

# ILPES

INSTITUTO LATINOAMERICANO DE  
PLANIFICACION ECONOMICA  
Y SOCIAL

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FOR ECONOMIC AND  
SOCIAL PLANNING

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(Proposal for discussion)

## Content

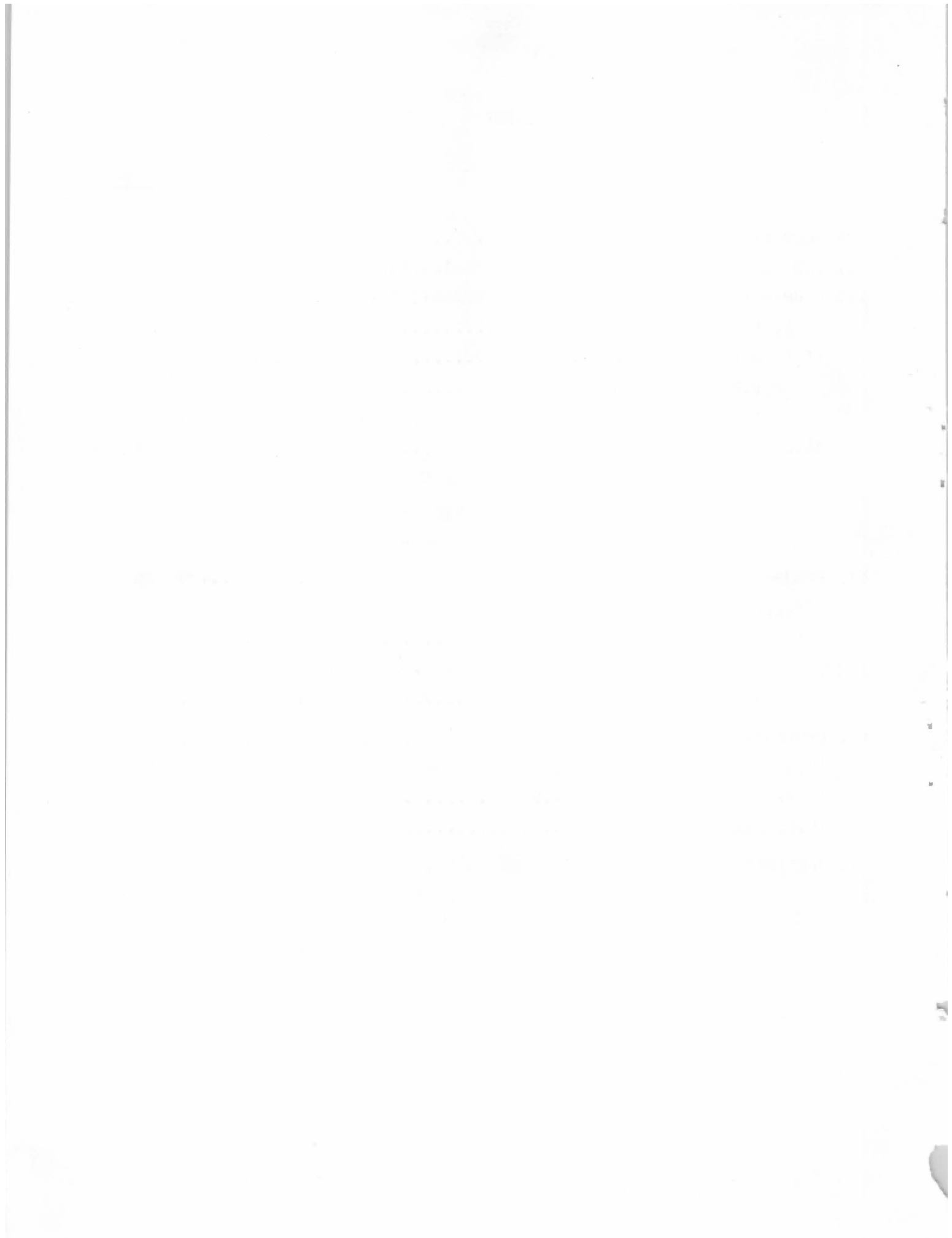
- I. Role of ILPES in Latin America and the Caribbean
- II. Permanent functions and service modalities
- III. Future programme of work
- IV. Organization and financing
- V. Preliminary programme for 1984-86

\* Includes the documents referenced as B.1 and B.2 in the first proposed agenda for the Fifth Meeting of the Technical Subcommittee.



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## INTRODUCTION

1. ILPES was conceived of as an "autonomous institute for planning economic development" (Resolution 199/IX/CEPAL, 13 May 1961) and was founded the following year in order to give support to countries and territories "within the geographical scope of the Commission" in relation to the "programming of their economic and social development policies" (Resolution 220/AC.52/CEPAL, 6 June 1962). Initially, it received financing from the United Nations Special Fund and the Inter-American Development Bank. It was later set up as a special project of the United Nations Development Programme (UNDP) (Resolution 260/AC.58/CEPAL, 11 May 1966). From the beginning, however, it was conceived of as a permanent institution (1961) and was created with a view toward continuity (1962).

2. As it entered into its second decade, this aspect was expressly reiterated when ILPES was designated as the United Nations agency which would provide permanent services to support and stimulate planning systems in Latin America and the Caribbean (Resolution 319/XV/CEPAL, 29 March 1973). This decision was reaffirmed and formalized the following year (Resolution 340/AC.66/CEPAL, 25 January 1974). Later, the System of Co-ordination and Co-operation among Planning Bodies of Latin America and the Caribbean was established, the Conference of Ministers and Heads of Planning of this region was scheduled on a regular basis, and it was determined that the Institute would act as the Technical Secretariat for that System (Resolution 371/XVII, 5 May 1977). More recently, support was given to the initiative which provided that the Institute co-operate "actively with the member governments of the CDCC-Caribbean Development and Co-operation Committee" (Resolution 399/XVIII/CEPAL, 26 April 1979).

3. From the standpoint of the series of projects through which UNDP has provided vital support to ILPES, the Institute's history is divided into seven phases. The last of these began in January of this year and will continue until 1985. A separate report provides a summary of that history (see: "ILPES: VEINTE AÑOS DE ACTIVIDAD 1962-1982", ILPES, Santiago, Chile, October 1982). The present document will describe the new role of ILPES in the coming years of this decade, summarize the functional areas and services extended to member countries, outline the Programme of Work for 1983 based on current priorities for Latin America and the Caribbean, describe the present systems of Organization and Financing, and, lastly will propose a new project for 1984/1986.

I. THE NEW ROLE OF ILPES IN LATIN AMERICA  
AND THE CARIBBEAN

4. Throughout its twenty years of existence, ILPES has remained the major intergovernmental agency working with member countries of CEPAL on the various aspects of economic policy programming. It has played a decisive role in the establishment and consolidation of ministries and other agencies concerned with economic co-ordination and planning in Latin America and the Caribbean. It has become established as a unique forum in which these ministries and national planning agencies can hold multilateral discussions regarding the shared technical problems which they face in their efforts to achieve economic and social development.

5. As it entered its third decade, it became necessary for the Institute to identify the most topical needs of the member countries insofar as the national co-ordination of economic and social policy and to provide them with very pragmatic support in this area, both in the form of an exchange of experiences and the proposal of new technical alternatives to resolve or mitigate fundamental problems of development. In this sense, the long-term difficulties - a high and sustained rate of growth, technological progress, the generation of sufficient employment opportunities, a more equitable distribution of income, guaranteeing the supply of basic inputs and food, autonomy in taking fundamental decisions regarding economic policy and greater regional integration - are an ever-present frame of reference for the activities of the Institute. In like manner, the major short-term constraints - the difficulty of maintaining minimally adequate levels of activity and employment, the presence of strong inflationary pressures and the worsening of foreign indebtedness positions - should provide a

short-term guideline for directing the most urgent tasks undertaken by the Institute for the benefit of member countries.

6. The diversity of institutional alternatives seen in these countries and the implementation of the most varied range of principles of economic policy mean that the Institute's activities must be of a pluralistic nature. Its original and unswerving commitment to support the planning ministries and agencies in each member country thus implies that its advisory services cover a broad spectrum, from strengthening planning processes governments which have chosen more centralized economic decision-making systems to strengthening the co-ordination of economic policies in governments which favour decision-making systems based on market mechanisms. Based on its experience and sensitivity to regional problems, the Institute should also identify the points of interest which the member countries have in common and promote their search for joint technical solutions which will increase their collective ability to face the adversities arising from the world economic situation.

7. Each one of the governments is invariably faced with the responsibility of taking immediate policy decisions, and these decisions always have cumulative or delayed effects in the medium- and long-term. Governmental intervention in the economic sphere is also transmitted to all the interdependent elements which form the social development process. In turn, the development of each nation is subject to extensive overlapping within the globality of the world economy, the future direction of which is clearly surrounded by widespread uncertainty. Lastly, the acceleration of contemporary history, prompted by unparalleled technological changes, calls for

a systematic effort to identify trends and to delineate alternatives so that each country may better decide how to reposition its economy within the new international context which will emerge from the tumultuous 1980s.

8. Underlying these situations, there are compelling reasons for strengthening national planning systems, although the requirements are certainly different from those of the last twenty years. The current need to coordinate the different instruments of economic and social policy, the indispensability of inter-temporal coherence in decisions associated with those instruments, the greater interdependence of the development process on a national scale, its heightened inter-relationship with the international economic system and the new dynamics of the technological process require new forms of rationalizing governmental activity. As a permanent intergovernmental Institute of Latin America and the Caribbean which is specifically designed for the planning of economic and social policies, ILPES has the strategic role of studying these new forms of rationalization, of deftly channelling them in its practical advisory services to member governments and of transmitting them through a systematic effort to recycle, up-date and promote their human resources.

9. In these three capacities - as a laboratory for joint research with the member countries, a workshop for specific tasks as a counterpart to each government, and a forum for the exchange of know-how of a regional interest - ILPES must fulfil a new and timely role in promoting co-operation in Latin America and the Caribbean. By all these different routes it must thus help the region to better deal with the problems currently facing it which stem from the very essence of the international

economic crisis. Within the region itself, it must channel this co-operation more resolutely towards the relatively less developed countries, in particular, of Latin America and the Caribbean.

## II. PERMANENT FUNCTIONS AND SERVICE MODALITIES

### II. A. Basic functional areas

10. The Institute's areas of specialization are derived from its basic function of supporting planning offices and ministries in Latin America and the Caribbean. In its twenty years of existence, ILPES has concentrated its cooperative efforts with governments on activities which can, in synthesis, be classified into four groups: Economic Policy and Planning, Public Sector Planning, Regional and Sectoral Planning, and Pre-investment and Projects.

11. ILPES' ongoing activities in the area of Economic Policy and Planning is one of its fundamental raison d'etre. As has been noted, ILPES has been the only permanent intergovernmental agency designed to support member countries in the programming of economic and social policies. Within the Organization, national agencies and ministries concerned with economic policy and planning have created their own arena for a technical dialogue and for the multilateral development of similar solutions for common problems.

12. In that regard, ILPES offers support to the member countries in relation to the various aspects of "finalistic" policies - policies defined by their objectives - i.e. development, stability, income distribution, employment and external balance, etc. In like manner, it should support them as regards the major instrumental economic policies: fiscal, monetary, public prices and charges, foreign trade, etc.

