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STATEMENT BY THE EXECUTIVE SECRETARY OF THE ECONOMIC COMMISSION FOR LATIN AMERICA ON THE OCCASION OF THE SUBMISSION OF THE ANNUAL REPORT OF THE COMMISSION TO THE ECONOMIC AND SOCIAL COUNCIL

Gentlemen:

1. The annual report by the ECLA secretariat, which covers the activities carried out under the Work Programme between 31 March 1973 and 28 February 1974, was circulated to the member Governments of the Commission for their consideration in March of this year.l/Some Governments have sent us their comments on this document, and in the light of the constructive appraisals received I now wish to set out some concepts connected with the philosophy underlying our work during the period in question.

I

The responsibilities of the secretariat

- 2. In January fulfilling a commitment I had undertaken before the Commission at its fifteenth session (Quito, 23-30 March 1973) I presented our member Governments with a modified Work Programme for 1974-1975, with policy projections for subsequent years. This Programme, which was circulated for information at the eighth extraordinary session of the Committee of the Whole of ECLA (New York, 24 and 25 January 1974), was the result of a long process of internal preparation and constituted an exercise in collective reflection which proved to be of great value. The preamble of the Work Programme embodied certain considerations which it seems appropriate to repeat here.
- The profound economic and social changes which have occurred in Latin America in the last few years cannot but affect the type of functions which the secretariat has to carry out, and they pose the need to find new ways of tackling its responsibilities. The economic, social and political climates in which the development processes of the countries of the region evolve are

1/ Document E/CN.12/972.

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becoming increasingly disparate, and, consequently, varied models and styles of development, based on widely differing ideologies, are thus emerging. Therefore, to think that a standard path to economic and social progress can be found would be unrealistic. The changes in the Latin American scene are compounded by an international situation which is also changing, as reflected in the debates of this very Council and of the recent Special Session of the General Assembly. The rapid expansion of the frontiers of technology, the ambivalent aspects of progress in the developed societies, the crucial juncture confronting the economic and financial institutions which have sustained the international economic order for the past three decades, the deepening and widespread concern over problems such as population, the environment and technology which are common to all manking - all of these are elements which strongly influence the organization of Latin American society and the economic relations between our countries and the rest of the world.

5. In addition to these transformations in the Latin American and world situations, we also have the evolution of the relations between the Latin American countries themselves, the advances and setbacks in the processes of regional and sub-regional integration, the improvement of machinery for financial and economic co-operation, the solidarity of the countries of the region when dealing with the problems of the developing world in international forums, and the new arrangements for co-operation within the hemisphere. All these, too, are elements of extraordinary dynamism. They are subject to extremely rapid changes and cannot be governed by fixed rules nor limited to easily foreseen horizons.

6. Moreover, governments have indicated their desire that the regional commissions should act as centres for co-ordinating the economic and social activities and programmes of the United Nations system as a whole; that they should help promote the decentralization of activities currently carried out by the

Organization at headquarters or through the specialized agencies;

that they should serve as support centres for the tasks involved in the implementation of the Second Development Decade; and that they should endeavour to improve the quality of economic and social data.

- Against this background, the functions of the secretariat have therefore been readjusted with two commitments in mind:

 (a) as part of a world institution, ECLA should be a centre where ideas that can help guide Latin America in its relations with the rest of the international community are generated, analysed and discussed; (b) as an institution serving a region with common traditions, interests and problems, it should continue exploring every possible way to strengthen relations and promote co-operation between the countries in Latin America, helping them to define their development strategies.
- 8. The secretariat has two basic tocls to carry out these functions: research and analysis on the one hand, and its operational activities on the other. In order for it to make proper use of the first of these tools, the secretariat should be a centre of economic thinking, maintaining a constant dialogue with governments at both the general political level and at that of the specific economic and social problems, while efficient handling of the second tool calls for the integration of the secretariat's research activities with those involving co-operation with governments. The projects contain analysis and research elements which entail specific co-operation with member countries, individually or collectively, and set clear objectives which eliminate ambiguity and dispersal of effort.

