



UNITED NATIONS
ECONOMIC
AND
SOCIAL COUNCIL



Distr.
GENERAL

E/4935/Add.1
5 November 1970
ENGLISH
ORIGINAL: ENGLISH/FRENCH

REPORTS OF THE JOINT INSPECTION UNIT

Report on the activities of the Economic Commission for
Latin America (E/4935)

Addendum

NOTE BY THE SECRETARY-GENERAL ADDRESSED TO THE ADVISORY COMMITTEE
ON ADMINISTRATIVE AND BUDGETARY QUESTIONS

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PART ONE

Introduction

1. This is the third report on regional economic commissions prepared by the Joint Inspection Unit (JIU). The first two, dealing with ECA and ECAFE (E/4733 and E/4781), have been issued and submitted to the appropriate organs of the United Nations together with notes by the Secretary-General (E/4733/Add.1 and E/4781/Add.1) incorporating the comments of the various units within the United Nations as well as those submitted by the specialized agencies. The present document, entitled "Reports of the Joint Inspection Unit: report on the activities of the Economic Commission for Latin America", provides a comprehensive analysis of functional, organizational and administrative questions which, in the opinion of the Inspectors concerned, would lead to a greater effectiveness of ECLA. The Secretary-General is in broad agreement with many of the recommendations made by the Inspectors for improving the activities of ECLA. It has been his policy to encourage greater decentralization of United Nations economic and social activities by increasing the role of the regional economic commissions, including that in operational activities. He will continue to endeavour to make necessary changes within the United Nations to strengthen ECLA as well as other regional economic commissions and, in particular, to make their contributions as effective as possible during the Second United Nations Development Decade.
2. ~~At the present time, the Secretary-General awaits the results of the manpower utilization survey now being undertaken by the Administrative Management Service relating to all the organizational units of the United Nations, including the regional economic commissions, to assist him in instituting necessary reforms. The manpower utilization survey will, naturally, take into account the relevant recommendations of the Inspectors in regard to the ECLA secretariat. Furthermore, in compliance with Economic and Social Council resolution 1553 (XLIX) entitled "Preparatory study on regional structures", appropriate attention will be paid to the recommendation of the reports of JIU on the regional economic commissions.~~
3. Part one of this note consists of comments of the Secretary-General. Part two consists of comments received from the heads of the specialized agencies. The Secretary-General wishes to record his appreciation to them for their co-operation in transmitting their comments on the report of JIU on ECLA.

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A. Organizational matters and work programmes

4. Paragraph 36 of the report of JIU makes certain recommendations concerning the Economic Development and Research Division of the ECLA secretariat. In this connexion, it should be pointed out that the ECLA secretariat has been decentralized at the divisional and programme level. This is partly due to the fact that secretariat direction is exerted at the technical as well as the managerial-administrative level. The Executive Secretary of ECLA is examining several alternatives for reorganization aiming at introducing greater flexibility, and will no doubt discuss these with the Administrative Management Service team now in Santiago. It is, however, to be feared that large superdivisions would increase bureaucratic procedures. In view of this, it is envisaged that interdisciplinary teams should be organized within the secretariat to concentrate efforts on substantive research. As regards planning, it should be borne in mind that the Latin American Institute for Economic and Social Planning (ILPES) has specific functions in this field. The ECLA co-operates with ILPES in training, advisory and research programmes related to planning.

5. Concerning the recommendation in paragraph 38 of the report of JIU relating to the annual Economic Survey of Latin America, the ECLA secretariat has been discussing ways and means of modifying the format and scope of the annual Survey for some time. It is not considered advisable to issue the Survey once every two years because current economic analysis must appear every year and the Survey must be complemented with additional chapters on a variety of topics not necessarily covering the same subject every year. It is also felt that the biennial evaluation and appraisal of the progress achieved during the Second United Nations Development Decade should be an additional subject for the Economic Survey of Latin America. It is noted that in paragraph 37, the Inspectors have commented upon the belatedness of the appearance of the Economic Survey of Latin America. The Secretary-General and the Executive Secretary will explore ways and means of improving on past performance in this regard in order that the information in the Survey will be as topical as possible.

6. Regarding paragraph 41 of the report of JIU, it should be stressed that nearly two thirds of the work-load of the Statistical Division of ECLA relates to internal requirements of the secretariat.

