UNDP Regional Representative in Central America; all of these activities are combined with those traditionally carried out within the Central American Economic

Co-operation Committee and its subsidiary bodies. Thus, the necessary steps have already been taken to ensure a suitable co-ordination of functions and projects. Some examples are given below of the extent to which the objectives of the programme have been fulfilled.

(a) Electric power development

(i) Action was taken to stimulate the interest of electric power agencies in the area in studying the advantages of the interconnexion of their systems with those of adjacent countries. As a result, representatives of Costa Rica and Nicaragua, who met in March and November 1970, agreed on the aspects to be covered by a feasibility study of the project which would be financed jointly by both countries. The basis for the distribution of profits from the interconnexion are yet to be negotiated, but it is expected that an agreement will be reached in the course of 1972;

(ii) Nicaragua and Honduras have initiated studies on the possibilities of interconnexion of their respective systems, as a basis for the preparation of an important hydro-electric project in Honduras;

(iii) The cost estimates for the production and distribution of electric energy and the reports on the improvement of electric power systems have been most useful to the Central American electric power agencies and regional groups in analysing and planning the expansion of electric power systems. The experts' work has facilitated the publication of national statistics on electric energy in six Central American countries;

(iv) Electric power companies in Central America adopted a standard method of calculating the depreciation of fixed assets, uniform criteria for the amortization of intangible assets and a set of recommendations in connexion with the solution of specific problems and the objectives of rural electrification programmes;

(v) The electric power companies adopted regional standards for the design of electric energy transmission and sub-transmission systems and the choice of equipment for the distribution systems;

(vi) A standard system of coding electrical equipment and material used by electric power companies was finalized and a start was made on applying it at the regional level; and

/(vii) The

(vii) The electric power companies approved a regional agreement among the Central American Governments on the subject and standard legal provisions for public bids, to be applied for the joint purchase of the equipment, materials and services that they need.

(b) Natural resources development

Operational activities in this sector consisted mainly of the preparation of studies for the attainment of long-term objectives.

(i) A preliminary estimate of hydro-electric potential and an estimate of demand in this sector over the period 1970-1990 were completed;

(ii) Work was completed on a review of all aspects relating to the conservation, survey and utilization of water resources, and a diagnosis was prepared of the water resources situation in the Central American countries; and

(iii) Recommendations were put forward for the solution of problems hampering optimum water use in Costa Rica and El Salvador.

(c) Economic and social development

(i) Planning offices in the Central American countries were strengthened so that they are now able to prepare overall and sectoral development plans and annual operational plans with a minimum of external aid, which is mainly centred on guiding the work of local experts in these tasks and preparing special economic and social studies.

(d) Budget programming and fiscal policy

(i) Steps were taken to strengthen the budget offices in the subregion, most of which have already adopted the programme and performance budget system and have made great strides in the establishment of systems for controlling the implementation of fiscal budgets.

(e) Transport

(i) The Central American countries and Panama have established port authorities responsible for all activities connected with the handling and development of port facilities. This step has introduced indispensable elements of rationalization for the orderly growth of port activities, which serve as a basis for co-ordinated regional action in this field;

(ii) A number of port concessions which have long been in force in the Central American countries have been renegotiated. The new contracts have resulted in substantial benefits for the countries concerned, and for their import and export trade flows, and several ports - such as Puerto Limón and Puerto Barrios - have even reverted to State administration;

(iii) The task of distinguishing the areas of responsibility of customs and port authorities is nearing completion; the latter will be left in a position to fulfil more effectively the responsibilities for which they were established and to continue with the programme of regional harmonization of port management and development activities and the more efficient mobilization of import and export trade;

(iv) In 1971 and early 1972 the Central American Port Authorities Commission (COCAAP), Shippers' Association (USUARIOS) and Shipowners' Association (ACAMAR) consolidated their activities, so that the Central American countries are now in a much better position to negotiate freight rates and bring about an improvement in the conditions imposed by the shipping conferences;

(v) Work was completed on a study of alternative transport possibilities for the whole of Central America, which covers the following aspects: description of transport infrastructure; regional trade; operating costs of motor vehicles and transport rates; preparation of the model of percentage distribution of tonnage among the various alternative routes by type of goods, taking into account costs, the time factor and available statistics; projected trade in goods during the period 1968-1990; application of the established model and other transport alternatives to previous projections; determination of the resultant economic effects; conclusions and recommendations;

(vi) A study on a standard tariff structure for port terminals in Central America is in its final stages of preparation. The work has been based on a pilot or model port. It can be considered a pioneer study in this field and has awakened considerable interest in the appropriate UNCTAD circles; and

(vii) A document on port administration was completed; it comprises an analysis of the services currently rendered in Central American ports in respect of both ships and cargo, and describes the requirements in terms of documents and formalities.

(f) Industrial development

(i) Work was completed on the series of sectoral studies planned for the petrochemical and radio and television assembly industries. At the same time, the bases for the formulation of a draft protocol to govern the activities of the pharmaceutical industry are in course of preparation. The study on the pharmaceutical industry also includes a revised version of the study on this sector which was carried out by ICAITI in recent years;

(ii) Work was completed on the list of industrial projects and the regional survey of industrial projects in each of the five Central American countries, and on the preparation of summary cards for each project, together with the appropriate tabulations, by country and by sector, of investment, financing, working capital, value of production, utilization, exports, etc. This list was prepared at SIECA's request as part of an effort to strengthen the process of planning industrial development in Central America and to establish in SIECA a permanent directory of projects and ideas for projects;

(iii) An evaluation of the process of regional industrialization through import substitution, including an analysis of industrial development strategy, policy and instruments, will shortly be completed; and

(iv) A study is being completed for SIECA which includes an evaluation of the past experience and prospects of the Agreement on the Régime for Central American Integration Industries, which was signed in 1958 by the States members of the Central American Common Market, and included as a basic aspect of industrial integration in the General Treaty on Central American Economic Integration concluded in 1960.

It has been considered that the study of this Agreement, besides being useful for the purposes set out in article X of the Agreement, which states that periodical studies shall be carried out with a view to enabling the Governments of the signatory States to evaluate the results of its application, is also consistent with the interest, sharpened by the crisis in the Central American Common Market, in promoting a revision of the Agreement with a view to strengthening it, making it more flexible and ensuring the full attainment of its objectives.



## B. Caribbean Integration Programme

### 1. Background

The Governments of the English-speaking Caribbean countries are convinced that a higher rate of development is necessary if living standards are to be improved in the face of high rates of population growth and high levels of unemployment; and it is the general consensus that this can be achieved only by inducing a process of economic transformation for the re-orientation of their economies. It is also evident that the economic re-orientation required has the best possibilities of success through the opportunities that could be provided by economic co-operation in the subregion; and this has stimulated a movement towards the intensification of trade through its liberalization, and the adoption of policies for closer economic harmonization by some countries in the subregion.

Economic and social co-operation in the Caribbean dates back to the early years after the dissolution of the West Indies Federation, as an attempt to find solutions, at the regional level, to the many problems deriving from the small size and external dependency of the former English territories in the region. It is one more case in the world-wide movement toward regional integration.

By and large, all the countries in the subregion are producers of primary commodities and heavily dependent on agriculture and mining. In the majority of cases they provide raw materials for industries located outside the region, and their ability to import depends on the prices they receive, which in turn affect almost the whole range of production inputs and goods for consumption. The result is that they compete with one another at the level of the world market, and are all similarly affected by movements in the terms of trade. Much of their trade has been conducted under special preferential arrangements with the related metropolitan country, and in exchange for such preferences on the items they export (mainly sugar, fresh fruit and spices), they give preferences for the full range of import items.

These bilateral links between individual Caribbean countries and the metropolitan centres were in every case much stronger than the contacts among the Caribbean countries themselves, and this has served to keep them relatively isolated from one another. As a result there has been no vigorous development of multilateral trading between the Caribbean countries, and correspondingly there is an absence of institutions or stimuli for assisting each other in mutual development.

/In addition

In addition to their relative isolation from one another, the Caribbean economies face the major handicap of having small domestic markets. Taken individually, this places a marked limitation on the possibilities for growth and for economic diversification. Unquestionably, given a wider market, the possibilities for agricultural and industrial diversification and growth would increase, so that closer economic co-operation could help in surmounting some problems of small size. It is also evident that possibilities for strengthening their economic systems are greater if they can act together than if they remain in isolation, as they could make more efficient use of the available resources, through co-ordination of their several economic programmes and policies.

In these circumstances, integration became the inevitable course of action to overcome the shortcomings of the high degree of fragmentation and external dependency of their economies. Just as in Europe, East Africa, Asia, Central America and the Andean Group, the Caribbean countries have embarked on a determined effort to strengthen their economies by pooling resources and increasing commercial interchange among themselves.

The present impetus towards formulating some process of closer economic co-operation in the Caribbean subregion has centred mainly round the policies of the newly independent countries and the West Indies Associated States. These policies developed out of the recognition that the trade which these countries conduct in the subregion is relatively small and the expectation that intensification of intra-regional trade could help stimulate their mutual development.

The first step was taken when the Governments of Antigua, Barbados and Guyana adopted the text of an agreement for a Caribbean Free Trade Association (CARIFTA) in December 1965; and although that agreement was not put into effect, it later became, as the Principal Agreement of CARIFTA, the basis for wider-ranging negotiations aimed at enlarging the membership and the scope of the Association.

By early 1967 all the Governments of the Commonwealth Caribbean had agreed that an attempt should be made to enlarge the area of economic co-operation. The proposals formulated at the meeting of senior government officials held in Guyana (14-18 August 1967) included the creation of a free trade area, the establishment of a Caribbean Development Bank and recommendations for other measures of co-operation in trade and industry, with an outline of the necessary supporting institutions. These went forward as recommendations to the Fourth Conference of the Commonwealth Caribbean Heads of Governments who met at Barbados (23-29 October 1967) and adopted most of the proposals.

/The Agreement

The Agreement establishing the Caribbean Free Trade Association (CARIFTA) came into effect on 1 May 1968 with four members: Antigua, Barbados, Guyana, and Trinidad and Tobago. On 1 July of the same year, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia and St. Vincent acceded to the Agreement. Montserrat and Jamaica became members on 1 August 1968 and Belize (British Honduras) joined at a later date.

