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Report on the subregional offices for Central America  
and Panama and for the Caribbean of the Economic  
Commission for Latin America

Note by the Secretary-General

The Secretary-General has the honour to transmit to the Members of the General Assembly the report of the Joint Inspection Unit entitled "Report on the subregional offices for Central America and Panama and for the Caribbean of the Economic Commission for Latin America" (JIU/REP/80/13).

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\* A/36/50.

# **Report on the Sub-Regional Offices for Central America and Panama and for the Caribbean of the Economic Commission for Latin America (CEPAL)**

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**Joint Inspection Unit**

**Geneva**

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REPORT ON THE SUB-REGIONAL OFFICES FOR CENTRAL AMERICA  
AND PANAMA AND FOR THE CARIBBEAN  
OF THE ECONOMIC COMMISSION FOR LATIN AMERICA (CEPAL)

by Alfred N. Forde  
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## WHY A STUDY ON SUB-REGIONAL OFFICES?

1. General Assembly Resolution 32/197 on the restructuring of the economic and social sectors of the United Nations system pointed the way to the Regional Commissions becoming "the main general economic and social development centres within the United Nations system for their respective regions". To attain this goal some powers exercised by United Nations Headquarters in New York have to be passed over to the Regional Commissions. This decentralization process has already begun.
2. Concomitantly, it is relevant to examine the extent to which the Regional Commissions adjust to the new status by giving authority to and placing responsibilities on their sub-regional offices. Each commission has to consider objectively what sub-regional bodies will advance its performance in its extended role and how much authority it will direct to each to act on its behalf and in its name. Questions of accountability and the setting of criteria for effective operation arise. In other words, there is a decentralization process which has to advance within the Commissions if the new responsibilities are to produce positive results.
3. For these reasons the Inspector considered it would be of some benefit to see how far the process was advancing with regard to the two main sub-regional offices of the Economic Commission for Latin America (CEPAL), the one for Central America and Panama in Mexico City and the other - and smaller - for the Caribbean in Port-of-Spain, Trinidad and Tobago <sup>1/</sup>. CEPAL Santiago has six other sub-regional offices whose functions are limited by comparison. In total, their staff number less than the Caribbean office alone. The Inspector did not include these in his study.
4. Between February and May 1980 the Inspector visited New York, Mexico, Guatemala, Costa Rica, Panama, Chile, Venezuela, Barbados, Trinidad and Tobago, Surinam, Haiti, Cuba and Jamaica. He met with the Directors and staff of the sub-regional offices, United Nations and government officials, and representatives of sub-regional institutions in some of the countries. He also discussed aspects of the matter with United Nations officials in Geneva. The Inspector wishes to thank sincerely all those who so kindly assisted him in his task.

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1/ For convenience throughout the report, the headquarters of the Regional Commission for Latin America (CEPAL) in Santiago will be referred to as CEPAL SANTIAGO or SANTIAGO while the sub-regional offices will be referred to as, respectively, CEPAL MEXICO or the MEXICO OFFICE and CEPAL PORT-OF-SPAIN or the CARIBBEAN OFFICE.

PART I

THE CEPAL SUB-REGIONAL OFFICE FOR CENTRAL AMERICA AND PANAMA

Chapter I

Perspective

5. The CEPAL sub-regional office for Central America and Panama will this year record its 28th anniversary. Following the Commission's Resolution of 16 June 1951 2/, the office was set up in Mexico City as a branch of CEPAL Headquarters in Santiago, Chile "to study the economic problems of the following countries: Costa Rica, Cuba, the Dominican Republic, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua and Panama". An additional reason for its establishment was the belief that thereby

"the Secretariat (of the Commission) will be able to carry out its work more efficiently and economically" 3/.

6. The Mexican Government offered facilities and the office began its work in 1952. It opened its doors on a vista which promised new ties of economic co-operation and even economic integration in Central America. Another CEPAL resolution of 16 June 1951 had invited the Governments of the Isthmus of Central America:

"to form a committee on economic co-operation composed of ministers of economic affairs or persons appointed by them to act as a co-ordinating body... and as a consultative organ of the Executive Secretary of ECLA" 4/.

The Mexico Office assumed the responsibility of servicing this committee, which it did for many years, during the more positive period of attempts at economic integration in the Central American region. It has more recently resumed this task. The governments sharing in the initial effort were Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua. Panama had not yet agreed to become part of the integration movement.

7. The siting of the sub-regional office in Mexico City had much to commend it:

First: There was a geographical homogeneity in the isthmus, ready-made it seemed, for the combined policies which CEPAL vigorously propounded.

Second: There were savings to be had by making Mexico a sub-centre, from which communication with the Central American region would be more feasible than from Santiago.

Third: The governments of the region were keen to have CEDAL show them the way to economic integration. The sub-office would be an agent of this policy.

Fourth: The Mexican Government's moral and financial support as well as its identification with the aims of the office were a bonus.

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2/ ECLA resolution 30(IV) (E/CN.12/284).

3/ Ibid.

4/ ECLA resolution (9(IV) (E/CN.12/275)).

8. In the 1950's the Mexico office was very active as the Secretariat of the Committee of Ministers of Economy. In the 1960's the Central American Common Market became a reality and Central America was busy setting up its own sub-regional institutions: the Central American Bank for Economic Integration (BCIE), the Central American Clearing House, the Permanent Secretariat of the General Treaty on Central American Economic Integration (SIECA), the Central American Research Institute for Industry (ICAITI), the Central American Monetary Stabilization Fund (FOCEM), the Central American Institute of Public Administration (ICAP) and the Institute of Nutrition for Central America and Panama (INCAP). The 1970s saw a languishing in the ideals of the 1960s and, while some of the sub-regional institutions continue to function adequately, various problems caused the integration movement to lose impetus:

- (a) political problems within and between countries;
- (b) problems concerning the distribution of the benefits of integration.

9. Amidst these changes, the Mexico office has played a discreetly supportive role. It has contributed studies to assist integrative planning but has not neglected to give practical help at the national level where this was necessary. In an article on "Economic Trends in Central America", the Director of the Mexico office put it this way: "...the conceptual framework that might have been adequate for the 1950's is not necessarily suitable for tackling the different problems we face in the 1970's and the future. The accent should be put on those areas of economic activity where integration makes sense and where it becomes relevant to the national effort of each country" 5/. The approach is a pragmatic one.

10. This approach is borne out by the Mexico office's participation in the Inter-Institutional Committee which brings together representatives of SIECA, ICAITI, BCIE, ICAP, INCAP and other Central American institutions in meetings every three months. The Committee explores needs and suggests possibilities for satisfying the needs. The Mexico office chairs the proceedings and sometimes initiates papers for study by the Committee. Apart from its work on the integration process in Central America, the office has contributed by studies and project assistance to other work in electrical inter-connection, transport, energy and industrialization. The office is not a "think tank" but perceives itself as making an intellectual and service contribution to development goals.

## Chapter II

### The Work Programme

#### A. Sample of projects

11. The work programme of the Mexico office addresses development issues on many fronts. With its knowledge of the sub-region, the office has authority delegated from Santiago to decide, in consultation with governments, what substantive activities it will undertake. This delegation is a positive contribution by Santiago to the strengthening of the sub-region's capacity for working in concert.

12. Some studies point to the inter-relation between economic and commercial possibilities: the pre-feasibility study on the electrical inter-connection

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5/ Gert Rosenthal, "Economic Trends in Central America," CEPAL Review, Second Half of 1978, p. 54.

of six Central American countries has inter alia measured the savings to be made, estimated at 1 1/2 billion dollars in capital investment in 15 years (two pairs of countries EL Salvador/Guatemala and Honduras/Nicaragua already inter-connect); this work is done in collaboration with technical committees and working groups of persons from the sub-region and with the help of experts and consultants supplied by the United Nations and other interested agencies. Similarly, studies on the impact of the Canal on the Panamanian economy as well as on ways of maximising the yield of the Canal resource assisted the negotiation process between the United States of America and Panama on the future of the Canal. Two other studies, in collaboration with the Latin American Institute for Economic and Social Planning (ILPES), suggested ways in which Panama might progressively incorporate the Canal Zone into the Panamanian economy.

13. As an aid to the formulation of new policies, the office has produced proposals for changes in the fiscal structure in Costa Rica. Another study, prepared under the aegis of the office and focussing on fiscal policy in Venezuela was published in December 1979 by a regional expert: the Department of Technical Co-operation for Development (DTCD) had arranged for his assignment to CEPAL Mexico for the purpose. He collaborated with ILPES and CORDIPLAN of Venezuela on the project. These studies (others are planned) provide comparative information concerning the effects of individual fiscal policies on economic development and income distribution.

