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**ACTIVITIES OF THE ECLAC SYSTEM TO PROMOTE AND SUPPORT
TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES
AND REGIONS DURING THE BIENNIUM 1998-1999**

Note by the Secretariat

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INTRODUCTION

In accordance with the general recommendations, applicable to the United Nations system, of the 1978 Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries (TCDC) and the new directions for TCDC endorsed by the High-level Committee on the Review of TCDC in Decision 9/2 (1995), the secretariat of the Economic Commission for Latin America and the Caribbean (ECLAC) together with the rest of the ECLAC system, which includes the Latin American and Caribbean Institute of Economic and Social Planning (ILPES) and the Latin American Demographic Centre (CELADE), are carrying out a variety of activities to promote and support technical cooperation among developing countries at the subregional, regional and interregional levels. These activities respond to mandates conferred on the secretariat by the members of the Commission and are reviewed periodically by the member States at sessions of the Commission, whose institutional structure includes a sessional committee, set up pursuant to ECLAC resolution 387(XVIII) 1979, responsible for monitoring such matters.

This report, prepared as a working paper for submission to the sessional committee at the twenty-eighth session of the Commission to be held in 2000, in Mexico City, describes the main promotional and support activities carried out by the ECLAC system since the preceding session, at which resolution 573(XXVII) on TCDC was adopted.

Section I of the report gives a brief description of the inter-agency framework in which TCDC is currently carried on at the global and regional levels, and the role played by ECLAC in that context.

Section II of the report provides further details on the activities carried out by the ECLAC system during the biennium 1998-1999, including a general review of the results of the biennium, an examination of progress on co-ordinating TCDC with United Nations organizations and other regional bodies, and a detailed description of TCDC promotional and support activities based on the most important TCDC projects in the areas of priority interest. The section ends by discussing a few specific issues of interest.

The third and final section of the report briefly describes some possible future directions and lines of action the secretariat might take in regard to TCDC, which could be of interest for the work of the sessional committee.

I. THE INSTITUTIONAL FRAMEWORK FOR TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES (TCDC) AT THE GLOBAL AND REGIONAL LEVELS DURING THE BIENNIUM

Since the mid-1970s, the ECLAC system —comprising the Latin American and Caribbean Institute for Economic and Social Planning (ILPES) and the Latin American Demographic Centre (CELADE), along with the ECLAC secretariat— has been carrying out a wide range of activities in its programme of work to promote and support projects and initiatives in the area of technical cooperation among developing countries (TCDC) throughout Latin America and the Caribbean. Ever since its establishment in 1948, ECLAC has been deeply involved in promoting and strengthening regional economic co-operation and integration; this report, however, refers to the more precise concept of TCDC which is a multidimensional process that can be bilateral or multilateral in scope, and subregional, regional or interregional in character. TCDC should be organized by and between Governments, and these in turn can encourage participation by public and private agencies and individuals depending on individual policies. The main strategic thrust of TCDC is to assist developing countries in achieving their economic and social development objectives. As a regional body of the United Nations, ECLAC is guided in its activities in this field by the resolutions adopted by Governments in the global and regional forums of the Organization and by the guidelines that emanate from other regional forums and bodies. Together these form an institutional framework that allows ECLAC to support and strengthen ongoing TCDC activities and promote new initiatives at the different levels.

A. THE GLOBAL FRAMEWORK

In the United Nations system the general framework for TCDC is provided by the Buenos Aires Plan of Action, adopted by the General Assembly in 1978. This requests the organizations of the United Nations system to act as catalysts in promoting TCDC activities, which essentially are carried out at the initiative of developing countries themselves. Furthermore, the policy and operational recommendations on the cooperation framework for TCDC were set out in the report on new directions for TCDC, which was approved by the ninth session of the High-level Committee on TCDC and endorsed by the General Assembly at its 50th session (resolution 50/119).

The current operational strategy for applying these new guidelines is in keeping with the TCDC framework prepared by the UNDP Special Unit for Technical Cooperation among

Developing Countries. That framework has been the basis for deciding how to use the funds allocated to TCDC by the Executive Board of UNDP for the three-year period 1997-1999. The cooperation framework singles out two broad categories of activities to be considered high-priority: (i) support for the goals of sustainable human development through projects relating to poverty alleviation, the environment, production and employment, trade and investment, and macroeconomic management; and (ii) policy formulation and coordination, strengthening TCDC management and support for information activities.

B. THE REGIONAL FRAMEWORK

At the regional level, the countries of the region which are members of the Latin American Economic System (SELA) have empowered that body to act as regional focal point in supporting the TCDC activities of the national focal points responsible for these matters. Under this organizational arrangement, the national focal points, which are located within national offices or in international cooperation agencies, meet once a year. These meetings currently constitute an extremely valuable mechanism for exchanging information and ideas, keeping national focal points informed of the TCDC activities undertaken by the ECLAC system and obtaining the views of the countries of the region on the sectors and issues of interest to them. The annual frequency of the meetings, which are convened by the Permanent Secretariat of SELA supported by UNDP, allows for sound feedback from the technical agencies responsible for coordinating cooperation at the national level.

Further progress was made in inter-agency coordination through the mechanism for regional coordination among the regional bodies and organizations engaged in TCDC. This open and informal operational mechanism, based on the debates and agreements reached by the national directors of international cooperation at the above-mentioned annual meetings, goes on to identify ways in which the various regional organizations can coordinate their efforts to help countries implement the decisions they have made.

C. TCDC IN THE ECLAC CONTEXT

The activities of the ECLAC system to promote and support TCDC at the regional, subregional and interregional levels are governed by the specific mandates entrusted to the ECLAC secretariat by the States members of the Commission. Under the institutional structure of the Commission, matters pertaining to the promotion and support of TCDC come under the purview of the sessional Committee on Cooperation among Developing Countries and Regions, which was created at the eighteenth session of the Commission (La Paz, Bolivia, 1979) to review the progress made by ECLAC in the implementation of the Buenos Aires Plan of Action. The Committee has met regularly since 1981, and its work is reflected in Commission resolutions dealing specifically with the subject of TCDC in the ECLAC system.

At the twenty-seventh session of the Commission held from 11 to 16 May 1998 in Oranjestad, Aruba, the Committee approved a draft resolution that was subsequently adopted in plenary meeting as resolution 573(XXVII) on technical cooperation among developing countries and regions. In the resolution, which served as a guide to the secretariat in its activities during the following biennium, Commission members specified a number of areas in which the ECLAC system could help to promote TCDC in the region.

During the biennium, ECLAC continued to maintain contact and to negotiate with the bilateral and multilateral donors that have traditionally provided extrabudgetary funding for technical cooperation projects. Such negotiations are especially vital for the TCDC activities undertaken by the ECLAC system, since most of them are carried out with extrabudgetary resources. Section II of this report describes some of the projects of special relevance to intraregional TCDC, indicating their objectives, outputs and the amounts and sources of funding.

The newsletter *Cooperation and Development* has been integrated into a quarterly publication of ECLAC Notes which contains information on successful TCDC support activities carried out by ECLAC. The dissemination of ECLAC activities in general, and TCDC activities in particular, has been significantly enhanced by the ECLAC Internet website.

II. DESCRIPTION OF ACTIVITIES CARRIED OUT DURING THE BIENNIUM 1998-1999 TO PROMOTE AND SUPPORT TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES IN THE REGION

A. OPERATIONAL MEANS OF PROMOTING AND SUPPORTING TCDC IN THE ECLAC SYSTEM

During the biennium 1998-1999, ECLAC continued to support and collaborate in strengthening and expanding the use of TCDC in response to the needs of the countries of the region, keeping in mind the general thrust of its programme of work for the present biennium and the specific mandates contained in resolution 573(XXVII) on technical cooperation among developing countries and regions, adopted at the twenty-seventh session held in Oranjestad, Aruba in May 1998. In carrying out those mandates, ECLAC promotes TCDC by various means, including: (i) incorporating elements of horizontal cooperation in the technical and substantive studies carried out by the secretariat, with the aim of identifying cooperation opportunities and potential ways of strengthening cooperation among participating countries; (ii) developing specific TCDC-oriented projects and mobilizing extrabudgetary funding to carry them out; (iii) providing technical advice to national offices responsible for international cooperation matters; (iv) providing technical support to the TCDC networks in which the operational agents of such cooperation participate, in many cases private entities in the sector concerned; (v) coordinating with regional organizations that also use TCDC in their respective spheres of activity, especially through the networks that operate in the region with the support of UNDP and SELA; (vi) providing information services, especially through the Latin American Centre for Economic and Social Documentation (CLADES); and (vii) consulting and coordinating with other regional commissions to adopt joint initiatives aimed at promoting TCDC in areas of common interest at the interregional level.

B. COORDINATION WITH ORGANIZATIONS OF THE UNITED NATIONS SYSTEM AND WITH OTHER REGIONAL BODIES

Although not specifically intended for the coordination of TCDC activities, ECLAC took on an important inter-agency coordination role in the region, in the general areas of economic and social development. Pursuant to resolution E/1998/46, the United Nations inter-agency coordination meeting for the Latin American and Caribbean regions convened by the Deputy

Secretary-General to promote better use of the available resources of United Nations organizations working in the region with a view to improving services provided to countries, was held at ECLAC headquarters in Santiago, on 6 May 1999 and attended by representatives from United Nations bodies, programmes and specialized agencies. Apart from adopting a number of inter-agency coordination mechanisms, it was agreed that collaboration should centre on the following priority areas: (i) equity; (ii) governance; (iii) integration into the global economy; (iv) environment; and (v) mobilization of resources for development. It was further agreed that particular attention should be given to the coordination of activities in the Caribbean. ECLAC was requested to take responsibility for overall monitoring of the new cooperation and coordination mechanisms and for convening an annual coordination meeting of all United Nations bodies and agencies involved in development cooperation activities in the economic, social and related fields. Notwithstanding the primary TCDC coordination role entrusted to SELA in Latin America and the Caribbean, ECLAC will continue to support regional TCDC coordination within the United Nations system in close collaboration with SELA.