The approach of the Commonwealth Caribbean countries to economic integration has been highly pragmatic and dynamic. For instance, the agreement establishing the Caribbean Free Trade Association provided from the outset for the elimination of duties on almost the whole range of items contained in their customs tariffs. The signatories also agreed to initiate immediately studies towards: standardization of their external tariffs; harmonization of industrial incentives; formulation of industrial, tourist and transport development programmes and policies at the regional level; rationalization of agricultural production and marketing; and establishment of mechanisms and institutions to assist in financing their development and to direct the progress of the integration programme.

## 2. Objectives

In general terms, the project has the objective of assisting the Member Governments of CARIFTA in priority fields within the framework of the economic integration and development process of the Commonwealth Caribbean group of countries. In this connexion, the Governments of the area envisaged the process as not only limited to trade liberalization, but also aimed at developing maritime transport, export of agro-based industries, agriculture, and other sectors. Therefore, the specific objectives can be summed up as follows:

(a) to advise the CARIFTA and East Caribbean Common Market (ECCM) secretariats on the formulation of common external tariffs;

(b) to formulate and introduce commercial policies and methods designed to expand trade within the area, with other Latin American countries, and with the rest of the world;

(c) to promote efficient intra-regional maritime transport and establish effective consultative machinery for negotiating freight rates with overseas shipping lines, primarily the WITASS Conference lines, which include advise to the Governments of the area on measures required for the improvement or reorganization of the present "schooner" traffic between

/the islands,

the islands, the rationalization of its operating conditions, the introduction of freight rates conducive to the expansion of regional trade, and the improvement of the operating conditions of the West Indies Shipping Corporation;

(d) to assist the Governments of the Caribbean region in all aspects of economic planning, including the preparation of development plans for the countries and the organization of planning boards, where required;

(e) to provide advisory services in connexion with rural and community development policies and programmes, and assist in the planning, organization and implementation of training and action programmes.

3. Activities undertaken to meet these objectives  
(January 1971 to August 1972)

(a) Maritime transport

(i) Assistance was given to the CARIFTA Regional Secretariat in matters dealing with ocean freight rates, regional shipping services, port problems, and inter-island and overseas shipping in relation to the establishment of machinery for consultation with overseas shipping conferences and a regional trans-ocean shipping line;

(ii) Advice was provided to the Governments and Port Authorities of St. Vincent, Barbados, St. Lucia, Dominica, Montserrat, Antigua and St. Kitts concerning the reorganization of the West Indies Shipping Corporation (WISCO) services, the organization of work on transatlantic and ocean freight rates, including the systematic collection of shipping and port statistics, and the preparation of new statutes for the Regional Shipping Council and WISCO;

(iii) Assistance was rendered to the Governments of St. Lucia and St. Vincent in port administration and the reinstatement of coastal shipping in St. Lucia;

(iv) The expert assisted the Eastern Caribbean Consultation Committee in negotiation with WITASS;

(v) The regional adviser prepared a study on policies that would affect overseas shipping serving the Commonwealth Caribbean (undertaken in conjunction with the CARIFTA Regional Secretariat), and a feasibility study on a refrigerated small freighter to carry fruit and vegetables from Dominica to the Virgin Islands.

/(b) Trade

(b) Trade policy and integration 1/

(i) The expert advised the Secretariat of the East Caribbean Common Market (ECCM) on the formulation of a Common External Tariff. Consultative services were also provided to the CARIFTA group responsible for preparing the CARIFTA Common External Tariff. These tasks involved several field missions to CARIFTA and ECCM headquarters in Guyana and St. Lucia, respectively, as well as to ECCM countries 2/ to inform government officials on the implications to international trade arising out of the introduction of a common external tariff. Special attention was devoted to assisting the Governments in their negotiations on the outstanding controversial points relating to the ECCM Common External Tariff, especially the list of exemptions. Assistance was also rendered to the Governments regarding the implementation of the tariff in legal form for adoption by the individual Governments.

(c) Economic development 3/

(i) The adviser assisted the Government of Barbados in evaluating the performance of institutions engaged in promotional work on industry;

(ii) Advisory services were rendered to the Government of St. Vincent on the organization of a Government's Development Corporation;

(iii) Assistance was given to the Planning Department of Dominica in the formulation of the Government's Five-Year Plan, 1971-1975;

(iv) At the request of the Commonwealth Caribbean Regional Secretariat (CARIFTA), advice was rendered on some technical aspects of the study on "Harmonization of fiscal incentives to industry" among CARIFTA countries, prepared in collaboration with the ECLA adviser;

(v) Assistance was given to the Government of St. Lucia on the formulation of tourist development policy.

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1/ This adviser worked with the United Nations from 1 January to 15 December 1971.

2/ Antigua, Dominica, Grenada, Montserrat, St. Kitts-Nevis-Anguilla, St. Lucia and St. Vincent.

3/ The adviser left the United Nations service at the end of 1971.

(d) Rural and community development 1/

(i) At the request of the Regional Development Agency, with headquarters in Antigua, assistance was given in initiating a second Regional Youth Camp. The expert also discussed follow-up action on the CARIFTA Council resolution regarding a paper entitled "Some areas for regional action in the field of human resources development";

(ii) At the request of the Ministry of Planning and Development of Dominica and the Camp Director, the expert advised on the organizational, financial and training arrangements for the Regional Youth Camp. This included UNICEF aid, technical assistance from the Governments of Jamaica and Trinidad and Tobago, and the placing of youth camp graduates. He also assisted the Ministry of Planning and Development in formulating a policy framework on human resources development for incorporation in the Plan;

(iii) Assistance was given to the Ministry of Local Government of Guyana on a course outline regarding the proposed Trainers' Training Course. The expert also assisted the Chief Community Development Officer in assessing training requirements during 1972;

(iv) In Jamaica, the expert assisted the Social Development Commission in the formulation of community and local development programmes for implementation in a cluster of villages which fall within the "area of influence" of the existing "centre" villages, and in the development of small-scale industries within the framework of the overall community development programme. He also assisted the Executive Secretary of the National Volunteers Organization in finalizing the survey schedule for an inquiry into the problems of the aged in Jamaica;

(v) Assistance was given to the Government of St. Lucia in formulation a policy towards the regional youth camp and in reorganizing the Community Development and Local Government Division. The expert also assisted the Ministry of Planning in formulating proposals for the social sector in the next Five-Year Development Plan;

(vi) The expert collaborated with the planners of the Development Office of St. Vincent in outlining the social sector of the Plan;

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1/ Assistance in this field was rendered through December 1971 only.

(vii) At the request of the Government of Trinidad and Tobago, advice was rendered on manpower utilization for development, including proposals for increasing the employment potential of various projects included in the third Five-Year Development Plan. Advice was given also to the Committee on Community Development and Youth Affairs on formulating proposals for human resources development.

#### 4. Extent to which the objectives were met

##### (a) Maritime transport

The regional adviser was instrumental in two major subjects in the evolution of Caribbean transport, i.e., machinery of consultation with overseas shipping conferences, and the regional trans-ocean shipping line.

##### (i) Consultation Machinery

The traditional situation in the Caribbean has been characterized by the Conference Lines being able to fix cargo rates arbitrarily, without any form of consultation. With the emergence of some territories as independent States and the formation of CARIFTA, Governments of the subregion have insisted on some form of consultation when upward revisions of rates are contemplated.

The adviser was able to make a significant contribution in this connexion. Mainly through this expertise and guidance, the Eastern Caribbean Consultation Committee was organized for consultation with WITASS. He assisted with research into the factual situation and the preparation of material for the meetings with WITASS, outlined a system of cost/revenue data as a basis for negotiations, and participated actively with officials in the formulation of concrete policies for the Governments.

All recommendations on methods of consultation and policy were accepted by the Regional Shipping Council in January 1972. The implementation was only partially successful since the transatlantic shipping conference has not fully accepted the minimum requirements of information requested by the Committee. But area Governments have for the first time established the basis on which they can negotiate with the Conference Lines.

/(ii) Trans-ocean

(ii) Trans-ocean shipping line

One outcome of the negotiations with Conference Lines has been the decision by the Regional Shipping Council to investigate the feasibility of the CARIFTA countries<sup>8</sup> establishing a regional trans-ocean shipping line. In this connexion, the adviser prepared several papers outlining the conditions under which such a regional line would be feasible, and at the request of the Council prepared a draft incorporating the main points of policy.

At this stage a joint policy decision is required because of differences of opinion as to the methods by which the monopoly enjoyed by overseas shipping conferences could be broken. In addition to "consultations", independent shipowners could be encouraged to enter trades dominated by conference lines, or a regional shipping enterprise could be formed.

On this latter issue, the adviser suggested an alternative approach in which the Line could be formed by Barbados, Guyana and Trinidad and Tobago only. These Governments have been recently approached for their reaction to this alternative proposal.

(b) Trade policy and integration

This adviser's main function was to establish a regional trade policy in the Caribbean which meets with the requirements of individual countries. His approach was to assist countries in using the common customs tariff as a trade policy instrument, which could also promote the economic development of the region. This was done in two phases: the EECM tariff; the CARIFTA tariff.

(i) EECM tariff

Considerable progress was made in the formulation of the EECM Commonwealth External Tariff. Following a series of detailed negotiations, the final tariff was adopted. A final printed version of this tariff has been prepared, and its introduction date which had been postponed on several occasions, is now scheduled for 1 September 1972.

(ii) CARIFTA Tariff

A team under the leadership of the Secretary-General of the Commonwealth Caribbean Regional Secretariat was set up to work out a common external tariff for CARIFTA countries. The adviser served as a consultant to this

/team, and



team, and worked closely throughout its deliberations. Based on the experience acquired with the ECCM tariff, he was able to guide the CARIFTA team in formulating proposals which did not conflict with the ECCM tariff. The draft CARIFTA Common Tariff is now the subject of negotiations between member countries.

(c) Economic development

(i) A draft Five-Year Development Plan 1971-1975 for Dominica was finalized and small planning units were organized in Dominica and Grenada;

(ii) Studies on harmonization of fiscal incentives to industries for the CARIFTA group of countries, functioning and organization of a regional development corporation in St. Vincent, local control of business and tax treatment of interest, a draft Banking Act for the Associated States and Monserrat, and harmonization of banking and financial policies for East Caribbean territories were prepared for discussion with the CARIFTA and ECCM secretariats.

(d) Rural and Community Development

Although the adviser has made an outstanding contribution in the wider field of community development, two aspects of his activities are of special significance, i.e., regional youth camps and the Caribbean Seminar on Central Services to Local Authorities 1/.