14. The project on critical poverty in Central America has a strong social emphasis. Technical groups are already collecting and analysing data in four countries, the aim being to leave behind a body of persons who can carry on the work when the project ends. Its aims are to:

- throw light on the nature, scope and magnitude of poverty in each country;
- to help improve the instruments and indicators now needed in each country to measure changes in distribution patterns;
- to establish a basis from which special programmes designed to raise the level of the satisfaction of basic needs may be launched.

A study of the nutritional system in Central America is also planned to provide guidelines for policy making on the basic food needs of the majority of the population in each country.

15. Two studies pinpoint the pragmatic bias of work done by the Mexico office: these are prescriptions following on disaster or emergency situations in Nicaragua and the Dominican Republic. A document entitled "Economic Repercussions of Recent Political Events" was prepared, for use by the CEPAL Committee of the Whole in New York, in order to make easier international technical and financial co-operation to Nicaragua in 1979. The document suggested reconstruction needs. With regard to the Dominican Republic, a similar survey identified the assistance necessary for economic recovery after hurricane disasters. A methodology has now emerged for recommendations on disaster rehabilitation.

16. The Cuban experience has also been an ingredient in the sub-regional office's work plan. An assessment of Cuba's development style and the economic effect of its main social policies was completed in 1979. Collaboration has been proceeding with the State Committee for Statistics of Cuba on the comparability of the Cuban and Latin American systems of social accounting.

17. A useful proportion of the work programme centres on Mexican economic issues. ILPES, functioning through the sub-regional office, is pursuing a project of "co-operation in training and consultancy in Agriculture Development



Planning". ILPES is collaborating with the Mexican Secretariat for Agriculture and Water Resources in the project. Its aim is:

- (a) to evaluate the results of agricultural activities over the past 50 years and to suggest alternatives for future development;
- (b) to train 200 professionals in Agricultural Planning and to leave a capacity behind for this type of training to continue after the project. Some Central American trainees also do the course on invitation.

18. The Mexico office has produced work of interest to the Mexican Government. Its study in the early 1970's of industrialization policy in Mexico had, in the words of one Mexican official, "captured the feel of the country". Newer studies are proceeding on the social and economic impact of oil in South East Mexico as well as on the development of commercial agriculture in the north and west for the U.S.A. market. The office also contributed to improvements in the national accounts, working in tandem with the Central Bank of Mexico and with 12 Mexican technicians.

19. A great deal of its work programme supports projects which can later add momentum to integration efforts when the political climate is more propitious. The Central American Economic Co-operation Committee for which the sub-office acts as Secretariat and which resumed its activities during the past five years has agreed on the promotion of some inter-country projects. Studies preparatory to these projects are the concern of the Mexico office. One such study (1978) has dealt with the current state of economic relations between Mexico and Central America and on possible action to intensify them.

#### B. Observations

20. The Mexico office is responsible for preparing information on the economies of the countries within its "jurisdiction", for the CEPAL annual economic surveys. The work invested in the surveys is very useful to governments but, regrettably, the surveys have hitherto appeared somewhat late for the information to be put to best use. Government planning officials to whom the Inspector spoke all praised the quality of the survey but pleaded for it to be issued earlier. The matter is ultimately one for the Santiago office to solve and the Inspector will return to this point in paragraph 122.

21. The bulk of the work programme deals with Central American and Mexican issues: not enough consistent work has been done in Haiti and the Dominican Republic. The two countries (like Cuba) are also members of the Caribbean Development Co-operation Committee (CDCC) of which CEPAL, acting through the sub-regional office in Port-of-Spain, Trinidad & Tobago, is the secretariat. A programme of work in Haiti and the Dominican Republic could provide a valuable opportunity to both sub-regional offices to work more closely together if only on a small range of projects. In fact, the Mexico office collaborated with the Caribbean office in the latter's survey of hurricane damage on the island of Dominica. Similarly, with its understanding of Central American economic problems, the Mexico office could bring an additional perspective to some of the issues being faced by the countries of the Caribbean basin. There is room for more interchange of ideas and more co-ordinated practice and the Inspector recommends these.

22. Its experience of Central America, its close contact with Central American Ministers of Economy and its role as Chairman of the Central American Inter-Institutional Committee give the Mexico office a good vantage point from which to advise United Nations bodies on programming needs within the sub-region. The

documents cited below 6/ testify to the seriousness with which the office has viewed this function. Nevertheless collaboration with UNDP in programming for the sub-region has not hitherto been noticeably close. An instance was cited in Panama where work on sub-regional planning arranged through one government agency and financed by UNDP clashed, partly through an early lack of communication, with work done by the Mexico office through another government agency. Part of the problem was that UNDP and CEPAL used different Ministries for access to the Governments: hence the need for better co-ordination.

23. The UNDP Regional Bureau for Latin America itself accepts this view and considers that the experience and expertise of the Mexico office could be valuable also in the preparation and revision of country programmes, if governments so desire. However that may be, the "consultative process" adumbrated in the Report of the Administrator for 1979 7/ and endorsed by the Governing Council in July 1980 8/ will rightly involve the regional commissions more constructively in the setting of priorities for inter-country programming. In fact the Inspector understands that "in the past few weeks" the office has participated in deliberations on UNDP's sub-regional programming for 1982-86: this is a welcome improvement.

24. Individual UNDP Resident Representatives in the sub-region almost without exception told the Inspector that there was insufficient on-going contact between them and the Mexico office. They often did not have an "inside" view of what CEPAL was doing in their country of appointment and would have welcomed occasional briefings when CEPAL personnel visited their areas.

25. Part of the problem has been that limitation of travel funds and mere distance preclude too extensive an involvement of the office "on-the-ground". This fact was lamented in some of the countries which considered that more work of the office should be "processed" locally, thus involving their own civil servants more meaningfully in CEPAL projects.

26. One criticism had to do with examples of ILPES and IADB duplicating training courses, sacrificing coherence by working in separate compartments. Lack of co-ordination also showed itself in the fact that visits had been made by the Mexico office and by Santiago on the same topic to one of the countries.

27. Planning Ministries in the sub-region considered that the Mexico office ought to work more closely with them since they had the best overview of their national development efforts and of the sub-regional needs. The historical relationship of the Mexico office with Ministries of Economy, if maintained in its original form, could militate against a broadening of the interests which CEPAL should be concerned with. A closer link with Planning Ministries without diminishing contact with Ministries of Economy would reinforce the work of the office. One planning official commented that CEPAL's work was too economic-oriented: there was not enough being done in the social developmental area. Another thought that a shortcoming in project planning was that projects were agreed on but no time frames established. The Inspector interpreted these criticisms as partly indicating that contact between the office and Planning Ministries was insufficient.

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6/ Proposal for a short-term programme of international technical co-operation for Central American integration (E/CEPAL/CCE/368), June 1975; some considerations concerning international technical co-operation aimed at strengthening the process of Central American economic integration (E/CEPAL/CCE/389), November 1977; and, notes on international technical co-operation to regional projects in the Central American Isthmus (E/CEPAL/CCE/395), September 1980.

7/ Para. 37.

8/ Decision 80/9 of 17 July 1980.

### Chapter III

#### Administration and Organization

##### A. Staff and organization

28. The Mexico office enjoys a large measure of decentralization from CEPAL Santiago. For purposes of everyday efficiency and decision-making, the necessary authority has been delegated to it and in the pursuit of its agreed programme of work, it has an unfettered freedom.

29. The office has its own manning table headed by a Director, formerly a Minister of Planning in Guatemala and, at another time an assistant to the Head of SIECA. He has occupied his present post over the past six years. There are 27 permanent professional posts, roughly half held by nationals of Central America and Mexico: six are from the latter. There are no staff members from Cuba, Haiti, Honduras or the Dominican Republic. Approximately half of the remaining posts are held by personnel from other Latin American countries.

30. The largest organizational unit in the office is the Economic and Social Development Section which works in concert with the Social Development, Statistics and International Trade Units. For the rest, the office is organized along functional lines or in joint units with United Nations agencies such as FAO in Agriculture and UNIDO in Industrial Development. Other units cover Natural Resources, Energy and Transport, and Human Settlements or deal with specific projects such as Critical Poverty or Agricultural Planning. In practice much of the work of the office is carried out by teams supplying a mix of disciplines and crossing the functional demarcations. This multi-disciplinary approach softens the rigidity which could otherwise set into the functional type of organization.

31. The staff comprises mainly generalists though the Director recognizes the need for some specialists in permanent positions. Already there is one in transport and others are hoped for in fields such as water resources and energy. Most of the specialist advice does and will continue to come from outside expertise.