II

The secretariat's objectives, programme and time priorities

9. In 1973 the secretariat undertook the following tasks: it prepared the plan of objectives and the medium- and long-term programme of work, redefining them on bases more in line with

present realities; it organized its priorities in terms of time; it instrumented the execution of its work programme, setting up new units, strengthening the sub-regional offices and promoting bilateral and multilateral co-operation; and it carried out an internal administrative reorganization in accordance with the recommendations of the Administrative Management Service (AMS). These measures were complemented by the functional consolidation of the work of the Latin American Institute for Economic and Social Planning (ILPES) and the Latin American Demographic Centre (CELADE) with that of ECLA in accordance with the relevant decisions adopted by the Commission's member Governments.

- 10. Redefinition of the Work Programme. The Work Programme prepared and submitted to the Commission at its fifteenth session, although following long-standing practices, did not satisfy the Executive Secretary and his collaborators as a medium-term instrument giving clear indications regarding its main objectives. As traditionally set out, the Programme over-divided the tasks which the secretariat proposed to carry out in accordance with the instructions received from governments, to such a point that the central lines being followed were lost from view. The Executive Secretary accordingly promised the Commission that the description of the secretariat's proposed tasks would be redefined in order to bring out more clearly the natural unity and coherence of the Work Programme and make it an effective instrument for substantive management and budget control. Consequently, a new Work Programme document was prepared and distributed on the occasion of the eight extraordinary session of the Committee of the Whole of ECLA, the basic lines of which are as follows:
 - to establish the priorities in each field in the light of the resolutions of the Commission, the opinions expressed by governments, and the secretariat's appraisal of its own activities;

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- to centre the Work Programme on basic problems so as to avoid the dispersion of efforts and resources on disconnected activities, to obviate fragmentation, and to promote team work;
- to increase collaboration with ILPES and CELADE and improve co-operation with the regional projects of UNDP and other United Nations agencies; and
- to move beyond mere sectoral organization by greater utilization of interdisciplinary working groups.
- 11. The projects are distributed among four main programmes, namely: Economic and Social Development (global and sectoral aspects); International Economic Relations; Information, Statistics, Documentation and Computation; and Sub-Regional Offices and Support Activities.
- 12. The Economic and Social Development programme includes the work of research into Latin America's current situation and its basic problems. Two major projects the yearly <u>Fconomic Survey of Latin America</u> and the appraisal work in connexion with the Second Development Decade come under this programme, together with other studies on economic and social conditions in the region. Sectoral aspects cover development in the fields of industry, technology, agriculture, transport, human resources, and the environment.
- 13. The International Economic Relations programme groups together three basic components: analysis of the relations of Latin American governments with the rest of the world; co-operation with governments in the field of inter-Latin American relations; and research into specific external sector problems, together with activities involving co-operation with governments.
- 14. The Information, Statistics, Documentation and Computation programue brings together the activities in question, which were formerly dispersed, and a start has been made on the organization of the Latin American Centre for Information Technology (CLADI) in pursuance of resolution 325 (XV) of the Commission.

- 15. Finally, the Sub-Regional Offices and Support Activities programme covers the work of the offices which ECLA maintains in various countries of the region and which carry out, in their respective area, the general projects of the secretariat and the specific projects which are more closely geared to the particular interests of the countries they serve directly.
- 16. The revision of the Work Programme thus carried out has had very beneficial results for the secretariat, since it has provided a broader overall view of its activities, bringing out the interactions between the various programmes, while at the same time it has established the focal points where attention should be concentrated and secured a better balance between the interests of governments, the priorities demanded by present conditions in Latin America, and the capacity of execution of the secretariat.
- 17. Organization of priorities in terms of time. A further stage in the revision of the Work Programme was necessary, however, consisting of the reassignment of the global priorities in the light of the most outstanding matters of concern at the present time, namely, the prevailing international economic situation and its impact on the region, and the preparation of the Latin American countries for the discussion of the economic and social issues of world interest which the United Nations is to deal with in the coming months.
- 18. Several fields were therefore selected in which, without prejudice to the programmes in course, special emphasis will be placed on certain programmes so as to distribute over the available time the secretariat's work of preparing for the next session of the Commission in May 1975.
- 19. The list of priorities for the various tasks in which the secretariat is engaged is as follows:
- (a) Annual Economic Survey. The Survey for 1973, which will be appearing shortly, concentrates on the impact of the prevailing international conditions on the Latin American region.