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7. With regard to the transport programme mentioned in paragraphs 47-49 of the report of JIU, it is necessary to underscore the fact that the ECLA transport programme suffers from serious difficulties encountered in the recruitment of qualified personnel.
8. As regards the Trade Policy Division (paras. 55-58 of the report of JIU), this Division holds yearly courses on trade policy with an average of twenty-seven participants and the Division prepares studies and documents requested by the Special Committee on Latin American Co-ordination (CECLA).
9. The Latin American Economic Projections Centre (paras. 71-73 of the report) has performed important tasks during the past few years, its work having served as the basis for important studies such as: (a) basic aspects of development strategy in Latin America, which was included in chapter I of the 1969 edition of the Economic Survey of Latin America (E/CN.12/851); (b) technical information on development targets relating to Latin American countries for the United Nations Committee on Development Planning; (c) the preparation, in co-operation with ILPES, of economic projections by countries for the 1970s resulting in the document on that subject (E/CN.12/831) submitted to the thirteenth session of ECLA at Lima, Peru, in 1969. There is continuing co-ordination of efforts by the Latin American Economic Projections Centre and ILPES. The Centre's work has also involved the critical appraisal of the Indicative World Plan of FAO. The Centre collaborated with the Joint ECLA/FAO Agriculture Division on establishing targets and the provision of technical data for revising the Indicative Plan as related to Latin American countries. The studies issued by the Centre have been used in the recent report by Dr. Raúl Prebisch entitled "Transformación y desarrollo - La Gran Tarea de America Latina", with ample acknowledgement of the technical contributions and the usefulness of the Centre's studies. In co-operation with the Economic Development and Research Division of ECLA, the Centre has also engaged in the analysis of projects of different types of development strategies. The above examples illustrate the effective co-ordination which has been achieved by the Centre with other units of the ECLA secretariat. Such co-ordination at the over-all secretariat work-programme level has been executed mainly through the office of the Executive Secretary of ECLA.

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10. In recommendation 2 of the report (page 67), the Inspectors have recommended that it would seem advisable for the secretariat to supply to the members of ECLA for their approval a draft work programme which is sufficiently comprehensive and which would include information on (i) what resources are needed to carry out this programme; and (ii) where these resources are expected to come from. The Secretary-General agrees that information on the Commission's draft work programme should be clear and comprehensive while providing data on the level of resources needed to carry out the programme and where these resources are expected to come from. However, the form of presenting the ECLA work programme, to a large extent, has resulted from consultations with members of the Commission and the recent special arrangements made by the Commission for considering its work programme. The record of the most recent session of the Commission, held at Lima, Peru, in April 1969, indicates that members of the Commission devoted considerable attention to the substance and content of the ECLA work programme and that those members expressing views on the form of presentation of the data were generally favourable. The following quote from document E/CN.12/841/Add.1 illustrates the point: "The Commission once again commended the secretariat on its continued improvements in presentation [of the draft work-programme document], one delegation going so far as to state that the draft programme constituted a model of what Governments required." It is relevant that the form of presentation of work-programme data is closely related to programme planning and budgeting which is currently under study by the Secretary-General as a result of initiatives of the Ad Hoc Committee of Fourteen, the Advisory Committee on Administrative and Budgetary Questions, other reports of JIU, the Study of the Capacity of the United Nations Development System (DP/5),^{1/} the Committee for Programme and Co-ordination and the Economic and Social Council.

B. Operational role of the Economic Commission for Latin America

11. In paragraphs 130-132, the report takes the view that the participation of ECLA in the operational activities of the United Nations cannot be regarded as satisfactory. It singles out, as the main defect of the existing arrangements,

^{1/} United Nations publication, Sales No.: E.70.I.10.

the fact that Headquarters is exclusively responsible for taking the initiative in the matter of securing Commission participation and adds that "when additional functions are transferred to the commissions, administrative and financial authority and the corresponding resources are not always transferred to them at the same time". The report goes on to say "we consider that the time has come to work out a definite procedure for participation by the regional economic commissions in the Organization's operational activity, particularly so far as concerns the United Nations Development Programme. Not only must the procedure for transferring definite functions to the regional commissions be clearly laid down and regulated, but the administrative and financial powers of the commissions in connexion with the new functions must be defined".

12. It may be noted that a substantial measure of decentralization in the programming and implementation of regional projects executed by the United Nations already exists. As regards country projects, ECLA is kept fully in the picture concerning new requests.

13. The relevant recommendations in the report Recommendations 18 (a) to (j), pages 70-71⁷ are intended to enlarge the role of ECLA in the operational activities. Many of those recommendations are also intended to be applicable to other regional commissions (see foot-note 1, p. 70).

14. Since the report of JIU was written, the role of the regional bodies in the UNDP technical co-operation system was discussed by the Governing Council of UNDP at its tenth session (E/4884/Rev.1)^{2/} and by the Economic and Social Council at its forty-ninth session^{3/} during their consideration of the capacity of the United Nations system. In this regard, Economic and Social Council resolution 1553 (XLIX) has requested the Secretary-General to undertake a preliminary inquiry on various aspects of United Nations regional structures. The Executive Secretaries of the regional economic commissions will be required to prepare reports, on the basis of the answers to a questionnaire sent to Governments, and submit these reports before the respective regional bodies.

2/ Official Records of the Economic and Social Council, Forty-ninth Session, Supplement No. 6A.

3/ See Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 3, chap. V, paras. 193-196, and chap. X, paras. 426-446.

15. The following comments, which take into consideration the above developments, are organized according to function, viz: scope of the operational role of ECLA, programming, implementation and evaluation. It is believed that the order followed here may facilitate the systematic review of the relevant conclusions and recommendations of the report of JIU, although the organization of the latter is different and a certain amount of cross-referencing ensues.

