

UNITED NATIONS
ECONOMIC
AND
SOCIAL COUNCIL



Distr.
GENERAL

E/5890/Add.1

22 April 1977

ENGLISH

ORIGINAL: ENGLISH/FRENCH/
RUSSIAN/SPANISH

REPORTS OF THE JOINT INSPECTION UNIT.

"Latin American integration: report on the
technical co-operation provided by the
United Nations system" (JIU/REP/76/3)

Note by the Secretary-General

1. The Secretary-General transmits herewith his comments, and those of the Administrator of the United Nations Development Programme (UNDP), on the above-mentioned Joint Inspection Unit (JIU) report. Also transmitted are the relevant comments received from the executive heads of the related agencies concerned.
2. This report, prepared by Inspector Ferrer-Vieyra, provides an excellent summary of the various technical co-operation activities provided by the United Nations system towards the process of economic and social integration in Latin America, and also gives a useful evaluation of the operational activities being undertaken in this field by the United Nations and the other executing and participating agencies.
3. The Secretary-General concurs in and endorses the conclusions drawn by the Inspector in section IV of the report, as well as the 18 recommendations in section V, which will be commented on later in this document. The Secretary-General agrees with the Inspector's observation that the main objective of economic and social integration is to strengthen the national development process and that the efforts of the United Nations system should be directed to the immediate needs of the poorest and most vulnerable sectors of society, in order to improve the quality of life of its members. Most of the recommendations have been or are in the process of being implemented by the organizations of the system concerned. The United Nations, for example, through its Economic Commission for Latin America (ECLA), has attached increasing importance to social problems and in particular to a unified approach to development which is considered a positive step in that direction. The Secretary-General concurs in the Inspector's conclusion that ECLA's knowledge of the economic and social situation in the region and subregions and the role it has to play as an executing agency for intercountry projects indicate that co-operation between the ECLA secretariat and the agencies concerned should be expanded to cover all aspects of development.

Some specific remarks

4. The contribution of the United Nations Industrial Development Organization (UNIDO) to the process of social and economic integration in Latin America is discussed in paragraphs 92 and 93 of the report. Reference is made to a number of projects executed by UNIDO in paragraph 92. Some of these projects require the following comments:

(a) Project DP/RLA/74/011 - "Andean Development Corporation (CAF) Technical Assistance to the Industrial Sector" - will be completed in 1977. The project, costing some \$370,000 was originally approved for implementation over a three-year period. However, due to the financial situation of UNDP, the budget of the project was reduced to \$71,100 covering only 18 work-months of expert services. The project's continuation and effectiveness are thus cast in doubt at this time.

(b) Project DP/RLA/74/004 - "Assistance in Industrial Programming to the Board of Cartagena Agreement" would have been completed in 1976. It was, however, terminated by UNDP on 31 December 1975. Nevertheless, UNIDO continues to provide technical assistance along the same lines under a new one-year project: DP/RLA/75/088 "Assistance in Industrial Rationalization (Metalworking Industries)", at a new budget of \$96,450. Five experts are expected to undertake studies in specific metalworking industries, and to recommend regional promotion and development programmes. While the work done so far has not taken into consideration relevant social and environmental implications, UNIDO believes that the project is contributing to the over-all long-term objectives of Latin American regional development programmes in the economic, social, environmental, legal and political fields.

(c) Project DP/RLA/72/078 - "In-Plant Training Programme for Personnel Engaged in Industrial Research" - is also reported as due for completion in 1976, but the project has not yet even begun because of the financial difficulties of UNDP.

(d) Project IS/RLA/74/053 - "Assistance to the Reorganization of AFIDA (Association of International Fairs of America)" - The UNDP contribution of \$7,500 was increased to \$13,560 due to new standard costs and the expert's extension. The project was to provide expert advice on strengthening the above organization in order to make it an effective instrument for promoting industrial development in Latin America.

(e) Project RLA/70/622 - "Central American Integration Programmes - Assistance to SIECA", started in 1971 and was completed in 1974; it consisted of 42 work-months of expert services to study and advise on the industrial and technological aspects of Central American integration, as well as to plan for a concerted industrial policy and strategy for the five Central American countries. The project's total cost was \$61,350 and has the potential for far-reaching beneficial effects in the region's economic and industrial development.

General comments

5. In paragraph 93 of the Inspector's report reference is made to UNIDO-assisted projects and it is stated that the industrial programming, although sound from a purely technical point of view, only served to set up social tensions in communities which were not prepared for a growth process, because no attention was paid to social aspects such as housing, education and public health conditions. This statement is in contradiction with the references made on this subject by the Administrator of UNDP in his report (DP/111) for 1974 in which he observed in paragraph 181, that a major feature of UNDP's assistance to the Andean Group had been its contribution to the formulation of one of the most novel instruments for balanced development, namely, the sectoral programme of industrial development, within the framework of UNIDO-executed projects.

6. From a review of the ongoing and completed projects referred to in paragraph 4 above, it would be difficult to assess their impact, and much less their social effects, given the highly technical nature of UNIDO's projects which are designed to facilitate the industrialization process and to create conditions favourable to industrial development. Furthermore, UNIDO's counterparts in the field are almost always ministries of industry and commerce, industrial organizations, and technical institutions whose own long-term goals in economic, industrial and technological development definitely have a beneficial impact on a country's standard of living.