An advance account of the Survey's conclusions was distributed to member Governments of the Commission on the occasion of the recent special session of the General Assembly, and it would undoubtedly also be of interest at the present Council meeting; (b) Second Appraisal of the International Development Strategy (1975). This work is at present receiving the secretariat's preferential attention, not only because of the priority assigned to it by the General Assembly and the Economic and Social Council, but also because of the value of this type of exercise in the present circumstances. This second regional appraisal will be approached in such a way that the work should also prove useful for the Programme of Action on the establishment of a New International Economic Order, which was adopted by the General Assembly earlier this year and which the Council has before it at this session. As support activities for this work, the ECLA secretariat is to hold four subregional technical seminars, organized in conjunction with the CDPPP, in order to discuss conceptual and methodological aspects of the appraisal with government experts from the practical point of view. In addition, a meeting of the ECLA Committee of High-Level Government Experts will be convened as called for in resolution 310 (XIV), preceded by a technical meeting of experts to deal with the present international economic situation and its repercussions on the Latin American economy. At its sixteenth session, the Commission will have before it the basic documents prepared for all these meetings, plus the respective reports. It goes without saying, of course, that all these activities will be complemented with permanent contacts between the secretariat and member Governments; (c) International trade and intra-regional co-operation. In connexion with the foregoing aspects, high priority has also been given to the problems of international trade and intraregional co-operation. Special attention has been given to the following fields: (i) co-operation with the Latin American countries in their preparations for the forthcoming multilateral

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trade negotiations within GATT, through the provision of support to the CECLA programme; (ii) co-operation with the Latin American countries interested in the revision of their integration schemes, especially the Latin American Free Trade Association and the Central American Common Market (various documents are already in course of preparation in this regard); (iii) co-operation in the analysis of the export experiences of various countries of the region (with their collaboration and that of the IBRD; (iv) co-operation with the countries of the region in the analysis of their experiences regarding exchange rates (in this project, various cases are being studied for subsequent consideration at a conference to be organized by the United States National Bureau of Economic Research); (v) co-operation in the analysis of Latin America's relations with specific trading areas (United States, European Common Market, Japan, the socialist countries, etc.); and (vi) co-operation of the Latin American region with the other Third World countries;

- (d) Social studies. These concentrate on the analysis of the situation in Latin America, with an eye to the Report on the World Social Situation. At the same time, the social aspects of economic growth are being examined in order to incorporate the results of the research in the second appraisal of the International Development Strategy. The work being carried out in this field also covers employment, income distribution, social change, etc.
- (e) Population. Documents have been prepared which have already been submitted to governments at the Latin American Preparatory Meeting for the World Population Conference (San José, Costa Rica, 15-19 April 1974). This meeting the first at which the problem of population was discussed in its political context at the regional level produced the basic report which will be submitted to the Bucharest Conference and established the bases of a policy of regional co-operation in this field. At a second meeting, to be held in Mexico early in 1975, the results of the World Conference will be analyzed and a basis will be established for the implementation

of the World Population Plan of Action at the Latin American level. The ECLA secretariat will continue supporting these regional initiatives in conjunction with CELADE, with which it will also speed up the integration of joint activities.