Youth camps are a feature of community development in Jamaica and Trinidad and Tobago, but not in the Associated States where they are urgently needed. The adviser persuaded the Governments of these States to establish youth camps on a regional basis, and subsequently assisted in their establishment.

The first camp was established in Dominica in 1970. Since then, the adviser has assisted in solving some of the initial problems associated with physical amenities and finance. During 1971, he was centrally involved in preserving and promoting the regional character of the camp, seeking and obtaining UNICEF aid, and obtaining technical assistance from Jamaica and Trinidad and Tobago.

With regard to the second camp, which was to be located in Montserrat, there were some problems. Working through the Regional Development Agency, he was able to solve some of the difficulties and clear the way for its establishment.

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1/ The Seminar is commented upon in the section on "Courses and Seminars".

C. Advisory Programme to the Cartagena Agreement Board  
(Andean Group)

1. Background

In the second half of 1970 the Cartagena Agreement Board, in collaboration with ECLA and ILPES, initiated work oriented towards the outlining of a regional development strategy as provided for in the Cartagena Agreement.

In a second stage work was initiated in 1971 with a view to showing what branches of industry could be most important from the standpoint of integration and would therefore deserve priority analysis. In that phase, fuller consideration was to be given to the possibilities of specialization and integration in the agricultural sector, the need to create employment and the effects that higher levels of employment and income would have on the level and composition of demand. Special importance was attached to linking the analysis of the region as a whole and of the different integrated development policies with national development plans and policies, with a view to achieving their gradual co-ordination. Lastly, provision was made for the analysis of the economic infrastructure requirements derived from integration.

The course that integration activities have been taking made it necessary to cover some aspects which had not initially been envisaged in the programme and to deal more thoroughly with others than was originally contemplated. Thus, very special attention was devoted to the analysis of specific branches of industry which could be the object of the sectoral industrial development programme envisaged in the Agreement. This analysis included a study of current demand and projections of demand up to 1985 for a considerable number of industries that make up the area of programming and also account for a decisive proportion of the industrial imports of the Andean Group. In the case of those industries, the region's potential for satisfying such demand on the basis of increasingly integrated industrial development were pointed out and evaluated.

Similarly, a study of the different financing alternatives required to carry forward the development of the subregion on a significantly broader scale than in the past was included in the work carried out.

In December 1971 the document entitled Bases generales para una estrategia subregional de desarrollo was completed; it comprises:

/(a) General

(a) General orientation of development. An attempt is made to specify the extent to which the integration process can speed up the growth rate, relieve acute balance-of-payments problems and permit the incorporation of currently marginal sectors into the labour and consumer market. To that end, an analysis is made of the effects of the developed integration of basic industry combined with the possible export of manufactures to third countries and with policies designed to mobilize the domestic market through increased employment and incomes.

The increased investment requirements caused by economic integration are quantified and analysed, a study is made of financial feasibility and mention is made of the need for new methods of external financing and for a very intensive effort at domestic capital formation.

The future prospects for the development of the Andean Group are presented and the main elements that determine those prospects are analysed.

(b) Agricultural development and subregional integration. For the first time the main problems and prospects of agricultural development are analysed in relation to the region as a whole. On the basis of the analysis measures are suggested to: carry forward a regional import substitution programme; achieve greater complementarity between specific areas of the subregion; produce in the subregion machinery, agricultural equipment and other industrial inputs; and define the needs and potential of joint technological research in the agricultural sector by the five countries of the subregion.

(c) The industrial sector in an integrated development policy. The role of industry in the integration process is studied, the policy orientations that appear most necessary for the region as a whole are described and the demand for manufactures, the prospects for their production and their export potential to third countries are quantified and studied. In this connexion, mention is made of the need to apply the different instruments of the Cartagena Agreement, in particular the sectoral development programmes.

Guidelines are also included for the main sectors of industry. The sectors specially studied are steel, paper and pulp, chemicals, automobiles, non-electrical machinery, and electrical machinery and equipment. Other sectors producing non-durable consumer goods and intermediate goods are studied in less detail.

## 2. Objectives

The two stages of the first phase of the work has already been completed in relation with the elaboration of a subregional development strategy. When the second phase of the work is commenced, the Board will already have considerable experience of the progress and problems of the integration process and it will have at its disposal the results of the studies and investigations that are being carried out with the collaboration of ECLA and ILPES, and of other studies that the countries are carrying out on their own account. The machinery of free trade and sectoral programming will then be beginning to work positively. During the phase of rapid development of the common market, the Board needs to maintain a balanced and realistic outlook on the real development prospects opened up for the individual countries and the region as a whole by that process. To that end, it should be provided with an in-depth analysis, at the country level, which goes on incorporating - as they appear - the findings of the studies mentioned above, and which records the effects that are being or may be produced by integration in the future.

The following are some of the specific objectives of the second phase of work to be undertaken in 1972 and 1973.

(a) Studying the way in which the integration process in the countries of the Andean Group may help to solve some of the most serious problems of development in those countries or to facilitate the accomplishment of the objectives set out in the national development plans and strategies. This analysis by countries will include an examination of the prospects for integrated development by activities and main programmes, and should also point to those national areas whose development could be promoted better through integration.

(b) Taking advantage of the findings of previous studies to consider why and to what extent the problems of balanced development of the different member countries can be dealt with. Particular attention will be paid to the cases of Bolivia and Ecuador and an attempt will be made to find a formula whereby these countries can rely on the common market to solve their development problems.

(c) Investigating the most suitable and practical methods of evaluating progress in the process of economic integration of the Andean Group. The Cartagena Agreement provides that the Board shall make an annual evaluation of that process and render due account to the Commission of the Cartagena Agreement.

/(d) The

(d) The study of the development potential of specific areas as centres of economic activity and the growth prospects of the current development poles should give rise to a spatial pattern that will gradually be assumed by the subregional economy of the Andean Group. This pattern should be designed in such a way as to be able to serve as a guide to long-range studies on transport and economic infrastructure in general.

3. Activities undertaken between January 1971 and July 1972  
to reach these objectives

In compliance with the specific objectives of the project, the document on the regional development strategy was completed the following year and submitted to the Board in December 1971.

The branches of industry which were of the greatest importance for integration and should be given priority attention in studies were identified and a more detailed analysis was made of the possibilities for specialization and integration in the agricultural sector, the need to create new employment opportunities, and the effects of higher levels of employment and income on the level and structure of demand. Special attention was devoted to linking the analysis of the subregion as a whole and the various integrated development policies with national development plans and policies. It was also expected that the economic infrastructure requirements deriving from integration would be analysed.

The way in which integration activities had been developing made it necessary to consider certain aspects that had not originally been part of the objectives and to consider others in rather more detail than had at first been envisaged. Thus, for example, special attention was devoted to studying the specific branches of industry in which the sectoral industrial development programmes laid down in the Agreement could be implemented. The study included an analysis of current demand, with projections to 1985, for a considerable number of industries within the programming area which account for a sizeable amount of the Andean Group's industrial imports, and it further identified and evaluated the subregion's possibilities of satisfying projected demand for the type of goods produced by such industries by stepping up the degree of integration in industrial development.

The work done also included a study of a number of options for securing the finance required to promote the development of the subregion at a much faster pace than hitherto.

#### 4. Extent to which objectives were met

To illustrate the coverage of the work carried out to achieve the objectives of the project, it may be useful to refer to some of the studies undertaken on different sectors:

(a) Analysis of an overall approach to the development of the Andean subregion

The document prepared in co-operation with the technical staff of the Board of the Cartagena Agreement on the general bases for a subregional development strategy constituted the first systematic attempt to define with a reasonable degree of accuracy the general policies that the subregion must pursue in order to give new impetus to its development effort and also to identify the role that industrial and agricultural development can play in the integration process within the context of the joint Andean market. The subjects dealt with in greater detail in the general section were the following:

- (i) Analysis of probable external sector trends assuming that past circumstances continue to prevail, and analysis of the possible effect of development with integration on these trends. Past trends for exports and imports were analysed for each country individually.
- (ii) Analysis of growth rates for the subregional economy that are feasible given various development policy assumptions, with breakdown of the overall rates into major economic sectors.
- (iii) Study of the labour absorption possibilities of the main economic sectors and their relation to growth trends and productivity.
- (iv) Analysis of the estimated distribution of income in recent years in the Andean Group countries by major socio-economic categories, the estimated structure of consumption corresponding to each category, and the impact of improving the standard of living of the low-income strata on the structure of demand and production and on employment trends.

/(v) Detailed

(v) Detailed statistical analysis of past demand trends and projected demand in each sector of industry, including analysis of the proportions of demand to be met from domestic production and from imports from outside the subregion. In particular, a statistical analysis was made of the metal-transforming sector, because of its importance in the production of capital goods.

(vi) For purposes of analysing the external sector, individual savings and trade gap models were prepared for each of the five Andean countries.

(b) Financial implications

The process of integration has, inter alia, certain implications as regards financing that have now begun to be studied. These implications concern especially the domestic savings capacity required to give new impetus to growth, and the conditions and mechanisms regulating the flow of external financial resources to the integrated area. Analysis under this heading was therefore directed, on the basis of certain necessary working hypotheses, towards determining the financial feasibility of the growth of the subregion within the framework of integration.

(c) The role of industry in development with integration

Particular attention was devoted to considering the role of the industrial sector in the process of integrated development.

For all the sectors analysed (steel industry, motor-vehicle industry, metal-transforming industry, chemicals industry, pulp and paper industry), past trends were considered and projections were made of the volume and structure of demand. In several cases, current plans for expanding production were considered together with their future impact; the raw materials situation was analysed, and finally a picture was built up of what each sector might manage to achieve by 1985 through proper use of the machinery of the Agreement.

(d) Small- and medium-scale industry

The central objective of the study of small- and medium-scale industry was to analyse the problems and possibilities, arising from the characteristics inherent in the size of the production units and

/from national

from national structures, that have to be taken into account if this sector of industry is to participate properly in the new subregional market.

(e) Agriculture

Work under this heading included the following:

- (i) Preparation of the lists of agricultural products for automatic liberalization, saving clauses, minimum common external tariff, and products whose immediate liberalization would favour Ecuador and Bolivia.
- (ii) Preliminary guidelines for the formulation of an agricultural strategy for the subregion.
- (iii) Diagnosis of the agricultural sector in the Andean Group countries.
- (iv) Study of past demand trends of the Andean Group countries for the following agricultural inputs and the Group's estimated needs in 1975-1980 and around 1985: tools, supplies, machinery and equipment, fertilizers (nitrogen, phosphorus and potassium), pesticides.
- (v) Preparation of guidelines for studying the following integration projects for the agricultural sector: production of oilseeds and oils, production of meat, food technology, agricultural research.