13. ILPES has an ongoing interest in the integrated interpretation of the development process and in focussing it from a consistently multi-disciplinary perspective. Within this sequence of ideas, it has the capacity to strengthen national planning systems both in regard to economic growth and those aspects which are more directly linked to social development.

14. As regards Public Sector Planning, the work of ILPES - although primarily directed toward planning offices and ministries - encompasses the entire range of governmental activities. Insofar as direct administration, the Institute has worked and plans to continue working in the areas of institutional design, organization, financing, programming and control, etc.

15. Taking into account the increase and diversification of public activities, ILPES is prepared to put emphasis within its programme of work on supporting member countries as regards the management of the broad and heterogeneous sphere of decentralized administration. Depending on the institutional characteristics of each country, this will include some public agencies which are still very closely linked to direct administration as well as entities associated with mixed economies, autarchies, foundations, trusteeships, autonomous institutions, corporations with a majority of public capital, and State companies in general.

16. In this regard, it will certainly be essential to support governments in some areas of management; in the design and implementation of unified accounts systems; in the integration of those accounts with the principal macroeconomic aggregates (public spending, use of foreign exchange, etc.); in the establishment of financial and material follow-up systems for public projects; in the preparation of adequate and up-to-date

typologies of State enterprises; and in the proposal of specific economic policies. As a complement to these efforts, the Institute should assist countries in clarifying the macroeconomic impact which other entities may have which are dependent upon the public sector even though they are not actually governmental entities, since the government is a minority shareholder.

17. As regards all aspects of public sector planning, ILPES is concerned with collaborating with member governments on the modernization of their organizational structures in a manner which is compatible with the conditions in each country in order to provide them with the greatest possible degree of efficiency. It also attempts to help them create an institutional capacity of their own, in terms of both organization and adequate human resources.

18. In regard to activities of Regional and Sectoral Planning, the tasks of ILPES are clearly divided into two parts. Sectoral planning in general goes beyond its field of specialization, although the Institute can support the governments insofar as the coordination of sectors with the development process and of sectoral policies with other economic policies. As regards regional planning, ILPES has developed and maintains a high-level capacity.

19. In reference to Sectoral Planning, and within the limitations already mentioned, ILPES stands ready to provide member countries with support in coordinating economic policies in three areas: in the sectors of production (agriculture, industry, services, etc.); in physical infrastructure sectors (transport, communications, etc.); and in social services (education, health, housing, etc.). As a complementary effort,

it is prepared to provide limited services in some specific areas: technology, environment, etc. In these cases, the basic support for ILPES activities is provided by specialists from other United Nations programmes and agencies which cooperate with it.

20. With regard to Regional Planning, ILPES has developed and maintained throughout recent years its own support capacity for member countries. It can thus collaborate with interested governments in the various stages of this planning (analysis, strategy formulation, intra-regional programming, etc.) and in its different-settings (intra-regional, provincial or state, microregional, etc.)

21. Lastly, the fourth area of functional concentration of the Institute regards the various specializations associated with Pre-investment and Projects. ILPES has carried out significant work in both fields and is ready to provide continuity in this area for the benefit of member countries. In this regard, the significant cooperation which the Institute may receive from other United Nations agencies and programmes should be considered. In all, it maintains its own capacity within various spheres, especially with regard to certain types of social projects and the role of such projects in the programming of public expenditures.

22. In addition to the above areas which form the functional identity of the Institute, the Institute is constantly open to collaboration with member governments in other related fields. In such cases, if the service required by a government goes beyond the Institute's area of technical capacity, the Institute is prepared to instruct the government concerned regarding how to proceed in order to receive the desired international collaboration.

## II. B. Service Types

23. In order for the member governments to have a clear idea of the various forms in which the Institute channels its specialized activities, the services offered in each of its three major areas are summarized below: Advisory Services, Training and Research. The three manners in which these services are provided (generic, upon request and by agreement) will be described in the following section (see II. C.).

24. Firstly, emphasis should be given to the broad possibilities open to each member Government to request one of the above services or a combination of them, according to its needs, from the Institute. This possibility is also present for services of different programmes: advisory services, training and research. In addition, it should be pointed out that various tasks carried out for member countries are accomplished with the direct participation of the Institute's senior administration (Administration and Technical Council). Some of the services provided at this level are included in the three following groups.

### B.1 Advisory Services

25. This group includes almost the entire range of technical assistance provided by ILPES, most of which is carried out directly in the member countries. The Institute nevertheless always provides solid and ongoing support for these tasks from its Headquarters as well. At the same time, ILPES is exploring new concepts regarding the provision of services which include a more important role for horizontal cooperation.

26. a) Identification of assistance needs. Frequently a country needs to arrive at a more precise identification of the type, content, duration and scope of the technical assistance it requires from the United Nations in the areas of economic policy and planning. Throughout the years ILPES has been called upon innumerable times to provide cooperation in this sense. The Institute has the capacity to carry out exploratory missions to allow the countries to improve their utilization of international cooperation.

27. When appropriate, ILPES assumes direct responsibility for the support requested, joins with another international agency or programme to accomplish it, or informs the government concerned of the advisability of approaching another sources of international cooperation. Taking into account the current difficulties facing technical assistance agencies, including those of the United Nations System, the Institute has equipped itself to administrate bilateral cooperation between countries of the region by promoting such cooperation, orienting it and supplementing it.

28. b) Direct Analysis Support. The Institute has frequently been requested to support countries in the interpretation of problems connected with development, planning and economic policy. It continues to be ready to provide this type of service in the various spheres of its specialization. Work in this regard may be confined to analytical elements or it may, on the judgement of the country concerned, extend to the formulation of alternative proposals regarding development strategy.

29. c) Adjustment of methods and techniques. In many cases a request for assistance is in reference to problems of adapting methodologies and techniques of economic policy and planning to the specific needs of the member country. The Institute has gained enough experience in this field

to remain at the service of the countries concerned. The exceptional suggestion of methodologies can be an alternative form of cooperation in areas of planning or economic policy in which the member country prefers to maintain in reserve or not divulge to technical assistance missions certain data or certain of its own courses of action in economic policy.

30. d) Assistance in planning and economic policy. This service has always been the backbone of the Institute's advisory services. Through joint projects with national counterparts it can support member governments in the direct production of development programmes and plans, or in the formulation of certain economic policies. In various cases, the Institute's responsibility involves the maintenance of technical teams in a member country for a period of one year or more.

31. This work encompasses the most diverse aspects of economic and social development. It should be stressed that ILPES has been one of the international agencies which has amassed the most experience in social sector programmes and their role in development policies or plans or in the overall allocation of public resources.

32. e) Institutional organization. In some cases the Institute has been required to formulate or prepare proposals on the organization or restructuring of institutional instruments associated with planning. ILPES thus continues to work with the countries on the organizational re-design of those sections of public administration which are responsible for formulating plans, programmes and projects, although exclusively administrative aspects go beyond its field of specialization and the Institute must therefore obtain specific support from other United Nations agencies.

33. f) Improving follow-up systems. The Institute has assisted and will continue to assist countries in the conceptual development, implementation and operation of follow-up or complementary systems for plans and projects. In the past this service was associated with direct technical assistance to the countries. The Institute has currently broadened its activities in this regard, and also works on follow-up methodologies of State enterprises and the projects which they implement. The follow-up systems can be limited to the financial area if the country concerned so desires, but the Institute recommends that they have a more general scope and include the functioning of real or physical factors.

34. g) In-service training. As part of its technical assistance efforts - and in some cases as the main objective - the Institute has a clear orientation toward the training of human resources for the national systems of economic policy planning or coordination. The services provided to countries in this regard include on-the-job training of national counterparts as they work side by side with Institute experts, as well as specific training activities (seminars, panels, etc.) carried out concurrently with the technical assistance or through specific programmes.

35. h) Preparation for financial assistance. Lastly, another form of collaboration provided by ILPES relates to preparatory work for overall and regional planning, sectoral programming and projects designed to increase the ability and flexibility of the member country as regards reaching agreements on and receiving financial assistance from the international agencies involved in economic cooperation. It is currently reviewing its activities in this field in order to intensify them and adapt them to the new requirements of financial agencies and to the most urgent needs of the member governments.

## B.2 Training

36. During the first two decades of its existence, the Institute's work in the field of training has been programmed and carried out in accordance with the needs of the member countries, and the results have been recognized as being highly beneficial. This work has been carried out in the Institute's Headquarters and in the member countries themselves by means of national or regional seminars and courses. In many cases the Institute's work has been carried out jointly with national training centres, and in many instances has been accomplished with the close cooperation of other international agencies (UNICEF, UNESCO, WHO, ILO, FAO, etc.).

37. Within this sphere, the Institute's activities deal with teaching functions applied to economic policy and planning, and also with the preparation of training methodology and materials. In both cases, the activities of ILPES are strongly identified with, and are always of a complementary or supplementary nature to, the technical and university instruction in the region. In the coming years the Institute plans to arrange its training functions according to a more zone-based structure and to bring about a greater homogeneization of its training groups in order to offer them instruction which is more closely adapted to their technical needs and their real experiences in the professional field.

38. a) Supplementary mid-level training. Even when it has not been its major task, the Institute has carried out training of mid-level technicians in the fields of economic policy and planning for member governments. The Institute is prepared to develop this line of service in the future, depending on the specific needs brought to its attention and on the conditions created for this purpose.

39. b) Basic training in planning. The central activity of ILPES in the area of training has been its Basic Course, which is intended for governmental professionals of Latin America and the Caribbean. This course has been held on a yearly basis for the last twenty years although it has been frequently up-dated. Some of its major features are the following: to offer a multidisciplinary and coordinated view of the development problems associated with an integrated management of planning and economic policy tasks; to promote an intensive dialogue and an effective exchange of experiences among the participating professionals; and, as a unique result, the creation of a regional consciousness regarding common development problems, without prejudice to the pluralistic concepts observed throughout the member countries.

40. The Basic Course has always had a pragmatic orientation which permits the professionals to expand their effective capacity to manage the concrete problems faced by the member governments. This orientation has always been based on a high level of theoretical and technical instruction. In the last five years, the basic course has been structured on the basis of introductory instruction as a group with subsequent specialization in specific optional subject areas within the fields of planning and economic policy.

41. c) Advanced training. At a third level, the Institute provides more advanced training on a cyclical, extended and specialized basis. At this level, efforts are directed at permitting professionals of member governments to deepen their knowledge regarding subjects which are of current or priority interest to their respective governments. In this case, the training is intended for professionals at a higher level in the decision-making process or for those whose functions can

have a greater multiplier effect for the instruction provided (university faculty, researchers, etc.). At this same level, advanced seminars are held which are promoted by the Institute itself, in conjunction with CEPAL or at the request of the member governments.

42. d) Formal post-graduate training. The Institute has gradually promoted the interest of the member countries in training at a level higher than that of the basic and advanced courses; as far as possible this instruction has been integrated into the traditional post-graduate systems. In this regard, there are agreements which allow some of its courses to be accepted for credit for post-graduate work done in other institutions. To the degree that it is required by the member countries, and in accordance with the installed technical capacity, the Institute will intensify its activities at this level of training. To this end, preliminary contacts have already been made with other highly-respected centres in the region.

43. e) Extension training. The Institute is studying the reorganization of its teaching methods, including the possibility of incorporating modern communication techniques. In certain areas of training, this could allow it to expand its services to member countries significantly, particularly as regards basic training (medium and professional levels). This innovation could promote a homogeneous dissemination of basic elements of planning and economic policy in all interested countries, thereby promoting the opportunities for a regional exchange of experiences.