32. The categories of work undertaken cover:

- (i) Studies, on request or as part of broad Latin American surveys or on the initiative of the office itself;
- (ii) Technical co-operation: joint missions in planning or finance, have been undertaken with ILPES or with consultants or other United Nations personnel; the office however recognizes that it needs a more comprehensive base of information the better to identify sources of assistance in the sub-region and bring them in touch with demands;
- (iii) Training: staff members lecture at least at one course per year and attend two to three seminars in that period;
- (iv) Representation of CEPAL and the United Nations Headquarters in sub-regional economic meetings.

33. The Mexico office is also the United Nations "lead-agency" for post adjustment matters, local salary scales, etc., and acts as "housekeeper" for other United Nations offices which occupy the same building. The office administers the UNEP Regional Office for Latin America and the United Nations Centre for Housing and Settlements; it serves as paying agents for the United Nations Information Centre. In these respects it carries wider functions than the Caribbean office does. The Inspector, however, noted the absence of a host agreement. He

considers it would reinforce the good relations the office has with the host government to have set in a formal framework the terms defining the relationships between the government and the office as well as appropriate matters relating to the status of the international staff, etc. The Inspector therefore recommends that consideration be given to the preparation of a host agreement.

34. There is no systematic policy of rotating staff through different positions in the Commission or in the United Nations system at large. Such staff movements as there have been have tended to meet particular needs of the moment. The Inspector considers there is room for introducing in CEPAL Santiago a conscious policy of rotating staff for career development and to reinforce the Commission's grasp of and sensitivity to the specific problems of the sub-regions.

#### B. Delegation of authority

35. Formal delegation of authority has been made to the Chief of Administration in certain personnel matters. This delegation ensures that all routine decisions concerning staff can be taken by the office. The office can recruit local staff. It can hire consultants for projects being "administered" by it, though for projects coming under the Regular Budget it has to consult the Programme Office, Santiago. It cannot recruit professional staff on its own.

36. The delegation also allows decisions to be taken on sick leave with the advice of the Medical Adviser and on normal travel and transportation problems. The office considers it has adequate power to make the necessary personnel decisions. Where it does not, its easy relationship with Santiago provides the solution.

37. There is some concern at the length of time recruitment takes and at the difficulty of awarding promotions to deserving personnel in a situation where the fixed manning table may not provide the appropriate slot. A converse problem is that of being unable to terminate the services or obtain the transfer of staff who are not performing efficiently. These negative factors are of course of concern also elsewhere in the United Nations system.

#### C. Budget and finance

38. The office prepares its budget needs and submits them to CEPAL Santiago. When the full budget process incorporating CEPAL Santiago, the United Nations Office of Financial Services, the Secretary-General, ACABQ, ECOSOC and the General Assembly is complete, the Assistant Secretary-General for Financial Services issues the office its allotments. Within the established framework of procedures, the office takes charge of its allotments, control of which is delegated to the Chief of Administration. With regard to the replenishment of the imprest account or matters that require solution at source, contact is direct with the Office of Financial Services in New York whose duty it is to monitor and in the final analysis assume responsibility to see that all financial obligations are properly discharged.

39. One means of exercising control over expenditure under the Regular budget lies in using the quarterly reports on programme implementation as an index of resources expended in individual programmes. These resources are then matched against the financial allocations to ensure that corrective action if necessary can be taken in time.

40. Project trust funds which are administered by the Mexico office are presented to the Budget Division for approval through CEPAL Santiago; once approved, CEPAL Santiago delegates to the Mexico office responsibility for budget and administrative control. Projects involving UNDP and UNFPA funds are administered

by the Mexico office in accordance with sub-allotments or MOD's issued by CEPAL Santiago. In 1979, the Mexico office received and administered approximately US\$ 120,000 of programme support costs.

41. In accordance with the procurement schedule approved for the budget biennium and subject to the financial rules, the office has permission to purchase items and to contract for general services costing not more than US\$5,000. Beyond that figure, for purchases and contract services up to US\$20,000, approval must come from the CEPAL Contracts Committee in Santiago. The Headquarters Contracts Committee in New York must approve all purchases and services beyond US\$20,000 in cost. The Inspector recommends that, in the light of present money values, the ceilings of US\$5,000 and US\$20,000 which respectively limit the responsibility of the Mexico office and the CEPAL Contracts Committee, should be raised, thereby facilitating some management decisions in the field.

D. Mexican Government assistance

42. The Mexican Government pays one-half of the rent of the accommodation occupied. This is a welcome subvention. The Mexican Government has also supplied staff at its own expense for projects such as that being carried out by ILPES on Agricultural Planning. It has also put at the disposal of the office the services of national technicians for joint projects.

## Chapter IV

### Relations

A. The CEPAL presence in Mexico

43. Mexican officials welcomed the CEPAL presence in Mexico. They unanimously credited the work of the sub-regional office as being impartial and trustworthy. The way was open to them for easy consultations on trade and petroleum with the office in Mexico where a similar rapport could not have come about with the Santiago office owing to the distance involved.

44. The Mexican Government's request for and participation in the agricultural planning project (PROCAP) supervised by ILPES was an index of the Government's confidence in the CEPAL office. The Mexican Government was providing almost US\$ 900,000 to the project. The office was not always able to supply the specialists requested but this shortcoming was understood as due to lack of resources on the ground or difficulties in securing funding for consultants from outside. Conversely, personnel of the office commended the ease with which they could meet officials of the Government, travel at will and pursue their legitimate business in the host country.

45. The Mexico office has also assisted the Government in some of its training programmes and offered advice on planning, programming and project evaluation. A manual on project evaluation prepared by ILPES stood out as a useful and practical document. The office was working with the Government on a macro-economic model for the country.

B. Specialized Agencies and United Nations bodies

46. Some Agencies supply staff for special functional units within the office (see para. 30). Apart from this, contact with the Specialized Agencies tends to

be occasional and dependent on whether specific projects require collaboration. The office has done studies for ILO projects in Central America and has assisted a UNIDO expert in the evaluation of an industrial programme in Guatemala.

47. Contacts with the Regional Bureau of UNDP in New York and with the Resident Representative in Mexico appear to be satisfactory but with individual Resident Representatives in Central America to be less consistent or organized (see also paras. 22 to 24). In one of the Central American countries visited in March 1980, the Inspector learnt that the Heads of Technical Co-operation Departments in various governments of the sub-region had met with UNDP to discuss future programmes for the sub-region but that the Mexico office was not a representative or observer at the meeting. CEPAL's sub-regional office ought as a matter of course to share in these councils. The Inspector is happy to note that at a similar meeting held in Panama in September 1980, CEPAL was represented.

48. A source of some problems has been that the sub-regional office and UNDP address different Ministries in individual countries. While, for historical reasons, the sub-regional office works a great deal through Ministries of Economy on activities related to economic integration, UNDP directs its message to Ministries of Planning. Both parties need to keep each other aware of the interests they are pursuing in the different ministerial conclaves.

49. The sub-regional office so far has "executed" or been associated in "executing" few projects: the limitation, and rightly, lies in the decision not to undertake the "execution" of projects unless the expertise and technical support are to hand. It remains for the office and for UNDP and the Specialized Agencies to harmonize their individual skills and experience: the interplay of responsibilities this co-operation calls for is complex and the possibilities have not yet been optimized; but the effort has to be made.

#### C. Other sub-regional offices

50. Contact with other sub-regional offices is sporadic rather than planned. One exception which proves the rule is a study for Latin American countries which are importers of energy resources. Under the Division for Natural Resources and Environment in CEPAL Santiago, this study brings together the Mexico and Port-of-Spain sub-regional offices in something of a partnership. This sort of collaboration between them is rare though there must be many areas of development in which they could work more closely, given the similarity in many of the problems both sub-regions face.

PART II

THE CEPAL SUB-REGIONAL OFFICE FOR THE CARIBBEAN IN  
PORT-OF-SPAIN, TRINIDAD & TOBAGO

Chapter I

Perspective

51. The work of the CEPAL office for the Caribbean falls into two distinct, though not mutually exclusive, phases.

The First Phase

52. Representations were made to the United Nations Secretary-General at the Prime Minister level, to the effect that the United Nations should provide a Commission to deal with problems of the Caribbean area. The possibilities were thrashed out and it was considered that CEPAL which was established, like the other Regional Commissions, on a continental basis should incorporate the requirements of the Caribbean countries. This decision became reality with the opening of the CEPAL sub-regional office in Port-of-Spain on 1st December 1966 covering the 12 countries listed below <sup>9/</sup>. Its broad mandate was to extend the work of the Commission in the Caribbean:

- to assist the Caribbean governments in matters of economic and social development;
- to promote co-operation between the countries of the Caribbean;
- to encourage the movement towards integration in the Caribbean;  
and
- to promote the improvement of trade and economic relations between the Caribbean countries and continental Latin American countries.