D. Advisory Programme to the Latin American  
Free Trade Association

As a technical advisory body to ALALC, ECLA has an office in Montevideo, with a very small staff, to represent ECLA to ALALC and provide advisory services for the working-groups of the Association and its subsidiary organs, especially the Advisory Committee on Statistics and the Advisory Committee on Industry. These advisory services are necessarily very limited owing to a lack of adequate resources.

Apart from the continuing assistance the ECLA Office gives ALALC, there were discussions with the Advisory Committee on Statistics (CAE) in September 1971 on an ECLA/ALALC statistics programme for processing data on external trade available within the organization, stored in the form of magnetic tapes.

III. COURSES AND SEMINARS

Between January 1971 and August 1972, ECLA's operational activities included four training courses and three seminars closely connected with the services being provided by regional advisers attached to the Commission and with research programmes being conducted by the secretariat.

In addition, three seminars will be held at ECLA headquarters in Santiago between September and December 1972 on subjects of major interest to Latin American countries.

#### A. Regional Course on Regional Development Planning

##### 1. Background

During the 1960s, most of the activities connected with economic and social development planning in Latin America were concerned with national aspects. While this no doubt afforded an adequate framework for formulating the global strategies and policies of the various countries, it lacked the necessary elements for defining satisfactorily the problems that arose at the regional level.

Along with these attempts at global planning, a number of countries have been conducting specific development programmes geared to isolated regions which have enabled them to test several strategies and policies while at the same time acquiring valuable experience. In a number of cases, either because they were implemented prior to, or simply independently of, national development plans or, frequently, because they were designed solely to resolve some specific type of problem (such as the incorporation of unexploited natural resources - mostly of an extractive or hydrological nature - into the productive process), the projects could not be suitably integrated into an effective strategy for the extension and development of the economic space.

Moreover, while attempts to industrialize, develop infrastructure, raise productivity and income and extend social services have flourished (and standards of living have risen accordingly) the tendency has been for acute regional disparities either to remain or to become accentuated.

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In some cases, these disparities seem to be cancelling out many of the advantages of economic growth and even help to aggravate the social and political disputes that go with underdevelopment.

It is mainly because of this that Governments and planning experts have been showing increasing interest in regional problems over recent years. Work has therefore begun on the regional disaggregation of national development plans and the formulation of what are known as regionalization policies.

Furthermore, on account of their nature and scope, the existence of a growing number of multinational economic integration projects (such as those relating to Central America, the Andean subregion and the River Plate Basin) and border development projects points to the need for a regional approach whose particular techniques and concepts are somewhat different from those used at the global level.

These are some of the reasons why the United Nations in general and ECLA and ILPES in particular have become interested and active in this new field of regional development and planning. As early as 1967 ILPES included under the General Planning section of its Basic Course the topic "Regional analysis and planning", which became increasingly important and comprehensive with each course. At the same time, various intensive training courses in development planning sponsored by ECLA, ILPES and the Governments of the region began to devote special attention to problems of regional planning. This was true, for instance, of the courses held in Recife, Brazil (1968), Lima, Peru (1969), Monterrey, Mexico (1969) and Campinas, Brazil (1970). Similarly, ECLA included a study of the matter in the Economic Survey of Latin America, 1968, one of whose chapters contained an analysis of the regional distribution of economic activities - the first time the subject had been dealt with explicitly and specifically in these annual surveys. Then, in 1969, ECLA and ILPES organized a seminar on the Social Aspects of Regional Development 1/ and co-sponsored the inter-American seminar on Regionalization of Development Policies in Latin America 2/.

1/ Held in Santiago, Chile, 3 to 14 November 1969 under the auspices of ECLA, ILPES and the United Nations Office of Technical Co-operation.

2/ Organized by the Latin American Institute of Geography and History in co-operation with ECLA, ILPES, National Planning Office of Chile (COEPLAN) and the Chilean Planning and Development Society (PLANDES) in Santiago, Chile, from 8 to 12 September 1969.

All the foregoing activities, along with a number of studies on the matter, were used in preparing the three courses on Regional Development Planning 1/.

## 2. Objectives

Broadly speaking, the courses on Regional Development Planning are designed to cover the problems that arise from the acute regional disparities that occur in the various national territories. More specifically, the course is intended:

(a) to compile and revise all available information on regional development and planning in Latin America and other regions;

(b) to study the practical feasibility of applying the theories and methods of regional planning to Latin America.

The systematic treatment of the subjects covered by the syllabus of the course takes the form of lectures, given by specially chosen teachers and seminars, at which an attempt is made to encourage a wide exchange of ideas and experiences, with the active participation of the participants.

During the lectures and seminars, various interpretations of the regional development process are discussed and a general picture is given of regional analysis and planning machinery so as to determine the relationship that should exist between regional and national planning, with special reference to the situation prevailing in Latin American countries.

The course attempts to provide the participants with a comprehensive view of the regional development planning process, as well as of the content and scope of each specific stage and operation in the process.

## 3. Extent to which the objectives were met

Now that two of the courses have been completed, it may be concluded that they served to satisfy a real need for personnel training (government officials and university professors) in these disciplines and to provide information and disseminate and evaluate theories, problems and experiences, which is necessary if any progress is to be made in this field. Moreover, the courses served to promote contact between Latin American technicians with regional planning responsibilities in their respective countries,

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1/ The first course on Regional Development Planning was held from 31 August to 3 October 1970 and lasted 5 weeks; the second lasted 15 weeks, from 2 August to 12 November 1971, and the third, which began on 19 June 1972 will end on 6 October. All the courses have been held at ECLA headquarters in Santiago, Chile.

/since they

since they were given the opportunity to hold a broad exchange of views, to learn of their respective experiences and to compare their preoccupations regarding the problems posed in this sphere of activity. In view of the difficulties that exist with regard to the exchange of know-how and information, this aspect of the contribution made by the training courses takes on a special significance for weighing the elements that should be considered in any evaluation of such courses.

Note should also be taken of the positive influence that the courses have had on the participants, many of whom now occupy more responsible posts in their own countries, and have begun to develop teaching activities in this field in the universities of their countries; in one case, an ex-pupil has even provided advisory services as a United Nations expert.

Lastly, the growing demand for regional development planning courses at the country level on the part of the governments of several Latin American countries (Argentina, Brazil, Peru and Venezuela) and the persistent requests for places in future courses are a measure of the great interest that these courses have aroused.

## 8. Regional Trade Policy Course

### 1. Background

At its third session held in Santiago, Chile, in May 1961, the Trade Committee adopted resolution 14 (III) which recommends to the secretariat that it organize courses <sup>1/</sup> on specialized training in trade policy covering subjects relating to the movement towards multilateral economic co-operation. The resolution considered that the changes that had occurred at the regional and world level in respect of trade and trade policy had created situations and problems which could only be dealt with by specialists in this field, of whom there is a marked scarcity in Latin America.

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<sup>1/</sup> In compliance with this resolution, six regional courses, each lasting seven weeks, have been held between 1966 and 1971, with a total participation of 131 Government officials from the various Latin American countries. The seventh regional course is scheduled from 31 July to 15 September 1972.

### /2. Objectives

## 2. Objectives

Resolution 14 (III) stipulates the need of courses, that is to say for the systematic treatment of the subjects making up a syllabus. Moreover, the courses should aim at specialization, which suggests not only that the participants should possess general basic knowledge of the subject but also that the courses should be designed to provide further training. The intention, therefore, is to train intermediate Government officials who are already directly involved in formulating the trade policy of their respective countries and may one day find themselves actively collaborating in the framing and implementation of that policy.

## 3. Extent to which objectives were made

The experience of the six courses organized between 1966 and 1971 has confirmed the farsightedness of the Trade Committee's recommendation. Each of the annual courses has been attended by between twenty and twenty-four intermediate government officials from all the Latin American countries of the region, all of them persons directly linked with national bodies responsible for formulating and implementing trade policy. There has been a notable interest in participation in the courses, as demonstrated by the increase in the number of candidates proposed by each country over the last few years; this in turn is a reflection of the interest of an increasing number of organizations within each country. Another noticeable fact has been a steady rise in the standard of qualification of the participants, resulting in their benefiting to a greater degree from the lectures and seminars which make up the programme of each course.

It has been gratifying to note that a large number of the graduates subsequently represent their countries at international meetings and conferences. From this it may be assumed that countries are making use of the special skills acquired by some of their civil servants, and also that the programme of the course is adapted to their needs as regards providing officials in the space of a few weeks with specialized training in trade policy matters.

/Although it

Although it is somewhat difficult to quantify the benefits the participants derive from the courses, there are certain clear advantages. One is personal contact and direct acquaintance with the experience of other countries and the discussion of common problems in the seminars on special subjects held during the training period, which subsequently brings greater ease of communication and understanding of the part of those who take part in international meetings. Another is that the courses have been more and more directed towards the analysis and discussions of the particular problem facing the Latin American countries within the general context of their international trade relations, thus strengthening the links of solidarity and co-operation among them and with the rest of the world.

To sum up, the regional courses on trade policy have been profitable in many senses; they have contributed to a better and clearer understanding of the problems facing the Latin American countries, and have made for more efficient and more active participation by these countries in the efforts and activities being carried out by the various agencies of the United Nations.

### C. Intensive Course on Economic Development in Central America

#### 1. Background

Eight annual courses (1963 to 1971) have been held so far with the participation of approximately 350 government officials to meet the requirements of regional authorities and agencies; lectures have been given about questions related to the development of the Central American economies and integration process.

The first four intensive courses <sup>1/</sup>, provided a large group of government officials concerned with overall and sectoral programming in the six countries of the Central American Isthmus with training in economic planning techniques, virtually exhausting the stock of human resources capable of undergoing this training. Logically enough, the host country took advantage of these regional courses to obtain training for a larger number of their officials.

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<sup>1/</sup> Costa Rica, 1963; Guatemala, 1964; Honduras, 1965; Nicaragua, 1966.



It began to be apparent, especially in the fourth course, that the technical level of the participants was gradually descending as a result of several factors, such as: the duration of the courses - three or four months - which made it impossible for central or sectoral planning offices to spare their highly-skilled and intermediate-level staff; many similar courses in more attractive places organized by other international agencies; and the loss of momentum in the planning agencies at the national and sub-regional level during the second half of the 1960s.