44. f) Training of professional instructors. On various occasions the Institute has cooperated in the advanced training of human resources in the field of instruction itself. In its current programme of work, this aspect is considered to be one of the most effective activities for many of the member countries. Future advances in extension training could also require an intensification of this line of service.

45. g) Specialization for former students. The Institute has gained vast experience in providing special training programmes for former participants in its own courses. These professionals remain for varied amounts of time with the Institute's technical group, participating in regular tasks or developing projects of direct interest of their country of origin.

46. h) Cooperation with training centres. The Institute has experience in providing technical assistance - within its area of specialization - in the organization and institutional consolidation of national training centres. In addition to such direct assistance, this cooperation may include such elements as curricular information, the supply of publication, exchange of teaching personnel, transfer of experiences in practical exercises, etc.

47. i) Cooperation with universities and research centres. Along a line similar to the above, the Institute can cooperate with universities or research centres in training activities related to planning and economic policy. In this case as well, collaboration can extend to the design of common programmes, curricular analysis, the exchange of teaching materials, etc. This also paves the way for important opportunities for cooperation with research units of the national planning agencies.

48. j) Specific training on request. In addition to its regular training functions, the Institute is ready to cooperate with the member countries - as it has done on various occasions - in the conceptual development, preparation or implementation of specific courses needed by a given government. This line of service usually offers valuable opportunities for integrated efforts by the Institute's experts together with training specialists of the member countries or of other international agencies and programmes.

49. k) Development of training methodologies. As a regular function of the Institute, methodologies for training itself are also developed and refined. In this regard, particular importance is accorded to the design, preparation, verification and application of practical exercises.

50. l) Preparation of training materials. The results of various Institute activities related to training are brought to bear in this line of service. These include curricular development, teaching methodology, the preparation of notes, the formulation and implementation of practical exercises, etc. Based on the experience gained by the Institute in this respect, this now includes about one dozen areas of training related to planning and economic policy.

51. m) Analysis of curricular organization. With twenty years experience in training for development, the Institute has developed a significant ability to analyze, evaluate, and prepare curricula for planning and economic policy. On many occasions and in many situations presented by member countries, it has been called upon to present an opinion on curricular organization; it is in a position to continue to offer this service.

52. n) In-house training of human resources. The resources extended by the Institute have, in many instances, been followed-up by professionals working in other United Nations institutions or programmes or in other international agencies. This training effort indirectly benefits the member countries, and the Institute has been encouraged to repeat this activity in the future in an even more systematic manner.

### B.3 Research Services

53. The Institute's research work is principally devoted to supporting its advisory and training services on the basis of an examination of the most urgent problems and needs of the countries of the region. In most cases, the research results are made available in the Institute's publications, often in advance of correlations. Indeed, the urgent nature of the problems posed by the governments does not allow for - nor does it require - the long-term focus, of research projects which require two or more years to be completed.

54. a) Communcations of planning experiences. The Institute surveys and evaluates planning experiences in Latin America and the Caribbean on a permanent and regular basis. The results of this work are furnished to member government in a report which is issued, for now, biennially. The Institute has been apprised of many member countries' interest in the extension of this survey to the other areas of economic policy and the communication of the results, to the governments, when possible, annually.

55. b) Applied research in planning. Ongoing research regarding planning and economic policy problems in the region is also a mainstay activity of the Institute. In this case, research which is already completed, being

implemented or schedules essentially concerns the challenges which economic and social development problems pose to planners and persons responsible for the formulation of economic and social policies. As in the past, the Institute frequently is called upon to explore newly-emerging subject areas, opening up essentially new perspectives insofar as the management of development policy and planning problems.

56. c) Development of methodologies in planning. Since its inception, the Institute has made a continual effort to develop methodologies which are appropriate to the needs of member countries regarding aspects of the orientation of economic and social development. In each stage of the Institute's history, greater or lesser emphasis has been placed on each one of the four functional areas of its specialization. In general, ILPES has amassed greater experience in programming models and projection techniques for development - of an econometric stochastic-based nature as well as numerical experimentation - and adapting them to the needs of the countries concerned.

57. d) Specific research on request. In addition to the regular research performed by the Institute, it can promote other research projects upon the specific request of member countries. Many times this line of operation is directly associated with technical assistance tasks. The involvement of governmental technicians in the work of the Institute (associated for the fixed period or on sabbatical) opens up new and valuable opportunities in this line of service.

58. e) Specialized bibliographical assistance. In other cases, a country's request is confined to a request for information on technical bibliographies regarding subject areas of direct interest. In this regard

and when necessary, ILPES often avails itself of the complementary advisory services of INFOPLAN, a specific programme on technical documentation maintained by ILPES in cooperation with CEPAL and CLADES.

59. f) Human resources research. For several years the Institute has received visits from governmental professionals who join in its research activities for limited periods of time in order to gain training in this field. In such cases there are two possibilities: training in the regular research projects of the Institute or the development of a special research project of direct interest to a given member country under the guidance of Institute experts. Although it bears a resemblance to another line of services mentioned above (see "d"), in this case the emphasis is placed on the upgrading of human resources.

60. g) Cooperation with national research centres. The Institute maintains a variety of lines of cooperation with other research centres in member countries and is prepared to strengthen these relationships in the future. In particular, it intends to develop a more extensive research programme in the next few years which would be partially supported by its own installed technical capacity and, to a large extent, by national research centres, especially those linked to planning agencies by specific agreements.

61. h) Extra-regional exchanges. The quality of the research performed by the Institute has allowed it to consolidate its position as a highly respected centre in certain spheres of economic policy and planning. In this way, the Institute has become an important centre for receiving research funding from sources outside the region. Canada, the Netherlands,

the Federal Republic of Germany, Belgium and Spain are some of the countries which have contributed resources to the research efforts of ILPES, thereby indirectly benefitting all of Latin America and the Caribbean.

62. i) Information activities regarding technical projects. Lastly, ILPES research serves as the principal basis for the publications it produces, including its series of periodical bulletins in Spanish and English. As regards the publication of technical studies, the current agreement with UNICEF is of particular relevance. Through this agreement, ILPES has been publishing important studies which have been prepared jointly by the two institutions on topics related to social development.

#### II. C. Modality of providing services

63. The four basic functional areas of ILPES have been described and the major types of services which are provided to governments in the form of advisory services, training and research have been summarized. The main forms of access by member countries to these services are presented below.

63. It is appropriate to distinguish among three types of services which are provided. The first two can be freely accessed by member countries, without additional charge, and are based on the Institute's regular activities. The third type, of interest to a member country or a group of member countries, is dependent upon specific agreements and requires its own financing procedures.

C.1 Generic services to member countries

65. This heading refers to a group of activities which the Institute performs on a regular and continuous basis and which, by various means, is spontaneously transmitted to the member countries. The current viewpoint of the Institute is that these services should be part of its routine contact with the governments, despite the fact that the frequency with which they are provided varies from one service to another. Indeed, those services should be the natural counterpart of the collaboration which the member countries provide for the maintenance of the Institute.

66. a) Up-to-date information on the programme of work. The Institute should always supply member governments with up-to-date information on the content and implementation of its programme of work, This allows each country to be aware of ILPES' work in the rest of the region while at the same time making it easier for each government to make requests of the Institute which concern its own interests. Moreover, it makes it possible for the governments to offer suggestions regarding the programme of work during its implementation, without waiting for the collective co-administrative meetings of the Institute to be held (Subcommittee and Technical Committee).

67. b) Technical secretariat of the cooperation system. For the past five years ILPES has maintained contact with all member countries in its capacity as Technical Secretariat of the System of Cooperation among agencies and ministries concerned with planning and economic coordination in the region. In each country, the Institute seeks to direct its activities from the basis of the local office of the United Nations Development Programme (UNDP), except in those countries where CEPAL

maintains offices of its own which then assume this liaison function. Currently, in addition to its direct contact with planning ministries and agencies, ILPES is attempting to keep the Ministries of Foreign Affairs better informed about its activities, using the same UNDP or CEPAL means of contact.

68. c) Flexible forum for multilateral technical discussions. The Institute is completely at the service of member countries in order to attend to their requests - from one or more countries - in regard to the promotion of special meetings of member governments to consider specific topics of immediate interest. In this connection, opportunities can be created for an exchange of opinions among officials or technicians at different levels within the governmental hierarchy regarding subjects of a multilateral scope.

69. d) Promotion of horizontal cooperation. The Institute stands ready to expand its efforts in the field of horizontal cooperation, considering it to be a timely and valuable factor in the creation of closer inter-governmental relations in the region. In particular, study is being given to the possibility of expanding this cooperation to include other continents, especially Africa and Asia, by means of adequate coordination with other governments and United Nations agencies. It is believed that this last aspect may be of great benefit both for the governments of the region and for State and private enterprises which are capable of providing technical assistance within the framework of such cooperation.

70. e) Access to training and research. The courses offered by the Institute are available to member countries, and the results of its research are also provided to these countries on a regular basis. In this

regard, the training and research activities are clearly regular services to which there is free access. A particularly important element in this area is the dissemination among member countries of the annual survey on the state of planning and economic policy; this regularly-prepared study is destined to become an important instrument for the real exchange of experiences within the region.

71. f) External planning parameters. In response to the great interest in this regard expressed by various member countries, the Institute plans to establish a systematic follow-up service regarding the world situation and to provide the results to member governments. The focus of this work would exclusively be matter of regional interest. In this case, the actions taken within the governmental sphere in the major developed countries, in the European Economic Community and in other international agencies (the International Monetary Fund, the World Bank, etc.) should be taken into consideration. In addition, this information should be integrated with the results of work being done in this area by the various permanent divisions of CEPAL. In such a case, and with relatively little additional effort, the Institute would be able to supply member countries with the indispensable frame of reference of the future trends in the major parameters of the world economy which most directly affect the region and which each government needs to consider in the formulation of its development plans or policies.

#### C.2 Regular services upon request

72. This heading includes a variety of services which the Institute can provide without charge to member countries upon request, and also as a part of its regular activities. Taking into account the limitations of

its technical unit, the Institute will give priority in these cases to the relatively less developed countries, especially those of Latin America and the Caribbean.

73. In each of its basic activities (Advisory Services, Training and Research), there is in fact some margin for such requests. In this connection, the Institute can provide countries with methodologies and techniques for economic policy coordination and planning; preparation of special training programmes; promotion of a specific study for a given member country; missions in order to identify needs for technical assistance and international cooperation; and various horizontal cooperation activities. In particular, the Institute can give support to countries as regards the development of terms of reference so that they may arrange for technical assistance from other international programmes or agencies or even from specialized enterprises in the private sector.

### C.3 Special services by agreement

74. In brief, the remaining types of services (see II. B.) are available to member countries, although specific agreements with each government concerned are required when volumes of work are involved which the Institute cannot absorb in its normal activity. In such cases, each government must include the financing plan corresponding to the contracted work. In most cases these procedures can be relatively simple, permitting the expeditious performance of the work entrusted to the Institute.

75. A member government may come to an agreement with the Institute regarding the performance of a project which produces certain independent

results as well as for a project of a broader nature where other international programmes or agencies are involved in other parts or stages of that project. In these instances, the Institute can continue to fulfil the important role of creating or broadening the capacity of a given country to receive other technical cooperation services or other benefits of international economic and financial cooperation.

