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COMMITTEE ON CONTRIBUTIONS  
Thirty-sixth session  
New York

REPRESENTATION BY ECUADOR

The following communication dated 20 April 1976 from the Alternate Representative of Ecuador to the United Nations addressed to the Chairman of the Committee on Contributions is submitted to the Committee for its consideration:

"The Secretary-General of the United Nations, in communication FI 313/1(1) of 5 February 1976, informed Member States that the Committee on Contributions was scheduled to open its next session on 18 May at United Nations Headquarters for the purpose of drawing up the scale of assessments for the years 1977, 1978 and 1979.

"To perform this task, the Committee on Contributions requires the economic indicators which best illustrate the economic and social conditions in each country, since it is on the basis of these indicators that the expenses of the United Nations are to be apportioned among Member States.

"I therefore have the honour to communicate through you to the Committee on Contributions some statistical data reflecting economic and social conditions in Ecuador; they are designed to supplement the information supplied to the Committee by the appropriate office of the United Nations Secretariat."

DEMOGRAPHIC INDICATORS

POPULATION (1974 census) . . . . .	6 501 000 inhabitants
Annual rate of growth for the years 1962-1974 . . . . .	3.3%
WORKING POPULATION . . . . .	3 250 000 inhabitants
EMPLOYED WORKING POPULATION	
Underemployment in urban areas - 30%	
Underemployment in rural areas - 60%	
UNEMPLOYED WORKING POPULATION . . . . .	4.4%
LITERATE WORKING POPULATION . . . . .	70.16%
ILLITERATE WORKING POPULATION . . . . .	29.84%
EMPLOYED POPULATION BY SECTORS:	
Agriculture . . . . .	56.7%
Industry and basic services . . . . .	19.9%
Trade and other services . . . . .	23.4%
BIRTH-RATE (per 1,000 inhabitants) 1970-75 . . . . .	41.8%
MORTALITY RATE (per 1,000 inhabitants) 1970-75 . . . . .	9.5%

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Source: National Board for Economic Planning and Co-ordination,  
Centre for Demographic Analysis. "Population of Ecuador."  
December 1974.

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## ECONOMIC GROWTH INDICATORS

	<u>1972</u>	<u>1973</u>	<u>1974</u>		
NATIONAL INCOME (at current prices), millions of \$US . . . . .	1 612	2 066	2 470*		
GROSS DOMESTIC PRODUCT (at current prices), millions of \$US . . . . .	2 014	2 623	3 022		
GROSS NATIONAL PRODUCT (at current prices), millions of \$US . . . . .	1 952	2 561	3 475		
ANNUAL <u>PER CAPITA</u> INCOME (in \$US) . . . . .	290	363	380*		
<u>PER CAPITA</u> GROSS DOMESTIC PRODUCT (in \$US) . . . . .	353	386	440		
GROSS DOMESTIC PRODUCT GENERATED BY THE PRINCIPAL SECTORS OF ACTIVITY (at current prices), millions of \$US					
Agriculture, forestry, hunting and fishing . . . . .	436	602	718		
Mining and quarrying (including the exploitation of petroleum) . . . . .	70	167	256		
Manufacturing . . . . .	329	402	518		
	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
GROSS DOMESTIC PRODUCT (at constant 1970 prices), millions of \$US . . . . .	1 709	1 785	1 934	2 249	2 607
GROSS DOMESTIC PRODUCT GENERATED BY THE PRINCIPAL SECTORS OF ACTIVITY (at constant 1970 prices); millions of \$US					
Agriculture, forestry, hunting and fishing . . . . .	395	400	402	412	420
Mining and quarrying (including the exploitation of petroleum) . . . . .	22	32	84	182	167
Manufacturing . . . . .	285	310	332	358	400
SHARE IN TOTAL GROSS DOMESTIC PRODUCT: (percentage)	100.0	100.0	100.0	100.0	100.0
Agriculture . . . . .	23.1	22.4	20.8	18.3	16.1
Mining . . . . .	1.3	1.8	4.3	8.1	6.4
Manufacturing . . . . .	16.1	17.4	17.2	15.9	15.4

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	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
ANNUAL GROWTH RATES FOR PRODUCTION		4.5	8.4	16.3	15.9
Agriculture . . . . .		1.3	0.4	2.5	1.8
Mining . . . . .		43.2	159.4	118.5	8.7
Manufacturing . . . . .		8.6	7.3	7.8	11.6

Source: Central Bank of Ecuador.