53. In this early phase, the office had on staff sometimes three, later five professionals and relied heavily on the services of regional advisers. It gave active assistance in the negotiations leading to the establishment of the Caribbean Free Trade Area Association (CARIFTA), the implementation of the Agriculture Marketing Protocol, the creation within CARIFTA of the East Caribbean Common Market (ECCM) made up of the West Indies Associated States (the Leeward and Windward non-independent islands) and the establishment of the Caribbean Development Bank (CDB). It worked in close touch with the Commonwealth Caribbean Regional Secretariat on matters connected with the signing of the Treaty of Chaguaramas bringing the Caribbean Community into being. At this time, the CEPAL office began to look towards fulfilling other longer-term needs for co-operation in the region.

The Second Phase

54. The impetus to economic integration in the Caribbean ran high during the mid-1970's and it was not unnatural for the Governments, looking at United Nations contributions to the sub-region, to consider whether CEPAL was performing the role it might in assisting the momentum towards co-operation. Alongside this phenomenon was a wider vision: that co-operation should encompass not only

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<sup>9/</sup> Antigua, Barbados, Belize, Dominica, Grenada, Guyana, St. Kitts-Nevis-Anguilla, St. Lucia, Montserrat, St. Vincent, Trinidad & Tobago and Jamaica.

the English-speaking Caribbean but other countries of the Caribbean Basin in "ever-widening circles of kinship", as Commonwealth Secretary-General S.S. Ramphal puts it in his Dialogue of Unity 10/.

55. Discussions to find a way of bringing the Caribbean more meaningfully into the Latin American dialogue culminated on 13 May 1975 in the passing of Resolution No. 358 (XVI) at the 192nd Meeting of CEPAL approving the establishment of a Caribbean Development and Co-operation Committee (CDCC). This Committee was to comprise Ministerial Representatives of the countries "within the sphere of action of the ECLA office in Port-of-Spain and the Governments of Cuba, the Dominican Republic and Haiti and the Caribbean countries as they achieve independence".

56. CDCC held its first meeting in the city of Havana from 31 October to 4 November 1975. The Committee is "a permanent subsidiary body of the Economic Commission for Latin America, at the governmental level". As such it reports to CEPAL which in turn reports to the Economic and Social Council (ECOSOC). Its functions are:

"To act as a co-ordinating body for whatever activities relating to development and co-operation may be agreed upon and to serve as an advisory and consultative body to the Executive Secretary of CEPAL in respect of Caribbean issues and circumstances" 11/.

57. The Constituent Declaration of the CDCC recognizes that "the Caribbean Countries share a geographic, cultural and historic proximity that must be taken into account when establishing the forms and mechanisms for co-operation among them". The working languages of the Committee as set out in the Rules of Procedure are English, French and Spanish.

58. CDCC advises CEPAL on priorities for development as perceived by the Caribbean countries themselves. Its mainspring is a desire to achieve joint policies and projects in a viable collaboration. It does not see itself as vestigial to the Latin American scene but as embodying a specific component of the hemisphere with special problems requiring identification and treatment.

59. CEPAL through its office in Port-of-Spain took on the duties of Secretariat to CDCC immediately after the November 1975 meeting. With this new task, the Caribbean office assumed a second role. It was no longer merely an extension of CEPAL Santiago in the Caribbean but had also become the arm of the ministerial committee. The new role has created some problems for CEPAL. With the limitations in its resources and with some rigidities in its administration and outlook, it has not entirely assimilated the Caribbean experience. The concept and procedures governing the Caribbean office did not change sufficiently with the changing role. Some disillusionment with the office set in and a faltering of ministerial confidence in CDCC became noticeable.

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10/ pages 6-7; published by Guyana Ministry of External Affairs, 1971.

11/ Chap. II, para. 10 of the Functions and Rules of Procedure of the CDCC.



## Chapter II

### The Work Programme

#### A. Technical co-operation projects

60. As with CEPAL Mexico, the Caribbean office has authority to shape the work programme in accordance with the expressed wishes of the CDCC Member Countries. CEPAL Santiago does not interfere in this process.

61. The work programme of the Caribbean office has identified concrete opportunities for technical co-operation or joint effort among the countries. While success has been uneven, some projects have achieved good responses from the participating governments and have shown results.

Co-operation in information. With strong support from the Latin American Centre for Economic and Social Documentation (CLADES), a part of the CEPAL Secretariat, the Caribbean Documentation Centre came into being in January 1977 as an adjunct to the Port-of-Spain office. Its aims are "to eliminate deficiencies in communication, data gathering and distribution" and "to establish a system for collecting technological and methodological data covering the sub-region". The International Development Research Centre has given valuable assistance.

Co-ordination in Planning. Two meetings of Planning officials have been convened with the assistance of ILPES, the second of which (29 May - 2 June 1980) approved recommendations aimed at strengthening "co-operation in planning among CDCC countries" and "joint production ventures". Cuba has offered to host a seminar on Physical and Regional Planning for specialists from CDCC Member States.

Science and Technology. The need for a Caribbean Council of Science and Technology was early identified as a priority. In April 1980 its Statutes were approved and ratifications are now being received from the participating countries.

Statistics. Haiti has been the beneficiary of assistance towards the improvement of its Foreign Trade Statistics. The Government of Jamaica released staff for the purpose, to collaborate with the Caribbean office on the project.

Other. Progress on some other technical co-operation projects has been slow: the development of a Statistical Data Bank awaits the appointment of staff as well as the acquisition of a computer. An important - and fundamental - project for the Elimination of Language Barriers, despite some assistance from UNESCO, has not moved apace owing to lack of resources: the Dominican Republic and Cuba have however offered facilities and personnel for a workshop and for training respectively. A project for the setting up of a Caribbean Council for Social and Economic Development has languished owing to a lack of precision concerning or common agreement on its goals.

#### B. Priority Projects

62. In April 1978 CDCC set the following eight priorities in its work programme: Elimination of Language Barriers, Science and Technology, Information and Documentation, Maritime Transport, International Trade, Caribbean Multinational Enterprise for the Production and Distribution of Printed and Audio-Visual Materials, Caribbean Network for Educational Innovations for Development (CARNEID), and the Participation of Caribbean Women in Development.

63. Reference has already been made to the first three. The rest have had a mixed record:

Maritime Transport and Communication. This sector has had the best co-ordinated planning and has profited from the steady support of UNDP, UNCTAD and IMCO. A project on shipping statistics has been concluded and a new UNDP-financed three-year project on "Regional Co-operation in the Development of Shipping including Support for Small Vessels and Schooners" will soon be under way in St. Lucia. Financing for training of sea-going personnel has been secured from UNDP which has also met the costs of studies by ILO and IMCO investigating the feasibility of setting up a regional maritime training institution for the CARICOM countries. ILO has also committed itself to assistance with port management and organization of ports in the Eastern Caribbean as well as port development and training in Trinidad and Tobago and port training in Barbados. In the area of facilitation of trade procedures and documentation, three missions of UNCTAD/FALPRO have taken place and the final report is awaited.

International Trade. ITC produced in February 1979 a "Report on a Feasibility Study for a Caribbean Trade Information System". It pointed to the need for the strengthening or setting up of national and sub-regional trade information systems as well as for further studies and evaluation before the establishment of the Caribbean system. The Report has been sent to governments but at the time of the June 1980 CDCC meeting, there had been no responses from the governments on the report. Meanwhile CDCC has decided that the ITC project formerly limited to CARICOM should take in all Member Countries of CDCC.

Caribbean Multi-National Enterprise in Printed and Audio-Visual Material. As early as 1977 this project was identified but has made little headway. A consultant was however due to commence duties in November 1980. For a kindred project on a Network of Centres for Cultural Retrieval and Animation, a report is expected soon from the UNESCO consultant.

Caribbean Network for Educational Innovations for Development. This project is in its early stages. A meeting of experts held in July 1979 has identified areas which the project needs to cover.

Participation of Caribbean Women in Development. This network project approved in 1978 aims at "self-reliance and self-generated development for the women of the sub-region". A Programme Co-ordinator was appointed in May 1979. A meeting in Barbados in May 1980 produced a number of resolutions dealing with, inter alia, "the establishment of concrete programmes and incentives to incorporate women in decision-making processes" and the selection of a network of planners to keep scrutiny of the situation of women in the various countries.

C. Other projects

64. Outside the list of priorities set, there has been work on:

- (i) the creation of a Caribbean Producers/Exporters Association in Agriculture. The Secretariat has published a Directory of national associations meanwhile.
- (ii) the preparation of a Caribbean Industrial Development Survey. UNIDO has done exploratory work on this and its report was presented to Governments in 1979.