With respect to regional TCDC coordination activities during the biennium, the following intergovernmental meetings were held within the institutional framework of TCDC at the global and regional levels.

During the 1998-1999 biennium, the Member States of the United Nations undertook initiatives and adopted agreements of significance for the promotion of TCDC in the United Nations system, specifically at the eleventh session of the High-level Committee on the Review of Technical Cooperation among Developing Countries. The Committee held its eleventh session at United Nations Headquarters in New York from 1 to 4 June 1999 and, as usual, reviewed the progress made by United Nations organizations and by Governments in implementing the Buenos Aires Plan of Action and the Committee's own decisions, including the new directions for TCDC. On that occasion, the Committee noted with satisfaction the success of the commemoration of the twentieth anniversary of the Buenos Aires Plan of Action, including the commemorative meeting of the General Assembly on 7 October 1998, which, inter alia, reaffirmed the continued validity and relevance of the Buenos Aires Plan of Action and called for expanded use of the TCDC mechanism in development cooperation. The Committee also reiterated its commitment to the new directions strategy for TCDC, endorsed in decision 9/2 taken at its ninth session in 1995, and felt that the strategic focus, such as trade and investment, macroeconomic management, poverty alleviation and the environment, provide the relevant framework for a more substantive orientation for TCDC.

The thirteenth Meeting of Directors of International Technical Cooperation was held in Bridgetown, Barbados, from 22 to 24 June 1998, on the occasion of the symposium on "The Informal Economy, and the Micro, Small and Medium-sized Enterprises as Employment Generators in the Region: the role of the TCDC". This was the first such meeting to be held in the Caribbean region. As usual, the ECLAC secretariat participated in the meeting, reporting on the activities of the ECLAC system in support of TCDC and collaborating with the Permanent Secretariat and the UNDP Special Unit for Technical Cooperation among Developing Countries, which provided the necessary financial support to the countries. The agenda for the meeting

specifically included a topic relating to development policies as a suggested subject area in which to focus cooperation efforts and activities at the regional level. For the Barbados meeting the topic chosen was the informal economy and SMEs as employment generators, and the role of TCDC. ECLAC prepared a detailed report on the activities carried out in the ECLAC/UNDP/SELA project to incorporate TCDC focal points into the Internet, and proposed a series of training workshops on the construction and administration of Internet websites. The meeting also invited the various international cooperation agencies from Latin American countries together with their developed-country counterparts, and discussed ways and means to enhance development financing for TCDC activities. ECLAC participated actively in the deliberations, reporting on two regional training workshops on the creation and administration of Internet websites, organized jointly by ECLAC, SELA and the UNDP Special Unit on TCDC. These were held in Mexico City from 5 to 6 November 1998, and in Santiago, Chile, from 16 to 17 November 1998, respectively. As a response to the decision taken at the first meeting of the regional mechanism for technical cooperation in the case of emergencies arising from natural disasters, ECLAC presented its ideas for facilitating the information flows by establishing a network on the World Wide Web for local, national and regional institutions that play a role in the natural disaster issues, for the purpose of compiling and disseminating information thereon.

Pursuant to the decision taken at the 24th Regular Meeting of the Latin American Council, SELA organized the first meeting of the Regional Mechanism for Technical Cooperation in the Event of Natural Disaster Emergencies, which was held in Caracas, Venezuela, from 4 to 5 March 1999. The meeting recommended that national and international evaluation and coordination mechanisms be strengthened, as a way of persuading decision-makers of the need to undertake vulnerability analyses, mitigation measures and prompt damage and needs assessment, and to set up adequate methods for supply management and for inter-agency coordination in handling natural-disaster emergencies. In response to this recommendation, ECLAC put forward a project proposal entitled "Improved damage assessment methodology to promote natural-disaster mitigation and risk-reduction awareness and preparedness in Latin America and the Caribbean", funded by the Governments of the Netherlands and Italy, whose first technical meeting was held at ECLAC Headquarters from 1 to 3 December 1999.

The fourteenth Meeting of Directors of International Technical Cooperation was held in Santo Domingo, Dominican Republic, from 1 to 3 December 1999, organized by SELA in conjunction with the Technical Secretariat of the Office of the President of the Dominican Republic. The meeting took as its key theme the analysis of trends and prospects for international cooperation toward Latin America and the Caribbean in the new millennium. It reiterated the importance of Latin American and Caribbean participation in the framework of international technical cooperation, bearing in mind the strategies and policies of the different funding sources and differences in formulation processes. Participants acknowledged the many opportunities and possibilities offered by TCDC for strengthening cooperative relations in the region, and took the view that there had been a substantial increase in the capacity of focal points to manage cooperation activities, especially those of TCDC.

In relation to the expansion of tripartite cooperation with industrialized countries and international organizations, the directors of technical cooperation expressed interest in promoting triangular cooperation as a way of mobilizing financial resources from developed countries and technical resources from countries of similar development levels, to the benefit of relatively less developed countries.

Apart from this, in the ECLAC/UNDP/SELA project mentioned above, it was recommended that ECLAC should press ahead with education and training initiatives for officials, managers and technical staff working both in government and in other non-governmental bodies that promote international cooperation, in order to furnish them with the tools needed for handling the new information and communication technologies on the Internet, along with associated information management processes.

C. DESCRIPTION OF ECLAC PROJECTS THAT INCLUDE HORIZONTAL COOPERATION ELEMENTS

Bearing in mind that the diversity of situations in which developing countries have actually managed their own TCDC activities is a key factor to be taken into account in the planning, execution and follow-up of activities and projects aimed at intensifying the use of TCDC as an instrument for the economic and social development of developing member countries, the ECLAC system has promoted and supported TCDC as part of its programme of work. In general, TCDC activities are components of specific technical cooperation projects financed with extrabudgetary funds from various sources within and outside the United Nations system; a substantial proportion of them receive support from developed countries. The TCDC elements incorporated into such projects serve one or more of the following objectives: (i) to strengthen cooperation networks and support national TCDC focal points; (ii) to hold seminars and technical meetings to facilitate an interchange of experiences of interest to the countries; (iii) to prepare studies and reports specifically designed to identify cooperation opportunities; and (iv) to facilitate the provision of horizontal cooperation services by local experts or consultants associated with projects.

During 1998 and 1999, ECLAC continued to carry out a variety of activities to support and promote TCDC in the region in accordance with the recommendations of the Buenos Aires Plan of Action, the new directions strategy and the mandates of its Member States. In doing so, it took into account the cooperation strategy framework for TCDC for the period 1997-1999 in the context of its biennial programme of work. Most of its activities involved the incorporation of specific TCDC elements in technical cooperation projects organized by ECLAC divisions and units.

What follows is a description of TCDC promotion and support activities conducted by the ECLAC system, in certain specific areas of priority interest for TCDC that could serve as catalysts to encourage and reinforce technical cooperation among the countries of the region. The ECLAC approach in this field is firstly to make a detailed analysis of one or more cases, with consultants and specialists from the countries concerned working in close collaboration with ECLAC experts in the relevant disciplines. The next step is to compare the observations and lessons drawn from the case studies in order to use them as a basis for drawing up policy guidelines and proposals in the area concerned. This exchange of experiences is crucial to the subsequent development of possible technical assistance and cooperation activities using TCDC mechanisms. The next step is to disseminate sectoral proposals throughout the region, a process involving participation by private agents operating in the sector, public authorities responsible for regulating it, and intergovernmental and non-governmental organizations concerned with the sector at the subregional or regional level. The task of dissemination is a key element in promoting cooperation between countries.

D. PRIORITY AREAS AND RELATED TECHNICAL COOPERATION PROJECTS INVOLVING TCDC COMPONENTS

1. Small and medium-sized enterprises and employment

In Latin America and the Caribbean, small-scale production plays a prominent role in generating employment and income for broad population strata, and in the local diffusion of technical progress and economic growth. SMEs in Latin America account for over 95% of total manufacturing, wholesale, retail and service establishments, employing over 70% of the work force in these sectors and accounting for some 50% of sales. Nonetheless, SMEs still include “a vast contingent of own-account workers and family-run micro-enterprises producing on a very small scale, using obsolete technology and demonstrating low levels of productivity”; these are primarily engaged in servicing specific segments of local markets.

The impact of increasing globalization varies from country to country, but in general it has helped Latin America and the Caribbean rediscover the local dimension, by provoking a general redistribution of activities geographically; at the same time, local production activities and business systems more clearly discern the demands for productive efficiency and competitiveness that they are facing. Liberalization seems to have had more effect in polarizing sectors of production than on performance as a whole.

What is important are national and territorial development strategies to enable SMEs to increase their efficiency and capacity to adapt to an uncertain future, with specific policies such as: (i) directing activities towards the promotion of endogenous development potential and not just the procurement of foreign investment; (ii) emphasizing the local dimension of technology policy, in order to facilitate promotion of the endogenous potential of each area; (iii) giving priority attention to SMEs, with criteria based on broadly-defined social profitability and the

capacity to generate employment and income for the majority of the population, rather than narrow criteria of immediate financial gain; (iv) ensuring access to advanced production services throughout the local area; (v) consolidating local institutional systems and actively promoting cooperation and complementarity agreements in constructing the appropriate innovative environment, and (vi) taking due account of environmental sustainability when weighing up different development policies and projects.