### III. FUTURE PROGRAMME OF WORK

76. The Institute will undergo a year of transition in 1983: those activities which are already being implemented will be continued, and the activities included in its new programme, which is contained in this document, will be launched. This chapter begins with a frame of reference for the priorities by which ILPES should be guided in the near future and then presents a chart of the activities envisaged for 1983.

#### III. A. Priority subject groupings

77. In coming years the Institute should avoid the dispersal of its technical resources, and should concentrate its resources on those activities which are of the greatest priority for the region. The various services offered to member countries within each of its major functional areas (economic policy and planning, public sector planning, regional and sectoral planning, and pre-investment and projects - see II. A.) and through each one of its basic programmes (advisory services, research and training - see II. B.) should converge on a group of primary activities. The resulting integrated nature of that effort should allow for greater efficiency in the cooperation of ILPES with member countries.

78. The six central elements which encompass the subject areas of greatest interest from the viewpoint of the economic and social problems which the region faces in the current decade are described below.

Certainly, this frame of reference is not a rigid one, but must rather be adjusted to the evolution of those problems and of the challenges being faced in the area of economic policy and planning. In addition, working priorities should receive a different emphasis according to the particular features of each country with which the Institute is cooperating.

79. a) Short-term policy alternatives. ILPES should support member countries with respect to the immediate challenge facing them as regards the alternative design and implementation of their short-term policies, whether this is accomplished using their own technical resources, through the mobilization of specialized consultants or in association with CEPAL and other United Nations agencies. In this area, the Institute should devote its attention primarily to the short-term problems of the relatively less developed countries, in particular those of Latin America and the Caribbean. This focus includes the conceptual development of measures for the maintenance and recovery of current levels of activity and employment, and the study of viable alternatives for development financing which will neither increase internal inflationary pressure nor aggravate the conditions of foreign indebtedness.

80. b) Coordination among major economic policies. Taking into account the most urgent responsibilities of the national planning systems, ILPES should stress those of its activities which are related to the coordination of public policies directed toward economic and social development. From a temporal perspective, this focus requires the Institute to continue

with its work regarding short-, medium- and long-term accounts. It also implies the development of a more global and integrated view of public resource allocation; along these same lines, an intensive effort will have to be devoted to the coordination of monetary and balance of payments policies with fiscal policy and to the interdependence of these three types of policies with other instrumental policies (those related to public prices and charges, salaries, etc.). It is therefore essential to broaden the focus of resource allocation to include the decentralized administration; the Institute should bring more attention to bear on the different categories of public enterprises and on the formulation of specific policies in reference to them.

81. c) The region in the world economy of the near future. The Institute must take into account the changes which are occurring insofar as the role of Latin America and the Caribbean in the world economy, the alternatives which are open to the region as regards the redefinition of its position in this context in coming years, and the new responsibilities which these transformations imply for national agencies and ministries concerned with economic policy and planning. On an immediate basis, ILPES will commence the necessary supplementary activities to make up-to-date and more systematic information available to member countries regarding the forecasts being made about the evolution of the world economy in coming years. On a more continuing basis, it should follow-up the efforts of CEPAL related to the interpretation of this aspect of regional development, incorporate the results of those efforts in the services it provides to member countries and, as far as possible, supplement them with its own regular activity.

In this connection, particular emphasis will be placed on the role of sectoral development within the future development of the region. It will also support member countries in the identification of the most dynamic activities which can provide direction and support for the internal processes of economic and social development.

82. d) The spatial impact of economic policies. ILPES should continue its work in the field of regional planning and, in particular, increase its knowledge regarding the interaction between economic policies at a national level and regional development within member countries. Areas to receive special attention within this subject area are the centralization or decentralization of decisions regarding the allocation of public resources to the various regions of each country; the link between that process and the internal political-administrative organization (provinces and states, municipalities and mayoral districts, etc.); and an integrated view of projections regarding rural and industrial development within a spatial dimension.

83. e) Economic policies for the development of energy. Intersectoral planning of energy development goes beyond ILPES' area of specialization. Nevertheless, member countries are interested in the Institute devoting more attention to some topics connected with the interrelation of the energy sector and the programming of economic policies. Some of the projects envisaged by the Institute related to other subjects will aid it in supporting some key activities in the field of energy development; however the Institute has been encouraged to include the subject of

energy specifically within its priority criteria. In this regard, it can assist some member countries with the construction of different economic policy instruments with a view toward implementing the execution of energy development programmes and, in particular, can clarify the technical requirements for ensuring that forecasts regarding the supply and demand of energy inputs will be compatible with macroeconomic projections. Lastly, the interdependence between the production of energy inputs and the other sectors of production will be another topic of interest, especially in connection with renewable inputs.

84. f) The allocation of resources to social development. ILPES is prepared to continue its activities in relation to social development policies and planning; it has already made important contributions in this area. It should proceed with its research into the interdependence between economic and social development, and collaborate pragmatically with the member countries in the programming of public spending for social sectors or for specific activities designed to reduce extreme poverty or to improve the levels or distributing of well being. The Institute should also focus its attention on three items: the financing of social programmes (particularly social security); the incorporation of social sectors (education, health, housing, etc.) and of other social programmes in public investment planning; and the adaptation of new techniques for the formulation and prioritization of projects within the social sphere.

85. As has been noted, 1983 promises to be a year of transition from the Institute's previous programme of work to this new framework of priorities. A process of transformation is in progress within the Institute itself which involves a reorientation of activities as well as technical modifications in the ways in which they are carried out.

86. The priorities for these procedures were also established. They include: seeking a better balance of nationalities within the Institute's technical team and among its group of advisors providing training at various levels which is better adapted to the specific and current needs of the subregions which can be identified within Latin America and the Caribbean; achieving a greater integration between research activities and the needs for training and advisory services; and giving a pragmatic and substantive content to horizontal cooperation. In regard to this latter priority, extending the Institute's work in the fields of cooperation and trade to include the private sector in each member country is also an essential element. Throughout this range of activities, the intention is to increasingly "regionalize" the activities of ILPES in an attempt to reach the entire geographical area with which it is concerned

### III. B. Activities for 1983

87. The Administration of the Institute will proceed with its procedural modernization programme, which was begun in recent months. This programme includes: greater integration in all internal technical work, strengthening the support provided by the Headquarters for work being carried out in the member countries, a reorganization of administrative and accounting services, a more continuous monitoring of financial status, establishment of new criteria for the contracting of technical personnel and advisors, an improvement in programming and follow-up of projects in progress, achieving closer inter-institutional relations with the Headquarters of the United Nations (in and outside of CEPAL), an intensification of in-house technical discussions through working groups and more frequent meetings of the Technical Council, and a consolidation of the restructuring which has been carried out in the administrative unit of the Institute.

88. As regards support for the National Planning Systems, ILPES performs the functions of a Technical Secretariat, as has already been noted. In this capacity and in compliance with the mandates of the member governments, it is making preparations, with the direct support of the Ministry of Planning of the Republic of Argentina, for the FOURTH CONFERENCE OF MINISTERS AND HEADS OF PLANNING, to be held in Buenos Aires, 11-12 April 1983. Along similar lines, it is providing support to the CEPAL Office in Trinidad and Tobago in regard to preparations for the THIRD MEETING OF PLANNING EXPERTS OF THE CARIBBEAN.

89. As another form of support for national agencies and ministries concerned with economic policy and planning, the Institute will continue to consolidate and establish a number of new internal information systems regarding sources of horizontal cooperation, the organization of national planning agencies, and the training and research centres which operate in areas similar to the functional areas of the Institute. Part of this work will be done jointly with INFOPLAN, a project which is maintained by agreement with CLADES and the Caribben Documentation Centre. All advances achieved in this respect will be made available to the member countries.

90. Efforts to intensify publications activities will be continued, with the publication of the Planning Bulletin (in Spanish and English), the Temas de Planificación and Cuadernos Series, and books and other materials on training. Efforts will be made to achieve the widest possible distribution of these publications.

B.1 Training activities

91. a) Advanced Course on Current Problems in Latin America. It is expected that financing will be available from the Netherlands for a course of approximately 13 weeks of duration to be held at Headquarters for some 20 participants from various Latin American countries. In principle, it is agreed that the plan for this course will focus on the analysis for the current major problems affecting Latin American countries and on the alternative development strategies which have recently been proposed for a number of countries in the region.
92. b) Course on Long-Term Planning and the Environment. This course will be conducted at CEPAL/ILPES Headquarters and will be organized jointly with CIFCA, an entity which provides funding for scholarships. The course will provide continuity for the new line of training, begun in 1982, which concentrates on the incorporation of environmental variables in planning work.
93. c) Course on Trade and Development Strategies. This international course, lasting for 8 weeks, will be organized jointly by CEPAL/ILPES and UNCTAD. A plan has already been designed, and steps have been taken to obtain the necessary financing. The course will provide an opportunity within a training setting to make available important data recently collected by divisions of CEPAL as regards foreign trade policy. This aspect of the course will serve the needs of various member countries.
94. d) Cooperation with national training centres. Work with CENDEC/Brazil will be continued in areas of possible cooperation which have already been agreed upon. In addition, excellent relations are maintained

with CECADE/México, and it is hoped that the concrete collaboration with both institutions which has been developed in the past will be renewed.

95. e) Cooperation with universities. This is an important and promising field of activity regarding which ILPES has already formulated a general policy. Latin American universities with which relations are currently maintained include: the School of Economics of the National University of Rio Cuarto, Argentina, for the joint development of a course on regional planning; the Postgraduate Program in Economics and Development Planning of the University of Zulia, Venezuela, which involves academic support and an exchange of teaching personnel; and CIDER of the University of Los Andes/Bogotá, for the exchange of professors and the promotion of other activities, in accordance with the current agreement. Steps have also been taken to establish future collaboration programmes with the School of Economics of the Central University of Ecuador in order to put into effect a postgraduate course on political economy and planning; with the Federal State University of Pará and the University of Campinas, Brazil, and with the School of Economics of the Catholic University of La Paz, Bolivia, regarding areas of cooperation currently under study.

96. f) Cooperation with other centres of higher education. Conversations have been held with CIDE/Mexico regarding the establishment of joint activities in the area of postgraduate instruction and in regard to ISS/The Hague, the Netherlands. Upon expiration of the agreement with ILPES on international cooperation, the two institutes have agreed to take steps to establish a new agreement within the sphere of national and regional planning.

97. National courses planned. A Course on Agricultural-Industrial Projects in Paraguay has been scheduled at the request of that government; the course will last for 6 weeks and will be held at CEPADES. Funding is still under consideration. Courses in Costa Rica, at the request of OFIPLAN, are planned; discussions are currently being held which will permit its subsequent implementation. Support is programmed for the Third International Seminar on Regional State Planning in Brazil, which is to be held in Manaus under an ILPES/CENDEC agreement, with financing approved by UNDP/Brasil. Support is also planned for the Eighth Course on Regional Development Planning in Brazil, which is also being developed in cooperation with CENDEC, with UNDP financing. Lastly, it has been agreed to continue collaborating with the School of Economics of the National University of Rio Cuarto by holding a Course on Regional Planning/Rio Cuarto, to be financed by the Federal Investment Council of the Republic of Argentina and UNDP.