7. By implying that UNIDO does not take into consideration housing, education and public health conditions in its technical assistance programmes, the report is using "social-welfare type" of criteria which are more applicable to such other agencies as the ILO, WHO, UNICEF, UNESCO and FAO than to UNIDO. Another set of criteria would perhaps be more appropriate in considering the social effects of problems of industrialization. UNIDO agrees with the statement in paragraph 17 of the report that it should try to place greater emphasis on the social problems of industrial growth, and every effort will be made to take this observation into account in its project design. It believes, too, that the over-all co-ordination of economic, industrial and social development must be undertaken at the highest levels of UNDP and the Governments concerned in order to ensure that technical assistance programmes complement each other, resulting in a long-term and short-term balanced growth.

8. UNIDO's contribution to industrial development, whether at the regional, national or local level, indirect but positive, has the social impact on such areas as a general improvement in the standard of living, income distribution, and the generation of direct and indirect employment.

9. The United Nations activities relating to social and economic integration in Latin America are discussed in paragraphs 94 to 96 of the report. In addition to the projects mentioned in these paragraphs, the United Nations is currently executing the following regional and subregional projects in Latin America:

(a) Programming, Research and Training in the Public Sector in the Central American Isthmus (ICAP) - RLA/74/056

/...

- (b) Development of Regional Statistical Services - RLA/74/077
- (c) Training in Language and Conference Services - RLA/75/017
- (d) Multisectoral Regional Planning - RLA/75/094
- (e) Eastern Caribbean Physical Planning Project - CAR/75/001
- (f) Civil Service Training Centre - CAR/75/007
- (g) Centre for Legal Services - CAR/75/008
- (h) Statistical Services in East Caribbean - CAR/75/010

10. The role of the United Nations Conference on Trade and Development (UNCTAD) is discussed in paragraph 88 of the report. However, it might be helpful to offer additional comments on the description and evaluation of the technical assistance projects undertaken by UNCTAD in assisting integration movements in Latin America.

11. As stated in paragraph 88 of the report, UNCTAD is the only organization within the United Nations system which from 1971 has had a substantive division dealing with matters concerning economic co-operation and integration among developing countries. This reflects the pre-eminent role assigned to it for technical co-operation activities in the field of integration. The list of the integration projects already implemented or being implemented in the various Latin American regional and subregional groupings (chap. I of the report) shows the very high proportion of those executed by UNCTAD. It is perhaps also worth mentioning that UNCTAD has so far produced more than 70 documents on integration problems of common interest to several regional and subregional groupings and convened 12 meetings on matters related to economic integration and co-operation among developing countries.

12. UNCTAD has participated in and made contributions to the two regional meetings on technical co-operation among developing countries held during 1976 in Bangkok and Lima. Also, from 1971 (after UNCTAD became an executing agency of UNDP) until 1975, more than 70 per cent of the total resources spent on UNDP-financed projects executed by UNCTAD was devoted to intercountry projects and in 1975 that proportion reached 75 per cent. On the other hand, and in accordance with the recommendations made by the Working Group on Technical Co-operation among Developing Countries in its report DP/69, a high percentage of the experts and consultants assigned to technical assistance projects executed by UNCTAD come from developing countries. Thus, the proportion, by 1 January 1976, was 60 per cent in respect of the over-all UNDP-financed projects and about 80 per cent for UNCTAD projects exclusively related to economic co-operation among developing countries.

13. UNCTAD shares the views contained in the conclusions and recommendations of the report. Most of those applicable to it have already been carried out. This is the case particularly with respect to conclusions 4, 7, 8, 9, 15 and 16. Conclusions 1 and 3 to 6 concerning the programming of future UNCTAD activities will be implemented along the same lines, taking fully into account the relevant conclusions and recommendations of the report.

/...

Comments on the recommendations

14. The Secretary-General fully agrees with the Inspector's recommendation 1. The United Nations has always endeavoured to take fully into account the desire of the Latin American Governments when formulating and executing technical assistance projects relating to social and economic integration.

15. Recommendation 2 states that technical co-operation should place a growing emphasis, in projects to be approved in the future, on the non-economic aspects of integration. This recommendation is acceptable. The same emphasis, however, should be placed on the need to give growing technical support to the development of more advanced and comprehensive concepts and schemes of integration, like that of the Caribbean Community and Common Market (CARICOM), which also include the social dimension. Such technical support would be highly valuable to clarify and evaluate options open in the different aspects of the CARICOM concept, in both its social and economic contents, and would facilitate the political process of negotiations.

16. Regarding recommendation 3, the United Nations Office for Technical Co-operation (OTC), works in close collaboration with ECLA in matters pertaining to regional technical co-operation activities in the region. The Latin American Demographic Institute (CELADE) is a technical assistance project with headquarters in Santiago, Chile. It is funded primarily by UNEFPA supported substantively by the Population Division of the Department of Economic and Social Affairs (ESA), and executed by the United Nations on a decentralized basis.