Set out below are some ECLAC projects that incorporate the TCDC component in terms of concrete objectives and activities.

HOL/97/S93, “Small and medium-sized industrial enterprises in Latin America and the Caribbean and international competitiveness”.

Objectives: (i) to develop, systematize and analyse information relating to the economic, technological and social structure and dynamism of small and medium-sized industrial firms in the region, with emphasis on identifying the main obstacles to their development; (ii) to formulate policy proposals, in collaboration with government agencies and private-sector associations, aimed at strengthening and accelerating the economic and technological development of small and medium-sized industrial firms, with reference to both competitive international markets and domestic equity.

Participating countries: Argentina, Brazil, Chile, Colombia, Ecuador, Dominican Republic, El Salvador, Mexico, Nicaragua, Paraguay, Trinidad and Tobago, and Uruguay. Duration: 36 months (April 1997 - March 2000).

Source and amount of funding: Netherlands, US\$ 280,000.

CAN/97/S25, “Industrial restructuring, innovation and international competitiveness in Latin America” (Phase II).

Objectives: to carry out comparative research in the following areas: institutional and industrial organization related to the development of clusters in the raw materials processing industry; new forms of coordination, cooperation and synergy now emerging in the field of metalworking, and their impact on the development of domestic technological competitiveness; institutional and factor-market constraints that hamper the adaptation and technological modernization of small and medium-sized enterprises in labour-intensive industries, such as shoe, apparel or textile manufacture.

Outputs: (i) research paper on forestry clusters; (ii) research paper on subcontracting in metalwork; (iii) research paper on leather and shoes; and (iv) comparative research paper on clusters in the three above-mentioned sectors.

Duration: 26 months (April 1997 - May 1999).

Source and amount of funding: Canada, US\$ 483,370.

FRG/99/126, “Company-oriented vocational training in Latin America (Phase II)”.

Objective: to draw up differentiated and contextualized recommendations for improving technical-professional training systems aimed at promoting economic activity, productivity and employment.

Outputs: (i) procedures have been developed for adapting the provision of technical-professional training—with special consideration given to the issue of gender equality—and these have been made available to local and national stakeholders; (ii) both public and private stakeholders (public services, employer and worker organizations, executing agencies, bilateral and multilateral cooperation organizations) have criteria available for appraising technical-professional training initiatives, in order to avert or counteract possible negative effects on equal opportunities for different target groups (private-sector firms, young people and dependent workers, and especially SMEs in all sectors).

Duration: 30 months (May 1999 - October 2001).

Source and amount of funding: Germany.

ITA/98/S, Small and medium-sized industrial enterprises in Latin America.

Objectives: (i) to expand and systematize quantitative information on the current situation and trend of small and medium-sized industrial enterprises; and (ii) to support both national and local governments and business associations in defining policies to develop coordinated industrial SME networks and systems.

Outputs: (i) the creation of a statistical database on small and medium-sized industrial enterprises in the region and a computer program to be used with this; (ii) the systemization of qualitative information on policies to promote SMEs and on experiences of co-ordination processes (including subcontracting, linkages and districts) involving small and medium-sized enterprises in the different countries of the region; and (iii) technical assistance provided to national and local public-sector institutions in

drafting methodological guidelines for designing policies and instruments to promote systems of small and medium-sized enterprises.

Duration: 24 months (October 1999 - September 2001).

2. Governance and decentralization

National and international circumstances call for substantial improvements in the efficiency, efficacy and quality of public services in all spheres and levels of government. Consideration of the public-sector reform and modernization processes that have recently been carried out in Latin America and the Caribbean, reveals a significant general trend, namely a transition from a management attitude centred on production and procedures to one focused on results and service to users.

Modernization processes have been carried out on two levels. The first of these consists of redesigning the internal logic of public organizations (structure of governance of State agencies; incentive systems, evaluation and control; human resource supervision and management model; financial management model). The second concerns the interactions between public organizations and the rest of the economy (separation of functions which are of exclusive government responsibility from those which are not; development of systems for regulating the latter). These two levels are clearly interrelated, especially when the reforms lead to the establishment of markets or quasi-markets in which public and private agents compete.

As regards internal modernization, the main contribution that can be made to the new public management models is the delegation of operational and financial responsibilities from higher to lower levels of authority. This trend can be seen in various areas of public management, especially financial and human resource management, and in the establishment of clearer schemes for defining performance criteria and evaluation.

Among the structural reforms being implemented in Latin America and the Caribbean, decentralization is an important component of a number of strategies that aim to promote a more modern, efficient and flexible State that is able to meet the demands of its citizens. The decentralization process has led to a redefining of the role of different levels of government (state, provincial, and intermediate level jurisdictions, such as regional governments, municipalities and local departments), and has created new possibilities and challenges for public-sector management. In this context, Latin America and the Caribbean are embarking on a second stage of the decentralization process, where the alleged economic advantages of decentralization are expected to be gained. These include increased efficiency and equity, as a result of moving decision-making closer to the community, and the local provision of goods and services. Decentralization will likely bring significant efficiency gains and greater social control over the provision of services, provided that it facilitates community organization and participation and that the subnational levels of government show themselves to be open to it.

Set out below are some of the ECLAC projects that incorporate the TCDC component in terms of concrete objectives and activities.

FRG/98/S111, “Decentralization and promotion of economic development in Latin America and the Caribbean : Experiences and policy lessons”.

Objectives: to contribute to the design of appropriate strategies to support the decentralization process as part of government activities in Latin American countries, and to effectively encourage local and regional economic development. This will entail a review and analysis of economic and social development experiences in several countries, and an assessment of the respective decentralization programs with respect to their ability to promote local economic and social development capacity, with a perspective covering political-institutional, territorial, sectoral and financial aspects.

Outputs: (i) a conceptual framework for the relation between decentralization and economic development, and, based on this, identification of general policy guidelines and institutional requirements for efficient decentralized public management; (ii) case studies of local or regional experiences among Latin American and Caribbean countries, with a view to drawing lessons on how to link decentralization instruments coherently to wider economic development strategies. Review of successful cases, and evaluation of possible causes of failures, to help formulate policy recommendations. This will also include analysis and a summary of the suitability of the respective decentralization programmes to promote local economic and social development; and (iii) proposals at national level for the implementation of appropriate decentralization policies and strategies, that effectively promote economic development at the sub-national level.

Duration: 24 months (April 1998 - March 2000).

Source and amount of funding: Germany, US\$ 496,850.

ILPES/ENA/ASAP/ASIP, “International course-seminar on transparency in public policy management”.

Objective: the course-seminar is intended to promote a structured exchange of national experiences on the issues of controlling tax evasion and public management by results, and it also aims to examine these topics in the broader context of sustainable medium-term expenditure and public revenue policies.

Output: the training of mid-career civil servants with responsibilities for designing and executing public policies on these issues.

Duration: two weeks in 1998 and 1999.

Source and amount of funding: Ecole Nationale d'Administration, France (ENA),

Argentine Public Budget and Financial Administration Association (ASAP),
Inter-American Public Budget Association (ASIP).

FRG/98/S41, "Reform of health-care financing systems in Latin America and the Caribbean (Phase II)".

Objective: to provide Governments with policy options based on lessons drawn from regional and country experiences in the financing of health-care systems, especially privately funded subsystems. Special emphasis will be put on equity and efficiency, and the resulting need for institution building and state regulation.

Outputs: (i) recommendations for improving the efficiency of Latin American health-care systems, which also improve access for disadvantaged groups to State-run and private-sector services, have been drawn up and are being taken into account by Latin American Governments; (ii) analyses of health-care systems in Latin American countries, where new reform processes are being introduced, are available; reform proposals have also been drawn up; and (iii) Ministries of health and labour in countries where health-system reforms are at an early state have been advised on issues regarding the conceptual design of reforms, implications for systemic efficiency and access for disadvantaged groups to State-run and private-sector services.

Duration: 24 months (November 1998 – October 2000).

Source and amount of funding: Germany, US\$ 577,000.

ILPES/ICI/AECI, "Subregional courses on the preparation and appraisal of local development projects".

Objective: each course aims to provide comprehensive training for professional staff, furnishing the tools needed to effectively manage local investment resources, together with techniques and practical methods for identifying, preparing and appraising projects, without losing sight of the global nature of the process of programming public investments of national and regional scope.

Outputs: the training of central, regional and local government officials with responsibilities for managing the public investment process, supervising the execution of public investment, or appraising results.

Duration: two weeks for each course.

Source and amount of funding: ICI and AECI.

ECLAC/ILPES, "REDILPES".

Objectives: to set up a channel of communication for exchanging experiences and constantly updating information relating to strategic management of the State.

Outputs: (i) REDILPES members received the Institute's bulletin and information on its training activities free of charge; (ii) the network now has over 250 members in both the public and private sectors, and among the universities and libraries of the countries of the region and in Spain.

Duration: from mid-1996 onward.

Source of funding: ILPES.

3. Gender perspective in development cooperation

Since 1977, the Regional Conference on the Integration of Women into the Economic and Social Development of Latin America and the Caribbean has been the regular, permanent mechanism used by ECLAC member States to link the needs of women to the main development issues. In an effort to strengthen that function, ECLAC member States of approved resolution 483(XXI) in 1986, which they exhort all bodies concerned to ensure that sectoral policies and programmes for development include strategies to promote women's participation in development on an equal footing with men.