- (f) Food. Within the context of the FAO Regional Conference to be held in Panama (11-23 August 1974), ECLA and FAO will jointly organize a technical panel in which specially invited experts will also participate. The secretariat will also present a report to the forthcoming FAO Conference.
- (g) <u>Industrialization</u>. The secretariat is organizing a regional preparatory meeting for the Second General Conference of UNIDO to be held in Lima in 1975. Basic material in line with the conference agenda is being prepared, and a consultative meeting with the private sector is currently being organized.
- (h) Energy. The considerable importance which the energy problem has acquired of late has made it necessary for the secretariat to contribute to its clarification. Accordingly, with the collaboration of other international and inter-American organizations such as IBRD, IMF, OAS, IDB, etc., preparations are being made for a symposium which it is hoped to hold in September 1974.
- (i) <u>Technology</u>. Given the interest which the governments of the member States of the Commission have shown in technology, a meeting of representatives of bodies responsible for technological action and planning will be held in September 1974 to discuss the implementation of the regional plan of the United Nations Advisory Committee on the Application of Science and Technology to Development. The secretariat will submit a number of documents setting out its view of the problem, comparing experiences in technological planning within the framework of economic and social plans, and suggesting guidelines for the application of the World Plan of Action. Support is being received from ILPES, UNDP, UNESCO, OAS, OECD and EEC in this work.
- (j) Statistics and planning. These subjects will be taken up at a regional meeting which the secretariat intends to convene

in the first semester of 1975 to examine Latin American statistical problems, confronting the views of statistical offices with those of planning agencies, with the aim of improving the national statistical services. To this end, the secretariat is currently engaged in the preparation of technical material to serve as a basis for discussion at this meeting, which will be the first of its kind organized by ECLA.

- (k) Transport. In this field, priority is being given to collaboration with the governments of Latin America and other parts of the world in order to eliminate obstacles to transport and to trade in goods and services. At the same time, a determined effort is being made to integrate transport at the regional level.
- (1) Environment. In close co-operation with UNEP, priority has been given to the first phases in the study of Latin America's environment problems. These include an initial inventory of environment problems at the regional level and the organization of training courses on environment and development, which will be held in conjunction with ILPES.
- 20. As indicated above, the main purpose of all these modifications has been to redistribute priorities in terms of time. There is an additional objective, however: to link each division of the secretariat with some specific activity of direct interest to governments and to bring the divisions in step with the timetable imposed by the meetings and thus stimulating them to produce the necessary technical contributions.

III

Instruments of action

21. Organizational adjustments. In order to implement the revised Programme of Work on a firmer basis and meet the targets established therein, a number of changes have had to be made in the organization of the secretariat, including in particular the following: (i) the work units were strengthened in the fields of population, technology and environment; (ii) in accordance with

the recommendations made at the eighth extraordinary session of the Committee of the Whole of ECLA, the responsibilities of ECLA offices in the region were increased. In most cases the permanent staff was enlarged accordingly, special attention being given to the offices in Port of Spain, Rio de Janeiro and Bogotá, and a new office was set up in Buenos Aires. It is very important to strengthen these offices, since this not only improves the Commission's links with governments but also brings its programme into much closer contact with the real situation. A careful selection of the programmes allocated to each sub-regional office, in the light of the interests and requirements of the governments with which each one co-operates, will prevent any risk of dispersion of effort as a result of these measures; (iii) budgetary limitations make it difficult for ECLA to achieve any really ambitious rate of expansion of its activities, but fortunately new prospects for bilateral co-operation have recently opened up: I should mention specifically the generosity of the Governments of Canada, the placed valuable resources at our disposal, and I am pleased to be able to state that other Governments are currently considering offers of bilateral assistance too.

22. <u>Co-ordination with ILPES and CELADE</u>. In accordance with the decision of the Secretary-General, the Executive Secretary of ECLA has acted as interim Director of ILPES since 1973. The acceptance of this responsibility has meant intensive negotiations with governments, UNDP and the Department of Economic and Social Affairs at headquarters in order to define and ensure the functioning of the Institute in the years ahead.