17. In the experience of the United Nations, recommendation 4, which states that "co-operation should in the main take the form of operational projects rather than indirect budgetary aid" appears to be based on an incorrect assumption (expressed in paras. 36 and 37 of the report) that institution-building support for integration organs is essentially equivalent to budgetary support, rather than a transfer of expertise. The Secretary-General, however, endorses the second part of the recommendation, namely, that such projects should as far as possible be executed by the agencies of integration themselves.

18. In recommendation 10, the Inspector states that, with regard to programming, the decision of UNDP to appoint a co-ordinator for the agencies of integration is considered very sound and that such co-ordination will be needed in the economic and the non-economic sectors of integration alike.

19. The Secretary-General fully concurs with the thrust of recommendation 13. ECLA is conscious of the need to place an increasing emphasis on the social aspects of development. In fact, the region has devoted a greater percentage of its current resources to such social aspects of development as human settlements, population, poverty, the role of women in the development process and so forth.

20. Some reference should however, have been made in the Inspector's report to the Development and Co-operation Committee which was created as a permanent subsidiary body of ECLA at the Havana Conference of the Caribbean countries in November 1975. The work of this Committee includes the promotion of joint

/...

economic projects among the countries of the area and the placing of a considerable emphasis on the social development of the subregion. The Inspector's suggestions in paragraph 100 of the report are most useful.

21. The Secretary-General fully concurs with and endorses recommendations 5, 6, 7, 8, 9, 11, 12, 15 and 16 on which he has no comments to make.

Comments by the Administrator of the United
Nations Development Programme

22. The report is a very good summary of Latin American integration activities. It provides a very good overview of the actions now under way resulting from UNDP participation as well as those actions arising from activities which are directly funded from the regular programmes of other specialized agencies.

23. It is noted that the Inspector is in agreement with the UNDP view expressed in the Administrator's report for 1974. In paragraph 8 of the Inspector's report, he highlights the sectors in which United Nations co-operation is most highly needed in terms of addressing itself to the issues of:

- (a) The low life expectancy of the population;
- (b) The little or no cash income;
- (c) The lack of immediate prospects for a better life.

The basic problems which affect the region are indicated as:

- (a) Lack of potable drinking water for 50 per cent of the population;
- (b) The deficit of 20 million housing units;
- (c) The below-standard calorie and protein intake;
- (d) Inadequacy of educational facilities;
- (e) The minimal medical care for the poor.

24. In support of the UNDP Administrator's statement, it is the Inspector's opinion that these fundamental problems need the co-operation of the United Nations system to seek improvement of the current situation.

25. Such being the case, the Inspector does advocate the need for considerably more activity related to social integration rather than being only concerned with matters of an economic integration character.

26. UNDP, as stated by the Inspector, has attached high priority to activities geared towards supporting the integration movements. The regional programme is heavily oriented towards integration, and about 50 per cent of its funds are

/...

allocated for regional projects directly concerned with this field. Furthermore, most other regional projects indirectly assist the integration process.

27. On the whole, we would agree that the integration movements have been mainly focused, until recently, on the economic aspects of integration. Our own programme has more or less followed the same approach due to the fact that our primary mandate is to respond to the requests of Governments and the integration institutions, which are intergovernmental bodies. However, when Governments and the integration secretariats did show interest, activities concerning social aspects were undertaken with respect to education, health, social security and related subjects, cultural heritage, and integrated rural development. It is also important to point out that some economic aspects of integration have direct social consequences and some projects are deliberately designed to attain such objectives. For example, the basic grain programme in Central America, is designed to reach the low-income/small farmers, with special attention being given to the social aspects of agricultural development.

28. It is also worth noting that during 1976, 24 per cent of our resources were allocated for projects on education, development of human resources and social sciences, and health and nutrition.

29. The regional programme for the next cycle will continue its emphasis on supporting the integration movements, concentrating its activities in a limited number of priority areas, namely, social development, economic planning and integration, integrated rural development, and science and technology. Particular emphasis will be given to projects designed for immediate development impact and which will benefit the poor. To give an illustration in the programme of science and technology, projects for the development of technologies for the production of goods and services to meet the basic needs of the lower-income sectors are envisaged. Needless to say that the projects on integrated rural development would have direct social consequences.

30. With respect to section IV, conclusions, paragraph 12, in which the Inspector suggests that greater emphasis on assisting the agencies of integration in the execution of operational projects, we would like to point out that along the lines of new dimensions and technical co-operation among developing countries (TCDC), the Bureau is exploring the possibility that the integration secretariats would serve as direct executing agencies in some projects.

31. With respect to paragraph 14 of the same section, we would like to highlight that the Latin American Institute for Economic and Social Planning (ILPES), in its 1976 work plan, attaches increasing importance to social problems. A research programme on extreme poverty in some countries of the region is under way.

32. It would also be helpful if JIU would recommend and suggest specific activities in the area of social aspects of integration which UNDP could promote among the Governments of the region and among the integration movements.

/...

United Nations Educational, Scientific and Cultural Organization

Provisional text of the Executive Board

"3.3.4 - Latin American Integration; report on technical co-operation provided by the United Nations system (JIU/REP/76/3) (100 EX/8) and report of the Special Committee thereon (100 EK/4)"

"The Executive Board,

1. Having examined document 100 EX/8,
2. Takes note of the report and of the Director-General's preliminary observations thereon;
3. Invites the Director-General to communicate the ACC's comments and any further observations he may wish to make to the Board at a subsequent session."