Since 1996, the Women and Development Unit, together with the Programme Planning and Operations Division, have begun to coordinate with each other to ensure that an *ex-ante* assessment was made of each ECLAC technical cooperation project, to secure the mainstreaming of the gender perspective. Further efforts were made to institutionalize the gender perspective in the substantive work of ECLAC, which involved designing a strategy based on the conviction that adopting a gender perspective on a substantive level would entail a multisectoral and interdisciplinary approach to activities to improve the situation of women; hence, priority should be given to introducing that perspective horizontally into other programmes and projects.

Set out below are some of the ECLAC projects that incorporate the TCDC component in terms of concrete objectives and activities.

RLA/99/P05, “Economic and gender equity for indigenous communities in the Latin American region: economic development, literacy and reproductive health for indigenous women”.

Objectives: (i) to contribute to the quality of life and economic development, and to increase the empowerment of women within productive organization and in regard to the reproductive health of rural indigenous populations, particularly women, in the poorest areas of the Latin American region; and (ii) to design an integrated strategy to improve the productive organization of indigenous communities, and community organization to improve health conditions (particularly SRH) and education (particularly bilingual literacy), and a participatory formulation process in conjunction with central and local indigenous organizations.

Outputs: (i) an integrated strategy to reduce extreme poverty; (ii) quantitative indicators for project monitoring and evaluation of projects relating to women and development; and (iii) training in relevant issues (gender and SRH).

Duration: 4 months (September - December 1999).

Source and amount of funding: UNFPA, US\$ 20,000.

UNF/99/S, “Reproductive education and responsible fatherhood in the Central American Isthmus”.

Objectives: (i) to build, through democratic consensus, a regional policy framework for reproductive education and the harmonization of demographic policies in the Central American Isthmus, as a part of broader socio-economic policies to combat poverty; and (ii) to build and raise awareness levels on responsible fatherhood in all six Central American countries, by identifying programmes, mechanisms and tools that stress men’s responsibility for their own fertility and promote the development of appropriate attitudes towards family life and society.

Outputs: (i) six national and one regional document containing an assessment of the present situation and policies on reproductive education and responsible fatherhood in each country; (ii) six national programmes on reproductive education and responsible fatherhood, as part of an overall family planning strategy, changing cultural attitudes, and family and social well-being. Each national document will identify immediate actions and mechanisms through which responsible fatherhood will be promoted at different levels. Each document should also include projects that incorporate the perspective of indigenous cultures on aspects of reproductive education; and (iii) a document with a regional strategy that ensures a co-ordinated approach in demographically relevant policies and operational aspects of the implementation and follow-up of programmes

aimed at stressing men's responsibility in reducing fertility, and in his family and social roles.

Duration: 24 months (April 1999 – March 2001).

Source and amount of funding: United Nations Foundation, US\$ 700,000.

During the reporting period, the Social Development Division of ECLAC collaborated with the Argentine Social Development Council, FLACSO, UNICEF and the Ministry of Economic Affairs of Chile, among others, in various gender-related seminars and group meetings. The Division of Production, Productivity and Management also collaborated with ILO, the Department of Industrial Engineering of the University of Chile, the National Women's Service of Chile, among others, on development-related gender issues through policies to improve women's labour force participation in a number of productive sectors.

The Division of Production, Productivity and Management of ECLAC conducted activities to mainstream the gender dimension in its technical cooperation projects, and developed methodological guidelines for incorporating the gender dimension in production projects, which could also serve as a model for other ECLAC projects with a gender perspective. The Division also collaborated on a UNIDO project to improve the productivity and competitiveness of the industrial sector through better integration of women. The project was carried out in Argentina, Brazil and Chile, and a regional seminar was held in October 1998 to discuss and approve a strategy for women in Mercosur.

Projects carried out by the subregional headquarters in Mexico included "Remittances and family economy (Phase II)", which produced a report entitled "Uso productivo de las remesas en El Salvador, Guatemala, Honduras y Nicaragua" ("Productive use of remittances in El Salvador, Guatemala, Honduras and Nicaragua"), on the importance of women as recipients of remittances and potential investors and micro-entrepreneurs.

Among its technical cooperation activities, the Caribbean subregional headquarters collaborated with UNIFEM in developing a support programme for the relevant government offices and ministries in analysing problems of gender planning, based on research into poor female-headed households, and women and micro-enterprises, conducted as part of the follow-up activities to the Platform for Action of the Fourth World Conference on Women.

4. Population and development

TCDC plays an important role in promoting population and development activities in the region by transferring knowledge and experience between countries. The International Conference on Population and Development recommended, among other things, the importance of horizontal cooperation among institutions in developing countries as one of six priority areas for action, namely: (i) mainstreaming population issues in strategies, policies and programmes for social and

economic development, with particular emphasis on the needs of the poorest groups; (ii) empowering women for genuine participation in decision-making and the promotion of the sociocultural changes needed for the achievement of gender equity; (iii) full exercise of the reproductive and sexual rights of couples and individuals —within the framework of responsibilities shared by women and men— so that they enjoy the best possible health throughout their lifetimes; (iv) effective collaboration between government bodies, non-governmental organizations, local community groups and the private sector for the design, execution, monitoring and appraisal of population and development programmes; (v) international cooperation to mobilize financial, human and technical assistance resources in the area of population and development and to strengthen horizontal cooperation; and (vi) creation of suitable participatory mechanisms for appropriate monitoring of progress in fulfilling the objectives of the Programme of Action.

There are a number of interactions between population and development, the latter being defined as a process of productive modernization with social equity. It has already been pointed out that highly productive economic activity requires human resources of similar quality, and this entails overcoming deficits in the areas of education, labour training and health care. These deficits, which affect the distribution of income, are also reflected in certain key demographic variables, such as life expectancy at birth and infant mortality, which differ enormously between the poor and the non-poor and between ethnic groups. Fertility also differs between social strata and, as the demographic and health surveys of a number of countries in the region show, women with a lower level of schooling have a high proportion of unwanted births, reflecting a lack of both information and access to appropriate reproductive and sexual health services.

The sociodemographic conditions prevailing in the region place limits on its ability to implement the recommendations and agreements on the six priority areas for action that emerged from the International Conference on Population and Development, but they also provide opportunities. The numerous obstacles include the persistence of poverty, insufficient job creation (especially in higher-productivity sectors), serious shortcomings in terms of social and gender equity, the fragility of economic growth, limitations on the full exercise of individual rights, and the weight of sociocultural and institutional inertia. Nonetheless, new conceptions of development and a recognition of its strong interactive links with population —in terms of human resources, social equity and environmental sustainability— open up the potential for progressing down the road mapped out by the Programme of Action. The countries of the region have made major efforts in this direction, including measures to modernize the role of the State and rationalize social spending, together with more far-reaching decentralization initiatives. To this effect, TCDC schemes in the areas of technical assistance and human resources should be improved.

Set out below are some of the ECLAC projects that incorporate the TCDC component in terms of concrete objectives and activities.

RLA/96/P17, “CELADE-UNFPA regional project, Phase II (1997-1999) on population and development”.

Objectives: (i) to foster and strengthen the capacity of countries to design, monitor and evaluate population-related policies and programmes aimed at improving the quality of life, particularly among the most vulnerable groups; (ii) to help countries identify and fulfil their needs as regards the formulation, implementation and monitoring of national policies, programmes and projects to implement the ICPD Programme of Action, through the provision of technical cooperation, methodological tools and human resource training; (iii) to produce policy-relevant research emphasizing reproductive health issues with a gender perspective, and vulnerable groups, with a view to involving the population in development planning, and to disseminate user-friendly publications to raise awareness and mobilize resources for the execution of population policies, programmes and projects at the national and sub-national levels; and (iv) to promote TCDC in training and information transfer.

Outputs: (i) Enhanced WinR+ and winR+GIS decision support tools for decentralized population-related social planning, with particular emphasis on reproductive health and target group identification; (ii) training in demographic analysis; (iii) dissemination of the above tools over the Internet or on CD-ROM, and on demand, to local and national levels, making use of the facilities of CELADE and working with the Latin American and Caribbean Population Information Network (IPALCA) in collaboration with Global POPIN and UNFPA.

Duration: 36 months (January 1997 - December 1999).

Source and amount of funding: UNFPA, US\$ 911,263.

CAR/94/P02, "Integration of population into development planning in the Caribbean subregion".

Objectives: to contribute to the economic and social development of the subregion by providing support to the countries in the training of human resources and the improvement of institutional mechanisms for incorporating population factors in development planning. The project will make possible the creation of a subregional population data base for the Caribbean countries and the training of 100 technicians from the subregion in the analysis of demographic data and use of data for planning.

Outputs: (i) technical support was provided to the countries in relation to the subregional implementation of the Programme of Action adopted at the International Conference on Population and Development; (ii) the related plan of action for the Caribbean subregion was finalized; (iii) training of government officials and staff of non-governmental organizations was conducted in the analysis of census data for purposes of quantitative planning.

Duration: 54 months (July 1994 - December 1998).

Source and amount of funding: United Nations Population Fund (UNFPA), US\$ 378,906.

BID/98/S28 “Regional programme to support the use of demographic information in the preparation, implementation and evaluation of social projects (Phase II)”.

Objectives: (i) to support the production of basic demographic information and the creation of corresponding databases; (ii) to provide advisory services in carrying out studies that use sociodemographic information in project appraisal; (iii) to support activities for strengthening national statistical systems, especially in countries where these are less developed; (iv) to develop, adapt and apply procedures for estimating demographic indicators for small areas; (v) to improve national capacities for making use of information technology and the tools of demographic data analysis in social programming; and (vi) to help high-level authorities take population variables into account in economic and social development policies.