1. Scope of the operational role of ECLA

16. It may be noted that some of the recommendations of JIU propose procedures already established. Thus, recommendation 18 (a) proposes that ECLA should be consulted in regard to all proposed training centres and institutes of research and technology. This has already been done for proposals under the Special Fund. Similar proposals under the technical assistance component normally emanate from the regional commissions themselves.

17. The report proposes in recommendation 18 (e) that in the case of regional projects, the views of ECLA should be submitted to the Governing Council at the same time as the projects themselves. Up to now, the United Nations, as the participating agency, transmits its views, which include the comments of regional commissions, to the UNDP Administrator. It is the Administrator's responsibility to make recommendations to the Governing Council, after taking into consideration all the comments received. If the above recommendation is followed, the Governing Council may equally have to receive the views of every one of the participating agencies on each project.

2. Programming

18. Recommendation 18 (c) proposes that ECLA should receive directly from the Resident Representatives copies of all project descriptions submitted by Governments to the Special Fund component. Under existing procedures, the United Nations circulates to the commissions the summaries of requests, which UNDP makes available to the participating agencies for comments. The Secretary-General agrees on the desirability that participating agencies and regional commissions should receive the full text of the Government requests. It is important, however, that the commissions' comments be addressed to the United Nations for co-ordination with all other headquarters' views on the request.

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19. A further suggestion (recommendation 18 (f)) is that ECLA should undertake pre-project and project evaluation of all multinational, regional and subregional projects as well as of projects initiated by it. As regards appraisal of requests, ECLA is already called upon to review all requests irrespective of field of activity under the Special Fund; whether at the multinational, regional, subregional or country level, and has also full responsibility for establishing priorities in regional technical assistance projects in the programmes of the United Nations. This leaves out only appraisal of requests for regional technical assistance projects in the programme of the specialized agencies.

3. Implementation

20. Under the procedures in effect, the responsibility for administering and backstopping country projects normally rests with Headquarters. However, the Commission receives information copies of all basic project documents, including job descriptions, project-description sheets and listings of appointments. The ECLA occasionally proposes candidates for expert posts in country projects in which it may be especially interested and the qualifications of such candidates are reviewed by the headquarters units concerned at the same time as those of other candidates.

21. Recommendation 18 (b) of the report on the desirability of newly appointed experts stopping for briefing at ECLA headquarters or in the subregional offices is acceptable to the Department of Economic and Social Affairs. The Office of Technical Co-operation (OTC) is already making provision for such stopovers, consideration being given, however, to the additional cost that may be involved in re-routing the expert, to whether the expert has been sufficiently briefed at headquarters and to whether ECLA is equipped in the particular field. With regard to the desirability of making available to ECLA copies of all progress and final reports of experts (recommendation 18 (d)), it may be noted that all technical assistance experts serving in United Nations executed projects are instructed to send copies of their reports to ECLA. The Commission also receives copies of progress, technical and terminal reports of Special Fund projects. Any occasional omission which may occur is due to administrative oversight and not to any policy to withhold the reports from ECLA. However, no general provision exists under the UNDP system for participating agencies to receive copies of reports from other agencies.

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22. Paragraph 126 (a) of the report of JIU refers to delays in the execution of regional technical assistance projects as a result of the requirement that cost plans be approved by the Secretary-General before implementation. The UNDP and OTC request supporting technical and financial background data in order to appraise proposals for seminars, training courses and similar projects and have on occasion requested additional justification or details from the originating office. However, as soon as a project is established on the basis of an approved submission, the funds are sub-allotted immediately and ECLA is given full financial and administrative authority to execute the project.

23. The report of JIU recommends that ECLA be team leader and co-ordinator of any development planning advisory group constituted by UNDP at the request of a Government and that ECLA should be invited to take part, from the beginning, in the preparation of regional projects in areas of great interest to the Commission and on which the secretariat has relevant experience or interest (recommendation 18 (g), (h) and (i)). These proposals are not entirely clear, since, in practice, many of the planning teams established in Latin American countries have been largely staffed and backstopped by ECLA and/or ILPES. As regards Special Fund regional projects, the Commission has always been kept fully advised of any requests and proposals from whatever source and, as mentioned earlier, has full initiative in setting priorities for any such United Nations projects. Furthermore, the Commission, through ILPES, has at its disposal a substantial resource to meet the needs of Governments on an individual or on a multilateral basis. With regard to the new multidisciplinary advisory teams, ECLA has been consulted at all stages regarding the possibilities of establishing such teams in Latin America.

4. Evaluation

24. In respect of the evaluation of continuing and completed programmes, ECLA is consulted in regard to the organization and work of the missions set up by Headquarters. It will be recalled that general evaluation missions to Chile and Ecuador, respectively, were sent in 1965 and 1968, and in each case ECLA was associated with and provided staff for the missions. More recently, an experimental exercise of evaluation of the effectiveness of OTC assistance in certain sectors in Paraguay has been carried out by Headquarters. The ECLA was

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also consulted on this mission and invited to participate in it, but because of pressure of work the regional office was unable to delegate a staff member. However, the evaluation team visited ECLA at the completion of its field work in order to review its findings and recommendations with the regional secretariat and the staff of ILPES.