Extract from the report of the Special Committee of the Executive Board

39. The representative of the Director-General, introducing document 100 EX/8 concerning the Reports of the United Nations Joint Inspection Unit (JIU) on the technical co-operation provided by the United Nations system in connexion with Latin American integration, referred to the structure and content of the document and more particularly to the part of the JIU report dealing with UNESCO and to the Director-General's preliminary observations on the JIU report. He said that the Director-General would let the Executive Board have his final observations when the Administrative Committee on Co-ordination (ACC) had examined the JIU report, at its meeting in October 1976. He also referred to existing Latin American integration movements and the bodies representing them.

40. Several speakers expressed satisfaction at the over-all approach of the United Nations system and the progress made in regard to Latin American integration.

41. The need for greater co-ordination between the United Nations bodies and the regional or subregional institutions responsible for integration processes was emphasized. In that connexion, a member of the Committee proposed suggesting to the Director-General that the document be studied by the regional bodies mentioned therein, particularly the OAS and ECLA. In his opinion, the Executive Board would be in a better position to make recommendations if it had their comments.

42. Most of the speakers stressed the importance of the social components of technical co-operation and the need for preserving a balance between economic and social considerations. Others again stressed the necessity of including social, cultural and educational aspects in integration.

43. Two speakers hoped that analysis of Latin America's experience in regional integration would lead to other studies of the same kind in other parts of the world.

/...

44. Two other speakers laid stress on the political problems which often stood in the way of developing greater co-operation among the Latin American countries and on the fact that such co-operation contributed to safeguarding their sovereignty and independence.
45. One member of the Committee welcomed and supported the progress made in recent years towards Latin American integration, which, in his mind, reflected the desires of the Latin American countries for unity and alignment, helping them to safeguard their national independence and sovereignty, develop their national economies, science, culture and education, and resist exploitation and control by imperialism and big-Power hegemonism.
46. One member of the Committee considered that the report should have included, in addition to regional activities, such national activities as were conceived in a spirit of integration, and also activities financed from the regular budgets of the agencies.
47. The Deputy Director-General proposed that the points raised - in particular, the problem of co-operation between the agencies and bodies responsible for integration in the region - be brought to the notice of the JIU and of the agencies concerned at the next session of the ACC. He considered, moreover, that if the Executive Board endorsed that suggestion, the document might be sent to the Secretary-General of the United Nations together with the comments made by those bodies.
48. The Chairman of the Special Committee summed up the discussion and proposed that the Committee take note of the JIU report and the Director-General's observations.
49. The Special Committee recommends that the Executive Board adopt the following decision:
- The Executive Board,
1. Having examined document 100 EX/8,
 2. Takes note of the report and of the Director-General's preliminary observations thereon;
 3. Invites the Director-General to communicate the Report of the Special Committee (100 EX/4) on this item to the Joint Inspection Unit and the Administrative Committee on Co-ordination (ACC) so that account may be taken of the views contained in it when the ACC's comments on the Inspector's report are being prepared;
 4. Invites the Director-General to communicate the ACC's comments and any further observations he may wish to make to the Board at a subsequent session.

/...

World Health Organization

Comments of the Director-General

3.1 The report provides useful information on the various integration movements which are at present in progress in Latin America and describes the work done and the technical co-operation projects carried out by the United Nations family in the process of integration in Latin America. The report addresses itself mainly to the social aspects of integration since, according to the Inspector, most of the efforts pursued and the support given so far were mainly directed towards economic integration and co-operation in Latin America.

3.2 The contribution and support of WHO/PAHO to the health integration process in Latin America in general, and to the intercountry programmes and projects executed in close collaboration with the different subregional integration movements, are referred to on pages 26 to 28 of the report. In this connexion it should be pointed out that, in order to reflect the present situation correctly, the foot-note on page 27 should read "The Institute of Nutrition of Central America and Panama (INCAP) operates mainly in Central America and Panama, but has projects which have benefited all of Latin America. The Caribbean Food and Nutrition Institute (CFNI) and the Caribbean Epidemiology Centre (CAREC) carry out their activities in the English-speaking Caribbean countries and in Belize, but not in the other Central American countries or Panama."

3.3 In his conclusions and recommendations contained on pages 36 to 38 of the report, the Inspector stresses, inter alia, the need for placing more emphasis on projects related to social integration and the necessity for stronger collaboration and participation of the regional or subregional integration organizations or agencies in the planning, programming and execution of intercountry projects carried out by organizations of the United Nations system. This would allow the integration organizations to benefit from the United Nations system's experience in these fields and to prepare them to undertake themselves the execution of operational projects.

3.4 The Director-General and the Regional Director for the Americas agree with the conclusions and endorse the recommendations of the Inspector since their major thrust is in line with the policies of WHO. They are pleased to note the recognition by the Inspector of the active collaboration between these subregional groups and WHO/PAHO in the health sector. It is hoped that UNDP and other financing agencies will increase their allocations to this type of programme within the health sector through the agencies or organizations of integration and if requested by Governments, with the technical co-operation of WHO/PAHO.

3.5 The Inspector's recommendation that co-operation should mainly take the form of operational projects rather than indirect budgetary aid is particularly sound. This is believed to be essential in order to demonstrate new approaches and technology, to provide the necessary training for establishing a reservoir of talent within the country, and to promote, in general, other measures for helping each of the nations to become self-sufficient.