Results: (i) health reform project in Bolivia; (ii) programme to develop a system of social indicators and social policy analysis in Bolivia; (iii) community development project in Suriname; (iv) social investment and emergency fund in Nicaragua; (v) programme to improve the quality of standard of living surveys in Peru; (vi) seminars on population ageing and pension systems.

Duration: 24 months (March 1998 - February 2000).

Source and amount of funding: IDB, US\$ 320,000.

5. Urban management and local development

Latin America and the Caribbean is one of the most highly urbanized regions of the world, and the increasing economic importance of the region's cities demands a corresponding degree of efficiency in urban management. Medium-sized cities in Latin America and the Caribbean have grown fastest over the past decade. In the closing years of the twentieth century, the appropriate functioning of urban areas has emerged as a condition for good economic performance and improved living conditions. TCDC schemes should be fully utilized to enhance the productivity and efficiency of the region's cities, promote economic and social development, and ensure the sustainability of urban management.

The region's cities have a vital role to play in the new international liberalization and integration scenario. Its medium-sized cities, in particular, not only are hubs of economic growth but also serve as a nexus for policies of key importance for production activity in the agricultural, manufacturing and service sectors. Urban functionality is an ever more essential condition for a

strong economy and a better quality of life for the population. Yet, increasing the efficiency of urban management is not enough: municipal Governments must administer central government resources efficiently and play an effective part in promoting the local development process.

An analysis made by ECLAC of the region's urban management and local development processes raises new issues. One of these is the increasingly important role being played by private economic agents in the delivery of services previously provided by the national or local public sector, and the need for public regulatory systems to oversee these activities. One positive development revealed by the analysis relates to civil society's increasingly active role in urban management. On the negative side, the analysis highlights weaknesses such as the piecemeal nature or discontinuation of many decentralization programmes, a chronic shortage of technical skills and capabilities among municipal employees and officials, and the preference shown by local political authorities for measures likely to have an immediate impact.

Issues such as urban land management, service delivery, housing, public involvement in the coordination of the urban integration process, deterioration in the population's quality of life, disaster prevention and management, public safety and new forms of poverty will continue to be priority items in the broader context of urban management and local development.

Set out below are some of the ECLAC projects that incorporate the TCDC component in terms of concrete objectives and activities.

ITA/97/S118, "Urban management strategies and tools for sustainable development in Latin America and the Caribbean".

Objectives: (i) to give municipios access to systems for modernizing methods of urban services management, making them more efficient, with particular emphasis on the design and implementation of tools and strategies for consistent action in areas of poverty; (ii) to help local governments decide on policies, programmes and actions to improve the quality of life in human settlements, particularly in lower-income households, and to make the rehabilitation of inner-city areas a local economic development strategy; (iii) to train municipal officials in the design and management of efficient urban management systems. This training programme will be a practical way of responding to the need to develop a permanent system for the diffusion of findings and results; (iv) to design a diffusion strategy and disseminate accumulated experiences in the urban management project.

Outputs: (i) comparative analysis and systemization of urban management systems, so that they can be used by interested municipios and other agents in the sectors of: (a) municipal services management, (b) coordinated action on urban poverty, and (c) rehabilitation of inner-city areas; (ii) action manual for municipios, dealing with urban management procedures in relation to servicing urban poverty and rehabilitation of inner-

city areas; (iii) implementation of urban management systems; (iv) education and training of municipal specialists.

Duration: 36 months (June 1999 – May 2002).

Source and amount of funding: Italy, US\$ 870,000.

JPN/99/S, “Enhancement of citizen awareness in the formulation of pollution control policies in major Latin American cities”.

Objectives: (i) to define environmental indicators to monitor citizens’ perception and awareness; (ii) to improve the quality and quantity of environmental information; (iii) to produce policy recommendations aimed at improving the effectiveness of environmental policies at the local level; (iv) to enhance citizens’ awareness of the cause and effect of environmental damage; and (v) to involve NGOs and other community organizations in the process of formulating and implementing environmental policy.

Outputs: (i) a comparative review of the main characteristics of air pollution in large Latin American cities; (ii) case studies focusing on municipal organizational structure and functionality in relation to the environment and urban development. The study deals with: (a) environmental settings in cities, (b) environment-related regulations and macro-policies, (c) environment-related institutional frameworks, (d) existing market-based instruments and facilities, and (e) the current situation with respect to the implementation of environmental measures; (iii) a model for strengthening environmental policy effectiveness using the survey method.

Duration: 18 months (May 1999 – November 2000).

Source and amount of funding: Japan, US\$ 158,200.

6. Natural disasters and their impact on the region

ECLAC carried out an evaluation of the damage caused by Hurricane Mitch in Central America. This enjoyed full support and collaboration from regional governments, from the United Nations system, coordinated by UNDP both centrally and at the level of resident representatives in each country, and from regional integration organizations, coordinated by the Secretary-General of the Economic Integration System (SICA).

ECLAC damage assessment uses a method proven over several decades in studies on countries of the region which suffer high levels of vulnerability and risk exposure, particularly those of Central America and the Caribbean.

The approximate cost in destroyed assets and indirect damage to production, taking into account depreciation and the condition of physical capital at the time of the disaster, estimated at current prices, is US\$ 5,000 million for the five countries (Honduras, Nicaragua, Guatemala, El Salvador and Costa Rica), representing 15% of the region's GDP. The social impact of an event of this magnitude, however, is not reflected in the evaluation of losses. Generally speaking, the poorest and most vulnerable sectors of the population are most affected; their capital may be small in monetary terms, but losses are great in relation to their economic capacity.

The State's ability to respond to the emergency has been adversely affected by the increase in current expenditure needed to deal with the most urgent rehabilitation requirements, and by the drop in tax revenue caused by short-term production losses. As a result, in some cases the vulnerability and fragility of public infrastructure has been aggravated, making severe demands on the capacity of institutions and the public sector to find sufficient strength to undertake reconstruction tasks.

The macroeconomic impact will last for several years in some countries, with crop losses being reflected directly in reduced exports. Given that imports will also need to rise to meet food needs and to provide the inputs for reconstruction work, the result will be larger trade deficits. This, together with the fiscal difficulties already mentioned, demonstrates the need to revise the macroeconomic programmes agreed with the IMF and other organizations, to make room for reconstruction. It also shows the need to speed up foreign debt negotiations.

Set out below are some of the ECLAC projects that incorporate the TCDC component in terms of concrete objectives and activities.

RLA/98/020, "Socioeconomic and environmental impact assessment of the natural disasters caused by Hurricane Mitch".

Objective: to undertake a socioeconomic and environmental impact study of the effects of Hurricane Mitch in four Central American countries —Honduras, Nicaragua, El Salvador and Guatemala.

Outputs: (i) four national studies giving a full and detailed evaluation of the direct and indirect damage caused by the disaster, including an assessment of its macroeconomic effects, identifying the worst affected sectors and geographic areas needing priority treatment during the post-disaster stage; (ii) a list of rehabilitation, reconstruction, prevention and mitigation projects; (iii) a regional summary, by sector of priority attention, of the direct and indirect damage and secondary effects on the region as a

whole, including proposals for regional cooperation, prevention and mitigation, with early warning systems and the realization of border projects, as appropriate.

Duration: three months (30 November 1998 - 28 February 1999).

Source and amount of funding: UNDP, US\$ 140,000.

HOL/99/S117, “Improve damage assessment methodology to promote natural disaster mitigation, and risk reduction awareness and preparedness in Latin America and the Caribbean”.

Objectives: (i) to increase awareness of the link between sustainable development and risk reduction in the face of recurrent, or even increasing, natural phenomena that have disastrous consequences; and (ii) to strengthen legal and institutional capacity and promote regional cooperation among the Caribbean countries in order to reduce vulnerability to natural disasters.

Outputs: (i) ECLAC methodology for damage assessment following natural disasters reviewed and updated, with special emphasis on environmental impacts, gender issues and priority-setting for post-disaster action plans; and (ii) personnel of the organization in charge of preventing, dealing with, and mitigating disasters in the Caribbean countries, trained and brought up to date on legal and institutional issues and in assessing damage caused by natural disasters.

Duration: 18 months (June 1999 - November 2000).

Source and amount of funding: US\$ 180,000.

7. Social policy and second-generation reforms

One of the most frustrating traits of Latin America’s economic development has been its marked degree of social inequality. Latin America has been the region with the most unequal income distribution in the world, and poverty levels are still high. These conditions are confronted by processes that are altering the economic and social dynamics of the region today, which include the following: the structural reforms undertaken by all countries; the globalization process that has accompanied those reform efforts; the resumption of economic growth; and the new types of reform measures being introduced in the area of social expenditure and social services as part of what have become known as “second generation” reforms, whose main objectives are to enhance market efficiency and introduce criteria of microeconomic rationality in the provision of social services, which have not previously operated on that basis.

The debate on social services has focused on introducing an element of competition (the creation of quasi-markets) by opening the system up to participation by private economic agents

in the production of those services, and by moving State support mechanisms away from traditional supply-side measures and towards demand subsidies. At the same time, and in complementary fashion, services that remain in State hands are being decentralized, new results-oriented public management schemes are being devised, public service providers are being given effective autonomy, and mechanisms are being established to give the general public a role in overseeing government management. Both components of this reorganizational effort are designed to help deal with “government failures”, which have been brought to light by problems in social service delivery, reflected in the inefficiency and poor quality of State-run services.

Set out below are some of the ECLAC projects that incorporate the TCDC component in terms of concrete objectives and activities.

FRG/97/S19 “Social policy management reforms in Latin America and the Caribbean”.