98. A Fourth Course ICI/ILPES - Madrid, Spain is also planned; officials of the Institute Of Ibero-American Cooperation (ICI) have expressed an interest in continuing the programme of cooperation with ILPES which serves as the framework for this course. In principle, it is agreed that the course should be restructured around a new topic: the review of the planning experiences of Latin American countries. Previous courses focussed on Latin American development, and have constituted a pioneer effort to achieve closer training links with that country and to increase the dissemination of information about Latin American problems within Europe. There is a possibility that ICI will support a new course on Social Security Financing; this course is still under study for implementation in 1983.

B.2 Research activities

99. A number of research projects will be carried out with regard to some of the areas described below, in accordance with the interests expressed by the countries of the region and in keeping with available resources; these projects will always remain within the work guidelines established in this document. Partially completed studies or preliminary designs for research in some of these subject areas are already in existence.

100. a) Short-term planning and economic policy. This project, with reference to one or more countries of the region, will seek to develop an operational methodology to help governments coordinate short-term economic policies. This methodology will include the development of an integrated accounts system for the public sector, including State enterprises, which will shed light on the sector's real and financial operations as regards the rest of the economy and the external sector. Based on this system, a methodology for evaluating alternative economic policies will also be formulated. The basis for this methodology will be a macroeconomic model which takes into account the major behavioral and institutional relations of the economy and, in particular, its external framework (see paragraph 79).

101. b) Alternative development and planning strategies. As regards medium-term planning, a condensed theoretical and empirical research project will be developed which will present and discuss alternative development proposals for Latin America from both a medium - and long-term perspective. In addition to establishing the development potential of the region vis-a-vis the magnitude of the problems of underdevelopment

and poverty, the major components of one (or more) alternative strategies will be outlined; these strategies would be designed to achieve a group of objectives as regards economic growth, income distribution, employment, national autonomy, etc. Their implications for planning and coordinating economic and social policy would also be discussed (see paragraph 91). The study's methodological framework would be derived from a macroeconomic model which incorporates the relevant variables used in medium - and long-range analysis.

102. c) Public enterprises: control, programming and policies. This study would begin with a discussion of the current role of public enterprises within the actual experience of the region and would be directed toward establishing a clear-cut typology of public enterprises according to the sector in which they have developed and the functions assigned to them. On this basis, the study would formulate a group of economic policy approaches in various areas: charges, financing, investment criteria, employment and salaries, etc., while emphasizing the control of foreign indebtedness. Discussion would also be devoted to alternative patterns for relations with the central authority and the planning system, with consideration of the procedural modalities.

103. d) The external framework in annual operational programming. As a complementary measure (see paragraph 81) a quantitative study would be carried out which would serve as a support for reliable predictions regarding the international situation and its impact on the balance of payment of the countries in the region. This study would allow the countries to develop more realistic annual programmes which are better adapted to that situation. The study could begin by taking three country-types as a basis, and later broaden its efforts to include others, with the aid of individuals from these nations.

104. e) Regional impact of macroeconomic policies. This study, based on the analysis of the region's actual experiences, would seek to evaluate the effects which some macroeconomic policies have had on regional (intra-national) development (see paragraph 82). In particular, policies which encompass an opening-up to external elements and those which are related to a changeover to private ownership of capital markets would be examined. This study would allow the generation of criteria for the future formulation of macroeconomic policies which, at the same time, seek to diminish regional disparities.

105. f) Energy planning: integration with economic policy. This study would attempt to develop a methodology to allow medium - and short-term planning in the energy sector to be integrated with development projections (see paragraph 83). On the medium term, this would be linked with a discussion of alternative strategies; on the short term, it would stress the analysis of the interrelationships between the energy sector and balance of payments, pricing policy, and internal financing. The methodology would be developed and initially applied to one country in the region which suffers from serious problems related to energy supplies.

106. g) Participatory planning. The study regarding this subject is already quite advance, in accordance with the mandate of the Third Conference of Ministers and Heads of Planning (Guatemala/1980); this study would be concluded. The project attempts to analyze present planning experiences as regards modalities of participation in order to identify the problems and obstacles which have been confronted. Based on this analysis, solutions or alternative modalities would be proposed. In particular, the study would examine experiences within the spheres of regional and community planning.

107. h) Programming of social expenditure and well-being. The objective of this study would be to develop a programming methodology for State social expenditure which would include an integrated consideration of the traditional social "sectors" (education, health, housing, nutrition, etc.) in conjunction with the objectives of integrate social welfare. The basic goal is to develop operative procedures which allow governments to improve their decisions on spending in the social sphere. The research would include the re-design of certain aspects of social programmes and multi-criteria techniques for prioritizing public expenditure (see paragraph 84).

### B.3 Advisory service activities

108. With regard to Brazil, collaboration activities would be concluded with regard to the Estado de Minas Gerais, in accordance with the SEPLAN-MG/ILPES agreement on strengthening the state planning system, which involves the refinement of information systems, state accounts and the analysis of current economic trends and in-service training in the various aspects of State planning.

109. With respect to the Brazilian Northeast, the collaboration would be concluded which ILPES provides to the IPEA/Institute for Economic and Social Planning for the performance of studies regarding the Industrialization Policies of the Northeast, with the support of UNDP/Brazil and CEPAL/Brazil; support would be continued for the Secretariat of Planning of the State of Piauí in order to upgrade and consolidate the planning activity of that state. In this case, the work on the analysis of and prognosis for the state's development would be completed.

110. With regard to Ecuador, advisory services to the Development Corporation of Guayas would be continued; this consultation is in reference to the formulation of the bases for development of the Río Guayas Basin. In addition, proposals will be presented regarding the improvement of the system of projects and the institutional organization related to regional development.

111. In the Republic of Haiti, collaboration activities with the Secretariat of the State Plan (SEP) aimed at strengthening projects and planning systems will be continued. Training activities related to projects will also be carried out. In both activities, the role of ILPES is fairly limited; there are no plans at the present time to maintain a technical team in that country.

112. In relation to Venezuela, the cooperation which is being provided, in conjunction with UNDP/DTCDC and the CEPAL Office in Bogotá, to the Venezuelan Association for Intermunicipal Cooperation (AVECI) and to CORDIPLAN in order to help strengthen municipal development planning will be continued. At this time, it has been agreed to undertake a general review of this project's terms of reference; there are no plans for the ongoing presence of Institute technicians in that country.

113. Lastly, advisory services to Honduras which deal with projections regarding macroeconomic aggregates are being continued. There are plans to consolidate and formalize these services. The first steps have been taken in responding to a specific request made by the Dominican Republic, where there has already been one mission; an intensive advisory effort is programmed for next year with regard to investment programming and projects. The government of Bolivia has expressed an interest in

undertaking an extensive technical assistance project. It should be added that for those cases which call for a specialization in agribusiness, an existing cooperation agreement with CODAI/Mexico will allow advisory capacity in this field to be expanded.

#### IV. ORGANIZATION AND FINANCING

##### IV. A. Present administration and distribution of functions

114. The object of the new organizational structure of ILPES is to reinforce the Institute's technical work and to make its administrative and operational functions more dynamic. To this end, the principle has been established that all professional Institute personnel, including those who perform administrative functions, are technical personnel and should develop projects in their fields of specialization within advisory services, training and research.

115. With the object of more precisely defining the responsibilities of administration, coordination and implementation, however, functional positions have been established which are in addition to the strictly technical functions of the personnel. The executive administration and the orientation of the Institute are the responsibility of the Director General, who is assisted by two professionals in the fields of programming and operations, one of whom is also Deputy Director.

116. The regular activities of the Institute are carried out by three technical units, each one of which has a Director. The DPA - Administration of Advisory Programmes is responsible for assistance and support activities for governmental institutions in those areas of economic policy and planning in which direct or indirect collaboration is appropriate. In addition, it should promote and put into effect some of the horizontal cooperation activities among governmental institutions of the region and, if it is necessary and requested, outside the region. This is the only Programme which has a Deputy Director; this serves to prevent any discontinuity of supervision when the Director has to travel.

117. The DPC - Administration of Training Programmes is in charge of the preparation, organization and implementation of courses and seminars, the preparation of texts and documents for instruction in economic policy and planning, and the support of academic institutions and training centres.

118. The DPI - Administration of Research Programmes is responsible for undertaking research and studies on current topics and problems related to economic policy and planning, as well as the study and formulation of techniques and methodologies for use in the countries and in the Advisory Services and Training Programmes.

119. The Technical Council of ILPES (CTI) has been established for the purpose of reinforcing and expanding advisory functions provided to the General Directorate as regards the conceptual development, programming and execution of technical projects. This Council is coordinated by the Director General and is made up by the current Secretary of the CEPAL Review as a special consultant, the Programme Directors and the members of the General Directorate.

#### IV. B. Technical Personnel

120. The activities of ILPES are carried out by a small core group of permanent professional personnel and by a sizeable number of consultants who are contracted especially for specific work. This procedure allows a higher level of output to be obtained from the Institute's limited financial resources. There are currently 32 professionals, including 5 local employees and as many more posted in Guayas/Ecuador, as well as

16 administrative functionaries. In addition to this team, in the current year, there are a total of 50 consultants which have provided ILPES with 756 weeks of work, which is equivalent to some 15 experts/year.

121. In addition, the collaboration of 31 professionals from the United Nations system was provided, for a total of 75 work-weeks, as well as from 8 other institutions, with 7 work-weeks. In sum the work done has been equivalent to roughly 2 experts/year. In terms of expert/year, then, the team mobilized by ILPES in 1982 approaches 60 professionals; this does not include dozen of national counterparts from the countries receiving advisory services.

122. It is the policy of the Institute's General Directorate to place great emphasis on increasing the utilization of outside consultants, diversifying the nationalities of origin represented and organizing the work around the basic subject areas defined in the previous programme. The diversification of nationalities will be equally rigorous with respect to the future contracting of new experts. In this connection, member countries are encouraged to send the curricula vitae of specialists who can take on technical tasks in the Institute, either as short-term consultants or for more lengthy periods.

123. In order to maximize the use of professional services and to integrate international and national technicians, a policy will be implemented which is directed toward associating the Institute's work with the work being done by the technical divisions of planning agencies and academic centres devoted to economic policy and planning. This association will essentially be sought in the areas of basic research, case studies and the preparation of analytical and planning instruments; as far as possible,

joint projects will be established with the participation of technicians from all institutions involved. Lastly, as a way of reinforcing the technical team, emphasis will be placed on obtaining the assignment of associate experts from countries outside the region.

124. In summary, ILPES carries out advisory, training and research activities with its own technical team and with professionals who join in its work as special consultants. However it also can count on the extensive support supplied by the technical team of CEPAL in fields such as economic development, international trade, natural resources, agricultural and industrial development, transport and communications, economic projections, economic statistics, quantitative analysis and social aspects of development. Within the CEPAL system it can also obtain the collaboration of CELADE in relation to those areas of planning which concern demography and population policies.

125. ILPES also promotes the integration of technicians from other international organizations into its working teams. In this way it has been able to use and may continue to use the services of specialists from UNESCO, PREALC, PAHO and the IICA in their respective fields of specialization. Lastly, there is also the possibility of using services of professionals from national agencies through the system of horizontal cooperation. (For the names of the appointees, see annex in page 54).

#### IV. C. Financial aspects.

126. The budget of expenditures of ILPES for 1982 reaches the amount of US\$ 3.405.100. UNDP contributes with 31% of this financing, and the

United Nations with a 20%. However 22% is a balance of 1981 received this year, existing the necessity of generating the 27% with own resources.