/...

International Labour OfficeComments of the Director-General of the ILO

1. This report, prepared by Inspector Ferrer-Vieyra, illustrates in a clear and precise manner the attempts by the United Nations system to assist national authorities in Latin America in their efforts to achieve the goals of accelerated development in general and economic and social integration in particular.
2. The report also brings out the gross imbalance between the economic and social orientation of programmes and projects despite the Second Development Decade's emphasis on the social aspects of development and the pledges that henceforth all efforts would be directed towards the improvement of the lot of the poorest sectors of the population. The report discloses that in practice these expectations did not seem to have materialized during the first half of the Decade. But what is more distressing still is that there are no tangible signs of the will to concentrate greater efforts and assign greater priority to social aspects of development or to social integration. There still seems to be a need for deliberate action to ensure that social development and economic development are not mutually exclusive, but that on the contrary, they go hand in hand.
3. Against this background it is therefore not surprising to find that, in the section of the report dealing with ILO activities, it is correctly stated that the contribution of the organization to social and labour integration has been a limited one. However, there is little else the ILO could have done since national programmes which are defined by the Governments themselves contain few projects with a social orientation. The reasons for this may be, on the one hand, the greater urgency of solving economic problems and, on the other, the relative paucity of resources available through the indicative planning figures established for UNDP assistance.
4. The situation has been further aggravated by the recent liquidity crisis of the UNDP, which has drastically affected those projects with social objectives. Moreover, Governments themselves are developing new methods of co-operation among themselves in order to exchange their experience and knowledge. They are placing a higher priority on channelling a larger part of the meagre resources available within the multilateral programmes for development aid through existing regional programmes and integration movements. The Director-General thinks that the ILO should be ready to help Latin American Governments in this direction by allocating as much of the resources as possible to regional projects. Examples of regional action in this sense are provided by the activities of ILO regional projects like PREALC, CINTERFOR and CIAT specifically mentioned in the report as predominantly social in content.
5. In his conclusions and recommendations the Inspector gives the highest priority to the needs of the poorest and most vulnerable sectors of society. He also points out that it is vitally important that agencies of social integration should be institutionally strengthened and that the resources of UNDP and the specialized agencies should be distributed in a more balanced way between the social and economic components of development.

/...

6. The Director-General fully confirms the ILO's willingness to continue to make available its experience, know-how and material resources for the achievement of social development goals based on the principles of social justice, in order to meet the basic needs of all peoples.

9. Submitted for information and observations.

Food and Agriculture Organization of the United Nations

Comments of the Director-General

1. This report provides a useful summary of information about integration schemes in Latin America and of assistance by the United Nations system in support of them. With some minor reservations noted below, the Conclusions and Recommendations in chapters II and V are generally acceptable.

2. The Inspector emphasizes the importance of giving greater attention to the social component of subregional integration schemes. While it is true that United Nations assistance has concentrated on economic aspects of integration, this is because Governments to this date have given more importance to economic rather than to social aspects of development.

3. However, being aware of the need to link economic and social considerations, FAO has attempted to follow a unified approach in its response to government requests. Under its Regular Programme - primarily through activities undertaken by the FAO/ECLA Joint Division - and by assistance rendered under the GAFICA, Andean Pact and CARICOM projects, FAO has supported the formulation and implementation of agricultural development policies in the context of regional integration which have included both economic and social targets. These projects help to provide a framework for integrated development of benefit to all segments of the population. Phase I of the CARICOM project, for example, had a strong socially-oriented character with one expert in agricultural training and extension and another in rural sociology.

4. Notwithstanding the remarks above, the report tends to separate the economic from the social aspects of development according to the sector of activity (i.e. agriculture, industry, etc. being economic versus health, education, housing, etc. being social) and the specialization of the experts. The analysis and programming of agricultural development should not be classified as purely economic as they involve both economic and social factors. On the other hand, agricultural economists engaged in integration work do not normally restrict their work to matters relating to production but address themselves as well to other aspects of development, e.g. income distribution, improvement of employment conditions, strengthening of social infrastructures, etc.

5. One example of this over-differentiation between economic and social aspects occurs in paragraph 54 of the report where it is noted that GAFICA project did not employ experts in rural sociology or rural-social problems, implying that the project thus neglected work in these fields. This was not the case since in

/...

addition to concerning itself with rural-social problems, the project included an analysis of the food and nutritional situation of different socio-economic groups and proposed specific programmes relating to food and nutrition with special reference to educational measures and nutritional programmes for vulnerable groups.

6. The Director-General fully supports the point made in paragraph 15 of the report and repeated in paragraphs 4 and 5 of the Recommendations that the end objective of United Nations assistance to integration movements in Latin America is to enhance the ability of Governments of the region to be self-sufficient in the execution of their intercountry projects. He also agrees that the support provided by the specialized agencies with UNDP financing should be directed primarily to the planning and execution of projects rather than to the preparation of theoretical studies.