- (iii) the importance of the Social Sector as an integral part of planning. The office has produced a study on this topic and the Second Meeting of Planning Officials endorsed its findings.
- (iv) the establishment of a Caribbean Postal Union. The office collaborated with CARICOM and national Postal Administrations on the preliminary work which UPU and UNDP assisted. Governments can now establish the Union on the basis of the work completed.
- (v) Environmental Management in which, through the work of a UNEP Co-ordinator, a Draft Action Plan for the wider Caribbean Area is being reviewed in meetings of experts. The intention is to report the findings to CDCC next year.
- (vi) The Economic Survey of the English-speaking Caribbean Countries. This is an annual production for which the office takes responsibility by agreement with CEPAL Santiago. The survey is published separate from the survey for the rest of Latin America. The information is considered to be of great potential value but, as in the case of the Mexico office, to be available too late - one official told the Inspector he had received the 1978 Survey in January 1980.

#### D. The Work of the Regional Economic Adviser

65. There is a Regional Economic Adviser assigned to the office and funded by the Department of Technical Co-operation for Development. His portfolio has in the main encompassed much needed projects in the Less Developed Countries (LDCs) such as on a plan for agricultural development in Grenada, on Marketing in St. Kitts and Public Finance in Montserrat. He contributed to the study on hurricane damage in Dominica in 1979. He has also been responsible for organizing meetings of Caribbean Planning officials in Cuba and Jamaica.

#### E. Observations

##### (1) Logistics

66. As CDCC Secretariat, the Caribbean office prepares the draft CDCC work programme and assumes responsibility for its implementation after approval. There are some inherent difficulties in the process:

Geography. There are now 14 country members, mainly islands. To prepare a work programme involving them all posits a consultation process, at the national level and with different ministries in each country. This preliminary task could be time-consuming but ultimately beneficial in terms of producing realistic proposals. Funds are now insufficient; an adequate travel budget would be needed for the purpose.

Languages. The variety of languages (English, Spanish, French, Dutch) of the countries represented - Dutch is however not an official language of CDCC - necessitates a bank of language resources in the Secretariat which it does not now have.

Co-ordination with Caribbean institutions. This is an area which requires more attention and resources. With regard to the CARICOM and East Caribbean Common Market (ECCM) Secretariats, a formal arrangement should be introduced whereby the CDCC draft work programme is discussed with those bodies before the draft is put to the technical preparatory meeting of CDCC. This prac-

tice would reduce possibilities of duplication or conflict and encourage complementarity in programming with the added benefit of a better sharing of limited resources. The same argument would suggest similar consultations with other sub-regional groupings whose programme of work impinges on CDCC's. Joint meetings on energy, industrial development or science and technology, for instance, could also contribute to greater coherence.

67. All the observations made above converge on the need for added resources and considerable leg-work if the task is to be well done.

(2) Content and format

68. During the course of the Inspector's visit, he encountered the criticism that the documentation of the office was not as concise as would be desired and that it was difficult sometimes to extract the recommendations from the material offered. This was an indictment of presentation rather than content and the office should implement such changes in the format of the documentation for CDCC meetings and the reports thereon as would improve this shortcoming in communication.

69. As annually presented, the work programme is a wholly descriptive piece. It does not show costs; it does not consistently indicate the time span which the phases of a project will require so that it is often left to educated guesswork whether a project in total will take months or years. The Inspector considers that tabular presentation which would identify sources of technical assistance, costs, sources of funds, personnel whether office or United Nations agency or other, phases of projects, estimated length of each, estimated date of completion and output indicators where possible would give opportunities for sounder appraisal of the programme and for its better evaluation as time progresses. Co-ordination with United Nations agencies will of course play a great part in this refinement of the tools of programme planning (see Chapter IV below). CEPAL Santiago has recently "re-deployed" a P-2 Programme Officer post to the Port-of-Spain office for work in the programming field.

70. In the same vein, the Inspector considers that a medium-term plan for CDCC should evolve which would indicate its goals over a four to six year period. There would be better chances of control and follow-up of the programme if all governments had a longer view of CDCC objectives and commitments than the narrow focus of the annual assembly of projects. Also the review and re-definition of priorities would emerge more logically from the opportunity of checking progress in sharper detail against the medium-term plan and revising the plan, say, every two years. The process should, usefully, fall into step with United Nations medium-term planning. There may indeed be good ground for holding CDCC ministerial meetings every two years instead of annually and prior to the Commission's biennial meeting (see also paras. 105-109). The aim would be to bring the planning and programming process more in step with the UN budget and programming cycles as well as to give the sub-regional office more time to implement projects.

### Chapter III

#### Administration

##### A. Staff and recruitment

71. The head of the office is a Jamaican who has occupied the position for 15 years. The post was re-graded to the D-1 level in January 1978 and the incumbent occupies this grade. He is assisted by a Deputy (P-4) and an Administrative Officer.

72. At February 1980 the staff comprised 13 professionals and 15 General Service under the Regular Budget. There were 6 professionals and 11 General Service paid from extra-budgetary funds. There are 4 professionals from Trinidad and Tobago, 3 from Jamaica, 2 from Haiti and one each from Panama, Dominican Republic, Cuba, Canada and U.S.A. Five posts were vacant.

73. The Director considers the present staff inadequate to carry out the CDCC work programme and the many calls the office has to answer for attendance at conferences and meetings and for support to seminars and other training in the sub-region. There has been a pronounced lag in the filling of posts which have been approved for the office and some approved posts have not been assigned to it at all. The Director cited instances in which in 1967 and 1968 research assistants provided by New York were not assigned by Santiago to Port-of-Spain and later in 1972 a similar situation recurred.

74. The process of recruitment to posts has seemed less than urgent. It has taken three years to find a French translator and an incumbent for the post of co-ordinator of the Women's Development programme, agreed upon in 1976, took up duties finally only in May 1979. There has been a three-year debate over whether the office should have three multi-lingual secretaries on its roster. To date the three secretaries, who are fully employed, occupy posts provided for research assistants. The tendency to recruit at the grade below the approved one has also not helped to strengthen the professional cadre and the case of one officer who had been in an L-4 position elsewhere in the United Nations and who was recruited at P-3, appeared odd. The Inspector asked the Director whether he could not seek information on appointments from New York when recruitment was under way: he said CEPAL Santiago did not approve of such direct contact. CEPAL Santiago however has informed the Inspector that the Executive Secretary has no objection to direct contact with New York for information but would wish copies of correspondence and communications with New York to be sent to Santiago to avoid action at cross purposes.

75. While one recognizes that recruitment in the United Nations is quite properly and by nature a longer process than for, say, a national administration, the Inspector considers that the pace with which recruitment has been occurring does not suggest enough of a sense of urgency and recommends that more consistent attention be paid to this defect.

76. The Inspector noted the lack of a translator in the Port-of-Spain office for the Spanish text of CDCC documentation and other on-going work. It is difficult to rationalize the absence of a Spanish translator in the sub-regional office of an organization which is predominantly Spanish-speaking. The arrangement whereby the Spanish translation has to be done in Santiago seems less than logical when Spanish is one of the three official languages of CDCC. The sub-regional office cannot give a proper language service to its constituents in this way. Headquarters in New York has more recently authorized the office to

pay for contract translation by approved free-lance translators from savings associated with the vacant language post. This of course is only a temporary expedient and will not solve the basic deficiency.

B. Constraints

77. The office has had over the past two years an Administrative Officer who had served in a similar capacity for six years in the Latin American Demographic Centre (CELADE) in Costa Rica and therefore has useful U N experience. The office has wide functions. It

- acts as Secretariat to CDCC,
- covers 14 countries and is empowered to work in 3 languages,
- provides administrative support to its staff as well as to consultants and other U N personnel,
- is the Caribbean arm of CEPAL, Santiago.

Taking into account its distance from Santiago and the difficulties in communications which do exist, between Santiago and Port-of-Spain, the office needs to have a capacity for quick decision-making on the matters with which it is charged. Constraints on the proper performance of duties relating to staff and to financial matters are discussed below.

(1) Staff matters

78. At the time of the Inspector's visit, the Administrative Officer did not have enough scope to carry out her duties promptly and efficiently. The Inspector noted that her effectiveness was sometimes reduced because it was not firmly established that the Administrative Officer should deal with the grievances of general service staff before they reached higher up in the organization. The Director of the office will need to lay down procedures for this. Such procedures should not prevent any staff member from having access to him on any personal problem but should ensure that the Administrative Officer is apprised of all grievances and contributes to their solution.

79. Similarly one would expect local staff to be hired at least in consultation with the Administrative Officer who must be well seized of the rules governing these appointments and the requirements for the filling of general service posts. This consultation has not always taken place. It ought to, in the interest of maintaining a rational organization and encouraging staff to accept responsibility: morale is important here.