127. The budget for real revenue for 1982, according to what has been received to date, will amount to only US\$ 2.956.400, principally due to the fact that some countries have not made the annual voluntary contributions which they have customarily furnished to ILPES. The governments' contributions are of great importance, because they allow for greater flexibility in the Institute's programme of work, especially in relation to support for relatively less developed member states. Nevertheless, the total amount of these contributions is on the order of 6% of the ILPES budget; this is the reverse of what occurs with the similar institutes which the United Nations maintains in Africa and Asia, where the governments contribute the greater part of the resources they require.

128. ILPES financing has passed through various stages. In its first nine years of existence, its financial resources came exclusively from the United Nations Development Programme (UNDP) and the Inter-American Development Bank (IDB). Beginning in 1981, UNDP financing remained at approximately 70% and IDB funding dropped to 8%; the Institute therefore had to obtain the remaining 22% from other sources, particularly from governmental development-assistance agencies outside the region. Since 1974, the IDB has ceased to make contributions. In 1977, the UNDP contribution fell to 49%, and the United Nations began to support the Institute with funds from the regular budget, which represent 24% of the Institute's budget. ILPES obtains the remaining 27% in the form of overhead on services provided, contributions from member governments

and specific contributions from governments of countries outside the region. It is in this way that ILPES has come to be increasingly dependent upon its own non-scheduled funding; it continues to be so today.

129. The Institute has achieved an adjustment between its income and expenditures by obtaining additional funds and reducing its number of employees. The latter course of action has been exhausted, since the Institute now has a team which is smaller in number than the necessary minimum required in order to fulfil a significant role in Latin America and the Caribbean. Therefore, the only possible solution which will allow the maintenance of a level of activity that is in keeping with the needs of the governments of the region is to obtain its own funding on a regular basis in order to compensate for the reduction scheduled by UNDP and which is included in the current plan.

130. The situation can only be maintained for 1983 if UNDP and the countries do furnish the contributions to which they are currently committed. Nevertheless, only 10% of the national contributions have been paid in 1982. Unless this situation is resolved, the Institute's financial problems will be seriously exacerbated in 1984. Until then, the scheduled contributions of UNDP will continue to accentuate the trend observed in the past. The percentage of these contributions in relation to the total resources of ILPES has steadily declined from 80% in the first phase to about only 30% in the current phase. If these reductions are measured in terms of real buying power (in 1980 dollars), the indicators show the same situation, since the contributions drop from an index of 100 ten years ago to an index of less than 25 in 1982.

V. PRELIMINARY PROGRAMME FOR ILPES 1984-1986

131. The Institute is an intergovernmental organization of a permanent nature whose existence is assured by the United Nations and the member countries. This programme of work, as has been seen, is directed toward all the countries of the region; it is hoped that the Institute's assistance can be extended primarily to those governments whose need for cooperation is greatest. This goal can only be realized with stable funding for the Institute provided on a regular basis by the member governments, in partial compensation for the reduction of United Nations remittances.

132. The idea is that the governments should provide a contribution in proportion to their economic ability, without relation to the receipt of any specific service, so that a fund can be created for use in an overall programme of assistance for the region. All countries will receive the compensation of the generic services provided for in the Institute's programme of work and of those special services which are appropriate in each case. This procedure will mean that many of the larger countries will reduce the contributions they currently provide through the purchase of services while the smaller countries will have increased possibilities for receiving cooperation.

133. Lastly, a stable system of financing provided for by the member governments will reinforce the intergovernmental nature of the Institute and will allow greater access to a multilateral source of technical assistance accompanied by all its advantages of independence, neutrality and impartiality.

134. ILPES should begin to implement its new plan in 1983 and ultimately consolidate its beginning in 1984. Taking into account the experience gained by the Institute in its first twenty years and the roles which the Institute must fulfil in the future, the central element of the new plan must be more significant and regular contributions from the member states.

135. In order to programme this part of the future ILPES plan, three basic principles have been established. All of these principles take into account the current development difficulties faced by the region and, in particular, the limited resources of the member countries, especially as regards foreign exchange. For this reason, it has been projected that a portion of the contributions could be made, possibly in a few cases, in the form of the assignment of associated technicians. In any event, however, the major portion of the contribution should take the form of the remittance of money, particularly in view of the rigidity established in these modalities in connection with other sources (UN/CEPAL, UNDP, Agreements, etc.).

136. The first principle is restraint. It would certainly not be well advised at the present time to make ambitious plans for expanding ILPES. The new plan must rather be a plan which maintains the Institute's present size, with only two new developments: the establishment of a small technical office for the English-speaking area of the Caribbean, which would initially have a very small team; and the possibility of adding three or four specialists to the Institute's technical team, these specialists being absolutely essential to the implementation of the new programme of work. This latter addition would be in connection with the new priority areas which have emerged within the current framework of the needs of member countries.

137. The second principle, despite the need to stabilize the Institute's finances on a permanent basis, is to limit the commitments of voluntary contributions requested of member countries as much as possible insofar as time. For this reason, a time period of three years beginning in 1984 has been set for the programming of the new institutional plan. This allows governments to review their interest and/or contributions as regards the new ILPES, even during the Institute's seventh phase. At the same time, it establishes a minimum of direction (1986) for the period following the present phase.

138. The third principle deals with the actual meaning of the member countries' contributions. Neither the Institute nor the governments should regard them as donations. Both parties should consider them as the counterpart to the many regular services which the Institute provides both spontaneously and upon request without any charge whatsoever to the member countries as a whole.

139. The application of these principles, together with the most acceptable estimates regarding the future accounts posture of ILPES, allows the project scale of the new Institute to be calculated at US\$4 500 000 for the three-year period 1984/1986. This amount refers to the combined contributions to be expected from member countries, at an annual average on the order of US\$1 500 000. Taking into account the future effect of inflation on the contributions, this would amount to a per-country average of less than US\$33 000 per year. It would obviously be necessary to distribute the overall contribution according to criteria which takes into consideration the differences in the resources of member countries.

140. It should be noted that this financing plan does not imply that the Institute would not seek to obtain additional resources and use its own means to supplement the necessary funding. The attached table illustrates the estimates presented in this document. In presenting this first proposal to the member countries, the Institute obviously stands ready to discuss the proposal extensively and to incorporate suggestions which the member countries may decide to approve.

Annex: Composition of ILPES Technical Council

	<u>Function</u>	<u>Area of technical specialization</u>
1. COSTA-FILHO, Alfredo	-Director General of the Institute	-Investment Planning and Programming
2. BAJRAJ, Reynaldo	-Director of DPA	-Economic Policy Expert
3. BOISIER, Sergio	-Deputy Director of DPA	-Regional Planning Expert
4. DE MATTOS, Carlos	-Director of DPC	-Regional Planning Expert
5. GARCIA, Eduardo	-Director of DPI	-Global Planning Expert
6. GURRIERI, Adolfo	-Secretary of CEPAL Review	-Social Development and Social Policies
7. ISRAEL, Jorge	-Special Assistant/ Technical Secretary of Cooperation System	-Public Sector Planning Expert
8. SANCHEZ, Rolando	-Deputy Director	-Social Planning Expert

ILPES: SOURCES AND USE OF FUNDS

1981/82 - 1983 - 1984/86

(in 1 000 US\$)

CONCEPT	REALIZED		FORECAST	PROPOSED PROJECT		
	1981	1982 <u>a/</u>	1983	1984	1985	1986
<u>SOURCES b/</u>	<u>3 246</u>	<u>2 673</u>	<u>2 454</u>	<u>3 160</u>	<u>3 160</u>	<u>3 160</u>
UNITED NATIONS	1 937	1 713	1 624	1 614	1 530	1 380
MEMBER COUNTRIES (voluntary contributions)	1 356 (196)	1 220 (26) <u>d/</u>	1 590 (340)	1 900 (1 400)	2 000 (1 500)	2 100 (1 600)
SELF GENERATED	583	934	490	146	130	180
<u>USES b/</u>	<u>3 246</u>	<u>2 862</u>	<u>2 454</u>	<u>3 160</u>	<u>3 160</u>	<u>3 160</u>
TECHNICAL EXPENSES	2 966	2 688	2 390	2 860	2 860	2 860
EQUIPMENT	7	30	30	30	40	40
TRANSFERS (external)	747 (630)	843 (828)	1 250 (1 250)	630 (500)	630 (500)	630 (500)
OTHERS	156	129	34 <u>e/</u>	140	150	150
<u>OTHER INDICATORS</u>						
GRAND TOTAL <u>f/</u>	(3 876)	(3 867)	(3 704)	(3 660)	(3 660)	(3 660)
% UNDP CONTRIBUTION	40%	38%	37%	27%	23%	15%
% COUNTRIES CONTRIBUTION	41%	46%	65%	44%	47%	50%
EVENTUAL DEFICIT	---	--	450	287	261	550

a/ Some figures are yearly previsions, some other are projections up to december.

b/ Figures refer only to flow of funds actually managed by the Institute.

c/ Figures include expenses of country based projects, not actually managed by the Institute.

d/ Only 6% of the expected contributions has been received.

e/ This amount is insufficient for the annual needs.

f/ Including external funds, mentioned in b) and c).

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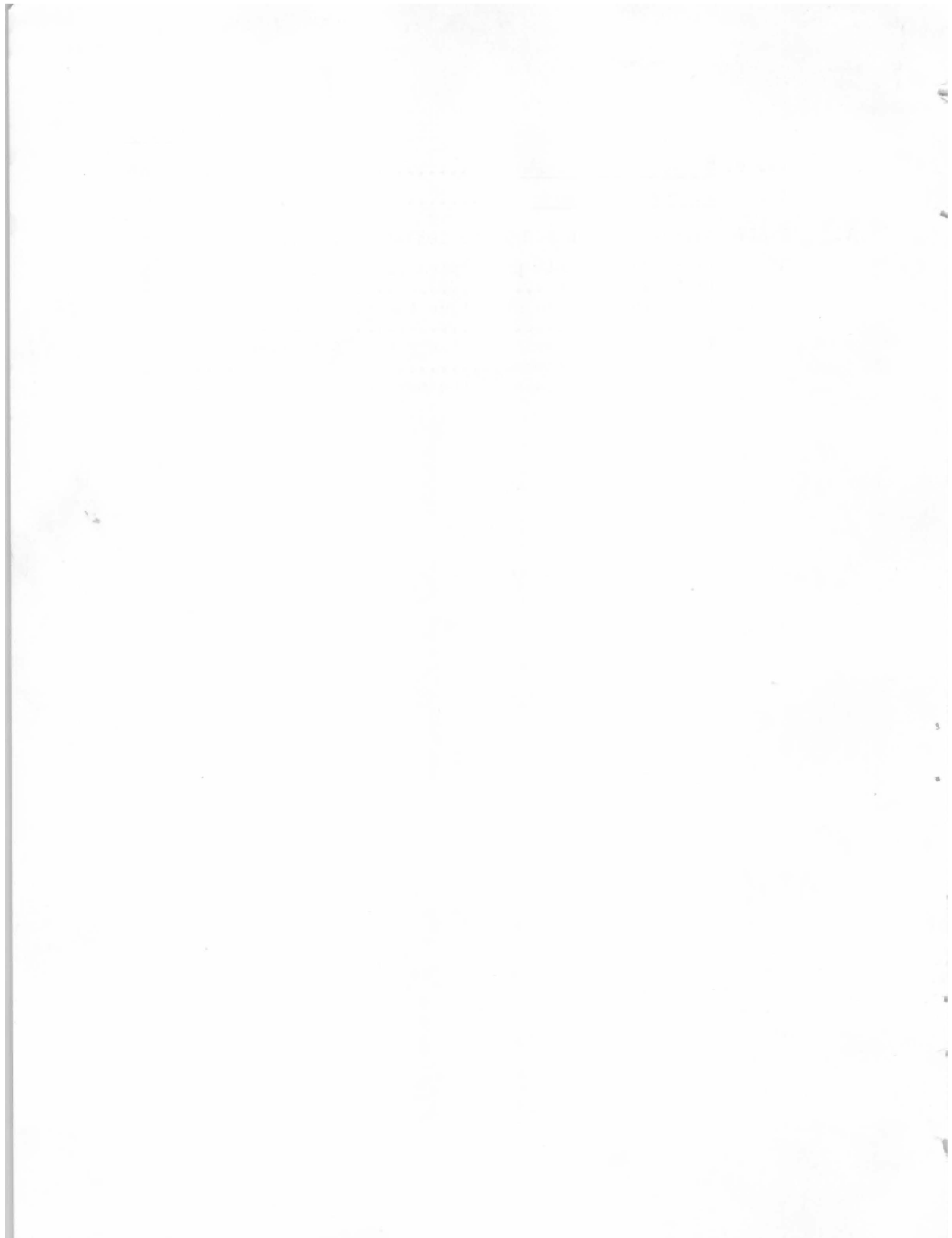
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a/ Numbers in brackets correspond to references of paragraphs.