\* Provisional data.

#### OTHER INDICATORS

	<u>1972</u>	<u>1973</u>
DAILY <u>PER CAPITA</u> CALORIE INTAKE . . . . .	1 954	1 812
<u>PER CAPITA</u> CONSUMPTION OF ELECTRIC ENERGY (kWh) . . . . .	173	194
NUMBER OF PHYSICIANS PER 10,000 INHABITANTS . . . . .	4	

Source: Statistical Yearbook for Latin America, 1973 (ECLA).

#### FOREIGN TRADE INDICATORS

##### Goods transactions

(annual average, millions of dollars)

	<u>1972</u>	<u>1973</u>	<u>1974</u>
EXPORTS OF GOODS (FOB) . . . . .	323.2	574.1	1 261.0
IMPORTS OF GOODS (FOB) . . . . .	366.5	491.9	826.0

Source: Official data reproduced by ECLA in its study "Latin American Development and the International Economic Situation". February 1975.

"In order to supplement the statistical information provided above, we are attaching to this note a list of economic indicators which was issued by the Central Bank of Ecuador in December 1974. 1/

"A study of the statistics submitted clearly reveals that Ecuador is continuing to face acute economic and social problems for which a solution permitting the balanced development of the various sectors of economic activity is not yet in sight. Since Ecuador is essentially an agricultural country, its participation in foreign trade depends primarily on the export of agricultural products; however, the slow rate of growth of the agricultural sector, which employs 56.7 per cent of the working population, has actually compelled Ecuador to import certain food-stuffs the domestic demand for which was previously covered by national production. The negative effects of this situation are reflected in particular in the declining income of that part of the population which is dependent on agricultural activities and in the fall in earnings from the export of agricultural products. Thanks to the earnings from the export of the small amount of petroleum produced, it was possible to offset balance-of-payments deficits in the years prior to 1973; however, the downturn in agricultural production and the fact that industry is still at an early stage of development led to a deterioration in the balance of trade in 1975, which clearly demonstrates that the limited resources generated by the export of petroleum are not sufficient to finance the imports required for national development or for solving the acute balance-of-payments problems.

"Ecuador's economy and development are sustained primarily by the traditional employment-generating sectors and by the exploitation of natural resources. Thus, the agricultural and industrial sectors make the most significant contributions to gross domestic product.

"While petroleum production in Ecuador, which is barely 200,000 barrels per day, has enabled the country to become a minor exporter of crude, it continues to be an importer of refined petroleum derivatives; this circumstance considerably reduces the prospects of a rapid economic transformation that would enable Ecuador to emerge from its present state of under-development.

"Furthermore, the earnings from petroleum are intensifying the inflationary pressures which had already been created by factors of a structural, economic and social nature. The fact that agricultural production for domestic consumption was stagnating while demand was increasing because of the rapid growth of the population and while imports of food-stuffs - which were 50 per cent higher in 1973 than in 1972 at a time of marked increases in international food prices - were sharply rising triggered off the increase in prices, chiefly of primary commodities, on the domestic market. Since then, the integration of petroleum into the Ecuadorian economy and the

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1/ One copy, in Spanish only, of the accompanying statistics is available.

development of a number of related activities have generated monetary resources which put pressure on the very items which were in scarcest supply and, consequently, on the costs of agricultural and industrial production and, in particular, on the prices of food products. The consequences of the inflationary pressures are most serious for the low- and middle-income groups of the population, and thus the problems which stand in the way of creating conditions of stability and well-being have been exacerbated. This is demonstrated by the fact that, notwithstanding petroleum production, per capita income in Ecuador continues to be among the lowest in Latin America.

"The considerations briefly outlined in this note serve to demonstrate fairly clearly the vulnerability of the Ecuadorian economy; this vulnerability means that Ecuador must continue to seek external financing in order to obtain the substantial additional resources it needs to carry forward its general development plan.

"I hope that the above information will be of assistance in the work of the Committee on Contributions, over which you so ably preside."

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