80. The Caribbean office lacks authority to act in many routine matters. A few examples may indicate the adverse effect this has had on personnel relations:

- (a) general service staff encountered problems of salary payment owing to delays in medical clearances. Medicals are sent direct to New York and copied to Santiago. Eight contracts in early 1980 were delayed two months in the absence of clearances;
- (b) Santiago has approved one-month short-term appointments in cases where the administration in Port-of-Spain, having scrutinized all references and medicals to its satisfaction, had wished to offer personnel 3-month appointments;
- (c) the recommendation for a fixed-term general service appointment to a candidate who had had 4 years experience with a U N project before serving over 1 1/2 years in a temporary capacity at CEPAL Port-of-Spain, was converted into a Special Service Agreement by Santiago in the absence of references and medicals - though the candidate had undergone a short-term medical some three months before the appointment sought;

(d) considerable communication had to take place over a period of months to permit a part-time language instructor of staff to be paid a fee recommended by the office on the basis of the going rate in Trinidad and Tobago;

(e) it took 16 weeks to obtain approval from Santiago of a local sub-contract for the services of a Trinidad and Tobago firm to make diskettes for computer work on a statistical shipping project. As a result, the services of a programmer were lost to the project and needed travel funds had later to be diverted to pay for a programmer.

81. The Inspector considers, in the light of these and other instances of frustration of purpose or delay in decision with reference to routine administrative matters, that the present procedures are counter-productive. There is urgent need for a delegation of authority to the Director of the office, who could re-delegate as he sees fit to the Administrative Officer, to enable the office to deal, inter alia, with the following matters concerning general service staff:

- (i) medical clearance
- (ii) short-term appointments and special services agreements
- (iii) preparing proposals for promotions and
- (iv) the general well-being and administration of staff.

82. The Inspector has recently been informed that following a mission from Santiago in early October, authority has now been delegated to the office on lines similar to those proposed in paragraph 81. A local panel for appointments and promotions has been set up and permission has also been given to the office to make general service appointments "of one year and longer". The Inspector considers this a step in the right direction.

## (2) Budget and finance

83. The dual function of the Caribbean office as an arm of CEPAL in the Caribbean and as secretariat of CDCC has enlarged its budget needs; but CEPAL and the U N have so far been unable to accommodate the increased requirements. CDCC has expressed some dissatisfaction at the insufficiency of resources provided for the work programme it has approved. There seem to be serious institutional difficulties in the way of a solution to the budget problem and the Inspector will revert to this point later (see paras. 105-109).

84. For the first time since the establishment of the office, Miscellaneous Obligation Documents (MODs) were issued to it in March 1980. These set out the allotments by item within the limits of which the office could incur expenditure for the period January to June 1980. Previous to this, the office had no advance perspective of the expenditure which would be allocated to it over a span of months. The situation is now improved with the issue of MODs.

85. The financial accounts of the Caribbean office are kept and controlled by CEPAL Santiago which is also responsible for the payroll. A monthly imprest is released, on application, to the office.

86. Difficulties stem largely from the fact that Santiago does not always have access to or cannot appreciate the nuances of a particular situation at a given time. At other times the mere distance between the capitals adds complexity. Santiago, however, considers that, while the Mexico office maintains its own financial accounts and payroll, the Caribbean office is too small to justify "a full-fledged finance officer with general service support staff" for these purposes. At present the Caribbean office sends all financial documentation on its operations to Santiago where it is incorporated into the CEPAL accounts.

Santiago considers the present arrangements the most cost effective: it does not foresee any appreciable savings to itself, if financial authority similar to Mexico's is given to the Caribbean office.

87. In the Inspector's view, the aim should be to give the Caribbean office sufficient authority in the discharge of its financial affairs as to remove the irksome and time-consuming administrative and personnel problems which have arisen. The Inspector therefore recommends that CEPAL Santiago, in consultation with Headquarters in New York, review the source of weakness in the present system and strengthen the capacity of the Caribbean office to manage its financial affairs. As part of any re-examination of its financial operations, the Caribbean office should be allowed to make its views known to the Office of Financial Services in New York.

88. The office has been forbidden to make advance payments such as per diem to consultants from UN agencies and be reimbursed by agencies. Any such advances have had to be made through UNDP or with prior approval from Santiago. Until April 1980, the office could not request UNDP offices in the sub-region to make payments on its behalf.

89. This general climate of restriction reduces the visibility and acceptability of the office as a bona fide UN institution in the sub-region and weakens its capacity to run its affairs. CEPAL Santiago should seek to ensure that the financial procedures in force take proper account of the cash needs of the office, so that it can discharge its normal functions without embarrassment and make disbursements in the accepted way on behalf of the other UN organizations.

### (3) Office accommodation, furniture and equipment

90. Office space is critical. The Inspector confirmed during his visit that there is literally no more space to uncover or sub-divide for new accommodation. The premises are cramped and used to capacity. Visiting personnel or experts on assignment have to occupy offices which are temporarily free or use the conference room (a temporary one available on the floor occupied by the CEPAL/UNEP project). The office has no conference room of its own though it has commitments to lay on facilities and personnel for seminars and other training sessions.

91. In addition, it has been short of furniture and equipment. The office submitted in its budget for 1980-81 an itemized list of requirements estimated to cost US\$ 71,150 but no allotment was received for the purpose up to the time of the Inspector's visit - this in spite of the fact that the 1980-81 budget has approved 2 new professional and 2 new general service posts for whom provision ought to have been automatic. The situation with equipment for documentation and reproduction purposes also bore the stamp of neglect. The Inspector has however recently been informed that, on the basis of a revised request in July 1980, the office has been authorized to purchase furniture and equipment at a total cost of US\$ 14,255.

### C. Trinidad and Tobago Government assistance

92. The Trinidad and Tobago Government has paid the rent for the premises occupied by the Caribbean office from its inception. This is a useful contribution to the viability of the office. Some 85% of the initial furniture and equipment for the office was also supplied by the Government.

93. In addition the Trinidad and Tobago Government makes an annual subvention towards the salaries of general service staff. Since 1973, the subvention has amounted to TT\$ 36,000 which covers the net salaries of some locally recruited members of staff.



## Chapter IV

### Relations

#### A. The UN system and other UN bodies

94. CDCC from its inception saw good possibilities for its co-ordinating role. A ministerial body, it had as its secretariat CEPAL "acting principally through its sub-regional office in Port-of-Spain" and thereby it seemed ensured of a direct entry to the UN system. As an "advisory and consultative" body to the Executive Secretary of CEPAL, it would have access to the centre. The results have fallen short of the expectation.

95. Relationships with UNDP and individual specialized agencies have been uneven. UNDP has expressed the view that it was not consistently kept abreast of initiatives being taken by the sub-regional office within the framework of the CDCC programme of work. UNDP has accordingly assigned specific responsibility to its office in Port-of-Spain to liaise with the sub-regional secretariat on matters of common concern. The spectrum covering the specialized agencies has been varied. Where projects have been approved and set in motion, the office has worked well with the representatives of the specialized agencies. UNESCO in the first years of CDCC entered into a satisfying partnership with the office in the planning of educational and social projects and assisted in the supply of funds and personnel for the purpose. UNESCO has also given good support to the Science and Technology project. UNCTAD has collaborated significantly with the office in the transport field and in support of ECDC. Most of the other relationships with specialized agencies have not been deep and the sense of a fully co-ordinated UN system input to the CDCC work programme is absent.

96. There has been some duplication of effort on projects undertaken for CARICOM and for the Caribbean office by some UN agencies; other agencies have made little investment in the sub-regional sectoral programme even where they have long-standing programmes and personnel in the Latin American region. To cap it all, the UNDP inter-country funds for the sub-region are quite limited.

97. In 1978 the office addressed some proposals 12/ to UNDP and the individual agencies suggesting ways of strengthening the contribution of the UN system to the CDCC work programme. The proposals envisaged:

- (i) that CDCC would be moving into an operational phase after preliminary studies had prepared the ground;
- (ii) that, apart from the inter-agency consultations which take place immediately before or after CDCC meetings, a regular meeting perhaps every two years could bring together agency technical and programme personnel at a time which would allow the results to be fed into the CDCC work programme and the agency's programme plans. Such a meeting would of course require
  - adequate preparation by the Caribbean office in the form of preliminary discussions with individual ministries of Member Countries to be assured they would support the proposals in the governing bodies of the UN system,
  - discussions with agency personnel on the possibilities of various programme proposals securing acceptance, and
  - the submission well in advance, to all concerned, of full documentation on the CDCC proposals;

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12/ Note by CDCC Secretariat on "Inter-Agency Assignments in support of CDCC work".

- (iii) that the CDCC work programme might be progressively harmonized with the agencies' own programming and that joint programming could be adopted in some instances.