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# ILPES

INSTITUTO LATINOAMERICANO DE  
PLANIFICACION ECONOMICA  
Y SOCIAL

LATIN AMERICAN INSTITUTE  
FOR ECONOMIC AND  
SOCIAL PLANNING

ONU/PNUD-PROGRAMA DE LAS NACIONES UNIDAS  
PARA EL DESARROLLO  
UN/UNDP-UNITED NATIONS DEVELOPMENT PROGRAMME  
CEPAL - COMISION ECONOMICA PARA AMERICA LATINA  
CEPAL-ECONOMIC COMMISSION FOR LATIN AMERICA  
MINISTERIOS Y ORGANISMOS DE PLANIFICACION DE  
AMERICA LATINA Y EL CARIBE  
MINISTRIES AND BODIES RESPONSIBLE FOR PLANNING  
IN LATIN AMERICA AND THE CARIBBEAN  
Santiago, Chile

FIFTH MEETING OF THE ILPES TECHNICAL SUBCOMMITTEE

Document

V-ST-2

29-30 November 1982

San Jose, Costa Rica, C.A.

ILPES: TWENTY YEARS OF ACTIVITY, 1962-1982

ONU BNUO PROGRAMU DE LA NACIONES UNIDAS  
BASA EL DESARROLLO  
ON UNDP UNITED NATIONS DEVELOPMENT PROGRAMME  
DECAL - COMISION ECONOMICA PARA AMERICA LATINA  
GENERAL ECONOMIC COMMISSION FOR LATIN AMERICA  
MINISTERIO DE ORGANISMO DE LAS AMERICAS  
AMERICA LATINA Y EL CARIBE  
MINISTERIO DE COOPERACION INTERNACIONAL Y PLANIFICACION  
DE LATIN AMERICA Y EL CARIBE  
Chicago, Illinois

UNDP

UNITED NATIONS DEVELOPMENT PROGRAMME  
GENERAL ECONOMIC COMMISSION FOR LATIN AMERICA  
MINISTERIO DE ORGANISMO DE LAS AMERICAS  
AMERICA LATINA Y EL CARIBE  
MINISTERIO DE COOPERACION INTERNACIONAL Y PLANIFICACION  
DE LATIN AMERICA Y EL CARIBE  
Chicago, Illinois

SECRETARÍA DE ECONOMÍA

SECRETARÍA DE ECONOMÍA

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INSTITUTO LATINOAMERICANO DE PLANIFICACION  
ECONOMICA Y SOCIAL

V MEETING OF THE TECHNICAL SUBCOMMITTEE

OF ILPES

San José, Costa Rica, C.A.

20-30 November 1982

Document A<sub>1</sub>: ILPES: 20 YEARS OF ACTIVITY



INSTITUTO VENEZOLANO DE INVESTIGACIONES ECONÓMICAS Y SOCIALES

INSTITUTO VENEZOLANO DE INVESTIGACIONES ECONÓMICAS Y SOCIALES

INSTITUTO VENEZOLANO DE INVESTIGACIONES ECONÓMICAS Y SOCIALES

## I. INTRODUCTION

### 1. THE 1950s: A TURNING POINT IN THEORY

For twenty years, the existence of ILPES has been closely linked with the economic performance of Latin America and the Caribbean, particularly as regards its experiences with developing planning. In the early 1950s, CEPAL began to draw up and systematize a sizable body of theoretical and practical elements pertaining to development in the region, and to introduce innovations with respect to certain concepts prevailing at the time according to which the export of a single commodity was viewed as almost the only option for our economies. Thus, CEPAL established substantial theoretical elements in support of industrialization and expanded its technical support for a few experiences that were already underway in South America and Mexico. During this period, CEPAL conceived and disseminated development programming techniques through research, directed advisory services to countries and training of technical cadres. A significant part of the future growth of the region, translated into a growth of the product and of employment in manufactures and a vigorous urbanization process, took place under the inspiration of these theoretical reformulations of CEPAL.

### 2. THE 1960s: A STEP FORWARD IN PLANS

In the early 1960s, planning received strong support at Punta del Este. The Alliance for Progress encouraged the formulation of development plans and programmes, with a view to enabling the region to make more rational use

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of the external resources that would be made available to it. The region experienced some high growth rates, a high degree of technification and an improvement in public policies; planning agencies were created which gave impetus to large-scale productive and infrastructure projects and encouraged the technical and economic appraisal of investments. In 1962, with the creation of ILPES, the United Nations made an effective contribution to the strengthening of development planning throughout the region.

3.  
THE INITIAL  
IMPACT OF THE  
INSTITUTE

The introduction of budgeting techniques, the systematization of national accounts, the projections of the external sector, the dissemination of input-output techniques, the programming of social sectors and self-evaluation of projects are some of the instances in which the recently created Institute produced different kinds of impact that were recognized as beneficial for the region. This work made it possible subsequently to generate constant improvements in statistical information systems, in administrative mechanisms for co-ordinating and programming government activities and indeed in its own capacity for economic analysis and evaluation of the economic policies being implemented at the time. Naturally, in reviewing and analysing their experiences in economic policy, the countries of the region found in ILPES an appropriate and timely forum in which to exchange views and seek to update the diagnoses of their economies and discuss alternative development strategies. This task was enriched precisely because of the diversity of approaches and national

experiences that have characterized the Institute, from its beginning, as the specific forum for Latin America and the Caribbean to carry out a pluralistic exchange of knowledge as regards development planning and policies.

4.  
THE PURPOSE OF  
THIS DOCUMENT

The purpose of this document is to review briefly the institutional structure of ILPES and summarize the main activities it has carried out during its twenty years of existence. At the same time, it provides an opportunity to establish some bases for reorienting the activities of the Institute as it begins its third decade, a matter which, however, is dealt with in another report. This report begins with a brief history of the origin of ILPES and its institutional framework. It then summarizes the Institute's major achievements as regards training, research and advisory services and, finally, as regards the fulfilment of its new function as the Technical Secretariat of the System of Co-operation and Co-ordination among Planning Bodies. Some of the tables at the end of this report supplement the information concerning the two decades from 1962 to 1982.

5.  
CEPAL AND THE  
CREATION OF  
ILPES

The Latin American Institute for Economic and Social Planning was created to assume the duties and expand the activities being carried out by CEPAL in the field of development planning; it was to concentrate its action on training, advisory services and research. It was formally established by CEPAL resolutions 199/IX of 30 May 1961; 219/AC.50, approved by the Committee of the Whole in February 1962; and 220/AC.52 of June.

In the latter resolution, the Committee of the Whole of the Economic Commission for Latin America charged ILPES with the responsibility of providing, "at the request of the Governments concerned, training and advisory services to the countries and areas within the geographical scope of the Commission, and for undertaking research on planning techniques".1/

6.  
THE INTENTION  
OF THE MEMBER  
COUNTRIES

In creating the Institute, the intention of the member countries was to set up a permanent and independent agency within the CEPAL system that would be closely linked with its governments in order to provide them with support through the three types of activities mentioned above. This decision was reiterated on several occasions during the 1960s. At the end of the 1960s, the member countries stressed the need to provide the Institute with the necessary support to convert it into a permanent body and to ensure its financing over the long term (resolution 286/XIII of April 1969). Later on (resolution 340/AC.66), it was decided that ILPES should become a permanent institution of the Commission, with its own identity.2/

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1/ This resolution also established the basic organizational structure of ILPES, setting up a Governing Council and creating the post of Director-General of ILPES.

2/ Under this resolution, the Governing Council was replaced by a Technical Committee consisting of the persons responsible for planning in the Latin American and Caribbean countries.

7.  
THE 1970s:  
NEW DUTIES

In May 1975, the governments, meeting at a session of CEPAL, decided to add to the duties of the Institute those of co-operating in the exchange of experience and research results on global, sectoral and regional (area) planning between the planning bodies of member countries.<sup>3/</sup> Subsequently, the Caribbean Co-operation and Development Committee (CDCC) <sup>4/</sup> established a mechanism for bringing together the planning officials in the Caribbean countries and entrusted CEPAL with the responsibility for acting as the Technical Secretariat, with the assistance of ILPES. Immediately after that,<sup>5/</sup> the Governments of Latin America and the Caribbean decided to create the System of Co-ordination and Co-operation among Planning Bodies of Latin America and recommended that ILPES should become the Technical Secretariat. CEPAL supported this decision because it represented a significant step forward in regional co-operation and integration and assigned to ILPES the responsibility of assisting governments with the operation of the new System.<sup>6/</sup>

8.  
UNDP MAKES  
THE INTENTION  
A REALITY

The Governments' wishes with respect to this specialized planning agency were made a reality thanks to the technical and financial contributions of the United Nations. The Special Fund -now the United Nations

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<sup>3/</sup> Resolution 351 (XVI).

<sup>4/</sup> Second session, Santo Domingo, March 1977.

<sup>5/</sup> First Conference of Ministers and Heads of Planning of Latin America, Caracas, April 1977.

<sup>6/</sup> CEPAL Resolution 371 (XVII) of 5 May 1977.

Development Programme (UNDP)- supported the first project, putting the Institute underway. During these early years, the contribution of the Inter-American Development Bank (IDB) was also important. But it was UNDP that provided the main support for ILPES from its inception and classified it as a regional co-operation project which recently began its phase VII. In 1977, the United Nations General Assembly approved a contribution to ILPES, which later was formerly instituted as a permanent resource.<sup>7/</sup> In addition, mention should be made of the fact that individual contributions were also made by governments within and outside the region and by bilateral co-operation agencies (see tables 1 and 2).