This led to the suspension of the 1967 course in order to study a new training programme more in line with the new conditions prevailing in the subregion. After consulting the Central American Governments and agencies concerned, it was decided to shorten the intensive courses and orient them towards special sectors which at the time might demand greater attention because of the new approaches to Central American development and integration. Thus the fifth Intensive Course on Trade Policy was held at San Salvador in 1968, and the sixth Intensive Course on Annual Operational Plans and Project Evaluation in Panama in 1969. They were of 7 to 9 weeks' duration and completed the first round of intensive courses held in each of the Central American capital cities.

Since these modifications, though positive, were insufficient, the Central American training programme was once again reorganized as from 1970. The courses were further shortened with a view to attracting government officials of a higher professional level, and it was decided to hold them in Mexico so as to obtain greater technical support from both Mexican institutions and ECLA.

The seventh Intensive Course on National Accounts was held in Mexico in 1970 and lasted four weeks. It was attended by the heads and assistant heads of national accounts units in central banks and planning offices of the Central American Isthmus. Significant progress was made in imparting knowledge about the new United Nations System of National Accounts and in the adoption of a minimum programme of improvement and co-ordination of social accounting at the sub-regional level.

The eighth course on the electric power sector in 1971 was also held in Mexico and lasted three weeks. It was organized in response to the request formulated by the directors and managers of Central American electricity agencies at a seminar sponsored by the Central American Institute of Public Administration (ICAP) in December 1969.

/The electric

The electric power sector is one of the most dynamic sectors in the sub-region, and both the ECLA Office in Mexico and the regional UNDP/OTC experts maintain close co-operation with its authorities in connexion with activities, advisory services and studies of regional interest, particularly on electricity interconnexion in the area. Because of the interest aroused by the eighth course - on account not only of its content but of the place and duration - it was attended by managing-directors of agencies for the regulation of public services, deputy general managers and heads of planning departments of electrification institutes, and chiefs of electric power sections of national planning offices. Owing to the fact that it was held in Mexico, advantage was taken of the experience of the Federal Electricity Commission of that country, which made available teachers and lecturers from among its top specialists. Three staff members of the Federal Commission took part in the course and there were eighteen participants from Central America and Panama.

At the express desire of the government authorities of Central America and Panama, the ninth Central American Intensive Course 1/, is intended to provide officials in national planning offices and in planning units of para-State agencies with additional knowledge about planning techniques, particularly with regard to public sector investment and industry.

The course is designed mainly to present up-to-date methods and approaches, especially in connexion with new advances in industrial and public investment planning, examining the particular problems and features of the sub-region and the obstacles hampering the use of these techniques in Central America, taking into account that they will be used in countries in process of integration which are experiencing regional deficiencies and disequilibria in industry and which have their own specific procedures for formulating public investment programmes.

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1/ The ninth Course on Programming of Public Sector Investment and Industry is taking place at San José, Costa Rica, from 10 July to 1 September 1972.

## 2. Objectives

To train government officials of the Central American countries and Panama to take care of programmes of most concern to planning and other government offices.

## 3. Extent to which objectives were met

These courses have been one of the most effective methods of extending the study and analysis of economic and social development and planning problems (both global and sectoral) to wider circles than those with direct access to training courses held at ILPES, ECLA and elsewhere. It has thus been possible to train large groups of Central American and Panamanian professionals from government agencies and universities, which has had significant impact on their respective countries.

A large number of former participants now hold key positions at the SIECA, Central American Bank for Economic Integration and government agencies.

No survey has been conducted among governments or participants regarding the extent to which they have put into practice the knowledge acquired in these courses. However, as regards the seventh Course, for instance, it can be pointed out that the majority of the participants continue to work on national accounts and some of them have been promoted within their services or assigned to higher responsibilities.

One of the most significant results of this course has been a Conference held in San José, Costa Rica, in June 1971, which was attended by many of the participants in the seventh Course, and where a decision was reached on a minimum programme of improvement and co-ordination of national accounts at the Central American regional level. This was a resultant of the fact that the Course was a combination of formal training and discussion seminars in which participants were able to take active part, voice their opinions and suggestions and discuss the problems they were facing in discharging their responsibilities as government officials of the statistical or planning services in each country.

/The interests

The interests of the Central American Governments and integration agencies were taken into account in organizing each of the nine intensive courses. To this end, they have covered the main fields suggested by the Central American authorities and decisive support has been given to the ideas regarding regional integration. Care has been taken to avoid the routine and rigidity foreseen in 1965 and 1966, which would have meant that the regional courses would have lost much of their effectiveness.

#### D. Second Multinational Course on Export Promotion

##### 1. Background

To increase exports is a key factor in the present stage of Latin America's economic development and its importance is growing as more progress is made in the plans for diversifying the economies. In many countries the formulation and implementation of export promotion programmes are hampered by the shortage of adequately trained personnel. The professional training of nationals of developing countries to take care of various aspects of export promotion is an essential requisite for the implementation of integrated and well-conceived programmes in this field.

The second Course on Export Promotion <sup>1/</sup>, which was held from 6 July to 19 November 1971, offered a training programme for 20 participants from Chile, Colombia, Peru and Venezuela. In order that the results should be disseminated as widely as possible in each country, the participants included government officials and representatives of private institutions concerned with export promotion. Before the Course itself, each participant spent four weeks preparing a detailed study of his country's production and export possibilities for specific products, chosen because of their present or potential importance for the country's foreign trade. Staff members of ECLA and the UNCTAD/GATT International Trade Centre personally directed the participants' work in the various

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<sup>1/</sup> The first multinational course was held from 13 July to 20 November 1970 at ECLA headquarters, Santiago, Chile, and at the headquarters of the UNCTAD/GATT International Trade Centre in Geneva. It was attended by 20 participants from Bolivia, Ecuador, Paraguay and Uruguay. The courses were organized jointly by the UNCTAD/GATT International Trade Centre and ECLA.

countries, assisted in carrying out the studies and supervised the preparation of the reports they were required to prepare before leaving for Santiago, and later Geneva, to take part in the Course.

The first part of the Course was held from 30 August to 10 September 1971 at ECLA headquarters. ECLA staff members and regional advisers on export promotion gave lectures on various subjects related to export promotion policy and strategy and the adaptation and development of production capacity for the export manufactures.

The second part of the Course was held at the UNCTAD/GATT International Trade Centre in Geneva from 13 September to 19 November, and was followed by visits to some European trade centres. This part of the Course dealt mainly with subjects related to research on the marketing of exports, trade promotion and other supplementary activities.

## 2. Objectives

The purpose of the Course was to provide training for officials of government trade bodies and executives of private enterprise in export promotion and international marketing methods, to link trade promotion services with economic development activities at the national level, and to perfect the machinery for co-operation and communication between government trade promotion services and the private sector.

## 3. Extent to which the objectives were met

At the end of the Course, both the UNCTAD/GATT International Trade Centre and ECLA made an appraisal of its results by means of questionnaires to be completed by the participants. The general opinion was favourable. It is worthwhile to note that many of the participants hold important posts in their respective countries, in some cases as a result of the training they received, and that some of them have helped to prepare the international technical assistance programme for their countries in connexion with export promotion, with a sounder knowledge of both the problems involved and the resources actually available for such assistance.

In the light of the experience acquired in the first two multinational courses, some changes were introduced in the third with respect to the selection of candidates and the content of the programme to ensure that it would as nearly as possible meet each country's requirements.

/E. Third

## E. Third Multinational Course on Export Promotion

### 1. Background

The third Multinational Course on Export Promotion was held for participants from the English-speaking Caribbean countries. It was attended by representatives of seven Caribbean countries and territories and observers from the CARIFTA secretariat. Training in the formulation of export programmes is an important factor in carrying on the efforts being made to expand and diversify exports, in the Caribbean area.

The Course took place from 17 January to 7 April 1972. Before it started, each participant carried out a detailed study of his country's production and export capacity for certain commodities chosen because of their present or potential importance for the country's foreign trade. A staff member of ECLA and another from the International Trade Centre personally supervised the participants' work, assisted in the preparation of projects and reviewed the reports prepared by the participants before leaving their own countries.

The first part of the Course was conducted by ECLA, at Port-of-Spain, Trinidad and Tobago, from 17 to 28 January 1972. ECLA staff members from both the Port-of-Spain Office and Santiago headquarters, together with the regional advisers, gave a series of lectures and seminars. In addition to the basic teaching programme, special attention was paid to particular problems of the Caribbean, on which notable persons in the sub-region were invited to lecture.

The second part of the Course was held from 1 February to 7 April 1972 at the UNCTAD/GATT International Trade Centre in Geneva and at European trade centres, in accordance with the pre-arranged programme, but with some necessary changes to satisfy the interests of the participants and their respective countries.

### /2. Objectives

## 2. Objectives

The objectives of the Course were to provide training in export promotion and international marketing methods for administrative and executive trade personnel, to link export promotion services with economic development activities at the national level, and to improve the machinery for co-operation and communication between trade promotion services and the trade sector.

## 3. Extent to which the objectives were met

As a result of this Course, a certain amount of interest is observable in the Caribbean area to study in greater depth particular aspects of export promotion such as the formulation of an export strategy and the study of markets for agricultural-industrial products from the Caribbean.

### F. Meeting of Experts on the Formulation and Implementation of Strategies for the Export of Manufactures

#### 1. Background

The Meeting of Experts on the Formulation and Implementation of Strategies for the Export of Manufactures which was organized by the Economic Commission for Latin America, was held at ECLA headquarters in Santiago, Chile, from 26 July to 4 August 1971.

At its thirteenth session, the Commission considered that the expansion and diversification of exports were of primary interest to Latin America "in the formulation of a concerted action programme" as part of an overall development strategy within the context of the Second United Nations Development Decade 1/. It therefore recommended that the secretariat, "in the context of its programme of work, should give special attention to studies, research and advisory services" designed, inter alia, for "the development and diversification of the production for export, not only of primary products but also of manufactures and semi-manufactures" 2/, and urged that it should intensify "its work in the field of export promotion, with special reference to the problem of supply, marketing and financing" 3/.

1/ See resolution 289 (XIII).

2/ See resolution 290 (XIII).

3/ See resolution 291 (XIII).

In compliance with these resolutions, at its fourteenth session, the Commission approved the secretariat's programme of work which includes the organization of the Meeting of Experts on the Formulation and Implementation of Strategies for the Export of Manufactures 1/.