Objectives: to make proposals and promote innovative methodologies and models for managing social policies, programmes and projects aimed at enhancing effectiveness and efficiency, and achieving greater equity, in the public administration of the various countries of the region.

Outputs: (i) an analytical and typological framework of programmes for management analysis; (ii) eight national case studies on social programmes; (iii) analysis of specific problems in the management of social policies and programmes; (iv) methodological bases and innovative models for managing social policies and programmes; and (v) initial implementation of some elements of the innovative methodologies and models for social policy and programme management, drawn up by the project, in at least two management modernization processes in the region.

Duration: 34 months (March 1997 - December 1999).

Source and amount of funding of funding: Federal Republic of Germany, US\$ 494,376.

RLA/98/006, “Poverty strategy initiative: effects of macroeconomic policies on employment, distribution and poverty”.

Objectives: (i) to propose concrete policy measures for inclusion in the design of domestic balance-of-payments liberalization policies in the region’s countries, aimed at promoting a more equitable income distribution and eradicating extreme poverty; and (ii) to propose concrete policy measures for inclusion in the design of domestic social policies in the region’s countries, with a view to promoting a more equitable distribution of incomes and eradicating poverty.

Results: (i) 15-18 case studies making a comparative analysis of the relationship between two types of macroeconomic policy (balance-of-payments liberalization and social policies), labour market, wage earnings, distribution and poverty in the period 1985-96; (ii) a comparative regional analysis; (iii) a set of policy recommendations at the country level; and (iv) the consolidation of a network of regional experts on poverty and equity.

Duration: 24 months (June 1998 - June 2000).

Source and amount of funding: UNDP, US\$ 300,000.

E. STRENGTHENING TCDC FOCAL POINTS THROUGH INFORMATION TECHNOLOGY

At the thirteenth Meeting of Directors of International Technical Cooperation, held in Bridgetown, Barbados from 22 to 24 June 1998, participating member States approved the proposal made in the ECLAC/UNDP/SELA project, "Incorporation of TCDC National Focal Points into the Internet", regarding the objectives, content and methodology to be followed in holding four subregional workshops to train management officials and technical staff from national TCDC focal points, on issues relating to the creation and management of Internet web pages. This training is expected to contribute to the modernization of administrative and communication structures in public and private agencies responsible for international cooperation at the regional level. Pursuant to the initiative proposed at the thirteenth Meeting of Directors of International Technical Cooperation, the plan to hold four subregional training workshops for the creation and administration of Internet websites was ratified by the Latin American Council in its twenty-fourth ordinary meeting.

The first workshop for Central American countries and Mexico was held on 5 and 6 November 1998, at ECLAC subregional headquarters in Mexico City, sponsored by the Mexican Institute for International Cooperation of the Ministry of Foreign Affairs. Officials from Costa Rica, El Salvador, Guatemala, Mexico and Panama attended this meeting.

The second subregional meeting for southern cone countries was held at ECLAC headquarters in Santiago, Chile, on 16 and 17 November 1998. This was sponsored and supported by the International Cooperation Agency of the Government of Chile and was attended by officials from Argentina, Chile and Uruguay.

These two workshops have also made it possible to transfer knowledge to other institutions. Between 26 and 27 July 1999, at ECLAC headquarters, an extraordinary workshop was held for all United Nations System agencies in Chile, to support website development in these organizations.

The third workshop was held in Caracas, Venezuela, on 9 and 10 September 1999, and was attended by representatives from Bolivia (Instituto de Investigaciones Agrícolas, Universidad Autónoma Gabriel René Moreno); Cuba (Ministry for Foreign Investment and Economic Cooperation) and Peru (Executive Secretariat for International Technical Cooperation, Secretariat of the Council of Ministers of the Republic).

This workshop was also attended by a wide variety of Venezuelan public institutions and non-governmental organizations, including the National Council for Scientific and Technological Research (CONICIT); the Ministry for the Environment and Renewable Natural Resources (MARNR); Alcaldía del Municipio Libertador (Caracas); Instituto Venezolano de Investigaciones Científicas (IVIC); the Ministry of Production and Trade, the National Bureau of Civil Defence at the Ministry of Internal Relations; and the Venezuelan Investment Fund (VIF).

The fourth workshop was held at ECLAC subregional headquarters for the Caribbean, in Port of Spain, Trinidad and Tobago. Officials from Barbados, Guyana and Suriname attended, together with representatives from regional organizations and several ministries and government bodies in Trinidad and Tobago. Most participants had direct responsibilities in the areas of communication and information management. During the session, presentations were made by the Association of Caribbean States (ACS), which set up its website in 1996 as part of and integrated information policy when the Secretariat began to operate, and also by the CARICOM Secretariat.

F. TECHNICAL AND ECONOMIC COOPERATION AMONG COUNTRIES OF DEVELOPING REGIONS IN THE FRAMEWORK OF MECHANISMS FOR CONSULTATION WITH THE SECRETARIATS OF THE OTHER REGIONAL COMMISSIONS

In accordance with the recommendations contained in ECLAC resolution 573(XXVII) on technical cooperation among developing countries and regions, and in the framework of the United Nations system, in particular the regional commissions, ECLAC has undertaken initiatives to promote technical and economic cooperation between Latin American and the Caribbean region and other regions; these include the following activities:

(i) A New International Financial Architecture: The international financial crisis has generated instability in currency and capital markets on a scale seldom seen in world economic history, raising the spectre of recession and global deflation. This financial instability has revealed a basic problem in the global economy, namely the serious asymmetry between an increasingly sophisticated and dynamic international financial market, and institutional arrangements that are inadequate to regulate it. The imperfections of financial markets and the rapid expansion of speculative funds require prudential regulations and adequate supervisory arrangements.

In facing this international financial crisis, the United Nations Executive Committee on Economic and Social Affairs, comprising, among other bodies, the five regional commissions—Economic Commission for Europe (ECE), Economic and Social Commission for Asia and the Pacific (ESCAP), Economic Commission for Latin America and the Caribbean (ECLAC), Economic Commission for Africa (ECA), and Economic and Social Commission for Western Asia (ESCWA)— set up a task force headed by the Executive Secretary of ECLAC. This task force produced a report entitled “Towards a new international financial architecture”, which is the product of a collaborative and coordinated effort, and represents the unified position of the United Nations Secretariat on the international financial crisis and the need for the reform of international financial system. The report focuses mainly on the prevention and management of financial crises. As a follow-up to this initiative, the five regional commissions are currently formulating a joint project proposal relating to the impact of social protection networks in crisis situations.

(ii) Seminar on the economic implications of population ageing: ECLAC collaborated with the Economic Commission for Europe (ECE) in this seminar at ECE headquarters in May 1999. Four sessions were held on: (i) the consequences of ageing and the macroeconomics of pension system reform; (ii) pension system reform in market economies; (iii) pension system reform in transition economies; and (iv) the implications of global financial and economic crises for pension system reform.

The first session, on the economic aspects affecting the countries of the ECE region, revealed the dilemma facing transition economies in having to choose between liberating their markets or developing them. The ECLAC region has much to contribute on this issue, in terms of the institutional developments that need to accompany trade and financial liberalization actions, and their sequence.

(iii) ECLAC is collaborating with ESCAP in designing a project entitled “Framework for inter-regional cooperation (Asia Pacific - Latin America)”, which is to be financed by the UNDP Special Unit for TCDC. The project has been developed along the TCDC/ECDC guidelines for establishing a framework for cooperation between governmental, non-governmental and inter-governmental organizations, and for creating mechanisms to support business relations between the two continents and taking advantage of trade and investment opportunities.

III. THE REGIONAL DEVELOPMENT SITUATION AND ITS IMPLICATION FOR TCDC AS A STRATEGY IN SUPPORT OF GROWTH WITH EQUITY

A. INTRODUCTION

ECLAC sees TCDC as a leading mechanism for mobilizing cooperation in areas of key importance to the strategy, such as trade and investment, debt, poverty and equity, environment, the role of the State, production and employment, and macroeconomic policy coordination, together with health, education, population, gender, technology transfer and rural development.

Work at ECLAC has shown that the specific areas in which TCDC activities are valuable in extracting maximum advantage from countries' efforts cover a broad spectrum, as illustrated in the second section of this report. The member States of the Commission have shown an interest in setting priorities regarding the particular areas of the work programme in which TCDC mechanisms and elements should be incorporated, and the ECLAC secretariat hopes that delegations will give some clear indications in this regard in the course of the Committee's debates.

In order to make full use of the potential for TCDC to help implement and consolidate the strategy of growth with equity, cooperation guidelines should be established that take account of the new features of the development scenario. The most important of these features include the institutional changes the countries of the region are now undergoing and the emergence of new actors in the area of cooperation.

B. DEVELOPMENT SCENARIO AND PRIORITY AREAS FOR TCDC

1. Development scenario

The 1990s have not only been a decade of great economic transformation at the world and regional level, but they have also been a period of creative reflection at ECLAC. Internationally, the 1990s have seen a consolidation of globalization, and, without doubt, the most positive facet of this process has occurred in international trade.

The least favourable aspects of globalization have related to international finance and equity issues. The greater financial instability experienced by the world throughout the decade has revealed a fundamental problem of the global economy: the glaring asymmetry that exists between an increasingly sophisticated and dynamic international financial world, and the absence of an appropriate institutional framework to regulate it. Moreover, globalization has generated non-trivial distributive tensions at the international level, especially between the more mobile factors of production —capital and highly skilled labour— and less mobile factors such as unskilled labour. At the country level, the tendency for development levels to converge, as predicted by various theories of economic growth, seems to have been overridden by the highly uneven distribution of “knowledge capital” —clearly one of the most important factors of production in the globalization era. The possibility of narrowing international knowledge gaps has also been limited by the development-aid crisis, and by increasingly stringent multilateral disciplines that reduce the scope of public-policy action in less developed countries.