7. In paragraphs 100 and 108 of the main body of the report, as well as in paragraph 13 under Chapter IV Conclusions, the Inspector recommends that UNDP delegate greater authority to ECLA for the execution of intercountry projects. The Director-General would favour a more pragmatic approach whereby UNDP designated the most competent executing agency in the light of the nature and objectives of each project, ensuring at the same time effective co-ordination with and provision of relevant inputs from other concerned agencies. With respect to any integration project for which the Commission might be given responsibility, FAO would of course contribute from its headquarters, Regional Office and the FAO/ECLA Joint Division in respect of components lying within the fields of agriculture, forestry and fisheries.

8. The suggestion made by the Inspector in paragraph 15 under Chapter IV Conclusions that the specialized agencies publish information regarding assistance they are providing to integration schemes from sources of financing other than UNDP, to facilitate co-ordination and co-operation in the United Nations system, is a useful one and means of implementing this recommendation are under study.

9. Finally, with respect to the suggestion in paragraph 16 of Chapter IV Conclusions that FAO, together with the other large agencies, establish a separate unit to deal with integration problems, the Director-General would observe that the policies and procedures followed by each organization differ. In any case, the responsibility for establishing the most effective internal mechanism for support of integration movements rests with the executive heads and their respective governing bodies.

Inter-Governmental Maritime Consultative Organization

Provisional comments of the Secretary-General

In that the main purpose of this report is to study the nature and scope of the technical co-operation which the United Nations family is providing in the processes of integration in Latin America, and if possible, to chart some courses of action, it has no direct bearing on IMCO as the shipping arm of the United Nations. However, within the general framework of regional integration, development of trade is an

/...

integral part of the process and this factor has an indirect bearing on IMCO in so far as intra-regional trading is concerned with its associated sea-transport policies and efficient shipping systems of the countries involved.

Among the Conclusions of the report, Conclusions 1, 2, 3, 15 and 18 would seem to merit particular attention and consideration within IMCO as well as within the other agencies of the United Nations system, although they do not call for any immediate or specific action in so far as IMCO is concerned.

The seven Recommendations contained in the report are significant and appear to be practical and logical. With reference in particular to Recommendations 5, 6 and 7, the following comments are offered:

Recommendation 5

In regard to this Recommendation, we generally agree that the integration organizations of the regions and ultimately the countries themselves should be enabled to play an increasingly important role in the orientation and execution of technical assistance projects. At the same time, the experience accumulated by the executing agencies, and this is particularly relevant to the work carried out under the technical assistance programme of IMCO, could be utilized with significant advantage. In the initial stages, when the technical and specialized expertise of an agency may be essentially required, a co-ordinated country/agency approach may be desirable and worth while.

Recommendation 6

In regard to this Recommendation, the technical support and backstopping to be rendered to integration organizations and countries in the different regions is one of the important steps which has not only been emphasized by IMCO, but has been actually implemented through the recent strengthening of the IMCO secretariat by providing the services of Regional Programme Officers. IMCO is therefore in an advantageous position to participate fully and positively from headquarters and from the Regional Advisers' Offices in these activities.

Recommendation 7

In regard to this Recommendation, in so far as IMCO is concerned, the question of technical co-operation among the developing countries in the region is a matter of top priority and appropriate instructions in this behalf have been given to IMCO Regional Advisers in the field.

World Meteorological Organization

Preliminary comments of the Secretary-General

"This report by Inspector Ferrer-Vieyra is concerned specifically with the implementation of programmes and projects in Latin America which contain

/...

elements of social integration as an important component and compares these, in particular, with projects oriented toward economic integration. WMO technical co-operation activities are only peripherally concerned with this subject, if at all.

"Two particular points which are pertinent to the WMO programme are, however, raised by Inspector Ferrer-Vieyra and WMO might be able to support action towards their implementation. These specific points are:

1. Governments and intergovernmental organizations should participate much more in the formulation of UNDP-assisted intercountry programmes and projects; and
2. A greater use should be made of the expertise of the Economic Commission for Latin America (ECLA) which should also be an executing agency in appropriate co-ordination with WMO.

"In connexion with the second of these points it may be noted that there have been recent consultations between WMO and the Executive Secretary of ECLA concerning WMO regional activities in Latin America and the various fields in which there might be joint ECLA/WMO programmes and projects are being studied."

International Civil Aviation Organization

Preliminary comments of the Secretary-General of ICAO

A main thesis of this report is that the specialized agencies, inter alia, should participate in the process of integration in Latin America and, in so doing, should take into account social as well as economic component - a balance which until now has perhaps not been as well maintained as it should have been. With this point of view there cannot be very much quarrel; however the development of international air transport is primarily dependent upon economic rather than social conditions, and for this reason the report has relatively little direct bearing upon ICAO.