This project also responds to the desire expressed by several Latin American Governments to include the expansion of industrial exports as one of the main objectives of their respective development programmes. In order to achieve this objective within a reasonable period, it has been deemed necessary to apply a set of measures designed to improve the efficiency of production, marketing and financial activities and to adapt the functions and structure of public institutions to the requirements of this new export drive.

## 2. Objectives

The general aim of the Meeting was to examine jointly with Latin American experts certain elements for the preparation of an export strategy, particularly aspects connected with industrial development, commercial and administrative policy, and institutional organization, in order to obtain their views in the light of their technical knowledge and experience.

The concrete objectives were as follows: to identify and analyse the methodological problems posed by the formulation of a strategy to export manufactures; to exchange views and obtain recommendations with reference to measures of industrial and commercial policy and institutional organization designed to implement such a strategy within the context of the socio-economic framework of the various countries of the region; and to discuss ways and means of mobilizing the public and private sectors, as well as public opinion, behind a clear and significant objective of increasing industrial exports.

## 3. Extent to which the objectives were met

The Meeting was attended by Latin American specialists in industrial development, institutional organization and commercial policy, as related to export promotion; experts from outside the region, especially in the field of export promotion; and officials from international organizations dealing with this subject.

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1/ See E/5027/Add.1.



The discussions were based on 25 working papers and 11 information documents; together with a guide to the debate in the form of a questionnaire 1/.

The Meeting provided an opportunity for the experts to exchange views and experiences, as a means of clarifying the complex problems that were the subject of discussion. From the debate and the documents presented, guidelines emerged for appropriate future action at the national (both public and private), regional and international levels.

The different economic structures of the countries whose experience was examined at the Meeting and the differences in the technical background of participants, made it possible to obtain information on a wide range of policies and strategies that could be applied in the countries.

It is hoped that the results and conclusions will be useful to Latin American Governments in planning and implementing practical export strategies for manufactures and that they will serve as a positive contribution to the deliberations of future regional and worldwide meetings. Some Governments and sub-regional institutions have expressed a desire that similar meetings be held at the national and sub-regional levels 2/.

## G. Seminar on Export Strategy

### 1. Background

At the Meeting of Experts on the Formulation and Implementation of Strategies for the Export of Manufactures, the Government of Brazil requested ECLA's co-operation in the organization of a similar seminar at a national level. The ECLA regional advisers in export promotion collaborated in this Seminar and a large part of the documentation presented at the Meeting of Experts was used. Promoted by the Commercial Association of São Paulo and sponsored by the Brazilian Ministry of Foreign Affairs, the Seminar was held at São Paulo from 25 to 28 October 1971.

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1/ See document ST/ECLA/Conf.37/L.37, which includes the list of documents.

2/ As a result of this meeting of experts, a seminar was held in Brazil at a national level in July 1971, at the request of Brazilian government officials.

## 2. Objectives

The aim of the Seminar was to encourage the commercial sector and the country in general to take an active part in Brazil's current export drive, by establishing efficient distribution channels for exports to complement the industrial sector, particularly small- and medium-scale industry. Ways of focusing the participation of other sectors in the export process, as part of an overall strategy designed to encourage such participation, were also discussed.

## 3. Extent to which the objectives were met

The agenda of the Seminar was prepared in consultation with ECLA. The topics were introduced by the ECLA regional advisers and commented on by notable Brazilian specialists. To that end, the Brazilian organizers reproduced and distributed the documents prepared by ECLA for the Meeting of Experts at Santiago, and prepared summaries of them in Portuguese.

The Seminar was attended by approximately 150 representatives of the public and private sectors in Brazil. The discussions were relayed to other meeting rooms by closed-circuit television, and were reported in great detail in the São Paulo press. The Ministers of Planning, Industry and Finance of Brazil gave master classes at the end of each of the daily meetings.

The Seminar helped to highlight the importance which the private sector can have in the expansion of exports of Brazilian manufactures. Also apparent was the private sector's keen interest in participating more actively in the export process, which will be reflected in the comments it will submit to the Government on the basis of the conclusions of the Seminar.

Lastly, the Brazilian authorities have initiated contacts with a view to obtaining technical assistance in the establishment of marketing enterprises for export along the same lines as the trading companies found in Japan.

/H. Seminar

## H. Seminar on the preparation and use of population and housing census tabulations

### 1. Background

When population and housing censuses were taken around 1960, Governments demonstrated their interest in making the best possible use of census data so that, in addition to the specific relevance of these data to administrative affairs, they should serve to obtain the kind of data that are necessary for the scientific analysis and assessment of the composition, distribution, and past and foreseeable growth of the population. Public authorities, research experts and the private sector are all concerned with the demographic, economic and social characteristics of the population such as they are revealed through population and housing censuses. It was this general interest that gave rise to the United Nations Seminar on Evaluation and Utilization of Population Census Data in Latin America which was held in Santiago, Chile, from 30 November to 18 December 1959 1/.

This concern for the proper utilization of population census data has increased tremendously over recent years, during which both Latin American economic study centres and planning institutes and the international agencies have, for their own purposes, devoted much attention to selecting topics for census investigation and corresponding tabulations in terms of regional variants 2/. From 13 to 25 September 1969, an Interregional Seminar on Application of Demographic Data and Studies to Development Planning was also held at Kiev, Ukrainian SSR 3/.

As the United Nations Population Commission pointed out in its report on the fifteenth session 4/, the studies being carried out on fertility and family planning, mortality, urbanization and migration, demographic aspects of social development, demographic aspects of economic development and demographic projections created a demand for the many kinds of data that are, or could be obtained in population censuses from all enumerated persons or from a sample of them.

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1/ The report on this Seminar appeared in United Nations document ST/TAO/Ser.C/46-E/CN.9/Conf.1/1/Rev.1.

2/ Population Commission, Report on the Fifteenth Session (Geneva, 3-14 November 1969) Economic and Social Council, Forty-eighth session, Supplement No 3, document E/4768, paragraph 37.

3/ Population Commission, Fifteenth Session (Geneva, 3-14 November 1969), Report of the Interregional Seminar on Application of Demographic Data and Studies to Development Planning, document E/CN.9/223.

4/ Ibid., paragraphs 154-165.

Taking into account that developing countries would, as appropriate, establish or strengthen their planning mechanisms, including statistical services, for formulating and implementing their national development plans during the Second United Nations Development Decade, ECLA recommended that the Governments of the developing countries members of the Commission should "adopt the necessary measures to improve their statistical services and, in particular, to make available up-to-date basic data for the periodic review appraisal of progress towards national and regional developments" 1/. It also recommended that the secretariat should "Intensify its efforts to assist the countries of the region to meet the statistical requirements which are considered of priority importance in the task of appraising the progress of the Strategy for the Second Development Decade, with special reference to the need to co-ordinate the compilation of basic data and the statistics derived therefrom, and to this end giving consideration to the more frequent use of such modern methods as sampling" 2/.

This Seminar was held at a very opportune moment since, in accordance with the inter-American population and housing census programme for the 1970s, fifteen countries have already carried out their censuses, namely, Argentina, Barbados, Brazil, Chile, Cuba, Dominican Republic, El Salvador, Guyana, Haiti, Jamaica, Mexico, Nicaragua, Panama, Trinidad and Tobago and Venezuela. The stage reached in processing the census data varies from country to country, the most important rational tabulation being available in only a few of them.

Nine countries are currently in the process of planning or preparing their censuses. Guatemala, Honduras, Paraguay, Peru and Uruguay will complete the operation in 1972, and Bolivia, Colombia, Costa Rica and Ecuador in 1973.

## 2. Objectives

The Seminar took place at the headquarters of ECLA in Santiago, Chile, from 14 to 19 August 1972. Its main objectives were:

- (a) to discuss the most suitable tabulations for economic and social planning purposes;
- (b) to demonstrate the use of census tabulations in the analysis of population, social, economic and educational data;
- (c) to discuss the various methods of processing census data for the preparation of tabulations.

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1/ See resolution 310 (XIV).

2/ See resolution 306 (XIV).

3. Extent to which the objectives were met

In pursuance of the first objective of the Seminar, the participants analysed and discussed the content and geographical scope of a set of tabulations covering a whole range of statistical data satisfactorily meeting the requirements of all those who are responsible for formulating economic and social development programmes in Latin America.

In the course of the Seminar, it was pointed out that these tabulations may include several groups: national tabulations, regional tabulations, preliminary sample tabulations; special tabulations, in accordance with specific requirements of national or regional programmes that may necessitate prior collection of additional material based on a sample survey conducted in the appropriate geographical framework supplied by the national census.

The groups of tabulations that were considered included - for basic reference purposes - those that were recommended by the United Nations for the 1970 population and housing censuses. Of the former, comprising thirty-nine tabulations, twenty-two are classified as of first priority, seven of second priority, and ten as other useful tabulations 1/. As for the latter, of which there are eighteen, eleven are recommended tabulations, the remaining seven being described as other useful tabulations 2/. The tabulations that were taken into consideration also included the forty-three population and fourteen housing tabulations included in the 1970 Census of the Americas Programme by the Committee on Improvement of National Statistics (COINS) in the report of its ninth session 3/.

In harmony with the objective of obtaining suitable census tabulations, it was demonstrated by means of examples, how these tabulations can be used in analysing population, social, educational and economic data. At the same time, possible deficiencies in some of the tabulations used were pointed out and improvements were suggested. Specialists in this field thus had methodological guidelines for the proper analytical use of census data.

- 1/ United Nations, Principles and Recommendations for the 1970 Population Censuses (United Nations publication, Sales N°: 67.XVII.3), pp. 65-149.
- 2/ United Nations, Principles and Recommendations for the 1970 Housing Censuses (United Nations publication, Sales N°: 67.XVII.4), pp. 71-126.
- 3/ Inter-American Statistical Institute, Report of the IX Session of the Committee on Improvement of National Statistics (COINS) (Washington D.C., Pan American Union, 1968), pp. 48-93 and 107-121.

/As to

As to the third objective of the Seminar, the processing of census data by computers was studied, and methods indicated for guaranteeing the reliability, completeness and consistency of the data obtained so that the statistical census tables will be accurate. A final point discussed was the operation and progressive advantages deriving from the use of CENIS in the preparation of census tabulations.