The countries of Latin America and the Caribbean have begun to leave the “lost decade”, as ECLAC aptly named the 1980s, behind them. The domestic reforms that have accompanied this process have demonstrated a determination to find new paths to follow, and the virtues of a healthy macroeconomy and an efficient State have been valued anew. The sharp reduction of inflation, and the rapid way in which the authorities have reacted to maintain confidence in the macroeconomic management of their economies during the current crisis, are clear signs of progress on these fronts. Apart from this, the countries of the region have been seeking ways to take fullest advantage of the new forms of specialization that characterize the globalized world. Regional integration, an ECLAC invention *par excellence*, has made giant steps and become not only a powerful engine for growth, but also an important mechanism of stabilization over the vicious economic cycle experienced by the region in the current decade. There has also been a renewed commitment to social development, as reflected in the rising trend of public social spending in Latin America.

Nonetheless, there are also serious shortcomings. Regional economic growth at 3.5% during the 1990s is far below the rates of 5.6% a year achieved between 1945 and 1974 and remains as sensitive as ever to international financial cycles, despite the growing sophistication of macroeconomic management. Technology deficits have been very large and show no signs of narrowing in many of the region’s countries. Apart from this, social inequality in many countries is greater than its already unacceptable levels of the 1960s or 1970s, and possibly in none of the region’s countries is the situation better than in those years. Furthermore, success in managing the new economic model does not seem to be related to significant distributive improvements, and in some countries the trends during the present decade have continued to deteriorate. Faster economic growth has, however, reduced poverty levels, although these are still above those of 1980. The capacity of the new growth pattern to generate formal employment has so far been very limited. According to ILO estimates, while unemployment has been trending upwards in several countries, 84 out of every 100 new jobs created have been in the informal sector, and the gap between skilled and unskilled pay has widened from 40% to 60% during the 1990s. Lastly, despite the tremendous progress made in recognizing the problems of environmental sustainability inherent in the region’s development pattern, and in setting up appropriate

institutions to deal with them, there are still no clear signs of the trend towards environmental deterioration being reversed.

2. Priority areas for TCDC

Within the framework of the ECLAC medium-term work plan and the biennial programme of work, ECLAC will focus its efforts on the priority areas for TCDC to be determined by the member countries in the light of prevailing regional economic and social development situations. TCDC/ECDC should also be strengthened with a view to complementing ongoing subregional and regional integration processes.

(a) *Participation in the global economy*

The world economy has been undergoing an intensive globalization process in recent years, which offers opportunities for development, but also limits the scope of national policies. Many reforms and a variety of different models for relating to the outside world are being adopted in the name of globalization. The challenge for Latin America is to press ahead with globalization while strengthening national integration, affirming the region's identity, filtering out destabilizing elements and, as a matter of priority, selecting those factors that help improve the quality of life and bring about comprehensive and equitable development. In this regard, the region faces some major challenges, such as: (i) finding ways of increasing its presence in foreign markets while also enhancing internal integration and stimulating a more equitable distribution of productivity; (ii) exporting more goods of better quality and higher value-added. The recent experience of small economies shows that the advantages of specialization and scale provided by exports have been one of the main factors behind their success; (iii) concentrating on Latin American integration, where there is enormous potential for future growth, rich in reciprocal exports of increasing value-added; and (iv) achieving sustainable macroeconomic stability as a basis for development.

Both intra- and inter-regional cooperation in the framework of TCDC will provide valuable support in meeting these challenges, in so far as joint policy discussions can be developed in areas directly related to this theme.

(b) *The roles of the State and the private sector*

The process of State reform is prompted by the need to adjust institutional arrangements to take account of the new development issues that are emerging on the international scene. The State needs to play a catalytic and, where appropriate, a leading role in implementing economic adjustment policies, taking into account their social implications and the political factors that condition them in meeting the challenges of international competitiveness. The issue of environmental sustainability emerges as both a hindrance and a stimulus to the progress and development of production systems, and will therefore require efforts by the State to reach consensus on how to reconcile them. The need to include the gender dimension and specific

social groups, such as young people and ethnic minorities, in the various facets of social life, also makes new institutional demands on the State.

The importance of the private sector in economic and social change should also be emphasized—in the spheres of both business enterprises and non-governmental organizations. Private-sector organizations should be given greater opportunities to take initiatives and to become organically integrated into the cooperation process, based on each country's characteristics. In particular, the private sector's potential contribution to technical cooperation activities should be re-assessed, mainly with respect to the transfer of business administration and management techniques, and science and technology .

The linkages between the State and the private sector are of special interest in relation to this strategic dimension. Interaction is not confined to areas directly related to the business sector, such as the establishment of agencies to promote exports and develop markets, mechanisms for supporting and protecting national production, institution-building, and manpower training plans and programmes. In fact, the links between the two sectors are also becoming highly dynamic in other fields, such as wage negotiations, worker benefits, housing services and health care. The exchange of experiences involving different forms of State- private-sector relationships is a suitable area for TCDC.

(c) Decentralization and local development

Among the structural reforms currently being promoted in Latin America, decentralization accounts for a substantial part of State modernization strategies aimed at promoting a less centralized market economy and, in general, a modern, efficient and flexible State that seeks to respond more effectively to the demands of its citizens. Likewise, from a political standpoint, its importance is acknowledged in strengthening democracy and governance. In an initial stage, the recent decentralization efforts in many of the countries of the region have meant substantial changes in the legal organization of competencies and resources, as reflected in a redefining of the roles of different levels of government, where, in particular, the resurgence of subnational authorities raises new possibilities and challenges for State public administration.

Latin America may be said to be entering a second stage of the process in which the economic advantages attributed to the process should begin to be verified empirically, such as the efficiency and equity gains that can be achieved by bringing decision-making closer to the community, and the decentralized provision of goods and services. This, under the principle of fiscal subsidiarity in resource allocation should lead not only to a better provision of services but also to an effective strategy for pushing out the production possibility frontier and improving the quality of life of the population. This means investigating to what point and through what instruments and lines of action the different decentralization processes taking place in Latin American countries serve to promote economic, productive and business growth in the different subnational territories. This is one of the main challenges facing the decentralization process for the region over the next few years.

(d) *SMEs and job creation*

The main pillar of the industrialization processes carried out in the region during the last half century have been large firms. At the same time, however, a large number of small and medium-sized firms (SMEs) were developed during the 1950s, 1960s and 1970s in many Latin American countries, which in several cases attained significant levels of productivity and competitiveness in those years. Nevertheless, the macroeconomic turbulence of the 1980s, together with stabilization programmes and, in some cases, badly designed liberalization policies, hit SMEs very hard. This led to large number of bankruptcies and a shrinking, both relatively and in absolute terms, of the productive sectors in which they were concentrated (including metal machinery, textiles, apparel, leather goods, footwear, furniture).

The available information suggests that SMEs have a significant presence in the economic structure of Latin America, especially in terms of the number of firms, output and, especially, employment. Nonetheless, there is a wide productivity gap between large firms and SMEs. This gap and the scant participation of SMEs in exports, and in the more dynamic markets generally, are a reflection of the conditions under which small and medium-sized firms operate: technological backwardness, disadvantaged access to markets for inputs and final products, scant use of modern techniques of management, marketing and quality control, and difficult access to information in general.

In some cases SMEs have been able to successfully integrate into international and domestic markets (which more and more are experiencing greater competitive pressure as a result of the increasing openness of the region's economies); and in some cases they have been able to increase the quantity and variety of economic agents, expand the range of specialization of local economic systems and strengthen the social stability of their countries. Nonetheless, the challenge remains to extend these achievements to the vast majority of SMEs, and this goes beyond merely increasing employment. This is crucial for developing a policy for supporting SMEs in the context of open economies, in which the levels of competitiveness and requirements to guarantee survival and success are much higher.

(e) *Equity and poverty*

Globalization has generated greater opportunities for progress, but it has also accentuated the need for improved skills and competitiveness. In confronting this challenge, Latin America and the Caribbean are helped by their recent achievements in economic and political stability, but also burdened by long-standing realities in terms of poverty, social exclusion and the highest levels of inequality in the world.

The issue of equity involves both old challenges and new ones; these are sometimes hidden behind regional averages, since considerable differences exist between and within the countries of the region. Growth has been slow in the 1990s (3.5% per year), and insufficient to reduce unemployment or improve job quality. Most new jobs have been generated in the informal sector, which is characterized by low productivity and incomes; moreover, the income gap

between the professional and technical categories and less skilled workers has widened. In each country, there are some sectors that profit from the opportunities of globalization, but others which are unable to integrate and will not do so without explicit policies to strengthen the complementarities between productive restructuring and equity, competitiveness and social cohesion.

In the context of restoring and consolidating democracy, the equity challenge is not restricted to reducing poverty, but also includes equality of opportunity and income distribution. Social exclusion and an acute sense of injustice not only raise ethical issues, but also damage growth and political stability.

Reducing the equity gap firstly requires faster economic growth and increased investment, in a context of openness and macroeconomic stability. Secondly, it calls for a strengthening of the link between growth and job creation, with improved access to capital, land, technology and business skills for the small and medium-sized firms and micro-enterprises which are responsible for the bulk of the region's jobs. And third, it needs continuing increases in social spending, with improved efficiency and targeting. Reforms are also needed in the latter area to link resources to performance and service quality, and to improve coordination between programmes, some of which need to be adapted to the reality of "hardcore poverty". Reforms also need to strengthen links with productive development and provide opportunities for the private provision of social services, with appropriate systems of regulation, information, user protection and quality safeguards. Equity also entails adapting policies and institutions to eradicate discrimination, not only on gender and ethnic grounds but also against other vulnerable sectors.