It should, however, be noted that ICAO has played, and continues to play, a significant part in the field of Latin American integration by fostering the development of the necessary prerequisites for a network of international civil aviation services among Latin American countries. This involves, inter alia, the detailed planning of the air navigation facilities and services (such as aerodromes, navigational aids, communications and air traffic services) to provide the physical infrastructure of international civil aviation in the continent. ICAO maintains two regional offices in Latin America - one in Mexico and one in Peru - which are accredited to all Latin American States and provide co-ordination and advisory services in the economic, technical, and technical co-operation aspects of civil aviation. The Latin American States have also established the Latin American Civil

/...

in
fa
pc

Aviation Commission (IACAC) as a consultative body to provide an appropriate framework within which to discuss and plan all the required measures for co-operation and co-ordination of all their civil aviation activities. IACAC and ICAO maintain a close relationship in order to ensure the harmonization and co-ordination of their activities and ICAO provides secretariat services for IACAC.

to
ot
im

One aspect of ICAO technical assistance (through UNDP financing) in the field of integration is noted in paragraph 44 of the report: a project for the improvement of aeronautical communications for the central Caribbean. This is one example of the many ICAO projects that also contribute to Latin American integration. For example, ICAO has been, and continues to be, involved in the development and operation of COCESNA, the Corporación Centroamericana de Navegación Aérea, a multinational civil aviation operating agency of considerable importance to integration in Central America, and in the planning for a joint air-worthiness agency in the same subregion. ICAO is also concerned with the development of civil aviation training centres for the Caribbean region in Trinidad and for the Latin American region in Argentina.

to
an

Re

org
eng
tec
ex
th
ad
an
be

The recommendations contained in the report are in general endorsed, particularly Nos. 1, 3, 4 and 7 and are already taken into account in relevant ICAO activities.

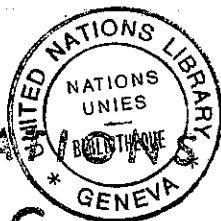
Rec

ren
of
act
pro
adv
the

Rec

of
of
Regi

UNITED NATIONS
ECONOMIC
AND
SOCIAL COUNCIL



Distr.
GENERAL

E/5890/Add.2
22 April 1977
ENGLISH
ORIGINAL: FRENCH

REPORTS OF THE JOINT INSPECTION UNIT

Latin American integration: report on the technical
co-operation provided by the United Nations system

Addendum

Preliminary comments of the Universal Postal Union

1. Integration and social development

In the area of technical co-operation, UPU recognizes the need to place greater emphasis on the social or non-economic aspects of development and integration, with a view to reaching the most disadvantaged sectors of society and improving their living conditions. The postal services, whose main purpose is to serve as a means of communication and exchange for populations as a whole, have an impact on the social and cultural aspects, as well as on the economic aspects of integration; moreover, the 17th Universal Postal Congress (Lausanne 1974) included among the priority technical co-operation activities to be undertaken during the second part of the Second United Nations Development Decade, action designed to improve the routing and distribution of mail, particularly in rural areas, and to increase the number of postal facilities.

2. "Integration function" of the projects

In its technical co-operation activities, UPU takes careful account of the desire of Latin American Governments for integration. The rough outline of the regional programme for the period 1977-1981 submitted by UPU to UNDP was conceived in terms of subregional and regional integration processes; this same idea underlay the preparation of project RLA/75/051 "Organization and development of postal services", in which 16 English-speaking countries and territories in the Caribbean subregion are participating.

UPU is also in contact with the Permanent Secretariat of the General Treaty on Central American Economic Integration (SIECA) and the Secretariat of the Board of the Cartagena Agreement (JUNAC). The multinational projects envisaged by UPU are of a strictly operational character, and co-operation with government integration agencies is planned in connexion with them. However, for technical reasons, UPU has reservations about the possibility of direct execution of such projects by the agencies in question.

77-08101

/...

3. Co-operation with integration agencies and ECLA

UPU is endeavouring to strengthen its relations and co-operation with government integration agencies and with ECLA; project RLA/75/051, referred to in the preceding paragraph, was prepared in co-operation with the Caribbean Community and Common Market (CARICOM). Similarly, progress is also being made towards periodic meetings between ECLA, UPU and PUAS (Postal Union of the Americas and Spain, the main partner of UPU in all matters relating to postal development in the Latin American countries).

4. Information

UPU's financial resources enable it to implement only a small number of projects of very limited scope (fellowships, short-term missions). UNDP resident representatives are kept regularly informed of such projects; each year, they also receive UPU's annual report on its activities. Wider dissemination of this document, which is also transmitted to the Economic and Social Council and a number of United Nations organizations, might be considered.

5. Co-operation among developing countries

UPU accords special attention to this form of technical co-operation which, in Latin America, is carried out mainly through PUAS.

in

UNITED NATIONS
ECONOMIC
AND
SOCIAL COUNCIL



Distr.
GENERAL

E/5890/Add. 3
22 April 1977
ENGLISH

ORIGINAL: ENGLISH/FRENCH/
SPANISH

REPORTS OF THE JOINT INSPECTION UNIT

ent

Latin American Integration: report on the technical
co-operation provided by the United Nations system
(JIU/REP/76/3, April 1976)

Addendum

Action taken by the Governing Body of the
Food and Agriculture Organization of the
United Nations

1,

The Council concurred with the Director-General's view that this report provided useful information on technical assistance provided by the United Nations system to the integration schemes in Latin America and gave due recognition to the important contribution that FAO had made to the integration process in the region. The Council drew attention to the recently established SELA (Sistema Económico Latino Americano), which would provide an additional opportunity for FAO to further strengthen its support to the economic integration movement in Latin America. In general, the Council felt that FAO's future contributions to integration schemes should be strengthened and be kept in line with the Director-General's new policy of action-oriented assistance.

The Council endorsed the Director-General's comments as well as the views expressed on this report by the Programme and Finance Committees. With these observations, the Council supported the general conclusions and recommendations of the JIU report.