9.  
CEPAL AND  
THE DIRECTORS  
OF ILPES

The last four Executive Secretaries of CEPAL have played a distinguished role in supporting ILPES, beginning with Mr. Raúl Prebisch, who created it at the end of his 13-year mandate at the head of CEPAL. The Institute was supported by José Antonio Mayobre, who was Secretary of the Commission from 1963 to 1967; Mr. Carlos Quintana, who led the Commission from 1967 to 1972, and Mr. Enrique Iglesias the current Executive Secretary. During its first 10 years of existence, the Institute was under the general direction of Dr. Prebisch, except for a few years during the 1960, when he served as Secretary General of UNCTAD and was replaced by the Deputy Director, Mr. Cristóbal Lara Beautell. Mr. Iglesias

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<sup>7/</sup> Six technical posts and ten administrative posts.

took over the leadership of ILPES from February 1973 to November 1974 and between March and November of 1978. During the intervening four-year period, ILPES was directed by Mr. Luis Eduardo Rosas. From November 1978 to May 1982, it was directed by Mr. Jorge Méndez, and since July 1982 it has been under the leadership of Mr. Alfredo Costa-Filho. Two higher bodies orient the Institute and approve its programme of work, namely, the Technical Subcommittee, currently chaired by Panama and having as members, Ecuador, Argentina, Brazil, Mexico, Venezuela and Trinidad and Tobago; and the Technical Committee, composed of the seven aforementioned countries plus the remaining member countries in Latin America and the Caribbean. In both bodies, the individual countries are represented by the Minister or Head of Planning.

## II. SUMMARY OF ACTIVITIES

10.  
GIVING  
CONTINUITY  
TO TRAINING

Training activities began in 1952, when CEPAL initiated a lengthy series of courses on economic development for professionals of the region. From the beginning, this effort, already a pioneering undertaking in itself, had great impact on Latin America and the Caribbean. Through this training, a body of theory on development and on planning techniques was disseminated which was to make a place for itself in the history of economic thinking as the first systematic contribution from Latin America. This work also influenced the universities of the region, which included in their curricula in more explicit ways certain subject matters drawn from the training provided by CEPAL with regard to development problems. In 1962, with the benefit of this experience, ILPES took responsibility for pursuing and continuing to enrich the training programme, its Basic Planning Course (later the Central Planning Course) became, from that time on, a key part of this effort.

11.  
210 COURSES:  
8 200 ALUMNI

At the end of 1982, 8 200 professionals had attended the 210 courses given as part of this training effort: 1 500 in nearly 30 CEPAL courses, up to 1961, and 6 700 in the 180 ILPES courses, from 1962 to 1982. In addition to the aforementioned Basic Course, courses were also taught on sectoral planning (agricultural, industrial, commercial, etc.), short-term programming and budgets,

preinvestment and projects, various aspects of regional planning, problems of economic integration, and social planning (health, housing, education, etc.), in addition to others on specific subjects with which the United Nations has been concerned (human resources, environment, technology, etc.). Technical personnel in a wide variety of higher level positions (in a few cases, middle level), from the governments of almost all the countries of the region, have participated in these courses. More than 100 of them have held or are currently holding high positions in public administration or in universities, which means that the training effort of the Institute is multiplied. The above figures do not include the more than 1 000 occasions on which ILPES has provided its own technical staff to teach in training activities promoted directly by the member countries. These results are particularly impressive, especially considering that ILPES has always had a small technical staff, with a maximum number of 54 professionals during its best times.<sup>8/</sup> To a large extent, these results were only possible because of the Institute's capacity to mobilize consultants from the region whom it called in to collaborate, and of the support it has received from other United Nations agencies, particularly within the CEPAL system.

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<sup>8/</sup> During the last ten years, ILPES has never had more than 30 professionals on the staff at any given time.

12.  
A MUTATION  
IN THE  
CENTRES OF  
EXCELLENCE

Throughout its 20 years of existence, the quality of the training provided by ILPES has of course been closely linked with the centres of excellence -some of them of a pioneering nature- which the Institute has generated within itself. The dynamics of these centres was heterogeneous. Some were permanently assimilated into permanent divisions of CEPAL, thus disappearing as specific planning nuclei in the Institute: such is the case with the agricultural, the industrial, the economic projections and the social planning centres. Others have become independent United Nations programmes, specializing in subjects in which the Institute has been a leader: the environment, critical poverty, and, in part, technology. Some changed their orientation after having helped the member countries to build up their own capacity, as in the case of certain aspects of budget programming and public sector planning. In a few cases, the Institute has worked in areas more closely related to other international agencies, withdrawing after having fulfilled a more specific and limited, although timely and irreplaceable, task; a typical example is that of the former programme on projects. Finally, throughout the years, the Institute has maintained its centres of excellence in two areas: regional planning (in respect of which it has programmes of academic integration with European institutions offering the Master's and the Doctor's degrees) and planning at the national level, in respect of which it is fully committed to keeping its work in line -in theory and in technique- with the

specific needs of the member countries and to adjusting it to their individual institutional characteristics. This twofold approach explains the dual direction given to ILPES training in the last few years: an open central course is offered with the option of specializing in regional planning or in global planning and economic policy. However, it is important to point out that some of the changes in these centres of excellence have been the result of the inadequacy of the financial support received by the Institute, which has impoverished this common technical resource of the countries of the region.

13.  
WORK WITH  
THE  
GOVERNMENTS

The dynamics of the installed technical capacity of the Institute, mentioned above, has also determined the conditions under which ILPES has provided direct advisory services to the governments in each phase. This is, however, another of the areas of the Institute's action in which it has shown a decidedly positive balance over the two decades. Indeed, up until the 1960s, direct advisory services in the area of planning had been provided by groups of advisers from CEPAL, the OAS and the IDB. In 1962, the Institute began to perform the advisory duties entrusted to it, providing support to the aforementioned advisory groups and co-operating directly with the member countries. The demand for these

services grew rapidly,<sup>9/</sup> as awareness increased regarding the need for techniques in the preparation and implementation of economic and social development plans. In this regard, the Institute is still the most highly specialized and experienced intergovernmental agency in the region.

14.  
THE BROAD  
SPECTRUM OF  
ADVISORY  
SERVICES

Whereas in regard to training ILPES has always sought to be sensitive to the aspirations of the region, interpreting its basic problems and offering a more or less uniform type of training, its advisory services have been much more diversified, as it has responded to specific requests from individual governments. There are many subject-matter areas in which it has had to develop its own capacity, working together with the governments, or to act as a catalyst for the technical activity of consultants and specialized personnel from other international agencies, especially the regional United Nations agencies serving Latin America and the Caribbean. It has provided advisory services in connection with the interpretation of the economic and social situation and development strategies; global, sectoral and regional planning techniques; national accounts and basic statistics for planning; techniques for public sector programming and programme budgets,

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<sup>9/</sup> In response to this demand, the Division of Advisory Services (now the Directorate of Advisory Programmes - DPA) was established in 1965 to co-ordinate these activities.

and preinvestment, identification, formulation and evaluation of projects. It has provided advisory services in public sector organization and legislation for strengthening national planning systems and processes in close collaboration with the planning ministries and bodies. This had made it possible to apply more effective techniques and procedures in the public sector.

15.  
DIRECT WORK  
IN 19  
COUNTRIES

The Institute has worked directly with 19 of the member countries in connection with its training and advisory activities. Many other countries have also benefited by sending their professionals to receive training at Institute headquarters or regional courses (in Mexico, Brasilia, San José, Costa Rica, etc.). In terms of the volume of advisory services provided in each of the six phases of the Institute, by subject-matter area (economic policies, global, sectoral and regional planning and projects) and by country, 180 major tasks have been carried out, a little over 30% in Central America, 15% in the Caribbean and the remainder in Mexico and South America. Clearly, the geographical distribution of the advisory services has been largely determined by the sale of services. During the last 10 years, a significant part of the technical staff of the Institute has been demobilized; this has reduced its capacity to provide services to the relatively less developed countries, despite the fact that this was the orientation set for the Institution's programme of work from the beginning. Nevertheless, the entire region has also benefited from its research work.

16.  
RESEARCH .  
ORIENTED  
TOWARDS  
THE REGION

Since its establishment, the Institute has carried out many research studies, all of which have been oriented towards the basic problems of the member countries. In brief, studies have been carried out in fields such as economic and social development; global planning and the techniques thereof; management of the external sector and economic integration; public sector, preinvestment and project planning; social sector programming; certain areas of economic policy, and both sectoral and regional planning. The results of the research studies made it possible to develop planning methodologies, to expand and improve techniques used in advisory services and to prepare textbooks for professional training in the area of development and planning. The research studies have been carried out in close contact with CEPAL, and in several cases, with the collaboration of academic centres, planning agencies and international or bilateral co-operation bodies.

17.  
OVER 20  
PUBLICATIONS  
PER YEAR

During the 20 years of its existence, the Institute has brought together in numerous publications a large part of the results of its work. Through books, notebooks, research progress reports and other documents, it has made available to the planners of the region, the universities and the research and training centres its theoretical and technical contributions, some of which have represented a pioneering effort in the region. To these publications must be added the training notes, which already total over 300 titles.

18.  
SECRETARIAT  
OF THE FORUM  
OF MINISTERS

As has been noted in paragraph 7 above, the member Governments deemed it necessary to establish a forum for the planning bodies of Latin America and the Caribbean to discuss their accomplishments and problems; to improve contacts with each other; to promote the exchange of national experiences in economic and social planning, and to establish, through planning, appropriate mechanisms for strengthening regional co-operation. Over the last five years, ILPES has performed several tasks in its capacity as Technical Secretariat of this System. Thus, it has organized three Conferences of Ministers and Heads of Planning (and is currently preparing the Fourth Conference); it has helped CEPAL with the organization of the First and Second Meetings of Planning Officials of the Caribbean; it has established, together with CEPAL and CLADES, the Information System for Planning in Latin America (INFOPLAN); it has put underway activities involving horizontal co-operation among national planning agencies and it has published the Planning Bulletin as an element to provide links within the System (in Spanish and English).

19.  
ARTICULATING  
HORIZONTAL  
CO-OPERATION

With respect to horizontal co-operation, the opportunities for exchange among member countries extrapolate the frameworks of action of their planning agencies. Experience has shown the advisability of formulating and implementing such action within this broader context. Nevertheless, in view of the importance of this co-operation within the region, it must be

recognized that the volume of operations in this area has been lower than desired. During this period, the Institute has only been able to assign two specialists to promote and administer horizontal co-operation; this is clearly a small number considering that there are already nearly 40 countries within its area of action.

20.  
REGIONAL  
TECHNICAL  
CAPABILITY

Evidently, during the 20 years of the Institute's existence, there have been variations in the intensity, quality and orientation of its basic activities: training, advisory services, research and, more recently, promotion of co-operation among planning agencies. In each of these areas, ILPES has accumulated specific technical experience which now counts as an asset belonging to the region when stock is taken of the different contributions of the United Nations agencies to Latin America and the Caribbean. Although it is considered a permanent intergovernmental agency, the Institute has always been supported by temporary resources, with the exception, during the last five years, of the six technical posts created by the General Assembly (see paragraph 8). This has affected its work in such a way that it has often worked with governments that were able to finance the advisory services requested but it has not been able to meet the needs of relatively less developed countries. With the exception, however, of direct work with the governments, the overall activities of the Institute have benefited most of the region. In any event, on an international scale, ILPES is a successful

regional undertaking which would not have been possible without the backing of UNDP and the close support of the Economic Commission for Latin America. As it turns the corner to begin its seventh phase and its third decade, the Institute is in a position to meet the new requirements of member Governments and to support them in the areas of planning and development, in which it has accumulated experience and specialized knowledge.

Note: The annex containing statistical tables and figures is being prepared.