IV. SOME OPERATIONAL GUIDELINES FOR ACTIVITIES OF THE ECLAC SYSTEM TO PROMOTE AND SUPPORT TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES

A. MAIN TCDC TRENDS IN THE REGION

Past experience, together with an analysis of problems encountered in executing TCDC activities and each country's view of the potential of such activities, have helped to set certain trends which may serve to broaden the horizon of TCDC in the region. A brief review of these trends may be useful as background material for reflecting on the guidelines for TCDC operating procedures.

1. Regional programming for TCDC

The work done since the adoption of the Buenos Aires Plan of Action has provided various forms of experience which, although they have not been entirely successful in consolidating TCDC as a self-sustaining process, have nevertheless provided a more flexible conceptual framework for cooperation. This has led to a renewed awareness of the true value of the knowledge component as an essential factor in horizontal cooperation, in contrast to the purely mechanical transfer of the technology package involved in such cooperation.

In this respect, some innovative forms of cooperation have been developed which not only increase the potential for possible exchanges between two or more developing countries, but also concentrate such potential in areas where there is broad identity of capacities, priorities and interests among the countries and national institutions involved. Special mention should be made of the regional TCDC programming exercises, which have received extensive support from the countries and from regional organizations and funding sources. It is particularly interesting to note that these regional TCDC programming initiatives in priority areas have been welcomed both by the national TCDC focal points and by the relevant private-sector agents, as representing a concrete step towards focusing efforts to negotiate cooperation in specific sectors where it is possible to involve the most outstanding national public and private institutions.

2. Development and consolidation of TCDC networks

The establishment and consolidation of cooperation networks in the region represent significant investments for the future of TCDC. These networks place the sectoral technical bodies of each country in direct contact with each other, enabling them to operate in a highly flexible way. Apart from being a channel for technical participation, they also stimulate information exchange, and can develop into very expeditious means of exchange and cooperation. These advantages encourage a much more active and important role for such networks in TCDC activities in the region, operating side by side with the official bodies in the countries concerned.

The existence of these cooperation networks is a notable feature of the region's institutional infrastructure for promoting cooperation. Many of them were established thanks to the initiative and dedication of groups of specialists in different countries —not necessarily neighbouring ones— who for one reason or another entered into contact with each other, became aware of their mutual activities and concerns, and carried out very precisely focused and concerted actions. These displayed great efficiency in the use of resources (since it was generally a question of gaining maximum benefit from the funds assigned for specific purposes or projects) and a high level of operational flexibility (thanks to the personal acquaintances of the specialists). These networks are virtually a model for direct action in the area of TCDC.

ECLAC has enthusiastically encouraged the formation of such regional and subregional networks in fields of action where the participation of public and government agencies in specific sectors is an essential element for ensuring the success of cooperation initiatives.

3. Strengthening specialized TCDC units within national institutions

Most of the institutions directly engaged in technical cooperation have units responsible for coordinating TCDC. This facilitates not only the work of the institutions themselves, but also that of the national focal point. The interest displayed in setting up these units shows the importance that the institutions attach to TCDC as a means for their own technical strengthening. These initiatives have been particularly strong in countries that have progressed furthest in consolidating their national TCDC focal points. The strengthening of specialized TCDC units within the institutions is promoted from these focal points as a means of strengthening their own internal coordination role, and this results in consolidating a national network capable of linking and channelling inter- subregional and regional TCDC activity both to and from the country concerned.

4. Enhancement of the use of selective information

The intensity and diversity of the demands and changes currently facing the public sector, and the complexity of its technical bodies, highlight the importance of having selective information

available for identifying the most appropriate human and financial resources for dealing with cooperation requests, with full confidence in professional calibre, operational capacity and flexibility in each case. It should be noted, however, that in some sectors there are networks and in others whole systems of information with idle capacity that it would be worth using more fully.

In any event, there is a clear tendency to attach greater importance to selective information and to adopt realistic attitudes with regard to the true potential and implications of such information for ensuring concrete and timely cooperation activities.

A notable advance which has been taking place in this field is in the design, establishment and operation of project banks for rationalizing public investment: a process which is being supported by various international organizations and multilateral financing agencies. These information systems have aroused great interest because of their low cost and the progress made in the application of computer programs. Databases can make an appreciable contribution to the proper organization of the operational sectors of public administration, especially by introducing the time dimension as an essential parameter for government action in medium- and long-term projects. Such information systems open up interesting prospects for TCDC, provided they are designed and operated in such a way as to incorporate cooperation projects that use various forms of TCDC in their execution, as a subsystem which is parallel to but interconnected with the operational routines of the banks, which have so far dealt mainly with matters directly related to public investment proper.

B. MAIN MODES OF OPERATION

The experience accumulated by ECLAC over two decades of the Buenos Aires Plan of Action supports the idea that the diversity of situations in which the countries have actually managed their own TCDC activities is a fundamental factor to be taken into account in the planning, execution and follow-up of activities and projects aimed at intensifying the use of TCDC as a tool for development in the countries of the region.

This range of situations extends from countries of relatively greater development (pivotal countries) that are able to offer a wide range of TCDC, to those which are more on the demand side of the TCDC "market". This diversity is clearly reflected in the various policies that emerge, according to the priority given to TCDC in national development efforts; in profound differences regarding the degree of institutionalization of national TCDC focal points; in the importance and influence of the institutions that have the greatest weight and the legal and material means to effect "autonomous" TCDC exchanges; and in the capacity of countries to operate TCDC as a relatively complete process, rather than merely isolated exchanges. One of the main lessons to be drawn from this situation is that there are no hard and fast "recipes" for promoting TCDC. It is a process that has to be worked out in keeping with the particular objectives and needs of each participating country.

C. CONTINUING DIFFICULTIES FOR TCDC

In reflecting on guidelines for action in the area of TCDC, mention should be made of certain persisting obstacles. Those identified by the Secretariat were the following: (i) the uneven and sometimes insufficient knowledge and information possessed by government and private bodies in the countries on the national potential for TCDC, together with various practical misconceptions regarding the applicability of forms of TCDC as a viable means for technical cooperation; (ii) closely related to the above, the existence of attitudes sometimes tending to favour the use of traditional forms of technical cooperation in the execution of projects, rather than TCDC; (iii) the weak functioning or total absence of national TCDC focal points which are essential for the full utilization of this form of cooperation; and (iv) the recurrent shortage of resources for TCDC, aggravated by the complicated administrative procedures of funding agencies.

The Secretariat proposes, for consideration by member States, possible measures that could be taken both by Governments and the United Nations system, including ECLAC, to tackle each of these obstacles. Recommendations concerning the United Nations system include improving information flows to and from Governments on TCDC-related matters, especially in order to facilitate consideration of the use of various forms of TCDC right from the initial stages of project preparation activities; cooperation with Governments in the strengthening of national TCDC focal points; a substantial increase in the resources available for using TCDC; and periodic and systematic review of the policies and procedural guidelines of the organizations of the United Nations system, so as to ensure TCDC options are taken into account in the identification, formulation, analysis and approval of each development project supported by the organizations.

D. GUIDELINES FOR TCDC OPERATING PROCEDURES WITHIN THE ECLAC SYSTEM

From the operational standpoint, it is worth recalling some of the methods ECLAC has applied in an attempt to more fully realise the potential of TCDC in the region, for example: (i) increasing use of extrabudgetary resources to fund TCDC (which is usually a component of specific projects, the design of which involves the active collaboration of technical counterparts in the participating countries); (ii) active participation in regional or subregional coordination initiatives that show a similar appreciation of the potential of TCDC to promote economic and social development in the region; (iii) collaboration with and support for national TCDC focal points at the request of Governments, especially in areas in which ECLAC specialises and has acknowledged comparative advantages; (iv) support for regional activities programmed by UNDP to promote the use of TCDC by organizations of the United Nations system; (v) provision

of technical assistance in the development of cooperation networks in areas pertinent to the ECLAC work programme, with an emphasis on networks where both the public and the private sector are represented; (vi) selective dissemination of information on ECLAC projects and activities that are particularly suited to TCDC promotion and support, taking advantage of the broad potential for interconnection offered by existing computer networks, and by helping national TCDC focal points to use such computer networks more effectively to the benefit of technical cooperation in the region; (vii) strengthening the contacts already established with other regional commissions in order to promote interregional cooperation in the current climate of globalization.

In addition to these aspects, the guidelines for TCDC activities carried out by ECLAC should aim to strengthen the modes of operation used by the Secretariat, by reasserting policy-oriented criteria such as:

- i) taking appropriate measures to improve the incorporation of TCDC into the ECLAC programme of work and projects, and to intensify efforts aimed at mainstreaming TCDC into its operational activities for development;
- ii) giving priority to interventions on development issues and themes that are of special interest to a larger number of developing countries in the region, in areas such as: globalization and financial systems; SMEs and employment; decentralization and local development; environment and sustainable development; social equity; urban management; women in TCDC;
- iii) encouraging “pivotal countries” to take the lead in promoting and applying TCDC, mainly by sharing their capacities and experience with other developing countries;
- iv) establishing links with non-governmental organizations and the private sector, in an effort to promote TCDC;
- v) documenting and disseminating information on innovative projects and experiences among developing countries.