The Seminar was attended by 39 representatives of census processing institutions and planning offices, in particular the departments concerned with demographic analysis, in Latin American and English-speaking Caribbean countries. The Seminar was also attended by representatives of the Latin American Demographic Centre (CELADE), the United Nations Food and Agriculture Organization (FAO), the Panamerican Health Organization, ILO Regional Programme on Employment for Latin America and the Caribbean (PREALC), Inter-American Statistical Institute (IASI), and the US Bureau of the Census.

## I. Seminar on Central Services to Local Authorities 1/

### 1. Background

The role of local government in the national effort for overall advancement is a most important element in the socio-economic restructuring now engaging the attention of the various territories in the Caribbean. Local government institutions of some kind exist in most countries of the region, and are generally responsible for "traditional" local government functions such as civic affairs, maintenance work and the like. However, there is a growing awareness of the need for closer involvement of people's representative institutions at the local level in decision-making and implementation essential to the process of development. Interest has also been generated in local area planning and bringing about a greater fusion between community development and area development.

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1/ This Seminar was held in Georgetown, Guyana (8-18 March 1971) in collaboration with the United Nations Public Administration Division and the International Union of Local Authorities of the Netherlands. The Regional Adviser on Rural and Community Development attached to the ECLA Office in Port-of-Spain was Director of the Seminar and was also responsible for the preparation of the basic discussion papers. See Central Services to Local Authorities in the Caribbean (CRS/CSLA/WP.1).

The regional workshops held in 1968 and 1969 strongly emphasized the importance of strengthening local government bodies as an institutional means of widening and increasing the scope of popular participation in the development process. The 1968 workshop underscored the importance of revitalizing and reorienting local government institutions in the process of national development and endeavour. The 1969 workshop specifically identified "decentralization of political and administrative structures to enable concrete participation of rural communities in the decision-making processes affecting local and national development" as one of the "sub-objectives" of integrated rural development.

In the light of these factors, it was considered that the time had come to hold a regional seminar on the new role of local government in accelerating overall development, the measures to equip local government authorities with the necessary competence and expertise to perform with efficiency and dispatch the varied developmental functions they would be called upon to undertake, and the role of central services in improving the functional capability of local government for a larger and expanding role in economic and social development. These aspects assume particular significance in the context of the currently prevalent impatience and fervour on the part of large sections of communities in the Caribbean countries to have a greater say in moulding their own and the nation's destiny.

## 2. Objectives

The objectives of the Seminar were:

- (i) to acquaint the participants with contemporary trends in the theory and practice of local government;
- (ii) to improve the appreciation of the senior officers of central government and agencies concerned with local government and rural development of the roles and functions of local government institutions in the planning and implementation of various local and national development programmes, and of the inter-relationship between local authority and central government responsibility in overall development effort;
- (iii) to exchange information on the methods of improving local government for the purpose of accelerating the development process, both economic and social, and alternative approaches to organizing centrally for the provision of services to local authorities; and

/(iv) to

- (iv) to identify particular lines of action appropriate for application to the circumstances, in the countries in the area.

3. Extent to which the objectives were met

The Seminar proved to be a very useful forum for orienting senior officials and central planners of the Caribbean <sup>1/</sup> in the new role of local government in promoting overall development, and for acquainting them with the types of central services needed for improving the functional capacity of local government in discharging its larger and expanding functions.

The Seminar was very timely in that it was held at a period when there is a growing recognition in the Caribbean of the importance of involving local authorities in the development process, which has found specific expression in the statements of policy of various area governments.

The Seminar was of particular value from the point of view of exchange of experience among the participants and their acquaintance with the latest trends of thought in the theory and practice of local government. The participation was so organized that the delegates represented not only the ministries in charge of local government, but also various development ministries and central planning units.

It was noteworthy that the Seminar came out with concrete action proposals appropriate for application to the circumstances prevailing in the Caribbean territories. Of special significance are the recommendations relating to improvement of local government finance and financial administration and creation of a sound personnel system for local authorities including proposals for the training of four categories of personnel viz., local government staff, senior central government officials dealing with development, elected members of local authorities and local government trainers. The measures suggested for enabling local government units to play an effective role in regional planning and development should be of particular validity and usefulness to the larger territories in the Caribbean.

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<sup>1/</sup> Eighteen participants from Dominica, Guyana, Jamaica, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Surinam, and Trinidad and Tobago attended the Seminar.



The Seminar made several practical recommendations for technical co-operation for the improvement of local government in the Caribbean. These are addressed to the agencies that sponsored the Seminar and regional institutions like the Caribbean Development Bank, the two Universities, and the Caribbean Regional Secretariat (CARIFTA).

The report of the Seminar <sup>1/</sup> was well received and some of the Governments have shown interest in following up the proposals made.

Following a study of the Seminar report, the Government of Trinidad and Tobago suggested a local government training officers' development course on a regional basis.

In Jamaica response was favourable to the suggested Trainers' Training Course in local government. It was proposed to circulate copies of the report to all parish councils to elicit their views.

Dominica evinced keen interest in the recommendations of the Seminar. The central planners were following up the recommendations regarding the entrusting of new areas of taxation to the local authorities, especially those in rural areas, without encroaching on the tax resources of the central government. In addition, a country level training conference of staff and councillors was held. This conference considered the proposals of the regional seminar and identified certain recommendations for priority implementation in the territory.

In St. Lucia a working party was set up consisting of representatives of the Ministries of Local Government and Finance, the Attorney General's Office and the local authorities to go into the implications of the acceptance of those proposals which would entail amendment to the existing statute.

In St. Vincent there was growing recognition by the Government of the need for the provision of an institutional framework to sustain the initial zeal of community development and group work. It was expected that the community councils, which would provide an organizational basis for community development at the local level, would emerge as truly representative local government institutions. It was hoped that the recommendations made by the Seminar on Central Services to Local Authorities would greatly assist this process.

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<sup>1/</sup> See Report of the Caribbean Regional Seminar on Central Services to Local Authorities (E/CN.12/881).

## J. Seminar on Local Government 1/

### 1. Background

Since 1967, annual seminars on the role and functions of local government in the process of dynamic development have been held in Dominica. Three of them had taken in participants from some of the neighbouring Eastern Caribbean territories as well. These seminars, apart from facilitating exchange of views and exposing the delegates to the emerging trends of thought on local government and the results of working experience, have also served as forums to discuss concrete action proposals to strengthen further local authorities functionally and financially with a view to enabling them to discharge their new role in development with efficiency and dispatch.

In the recent past, new elections have been held for some local authorities in Dominica and as from 1970, clerks have been appointed to the rural councils. In this context, it was considered necessary to bring the councillors and the staff together in a seminar in order to instill in them a better appreciation of the complementarity of their roles and to afford them an opportunity to suggest courses of action for improving the performance of local government in the territory.

### 2. Objectives

The objectives of the Seminar were:

- (i) to acquaint the participants with contemporary concepts concerning local government and the interrelated roles of central and local government in the development process;
- (ii) to enable the councillors to have a better understanding of their new and complex responsibilities;
- (iii) to improve the skills and professional competence of the staff working with local authorities;

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1/ This Seminar, which was organized with the assistance of the Regional Adviser on Rural and Community Development attached to the ECLA Office at Port-of-Spain, was held in Roseau, Dominica, between 19 and 23 April 1971. Each Village Council, Town Council and Village Committee sent councillors and clerks to participate in the Seminar.

- (iv) to facilitate a deeper discernment on the part of both the staff and the councillors of their mutual roles and relationship; and
- (v) to formulate measures for increasing the effectiveness of the developmental role of the local authorities, including proposals for widening and intensifying central services to them.

K. Regional Seminar on Techniques and Procedures of United Nations Technical Assistance for Latin America

1. Objectives

The third regional seminar for Latin America <sup>1/</sup> is designed to give participants a general review of multilateral sources of technical assistance and related matters and inform them of the many important repercussions that the application of UNDP's new system of country programming, which came into operation on 1 January 1972, will have.

To this end, from 4-15 September 1972 a meeting of government officials from departments responsible for co-ordinating the international aid received by their respective countries will be held at ECLA headquarters, in Santiago, to analyse the techniques and procedures of technical assistance and to show how they can be applied so as to secure the more rational utilization of all the existing sources of technical assistance. The instructional element of the meeting will consist of the analysis and exchange of views between the participants and staff of United Nations agencies, UNDP, UNITAR, ECLA and ILPES, and of practical work on the most suitable organization of the data accumulated for programming technical assistance.

L. Seminar on the Generalized System of Preferences

1. Background

At the second session of the United Nations Conference on Trade and Development (UNCTAD), held at New Delhi in 1968, there was unanimous agreement in favour of the early establishment of a mutually acceptable system of general non-reciprocal and non-discriminatory preferences to benefit the developing countries. The objectives of the system of preferences are to increase the developing countries' export earnings, to promote their industrial development, and to speed up their rate of economic growth.

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<sup>1/</sup> Similar regional seminars, organized by UNITAR with the collaboration of ECLA, took place in June 1968 and May 1970 at ECLA headquarters, Santiago, Chile.

The UNCTAD Special Committee on Preferences has developed measures relating to the establishment of the generalized system and, after having obtained the necessary waivers in line with the regulations of GATT, certain developed market-economy countries have begun to implement their systems. Following the Joint Declaration by five socialist countries of Eastern Europe, two of these countries have also begun to implement their systems.

The generalized system of preferences (GSP) comprises a number of systems that differ in some important aspects, such as product coverage, depth of tariff cut, and saving clauses. Each preference-granting country has established rules of origin for the goods eligible for preferential treatment. It is necessary to have a complete understanding of the various systems to enable Governments and entrepreneurs in preference-receiving countries to take the most suitable measures for producing and promoting exports eligible for preferential treatment. With a view to co-operating in the efforts being made by preference-receiving countries towards this end, UNCTAD, with the help of financing from the United Nations Development Programme (UNDP), is executing a project to provide training and advisory services on the GSP.

## 2. Objectives

The main objective of the project is to assist participating Governments to benefit from the advantages of the GSP. The project's activities will comprise a series of training seminars and also advisory services through a continuing programme of technical assistance during the project, which is to last for three years starting 1 March 1972. UNCTAD is to provide training and advisory services through an international team of experts specializing in trade policy, customs administration and procedures, industrial development and export promotion.