25. A programme for the systematic evaluation of continuing and completed Special Fund projects has been started by UNDP and the United Nations on an experimental basis. In so far as United Nations-executed regional projects are concerned, the commissions are kept fully in the picture by OTC and the other units concerned in ESA. It is hoped that ECLA will be more closely associated with these missions in due course. However, recommendation 18 (f) of the report implies that the Commission should undertake project evaluation of all multinational regional and subregional projects, even those which are executed by specialized agencies. This, no doubt, would involve new procedural arrangements and also raises questions of agency responsibility and competence.

C. Administrative matters

1. Staffing

26. The Secretary-General shares the views of the Inspectors, set out in paragraphs 103 and 104 of the report, concerning the desirability of instituting regular in-service training for the staff of ECLA and of working out a programme of exchanges of staff between Headquarters and the Commission.

27. As regards appointments and promotions, referred to in paragraphs 99-102, the Secretary-General is aware that the appointment of candidates proposed by the secretariat of ECLA is often the subject of extended exchanges with Headquarters and is, therefore, not acted upon promptly. The procedures governing the appointment of professional and higher-level staff for all departments and offices of the Secretariat are designed, among other things, to give effect to the resolutions of the General Assembly setting out the guiding principles on the recruitment of the staff on as wide a geographical basis as possible. Any delays that may have been occasioned in the processing of appointments are no doubt due to the effort of the Secretariat to ensure that those principles are

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applied in respect of the staff of ECLA, as they are applied throughout the Secretariat. The fact that many of the professional posts of ECLA secretariat require special language qualifications, that most nationalities of the region are already adequately represented on the secretariat and that, as noted in the report, the United Nations emoluments are not competitive by comparison with those of other employers in the region does not facilitate the task of recruitment.

28. In the absence of more specific information on the processing of promotions and extensions of appointments recommended by the ECLA secretariat, it would seem difficult to comment on the observations of the Inspectors in respect of this matter. It may, however, be relevant to point out in this connexion that since the review of staff for promotion is conducted on an annual basis, advance planning, rather than ad hoc recommendations, is required of all departments of the Secretariat.

29. The Secretary-General has previously had occasion to comment on the question of in-service training (A/7796, paras. 41-45) and hopes to pursue the matter on the basis of detailed studies now under way.

2. The ECLA secretariat building

30. As indicated by the Inspectors, the problems associated with the construction of this building have been thoroughly ventilated and no purpose would be served by a further exposition. It is suggested, however, that the Inspectors may not have been fully aware of actions taken by the Secretary-General based on the experience in Santiago and the manner in which this experience has been applied to proposed or actual construction projects at other United Nations locations. This observation is particularly pertinent in relation to the proposal of the Inspectors that the Secretariat draw up a "building construction code" or "manual" for the guidance of all concerned with regard to construction both at Headquarters and in the field (para. 106). While it is entirely possible that such a manual might serve a useful purpose under certain circumstances, mention should be made of the fact that it would duplicate arrangements which already have been instituted for the planning and control of United Nations construction projects. Furthermore, since building codes, labour laws, union agreements, construction procedures and

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related practices vary widely from country to country, it is doubtful that it would be possible to develop a manual which could be used in the manner apparently intended.

31. At the present time, responsibility for exercising co-ordination and planning control of construction projects, with the exception of those at Vienna and Geneva, is exercised by the Office of General Services and specifically within that department by the Special Assignments Service. Technical advice on engineering and architectural matters is provided by the Buildings Management Service. With all construction jobs, the most important element is the accuracy and thoroughness of the advance planning. In this connexion, for the proposed projects in Addis Ababa and Bangkok, Headquarters' officials have collaborated in situ with field officials to develop preliminary Statements of Requirements and to establish firm guiding principles for architects in the preparation of proposed plans. Each step of the planning and contract award process is reviewed by Headquarters and all designs and installations require advance authorization by the Buildings Management Service. The Financial Rules provide an adequate basis for the delegation of authority to field officials in connexion with the actual administration of a construction programme. In the case of the major improvements now being carried out on the Santiago building, a system of weekly, or more frequent, administrative reports covering each phase of the operation has been established between Santiago and the Special Assignments Service. It is anticipated that should proposed plans for Bangkok and Addis Ababa be approved, a similar system of controls would be placed in operation.

32. The experience with the construction of the Santiago building has led to the conclusion that the difficulties arose not so much from the lack of appropriate procedures, definition of responsibility or delegation of authority, but rather through the manner in which these responsibilities were exercised at the local level. This emphasizes the importance of the selection of experienced and competent personnel to supervise construction projects on the spot. While it is possible to provide guidance from Headquarters as well as periodic inspections, neither of these is an adequate substitute for constant and daily supervision of the work of the contractors. These observations have not gone

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unnoticed in the advance planning for the projects in Bangkok and Addis Ababa. The efficiency with which they can be implemented, however, depends upon the ability of the United Nations to attract and retain appropriate personnel for the purpose.