 UNITED NATIONS
ECONOMIC
AND
SOCIAL COUNCIL



Distr.
GENERAL

E/5890/Add.4
22 April 1977
ENGLISH
ORIGINAL: ENGLISH/FRENCH/
SPANISH

REPORTS OF THE JOINT INSPECTION UNIT

Latin American Integration: report on the technical
co-operation provided by the United Nations system
(JIU/REP/76/3, April 1976)

Addendum

Action taken by the Governing Body of the International
Labour Office

Programme, Financial and Administrative Committee

The Committee had before it a document 1/ which contained the Director-General's comments on the Unit's report, a copy of which was attached. An Employer member recalled that the tripartite evaluation team which had visited Colombia, of which he had been a member and which had been led by the Chairman of the Governing Body, had observed that low priority had been given in Colombia to UNDP-financed projects with a social content. This general criticism, which also applied to other countries, had been voiced at the recent session of the Inter-American Advisory Committee. The Employers were anxious that due priority should be given to projects with social objectives. Thus, they had been pleased to note the references made by the JIU Inspector to the ILO regional projects PREALC, CINTERFOR and CIAT. They were likewise glad to see references to such ILO projects as assistance to the Andean Pact countries in harmonising their labour and social security legislation through ratification of selected Conventions. Finally, the Employers were pleased to note from the report that the UNDP intended to give greater importance to socially-oriented projects.

* * *

The Governing Body took note of the report of the Joint Inspection Unit.

1/ GB.201/PFA/10/12.

77-08214

UNITED NATIONS
ECONOMIC
AND
SOCIAL COUNCIL



Distr.
GENERAL

E/5890/Add.5
22 August 1977

ORIGINAL: ENGLISH

REPORTS OF THE JOINT INSPECTION UNIT

Latin American integration: report on the technical
co-operation provided by the United Nations system
(JIU/REP/76/3, April 1976)

Addendum

Action taken by the Executive Board of the World Health Organization

The Executive Board,

Having considered the report by the Director-General on the following reports of the Joint Inspection Unit:

- (a) report on the activities of the Joint Inspection Unit, July 1975-June 1976;
- (b) report on the technical co-operation provided by the United Nations system - Latin American integration;
- (c) report on some aspects of the strike at the United Nations Office at Geneva from 25 February to 3 March 1976;
- (d) report on fellowships in the United Nations system;

1. ~~THANKS~~ the Inspectors for their reports;

2. ~~AGREES~~ with the comments and observations of the Director-General on the reports presented to the Board; and

3. ~~REQUESTS~~ the Director-General to transmit his report and this resolution to:

- (1) the Secretary-General of the United Nations, for transmission to the Economic and Social Council through the Committee for Programme and Co-ordination;
- (2) the External Auditor of the World Health Organization; and
- (3) the Chairman of the Joint Inspection Unit.

Twenty-seventh meeting, 27 January
EB59/SR/27

UNITED NATIONS
ECONOMIC
AND
SOCIAL COUNCIL



Distr.
GENERAL

E/5890/Add.6
22 August 1977

ORIGINAL: ENGLISH

REPORTS OF THE JOINT INSPECTION UNIT

Latin American integration: report on the technical
co-operation provided by the United Nations system
(JIU/REP/76/3, April 1976)

Addendum

Comments of the International Telecommunication Union

This report has been read with interest in ITU as it touches an aspect of technical co-operation activities which is of vital importance in the field of telecommunications. The integration of telecommunication services is, in fact, one of the principal objectives of ITU, as specified in the International Telecommunication Convention.

In this context, it is felt that in order to give a balanced image of the technical co-operation provided by the United Nations family, in the process of integration in Latin America, as indicated in paragraphs 1 (a) and 51 of Mr. Ferrer-Vieyra's report, an account, even if in a brief form, should have been given of the activities in the sector of telecommunications as well as in others. It is true that some references to telecommunications appear throughout the report, such as the project RLA/72/094 mentioned in paragraph 21, one of the subprogrammes of paragraph 24 and the reference to ITU in paragraph 52. However, these references cannot be considered as an analysis of the role played by the telecommunication sector in the context of the study.

Effectively, the report stresses the importance of social integration and the efforts undertaken to achieve this objective. In paragraph 2, in the section dealing with the purpose of the report, the Inspector clarifies that "Emphasis has been placed on the non-economic aspects of integration ...". In the opinion of ITU, an improvement in the balance between economic and social development could be achieved by involving the executing agencies at an early stage in the discussion and preparation of intercountry projects.

It is stated in paragraph 25 of the report that, among projects under implementation in Latin America as of April 1975, only one (RLA/72/100) was predominantly social in content. In the opinion of ITU, project RLA/72/094 referred to above can also be considered as having a predominantly social impact as it ai

at creating a regional training centre for medium- and high-level technicians of Central America. Students coming from four participating countries are trained in a single institution under the responsibility of instructors recruited within the region and assisted by some international experts. This project constitutes an example of both integration and co-operation among developing countries which deserves to be put in evidence.

The ITU has no particular comment to offer on the recommendations contained in section V of the report. Where applicable to the Union, and to the highly specialized telecommunication sector, these recommendations are in general acceptable.