98. The Inspector considers it was regrettable that staff changes at that time prevented these overtures from being followed through systematically. There is still time, however, to take up the question in the light of the opportunities its solution would provide for making the UN input to the CDCC programme more coherent. Relations with the agencies would be placed on a sounder footing and the CDCC strategy for implementation of the work programme would be strengthened. The Inspector recommends that this effort at the improved programming of U.N. system resources be resumed.

B. Regional and sub-regional groups and institutions

99. (i) The Caribbean Group for Co-operation in Economic Development (CGCED)

On the initiative and under the chairmanship of the World Bank, this group met for the first time in June 1978. It identifies technical assistance projects requiring financing, establishes the priorities "in consultation with countries and regional organizations" and generally gives support to the delivery of the agreed projects. Its members include the World Bank, IMF, UNDP, the Caribbean Development Bank (CDB) and the Inter-American Development Bank (IDB). The CARICOM and the East Caribbean Common Market (ECCM) Secretariats as well as the CEPAL Caribbean office participate as observers. Bilateral donors and representatives of other U N system organizations also attend meetings. The Caribbean office through this forum is kept in close touch with the plans of other development agencies of the region and, from time to time, projects co-ordinated by the Caribbean office are endorsed by the group for technical assistance.

(ii) CARICOM Secretariat and the Caribbean Development Bank (CDB)

The CEPAL Caribbean office maintains close relations with these institutions as a matter of course. With representation at the level of Director or Deputy, the office attends meetings of the CARICOM Council of Ministers and similarly receives delegations from the CARICOM Secretariat to the meetings of CDCC. CEPAL desk officers also participate in CARICOM's technical meetings. This interchange is of mutual benefit (see also para. 66).

(iii) The Latin American Economic System (SELA)

Contacts between the Caribbean office and SELA are not yet substantive. There is scope for increasing co-operation between the two in the strengthening of information exchange and in identifying new areas for technical co-operation among developing countries (TCDC). Such action would fall naturally within the framework of the Agreement which exists between SELA and CEPAL.

PART III

THE NEXUS WITH SANTIAGO

Chapter I

Issues

A. Perspective

100. The Economic Commission for Latin America (CEPAL) provides a good example of a United Nations institution exercising intellectual leadership in its region. It launched ideas on economic and social development and stimulated a critical awareness of Latin American problems. Today, the countries of the region do not rely on CEPAL for intellectual guidance in the same degree: they are now better able to plan for their own development.

101. CEPAL's vision of the region did not however organically incorporate the Caribbean which has had a different history and tradition and different political and cultural habits from those of the Latin countries. So that while CEPAL's intellectual debates had point for the Caribbean as for other developing country regions, the Caribbean was "peripheral" to the central Latin American interest. This is not surprising since the English-speaking Caribbean, which comprises the majority of the CDCC members, was busy charting its own course in economic integration in the 1960s and 1970s. The fact remains, however, that intellectual and temperamental distance, compounded with the physical remoteness of Santiago from the Caribbean, has made the desired fusion of interests difficult.

102. A look at the nationalities of professional staff at headquarters in Santiago throws added light on the matter. Of a staff of 130 Regular Budget professionals, there are three from Mexico and one from El Salvador. There are none from countries of the CDCC sub-region. While some members of the headquarters staff may have worked previously in Mexico, Central America or the Caribbean area, the Inspector considers that the staffing of professionals at Santiago ought better to reflect the national composition of the sub-regions. The diversity of the region makes this even more compelling.

103. The comparative lack of Mexican and Central American staff in Santiago has not posed a great problem for the conduct of that sub-region's affairs because the Mexico office has a great share of autonomy. Santiago has correctly delegated the conduct of administrative and financial matters to the branch office. There is an air of confidence at CEPAL Santiago in the capacity of the Mexico office to carry out its mandate. By contrast there has been a lack of trust in the Caribbean office to supervise its own affairs.

B. Work programme and budget

104. The Inspector has touched on some aspects of the work programme of the two offices in paragraphs 11 to 27 and 60 to 70. The need to widen the consultation process in order that Ministers of Economy or Finance, Foreign Affairs and Planning all agree at the national level on the sub-regional programmes to be advanced remains important. The sub-offices must also ensure that individual Ministers and their Ministries support the sub-regional projects which their national Departments must monitor and assist. It is a task of some delicacy that has to be done.

105. The matter however has wider aspects. Section IV of the annex to General Assembly resolution 32/197 pointed to the role of regional commissions as "the main general economic and social development centres within the United Nations for their respective regions". It will be impossible for any regional commission to reach this goal without strengthening the arteries that feed the programme planning

process. The report on "Implementation of General Assembly resolutions 32/197 and 33/202 for the regional commissions" 13/ refers to the need for -

"a permanent dialogue between Governments and regional secretariats, aimed at the effective integration of sectoral inputs, and at maximizing the responsiveness of the work programmes ... to regional priorities". 14/

There is no shortcut: the government representatives must become more organically involved at the level of the Commission in the setting of the priorities, in finding the right mix of regional and global projects; they must also test at the regional level the financial complexion of their proposals, the better to plan the alternatives (including bilateral) for financing their needs.

106. If disillusionment, therefore, is not to set in, there must be a satisfactory process whereby Ministers have the opportunity to assess the financial implications of the programme which goes from the Commission to the Office of Financial Services in New York to be organized into the budget. The work programme has meaning when its costs are identified. The procedures for the Commission's approval of the CEPAL work programme ought to include provision for the Commission to be made aware, possibly in an annex to the work programme, of its financial implications. Prior consultation between Santiago and New York will be necessary on this step. Since the chances of securing additional funds during a budget period are very slim, it becomes more urgent that the Commission be fully seized of the extent to which its draft programme of work can be implemented, given the requirements of zero growth from one budget period to another.

107. The report referred to at paragraph 105 above addresses this point:

"In accordance with the Financial Regulations of the United Nations, the provision of guidance by member Governments to the regional secretariats on programming matters should, in order to be as effective as possible, including full consideration of administrative and financial implications, so as to ensure that estimates of requisite and available financial means are systematically taken into account, and substantive and budgetary aspects are examined in an integrated manner at all stages of the process." 15/

The Inspector's findings during his visit confirm this advice.

108. For the 1982-83 budget, the situation is already set. Formal preparation of the budget began in the latter half of 1980. The timetable for the submission, examination and completion of the proposed programme budget for 1982-83 is as follows:

- |       |   |                  |
|-------|---|------------------|
| (i)   | Budget instructions issued  | 19 August 1980   |
| (ii)  | Submissions received by Budget Division and PPCO <u>16/</u> from units in the economic and social sectors located at Headquarters | 31 October 1980  |
| (iii) | Submissions from all other units received by Budget Division and, in the economic and social sectors, by PPCO                     | 15 November 1980 |

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13/ Document A/35/546 of 23 October 1980.

14/ Ibid, paragraph 29.

15/ Ibid, paragraph 30.

16/ The Programme Planning and Co-ordination Office of the Department of Industrial Economic and Social Affairs.

- |       |   |                                  |
|-------|---|----------------------------------|
| (iv)  | Review of submissions by Budget Division and, in the economic and social sectors, by PPCO; completion of the budget text and submission for translation and re-production | 1 November 1980<br>15 March 1981 |
| (v)   | Budget text available in all languages to CPC and ACABQ   | 30 April 1981                    |
| (vi)  | CPC and ACABQ report to the General Assembly on the Budget  | May to July 1981                 |
| (vii) | Consideration, revision and approval by the General Assembly  | Sept. to Dec. 1981               |

109. In view of this timetable, the most fruitful period for Ministers to discuss the programme proposals would be:

- before October of even numbered years, 14 months before beginning of the budget period or, put another way,
- during the year in which the budget process starts and prior to submission of the programme proposals to New York.

In April of the following year, at the normal time of the Commission's biennial meeting, it is more difficult for Ministers to influence what goes forward although they can later decide to submit amendments to the General Assembly either jointly or individually. One spin-off of increased ministerial interest in the preparation of the programme proposals, with financial implications annexed, will be the opportunity it will offer for seeing at first hand the limitations within which the secretariat has to carry out this function.

#### C. Staff and travel resources

110. Representatives of governments and other officials whom the Inspector met during his visit were unanimous that more resources were needed for both sub-regional offices. The needs of the Caribbean office however appeared more urgent. Since its inception there have been increases in the staff allocated to the latter (see annexed comparative table) but the reality falls short of requirements. The Inspector recognizes there is no easy solution to this problem in the light of the limitation on United Nations resources.

111. Certain options, however, suggest themselves. There should be a studied policy of rotation of staff through different sub-regional offices of the Commission. As a complement to such a policy, there would be advantages all round if qualified Santiago staff could take on short-term assignments in sub-regional offices according to need and on a more frequent basis than now occurs. Re-deployment of staff from Santiago to the sub-regional offices is a third option which deserves serious scrutiny: Santiago is aware of this and has, towards the thirty-two (32) regular budget "existing posts" in the Caribbean office, contributed in the past one (1) P-2 post and two (2) local-level posts 17/.