33. Having indicated the above, there is no objection to the preparation of a manual as proposed by the Inspectors; however, it must be stated that with the pressure of work and the available staff in the Office of General Services, there is no qualified individual with experience as an engineer or architect who could be assigned to such a project in the foreseeable future. If it were to be decided that as a matter of priority a manual should be prepared, there would be need to request funds on the order of \$15,000 to \$20,000 in order to employ an outside consultant for a period of up to sixth months.

D. Relations of ECLA with the central organs
of the United Nations

1. United Nations Headquarters

34. The Secretary-General has noted with interest the recommendations made by the Inspectors concerning the role of the Regional Commissions Section in the Department of Economic and Social Affairs (paras. 136-140 and recommendations 21 and 22). It would be necessary to await the results of the manpower utilization survey of the Administrative Management Service before any action in connexion with recommendation 21 could be taken. The Secretary-General is, however, aware that as greater decentralization of economic and social activities takes place, giving more control to the regional economic commissions, and as these commissions become increasingly operational in their activities, it would be necessary to strengthen the servicing and liaison functions of the Regional Commissions Section of ESA at Headquarters.

35. It is also noted that in paragraph 139, the Inspectors welcomed the Secretary-General's proposal to accept the recommendation made by the Inspectors in connexion with ECAFE to involve the Regional Commissions Section in the programme-budgeting process. Practical effect has been given in 1970 to this recommendation in connexion with the 1971 budget estimates of ECAFE and the procedure has worked well. This procedure is being extended to cover all the other regional economic commissions, which would be in conformity with recommendation 22 of the Inspectors.

2. United Nations Industrial Development Organization

36. The UNIDO has no specific comments to make on the general substance of the report of JIU, but it is pleased to note that the Joint Inspection Unit refers with approval in several places in the document to the co-operation and co-ordination which has been established between UNIDO and ECLA. The Executive Director of UNIDO attaches considerable importance to such co-operation with the regional economic commissions. Through the work of the (industrial) regional advisers, the industrial field advisers in the region and the consultations at Headquarters level on the work programmes of the two organizations, it is hoped that a joint programme of activities in the field of industry will be developed. The position of UNIDO on this question was stated by the Executive Director at the meeting of the Executive Secretaries of the regional economic commissions held at Geneva during June and July 1970 (see E/4859, section VI).

3. The other regional economic commissions

37. Again, the Secretary-General appreciates the suggestions made by the Inspectors to improve relations between the secretariats of the four regional economic commissions (paras. 151 and 152 and recommendation 23). In consultation with the Executive Secretaries of the regional economic commissions, consideration will be given to effecting some of these recommendations as far as practicable. With regard to recommendation 23 that the Regional Commissions Section issue a monthly bulletin along the lines of the UNDP Bulletin, it might be noted that, early in 1971, CESI will be issuing - monthly, it is hoped - a concise compendium of information on development programmes. It will be distributed to parliamentarians, information media, national and international information services, national information commissions for the Second United Nations Development Decade, non-governmental organizations and interested institutions. It now has the working title "Development developments" and it will appear in three languages. If the idea were thought suitable, it would not be difficult to devote a certain part of this publication to the activities of the regional economic commissions.

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PART TWO. COMMENTS OF THE SPECIALIZED AGENCIES

A. International Labour Organisation

"The report has been read with great interest and we note that it contains a large number of issues relating to co-operation between regional economic commissions and the specialized agencies in Latin America and elsewhere. These broad issues will no doubt be considered by the ACC and our comments at this stage are subject to the outcome of the ACC discussions and are restricted to those of the Inspectors' proposals which deal directly with the relationship between ECLA and the specialized agencies. We are submitting, therefore, only the following preliminary comments to be taken into account in the paper you will be submitting to the ACABQ.

"We would particularly like to refer to page 24 of the report, Social Affairs Division, paragraphs 60-65, where the Inspectors have certain reservations about our activities in Latin America, in particular concerning the lack of a well-defined programme for the Santiago team and the defects of the working arrangements between the various agencies participating in the team. They also have some doubts about the question of an agreed policy among all the organizations regarding the reorientation of the work of the Santiago team.

"It is true that in the initial period of existence of the interagency team established under the Regional Employment Programme for Latin America and the Caribbean (earlier known as the Ottawa Plan) some difficulties were met.

"The difficulties arose in the initial stages because there were unexpected delays in the recruitment of a chief of the regional team who only took up his post at the beginning of October 1969. This deprived the regional team of the leadership which was necessary in the initial stages of launching a programme which was innovating, both from the point of view of the comprehensive scope of activities contemplated and to the interdisciplinary and interagency composition of the team established to carry out this programme.