23. Resolution 340 (AC.66) adopted by the Committee of the Whole at its eighth extraordinary session laid down the new bases for the functioning of ILPES and provided for much closer relations between the Institute and ECLA. This new structure marks a turning point both for ECLA and ILPES, as well as for United Nations action in Latin America. The joint efforts of both

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^ •} institutions will permit greater functional concentration and a clearer division of work, and it will facilitate the implementation of joint programmes without harmful overlapping. In this task the Executive Secretary has had the full support of UNDP. At present ILPES is going through a period of reorganization so that it can deal with its three basic responsibilities in the field of planning: research, advisory services and training. It is expected that in the second half of 1974 its functions will have been fully defined and its staff will be up to full strength.

24. In addition, with a view to the decentralization of planning activities, negotiations have been completed for the provision of two United Nations Development Advisory Teams (UNDATs), one for the English-speaking Caribbean area and the other for the Andean area, and negotiations are continuing with a view to obtaining another UNDAT for a third sub-region.

25. Thus, the tasks of the secretariat in the field of planning are being consolidated and strengthened. This will enable us to take care of new areas and widen our horizons both in advisory and research activities and in training and a detailed plan is being prepared to this end. We also consider that it would be convenient to hold consultations in regard to these activities at a meeting with the participation of Ministers of Planning from the region.

26. This same principle of co-ordination is being applied between ECLA and CELADE, and a joint programme of the two institutions involving basic research on population and development and on population policies is already operational at ECLA headquarters. Reorganization on lines similar to those followed by ILPES was found advisable by the Governing Council of CELADE at its meeting held in San José, Costa Rica in April 1974 and the matter is to be submitted shortly to governments. The consolidation of this trend towards functional concentration of effort would represent a most important step forward as regards the efficiency of the system, and the prestige of the United Nations in Latin America.

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27. Co-ordination with UNDP. The close and fruitful relations which exist between the secretariat and UNDP's Latin American Office are making it possible to perfect the machinery for co-operation at the regional level, particularly as regards UNDP's regional projects. ECLA and ILPES are providing UNDP with assistance in the task of establishing the criteria which should guide the allocation of resources for its regional programmes. For this purpose, regular and continuing consultations are being held both through the annual meetings of resident representatives and through contacts with the UNDP representation in Santiago.

28. In order to provide a more up-to-date picture of the work of both institutions, a joint study on regional structures has been initiated. This will throw light on the activities being

- of both institutions, a joint study on regional structures has been initiated. This will throw light on the activities being carried out by ECLA, ILPES and UNDP at the regional level and will furnish ideas for improving co-ordination between these institutions and supplementing more effectively their respective activities in Latin America.
- 29. The secretariat is greatly interested in the advancement of this new and dynamic line of action, which promises in the long run closer co-operation between the activities of ECLA and UNDP, which devotes its efforts to the promotion of initiatives through preinvestment and technical assistance projects.
- 30. Internal administrative reorganization. The implementation of the various activities mentioned up to now would be unable to proceed without a sound organizational basis and the necessary administrative support. In recent months, therefore, administrative measures have gradually been introduced with the object of correcting defects and modernizing management and administration arrangements. The Office of the Executive Secretary has been strengthened and a Programming Office has been set up, while administrative reforms have been made in accordance with the recommendations of the Administrative Management Service (AMS) and the internal and external auditors. As regards the recruitment of staff, the chronic difficulties faced by the secretariat in

filling vacancies, with the consequent limitations on continuity and level of output, are well known. An intensive campaign to improve our recruiting capacity has now been begun, however, and thanks to this we have been able to reduce the magnitude of this problem.

31. In order to define the new organizational structure required by ECLA at a time when it is taking on increased responsibilities in connexion with ILPES, the Administrative Management Service was requested to send a mission to fix new operational guidelines and the mission's report on this is being studied by both institutions at this very moment.