One of the seminars to be held in 1972 and 1973 will take place at ECLA headquarters in Santiago, Chile, from Monday 16 October to Friday 3 November 1972, and will have the following objectives:

- (a) To promote a complete understanding of the advantages and implications of the various systems of preferences;
- (b) To assist the Governments of preference-receiving countries to take such administrative and other measures as are required to obtain benefits from the system;

/(c) To

- (c) To identify the areas in which measures must be taken at the national level to promote industrial development, particularly export-oriented industry, in order to derive the maximum possible benefit from the system;
- (d) To assist Governments to formulate action programmes or requests for increased multilateral technical assistance.

All the Latin American and English-speaking Caribbean countries have been invited to participate. Invitations were sent also to the Secretariats of LAFTA, CACM, CARIFTA, and Cartagena Agreement (Andean Group).

### 3. Programme

The Seminar will be directed by a team of UNCTAD and ECLA experts on trade policy, customs administration and procedures, export promotion and industrial development. It will comprise lectures and group discussions. Special attention will be devoted to the practical aspects of the application of the GSP and to providing participants with a complete idea of the advantages and opportunities it offers, and also its implications. The topics to be discussed at the Seminar will include the following:

- (a) Aspects of trade policy connected with the GSP;
- (b) General outline of the various systems of preferences;
- (c) Basic components of each preferential system;
  - (i) Product coverage
  - (ii) Tariff cut
  - (iii) Saving clauses
  - (iv) Rules of origin
  - (v) Special measures in favour of the relatively less developed countries;
- (d) Measures relating to documentation and certification procedures in preference-receiving countries;
- (e) Measures to identify opportunities for the export, promotion and marketing of products;
- (f) Measures to identify the possibilities of export-oriented industrial development based on the existence of preferential access to markets;

/(g) Other

- (g) Other measures at the national level to secure the maximum advantage from the system;
- (h) Guidelines for holding national seminars;
- (i) Opportunities for increased multilateral technical assistance to promote national efforts.

#### 4. Candidates

The Seminar will be aimed at the following categories of persons:

- (a) Persons from Government agencies responsible for the export trade;
- (b) Persons from customs authorities, preferably high-level officials concerned with the administrative aspects of the application of the GSP;
- (c) Persons from the export sector, preferably executives from the public and private sectors, for example, from chambers of commerce, export promotion councils or foreign trade institutes directly concerned with providing advisory assistance to and co-operating with the export trade;
- (d) Persons from the production sector, preferably persons concerned with industrial development programmes and with the planning aspects of national industrial development policy.

#### M. Committee of Experts on the Promotion of Current Demographic Statistics

##### 1. Background

International organizations, and particularly the Statistical Office of the United Nations, have been concerned with the adequate production of vital statistics and related data, which are indispensable for population studies. Though civil registration could be a major source for those data, it seems advisable to investigate possible alternative sources. Two Inter-American Seminars on Civil Registration have taken place, in 1954 and 1964. Both Seminars exhaustively discussed the technical and methodological aspects of all the elements involved in the organization, establishment, function and control of a civil registration system. In view of the little practical progress made since the last Seminar, it is considered that the most appropriate action would now be:

/(a) To

- (a) To make a fundamental study of the most appropriate steps to be taken to obtain reliable and timely current demographic statistics and of the respective roles of civil registration and sampling surveys in attaining this aim in countries at a specific level of development;
- (b) Intensive promotion of the most appropriate methods for providing the countries of the region with the necessary statistical tools for their population policies.

For this purpose, a Committee of Experts on the Promotion of Current Demographic Statistics in the countries of the region should be convened, once in 1972 and once in 1973.

## 2. Objectives

The purpose of the project is to improve demographic statistics since they are an essential basis for the economic and social development programmes of the countries of the region.

At the first meeting scheduled for 1972, the Committee would consider guidelines for its work, and at the second, scheduled for 1973, it would discuss the working document(s) prepared as a result of its first meeting, which would serve as a basis for the promotion campaign to be undertaken by the Committee. In addition, the experts and consultants participating in the meetings would discuss the means required to carry out an intensive and high-level promotion campaign aimed at the Governments of the region during 1974, and would make a critical and realistic appraisal of activities to be undertaken in the future to develop current demographic statistics.

### N. Working Group on the System of Demographic and Social Statistics and its Links with the System of National Accounts

#### 1. Background

Since 1965 ECLA has organized working groups of experts from the region in order to discuss and disseminate information about the latest progress made in connexion with national accounts. At these meetings, which have been held biennially, the following topics have been discussed: in 1965 and 1967, a draft version of the New System of National Accounts, which has already been translated into final international recommendations; in 1969, a proposed system of price and quantum indexes, to supplement the above System; in 1971, a proposed system of statistics on income distribution,

/consumption and

consumption and wealth. A standing group of experts in social accounting - an important instrument of development in this area - was set up, and the ECLA secretariat assumed the role of co-ordinating centre of the Group.

In 1972 the aim is to establish a Working Group to discuss the proposed United Nations System of Demographic and Social Statistics. This would be the first meeting to be held in the region on a subject which the United Nations has been studying for a number of years. Its origin dates back to the studies by Mr. Richard Stone, who in 1968 prepared a preliminary draft version at the request of the Statistical Office of the United Nations. This version has undergone various modifications as a result of meetings similar to that now proposed, held by the Conference of European Statisticians and ad hoc working groups convened by the economic commissions for Asia and Africa.

The System was also given special attention at the last meeting of the Statistical Commission held in Geneva in October 1970, at which the United Nations Secretariat was recommended to continue its work aimed at establishing a final system of international guidelines on the matter.

## 2. Objectives

The objectives of the meeting would be:

(a) to discuss the proposed System of Demographic and Social Statistics and its links with the System of National Accounts with a view to expressing an opinion regarding the concepts and structure of the System and its possible uses in the region;

(b) to analyse the basic series available in the Latin American countries in order to recommend the best way of utilizing or integrating them within the framework offered by the System; and

(c) to establish priorities for the preparation, modification or updating of the data currently available.

In view of the nature of the System, which mainly covers statistics on population, education, employment, health, security and public order, entertainment, housing, income distribution, consumption and wealth, social security services and social mobility, a multidisciplinary group of experts should be invited to attend. Accordingly, other agencies specializing in some of these fields, such as CELADE, UNESCO, the ILO (PREALC), the Pan American Health Organization, the Inter-American Statistical Institute (IASI) and IDB, will be invited to take part.

/The meeting



The meeting will be organized by ECLA and the Statistical Office of the United Nations, and is provisionally scheduled for 27 November to 1 December 1972.

The following documents will be presented at the meeting:

- (a) "A System of Demographic and Social Statistics and its Links with the System of National Economic Accounts" (E/CN.3/432).
- (b) Some sections from the following documents:  
"An Integrated System of Demographic, Manpower and Social Statistics and its Links with the System of National Economic Accounts" (E/CN.3/394), and "A System of Demographic, Manpower and Social Statistics: Series, Classifications and Social Indicators" (ST/STAT/49).  
These two documents served as a basis for the preparation of document E/CN.3/432, but since some of the topics covered are not repeated in that document, they are necessary in order to supplement it.
- (c) The Statistical Division also intends to prepare a paper showing the statistical series available in the countries of the region on the main areas to be discussed, which would enable the discussions to be directed towards priorities and possibilities for applying the System.

IV. UNDP COUNTRY PROGRAMMING

A. Co-operation with the United Nations Development Programme

1. At the request of UNDP, economists on the permanent staff of ECLA co-operated with Resident Representatives in Ecuador and Peru in the preparation of the Background Document for the respective country programmes. Currently, an ECLA economist is in Paraguay co-operating with the Resident Representative in the preparation of the Document for Paraguay.
2. The ECLA Mexico Office has co-operated with the UNDP Resident Representative in various matters relating to the preparation of the Background Document for the Mexico country programme. It has also co-operated with the Regional Representative in El Salvador in the preparation of sectoral briefs for Costa Rica, El Salvador, Guatemala and Honduras, and with the Resident Representative in Panama in the preparation of sectoral briefs for the country programme.
3. Officials from the ECLA Mexico Office participated in meetings held in Costa Rica, Honduras, Guatemala and Panama to discuss country programmes, and co-operated with national authorities in the formulation of programmes within the context of the respective over-all and sectoral development programmes.
4. At the request of UNDP headquarters, a member of the ECLA staff co-operated with the Planning Department of Colombia in the formulation of projects for the education sector for inclusion in the UNDP country programme.

B. Co-operation with participating and executing agencies

1. In response to a request from the United Nations Office of Technical Co-operation, ECLA prepared sectoral briefs on natural resources (water, energy and mineral resources) for Argentina, Bolivia, Brazil, Chile, Dominican Republic, Ecuador and Uruguay, and briefs on transport for Barbados, Bolivia, Ecuador, El Salvador, Guatemala, Haiti and Trinidad and Tobago.
2. Comments were drafted on the water resources and transport sections of the Background Documents for Brazil, Guatemala and Honduras.

/3. During

3. During a mission to Venezuela at the request of OTC, ECLA co-operated with CORDIPLAN in the preparation of a sectoral brief on regional planning and a study of proposals and recommendations on a project for regional development at the national level.

4. During a joint mission to Venezuela, ECLA regional advisers and officials from UNCTAD and the UNCTAD/GATT International Trade Centre examined export development projects prepared by the Government for submission to UNDP.

5. At the request of UNCTAD, the ECLA Caribbean Office in Port-of-Spain prepared sectoral briefs covering maritime transport for the Background Documents for Jamaica and Trinidad and Tobago, and a brief on the external sector and integration in Jamaica.

6. During a mission to Venezuela, the WMO regional adviser attached to ECLA co-operated with CORDIPLAN in the identification of meteorological and hydrological projects for the period 1972-1974, which are summarized in the Background Document prepared by the UNDP Resident Representative in Venezuela.

7. During the period January 1971 to July 1972, a total of 35 comments were drafted on requests by Governments for specific UNDP projects, and 43 comments on the periodic and final reports of technical assistance experts attached to country programmes in the region.

### C. Co-operation with Governments

1. The Office of the President of Mexico and Nacional Financiera requested co-operation from the ECLA Office in Mexico in the formulation of a number of UNDP projects. With the assistance of ILPES officials, projects were formulated on a regional and urban survey of Mexico; analysis of national accounts by economic regions; and industrial development and external markets.

2. At the request of the Jamaican Government, ECLA co-operated in the formulation of a UNDP project on the expansion and intensification of the youth camps programme.

3. ECLA co-operated with the National Planning Institute of Peru in the formulation of an assistance project designed to undertake a study of development in the north-eastern region of the country. The project has been submitted to UNDP and a preparatory mission comprising United Nations and ECLA experts is at present in Peru.