"There was full agreement among the agencies that a concerted effort on their part was needed in order to promote a more rapid growth of employment in the countries of the region; however, differing views were held as to the best approach to be followed and on the nature of the tasks to be undertaken by the

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regional team. Nevertheless, from the outset several agencies agreed to participate in the work of the team and we are pleased to report that these difficulties have now been overcome. Discussions at the fifth session of the Inter-Agency Technical Programme Committee, which met in Santiago on 20-21 August 1970 and whose main tasks were to review the activities carried out by the team during the preceding year; to consider its future programme of work; and to recommend ways in which interagency co-operation could be further intensified so as to meet the objectives of the Regional Employment Programme, showed full agreement on the approach and priorities reflected in the programme proposals for the team which had been communicated in advance to all the agencies. Copies of the team's report (containing both a description of the team's activities since the previous session of the Committee and proposals for activities to be undertaken during the remainder of 1970 and in 1971) and of the Final Report of the Technical Programme Committee are appended. Together these two documents constitute a clear framework not only for the development of the team's future work, but also for improving and intensifying interagency co-operation and consultation in respect of all activities undertaken on various sides and relevant to the solution of the employment problems of the countries of the region.

"As part of the Regional Employment Programme, the ILO organized at the beginning of 1970, with the co-operation of eleven other organizations, and at the request of the President of Colombia, a comprehensive interdisciplinary mission to make a diagnosis of the employment situation and prospects in Colombia and, on that basis, make recommendations concerning short-term and long-term measures with a view to formulating a comprehensive national policy to assure that the economic development of the country would result in a high level of productive employment in the reasonably near future. The remarkable support provided by the other participating agencies (UNCTAD, FAO, IBRD, WHO, ECLA, ECE, IDB, UNESCO, UNIDO, UNOTC) in itself is evidence of the increasing acceptance of the view that the planning and implementation of full employment policies involve a new look at development planning as a whole and in each of its component parts and that it requires therefore a concerted effort on the part of all concerned. Several members of the regional team (including its chief) took part in the preparatory work and studies for the mission and in the mission itself. The report of the mission is attached.

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"We would now like to deal with the question of co-ordination of activities between ECLA and the specialized agencies operating in Latin America in the field of statistics. We appreciate the Inspectors' proposals for consideration to be given to the idea of establishing a Latin American body on the lines of the "Conferences of Statisticians" existing in other regions. However, as you know, the co-ordination of international statistics programmes has been examined on several occasions by the Statistical Commission of the United Nations and is still under current review. There may be room for special attention to be devoted by the Commission to the regional co-ordination of technical co-operation statistical programmes, but we are of the opinion that no move should be made to change the present procedure until the Statistical Commission of the United Nations has examined the matter.

"We would also like to say a few words on the Inspectors' Recommendation 18 "The Operational Role of ECLA", pages 71 and 72, in which they suggest that ECLA should be given a larger hand and the necessary authority to participate in projects. This has raised issues which are the subject of observations in the Capacity Study and in reports and recommendations of the commissions themselves. These issues have not been resolved and are the subject of discussions in ACC, UNDP and ECOSOC. Our comments therefore are subject to consideration of these issues.

"While we are in favour of keeping ECLA informed and of enlisting their support where ECLA can make a useful contribution, we would not like them to assume the role of executing agencies in respect of projects for which the ILO has demonstrated its competence, nor can we see any concrete advantages in their assuming the role of additional supervisors of ILO projects. On the contrary, we are concerned that the involvement of an additional body as a fourth layer (in addition to Governments, UNDP and the specialized agencies) in the management of projects, would only clutter up lines of authority and delay decision making to the detriment of the objectives pursued.

"In the light of these principles the answers to some of the relevant parts of Recommendation 18 would be as follows:

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- On point (a) regarding the Inspectors' recommendation that ECLA be given the necessary authority to participate in projects, we feel their participation would be welcome whenever it is justified on merit, but that they need not be given any "authority" as such.
- On point (b) we would be agreeable, whenever possible and time permitting, that experts could spend some time at ECLA headquarters for briefing but there will be cases where the same objectives could be achieved through our own offices in the region. Each case would need to be examined individually as we would like to avoid duplication.
- On point (c) it would be for UNDP and the Governments involved to decide on the Inspectors' proposals.
- With reference to point (d) ILO's reporting procedures on Special Fund projects are governed by the UNDP Reporting Manual for Executing Agencies (DP/SF/CM/44 of 2 September 1969) and the corresponding internal instructions. There are three kinds of narrative reports on ILO/SF projects, namely progress reports; technical and ad hoc reports and terminal (including interim) reports. As progress reports are internal documents produced by the project manager and copied to the resident representative, copies are not provided to the Governments although they are kept aware of developments. In principle, therefore, it would be necessary to obtain prior agreement of the Governments concerned as well as that of the UNDP before progress reports could be made available to ECLA as proposed.
- Technical reports on components or subject areas of projects including feasibility studies are produced as part of the work of the project and submitted in accordance with the Plan of Operation, to the Government. These reports are intended for wider distribution and, according to current UNDP and agency instructions, copies of such reports may be supplied to the regional economic commissions on a confidential basis pending declassification.
- Terminal reports are restricted policy-level documents giving a concise account of project results, conclusions and recommendations for follow-up action. Prior agreement of the Governments concerned and the UNDP would be required before such documents could be declassified for wider distribution. From our point of view there would be no objection if

the Government concerned desired to place this type of material at the disposal of the regional economic commission concerned.