IV

Final considerations

32. The above summary only aims at providing the Economic and Social Council with some items of information to supplement that contained in the Annual Report on the activities of the Commission. Our first task was to take account of the guidance offered by governments, the sessions of the Commission, and the resolutions of the Economic and Social Council, within the context of the secretariat's possible activities in the next few years. 33. In the light of all this and of our own awareness of the most significant events occurring in Latin America, we have tried to define in a medium-term work programme the main targets and projects which set the basic pattern for the work of the secretariat. 34. Priorities established in the light of the most urgent problems and in particular of the interests expressed by member Governments in different forums were applied to these objectives, and at the same time very special attention was given to the great task assumed by the United Nations in tackling the acute problems of international concern which manking is facing, for we are fully conscious that in the economic and social sphere the Organization is facing its greatest challenges since its foundation.

35. In the final analysis, what we are attempting to do - through an increasingly universal dialogue - is to define new frontiers of effective co-operation between nations in the light of the new problems and increasingly interdependent relations of the countries of the world. We know that the regional commissions, as the active instruments of the Economic and Social Council in their respective areas, have an important role to play in all this, and we therefore hope to show that we can rise to meet the demands of the present circumstances and the responsibilities of the United Nations.

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	REGIONAL OFFICES AND SUPPORTING ACTIVITIES		- Regional Offices	México Río de Janeiro Bogotá	Fort of Spain Montevideo Washington	Operations	tiation and administration of multilateral and bilateral	programmes and projects concerned with technical assistance and	support for ECLA activities, determined by the Executive Secretary	Conference and documents services	Conference services Documents Administration	Finance Personnel General services Buildings	
PHOGRAMMING		amento apparación.	Statistics, Information, Documentation and Computation		Statistics Current statistics State of national statistics and co-operation for their	ical analys oution	Foreign trade and terms of trade descendent	Input-output CLADES CLADI					
OFFICE OF THE EXECUTIVE SECRETARY	ECONOMIC AND SOCIAL DEVELOPMENT		International Economic Relations		L.A. and the Reorganization of international Economic Relations The impact of international economic relations on the	region CECLA project International monetary and financing policy	National Foreign Trade Policies Exchange policies Promotion of exports of	manulactures Economic Relations between L.A. and Selected Countries Socialist countries	Japan European Economic Community (to be developed) Developing countries (to be developed) United States of America	Regional and Subregional Integration	Central American Common Market a/ Caribhean Free-Trade Association a/ Andean Integration a/		
PUBLIC RELATIONS	RESEARCH AND CO-OPERATION IN ECC		l Development	Sectoral Analysis	Industrial Development in L.A. Analysis of the evolution of the industrial development process Industrialization and income	<pre>distribution Industrial policy: instrumenta- tion and implementation Technological Development</pre>	Transfer, adaptation and development of technology in the industrial sector	Agricultural Development Agricultural development in Latin America Food and nutrition policies		key transport problems in Latin America Information system for transport	s of tourism esources Devel sources in L.A	crisis: analysis and policy implications Study of mining in the Latin American economy Environment and Urbanization Information on the environment in Latin America Eco-development: alternative	strategies for four eco-zones in Latin America Study on urban development (to be developed)
			Economic and Social	Global Analysis	The Process of Development Annual Economic Survey Appraisal of the IDS Country Analyses a/	Economic Development of Mexico Economic Development of Central America Economic Development of Panama	Economic Development of the Netherlands Antilles Economic development of the	Analysis of Development Strategies and Policies Styles of development unified	approach Income distribution and employment The public sector Public enterprises Foreign investment	of housing Social change in Latin America	Regional development: the spatial structure of development in the countries of Latin America Economic Projections	Numerical experimentation models for comparing styles of development Medium and long-term econometric models Parity exchange rates	

a/ Shown under Regional Offices.