- With regard to points (e) and (f) where the Inspectors propose that ECLA should undertake pre-project and project evaluation of all UNDP regional projects and other multinational regional and subregional projects, we believe that it would be for the Administrator of the UNDP and the Governments concerned to determine the extent to which ECLA should be involved. In so far as ILO regular budget projects are concerned we could not give any blanket agreement to time-consuming and developing procedures, although on occasions co-operation between the ILO and ECLA would certainly be advantageous and welcome.
- On point (g) regarding the proposal that ECLA be used more extensively in evaluation of multidisciplinary country Special Fund projects, this again we feel is a question for the Administrator of the UNDP. The only note of caution that we could utter at this stage is to warn against unwieldy and time-consuming procedures.

"Finally we would wish to point out that the Inspectors' recommendations concerning ILO action have been formulated in connexion with and in the context of ECLA, rather than on the merits of ILO activities which have not been examined in a comprehensive manner."

B. United Nations Educational, Scientific
and Cultural Organization

The Director-General indicated that UNESCO's observations will be confined to the specific subject of the relationship between UNESCO and ECLA, as he had already made known his views on the relations of UNESCO with the economic commissions in general in his letter DG.8/0192 of 4 December 1969, transmitting his comments on the Joint Inspection Unit report on ECAFE. (See E/4781/Add.1)

The Director-General continues:

"Where ECLA is concerned, I am aware that co-operation between the Commission and this organization could be strengthened. However, I am hopeful that progress will be achieved following the study which is being undertaken for ECLA by an outside expert and the purpose of which is 'to prepare the basis of the Commission's work programme on development of technology in Latin America and transference of technique to this region'

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and 'to give advice on an appropriate programme of activities of ECLA in relation to the application of science and technology to industrial development'. It is, however, essential that the understanding reached at the July 1969 meeting of the Executive Secretaries of the Regional Economic Commissions on co-operation between those bodies and UNESCO in the application of science and technology to development (document E/4709, chapter VI) should be fully respected.

"As regards statistics, the JIU report states (paragraph 157) that there is no contact between ECLA and the specialized agencies with regard to the statistical programme. This statement is not altogether accurate in so far as UNESCO is concerned. There have been numerous contacts between the UNESCO Office of Statistics and the Division of Statistics of ECLA, including missions from UNESCO headquarters for this purpose. Thanks to these contacts co-ordination and co-operation have been improved. There are, however, practical limitations arising from the division of responsibility between the United Nations and its economic commissions, on the one hand, and the specialized agencies on the other. For example, there is nothing unreasonable in the fact, pointed out in paragraph 157 of the JIU report, that several experts in different branches of statistics, representing different specialized agencies, should sometimes be at work in the same country. In some cases the experts may be working in entirely unrelated fields, such as educational statistics and industrial statistics. In others, their fields of work may be directly related - education and demography, for example - in which case every effort is made to ensure that their labours are co-ordinated.

"I fully support the suggestion in the JIU report (paragraph 158) that consideration should be given to the idea of establishing in Latin America a body on the lines of Conferences of Statisticians existing in other regions. It is in the interest of all United Nations organizations that their efforts should be co-ordinated and combined to the fullest extent possible."

C. World Health Organization

WHO has no specific comments on the report. Regarding relationship and co-operation between ECLA and WHO and ECLA's operational role, the Director-General reiterates the same views expressed in his letter, 28 November 1969, in connexion with the JIU Report on ECAFE.

D. International Telecommunication Union

ITU has no observations to make on the part of the report concerning the ITU (paragraph 153 (c)) as it is considered that the document faithfully reflects the relations existing between the ECLA and ITU.

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E. Inter-Governmental Maritime Consultative Organization

IMCO welcomes this useful report which notes co-operation between ECLA and IMCO. IMCO has no additional observations.

F. Food and Agriculture Organization
of the United Nations

"This is in reply to your letter of 25 August inviting my observations on the Joint Inspection Unit report concerning the activities of the Economic Commission for Latin America (JIU/REP/70/3). These will be brief since, generally speaking, there is little in this report of direct concern to FAO. In addition, many of the questions raised by the Inspectors will of course be examined during the inquiry into regional structures which you are conducting in accordance with ECOSOC resolution 1553 (XLIX).

As the Inspectors have stated, their report reflects a 'tour d'horizon' of ECLA and its subregional offices and as such makes reference to all the Commission's organizational units and activities. I am pleased to note their favourable assessment of ECLA's contribution to economic and social development in the region during the past twenty years and I support them in their belief that the role of the Commission should be further strengthened in the future.

I am also pleased to note the Inspectors' statements in several parts of their report to the effect that the co-operative arrangements with the specialized agencies have been, on the whole, very satisfactory. As you know, through the Joint ECLA/FAO Agriculture Division we have succeeded in establishing close and productive working relations between the Commission and FAO headquarters as well as between the Commission and our Regional Office. Believing that these relations are both well understood and effective, I was somewhat surprised by the Inspectors' statement in paragraph 168 that they have not been able to see clearly a proper definition of ECLA's position and role in the United Nations system'. So far as its position vis-à-vis FAO is concerned, it would seem to me that this has been very clearly defined. You may recall that I dealt at some length with this subject in my comments on the JIU report on the Economic Commission for Asia and the Far East which were included in the annex of E/4781/Add.1 of 29 January 1970.

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Most of the suggestions and recommendations in this report are directed to the Department of Economic and Social Affairs of the United Nations and it would be inappropriate for me to comment on these. However, I feel that it is incumbent upon me to refer to that portion of the report - specifically Chapter III on an operational role for ECLA - where the suggestion is made that the Commission be given responsibility for both the preparation and the execution of field projects.

While I am fully in support of greater participation of the Economic Commissions in assistance related to economic planning as well as in activities pertaining to country programming, I question the views expressed in paragraph 126 (c) on the decentralization of operational responsibilities to the Commissions if it is implied that regional and sub-regional Special Fund projects in all fields be so decentralized. The Specialized Agencies, over the years, have built up the technical expertise and the managerial and administrative experience necessary for the execution and backstopping of technical assistance and Special Fund projects within their jurisdictions. The Commissions cannot of course duplicate this expertise and experience and would therefore not be in a position to perform operational functions, except perhaps in respect of some projects exclusively within the jurisdiction of ESA. On this question I should again like to refer to my comments on the ECAFE report referred to above.

This proposal to designate the Economic Commissions as 'executing agencies' has been made elsewhere and will undoubtedly come under scrutiny during your forthcoming study of regional structures. We shall of course record our reservations on this matter when we are consulted regarding the questionnaire to be sent to the governments of member states.

In order to clarify certain observations by the Inspectors with regard to statistics, I should like to refer specifically to paragraph 155 through 159. It is important to note I think that there is a body in the Latin American region, similar to the Conference of Statisticians in other regions, which is called the Committee for Improvement of National Statistics (COINS). This body has practically the same purpose as the Conferences of Statisticians except that the secretariat is provided by the Inter-American Statistical Institute (IASI). All countries of the region together with the US and Canada are members and I understand that the United Nations and the Specialized Agencies are always invited to its meetings.

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It should be noted as well that in other regions the co-ordination of technical assistance work has not been the function of the Conference of Statisticians. As far as agricultural statistics is concerned there would appear to be very little if any duplication of work between the agencies. Whenever this has been discovered remedial action is taken immediately. When additional action is required this should be taken in the first instance by the United Nations and the agencies themselves. Our Inter-Agency Agreements with UNESCO, the ILO and UNIDO provide our mechanism for co-ordination in statistics as well as in other fields.

I might add that FAO established in 1964 a joint IASI/FAO Sub-Committee on Agricultural Statistics which normally meets once a year and which provides the forum for standardization and promotional activities in the region, including the organization of seminars and training centres.

Apart from the above, I have no specific comments on this report by Messrs. Jha and Sokirkin but I do appreciate your offering me the opportunity to comment on it."

G. Universal Postal Union

"With regard to the contents of the Report, and particularly section IX, I take pleasure in informing you that the International Bureau is convinced of the value of close co-operation between ECLA and UPU. This co-operation should make it possible to meet the needs of the Postal Administrations of the countries in the region more effectively. It is precisely these considerations which have led the International Bureau to request UNDP to assign an expert to ECLA. In addition to his normal duties, the expert will act as an adviser or UPU liaison agent attached to the Commission.

As to the principal role of this expert and the way in which he will carry out his mission, account should be taken of the special characteristics of the structure of UPU, whose Constitution provides for the possibility that member countries may establish restricted Unions. In this regard, I am transmitting herewith a copy of the letter which was recently sent to Mr. Martin Hill concerning the study on the regional structures.

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In the case of Latin America, for example, twenty-three countries -- America (the United States), Argentina, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Cuba, the Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras (Republic of), Mexico, Nicaragua, Panama (Republic of), Paraguay, Peru, Spain, Uruguay and Venezuela - have together formed the Postal Union of the Americas and Spain (PUAS), whose International Bureau is at Montevideo. Under its regulations of execution, this restricted Union seeks to take an increasingly active part in the planning, development and execution of technical assistance programmes; accordingly, the activities of the UPU expert to be assigned to ECLA will have to remain closely linked with those of PUAS for matters within its competence. In any case, regional technical co-operation projects are generally submitted to UPU under the auspices of the restricted Unions and are elaborated by the International Bureau in collaboration with those Unions.

Obviously, the respective goals of ECLA and UPU in the particular field of postal communications are broadly similar, and the implementation of the UPU/ECLA project mentioned above would no doubt result in ensuring the necessary relations between those two organizations.

The same applies with regard to Recommendation 18. In view, on the one hand, of the extremely technical nature of the activities of UPU and, on the other hand, the role of PUAS, which has been briefly described above, it would seem preferable to leave it to the International Bureau of PUAS eventually to complete the briefing of the UPU experts. However, the presence of a UPU expert assigned to ECLA could facilitate, where projects carried out by UPU are concerned, consideration of the ideas set forth in that Recommendation."