112. Success for a policy of strengthening staff experience by work in different offices of the Commission will largely depend on conditions in the several duty stations. Views expressed during the Inspector's visit reflected a concern that more attention must be paid by the central authorities to the factors which go to "equalize" the chances of field duty stations attracting good calibre staff. No policy of rotation will succeed if the field duty stations which must attract new personnel on a systematic basis do not offer viable conditions of service.

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17/ See document A/C.5/35/23 Add. 1/Corr. 1.

113. The International Civil Service Commission has recognized this problem and is considering a system of classifying duty stations according to hiring and working conditions <sup>18/</sup>. In the course of its survey of the problem, personal contact between the technical experts at headquarters and the staff at duty stations would be helpful and might be arranged periodically so that over a number of years duty stations presenting typical problems could be visited.

114. The Inspector makes this point for the following reason. The duty station in the field, and particularly the small duty station, is at a serious disadvantage, as compared with headquarters personnel, in the dialectic which precedes the recognition and redress of grievances. The duty station may not have the technical competency on board to make the right case or to defeat opposition. There is no staff association to press its claims or expose the intricacies of the question. The machinery for ensuring speedy adjustments for, say, general service salaries to match local commercial practice is slow and remotely controlled. These are weaknesses endemic to the field.

115. The UNDP Resident Representative has a major role to play in co-ordinating these matters, but the Inspector believes that, in a dynamic relationship with its sub-regional offices, CEPAL Santiago can increase its administrative and substantive support to them in identifying, studying and making representations to United Nations headquarters for the improvement of conditions of service. The Caribbean office, as historically younger and possessing less experience in the solution of these problems, should be able to rely on Santiago for the technical expertise.

116. A brief comment on travel resources. These are basic to the work of directors and their staff in carrying out the consultations which energize their work and give it support. There were complaints within both Central America and the Caribbean that visits from the directors and staff were too few; one positive aspect of these comments has been that the government representatives to whom the Inspector spoke all wished they could have discussions with the directors more frequently.

D. The quality of management in the field

117. The quality of management in the field duty station is another critical factor. The attributes of the director of an office charged with the mandates of the Mexico and Caribbean offices are varied. They include:

- (i) high-level academic attainment and intellectual ability;
- (ii) a good knowledge of at least two working languages of the region;
- (iii) considerable administrative experience and know-how;
- (iv) ability to confer intelligently with Ministers and be accepted by them as a spokesman for the U N;
- (v) ability to interpret the political will;
- (vi) skill in negotiation;
- (vii) ability to represent CEPAL in national and international fora;
- (viii) ability to promote rapport between national institutions and to stimulate TCDC.

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<sup>18/</sup> See Chap. VI, page 50 of the ICSC Report to General Assembly - Supplement No. 30 (A/35/30).

118. The post of Director is at present graded D-1. It may be that, given its responsibilities as compared with those of other D-1 posts in the U N , the post of Director in both sub-regional offices deserves a higher grade. This should be objectively tested on the point-factor rating system being planned for introduction into the United Nations and specialized agencies next year. It is important that the demands of work in the field are given equal recognition with work at headquarters.

E. Generalists vs specialists

119. The question arises whether the sub-regional offices should be staffed with generalists or specialists. A strong core of generalists is essential to provide the allround support necessary to specialists from the Agencies. The Caribbean office, with technical co-operation as a main goal, should strengthen its generalist component. The practice which has been sometimes used of setting up joint units within the secretariat or at a sub-regional office is commendable for its bringing the two disciplines together. UNESCO's assignment of a staff member for three months to the Caribbean office to develop outlines for UNESCO projects was a most useful experience. A great deal however depends on the attitude and performance of individual Specialized Agencies.

120. The Inspector noted that in both sub-regions visited there were specialist areas which had not received and were not receiving substantive assistance from the Agencies. If the history of an Agency's assistance to a particular programme, which has been identified by a sub-region as of medium or of long-term value, indicates the Agency's lack of support for the programme, CEPAL should make every effort to provide the fixed-term specialist staff required for the programme while it lasts. The attitude of individual Agencies to harmonizing their programme plans with those of CEPAL and the sub-regions will also be something of an index of their willingness to contribute. In circumstances where they do not contribute to a well-identified sectoral need, there is a case for CEPAL to invest in the specialist staff. Some technical areas such as Energy may also deserve particular consideration for such staff.

F. Publications and language

121. The Inspector made reference previously to the fact that, while the Economic Survey is valuable, its late appearance in the past has weakened its usefulness. CEPAL Santiago is well aware of this. The Inspector noted that the Caribbean office had been given permission to issue the Economic Survey for the English-speaking sub-region and that this arrangement was a good instance of a delegation of responsibility to the sub-office.

122. The Inspector also understands that CEPAL Santiago has with effect from 1980 planned to prepare and distribute the studies on individual countries in their preliminary version as they become available. After comments are received from the individual countries, the changes will be introduced and the entire Economic Survey will be published internally within CEPAL. It is hoped that these measures will improve the timely publication of this important work.

123. Members of staff of the Caribbean office as well as some UNDP Resident Representatives thought that the impact of CEPAL's work could be stronger if the documentation it issues on matters relating to the Caribbean could routinely be issued also in English. The Inspector supports this view. Publications-wise at the least, it is important that Santiago adjust its language policy to correct this shortcoming.

## Chapter II

### Decentralization and Effective Control

124. The Inspector's comments on the activities of the CEPAL sub-regional offices in Mexico and in Trinidad and Tobago will have indicated that the former enjoys a good measure of autonomy while the latter has to a significant degree lacked authority to act on its own. Decentralization has operated satisfactorily in the one case while, in the other, Santiago maintained control, particularly in administration, thus weakening the decentralization effort.

125. The comparative lack of delegation of authority in administration to the Caribbean office betrays, it seems, a lack of confidence in its personnel and has sometimes, not unnaturally, impeded progress on substantive matters. Take, for example, the securing of extra-budgetary funds. In examining the work of the Caribbean office, the Inspector encountered cases in which extra-budgetary funds were ready for disbursement but, because of difficulties between Santiago and the office, the delivery of the funds lagged and the implementation of the projects suffered.

126. There are strict rules governing the acceptance of extra-budgetary funds:

- general trust funds are established under the authority of the Secretary-General;
- the Secretary-General delegates the responsibility for the creation or acceptance of trust funds to the Assistant Secretary-General for Financial Services of the UN;
- trust funds cannot be accepted if they will involve the UN in additional expenditure at that time or in the future.

Quite properly the Assistant Secretary-General for Financial Services must make this decision.

127. In CEPAL, the control of extra-budgetary funds resides naturally at Santiago which must preserve a composite view of inputs from all sources in order to plan effectively. The Caribbean office, however, acting on pledges made at CDCC and CGCED meetings, successfully negotiated with UNDP and UNESCO for the following assistance:

- \$50,000 from UNDP for shipping statistics project
- \$15,000 from UNESCO for a Science and Technology Conference

The Caribbean office did not apprise Santiago in advance - as the procedures demanded - that the funds were being sought and for what purpose. As a result disbursements were blocked while the procedural impasse was being settled. It caused many months of delay in the execution of the projects. A grant of \$5000 from the UN University to the Caribbean office was similarly held up because Santiago considered that the funds should not be accepted without a formal contract, which the UN University considered unnecessary.

128. The Inspector cites these examples merely to show the tug between the intent to decentralize and the tendency to reserve authority at the centre. In a letter of 18 December 1979 from the CEPAL Deputy Executive Secretary for Co-operation and Support Services, the uneasiness that exists between the two poles manifests itself:

"Since it is the policy of CEPAL to decentralize many of our activities and decision-making authority to the field offices, this financial requirement does not hamper your office from continuing to serve as the co-ordinating point



for the inputs of various specialized agencies for activities of the CDCC. On the contrary, we encourage this operational decentralization".

The Inspector has underlined the words "serve as the co-ordinating point". That is one aspect of the business of the office. Should not and is not the office expected actively to negotiate the acquisition of funds for its programmes? The Inspector considers it should have this right, subject, of course, to procedures which reinforce the value of the man in the field and which accept results as the main criterion. Procedures must be a tool not the master of the organization and it is the duty of management to find answers which recognize that "the purpose of control is to make the process go smoothly, properly and according to high standards" 19/.

129. CEPAL Santiago has also from time to time retained a proportion of extra-budgetary funds as its share of support costs even when the sub-regional office had planned and taken full responsibility for a project as well as administered the funds secured. The Inspector considers that the spirit of true decentralization is violated if CEPAL retains support costs in Santiago even when it has not discharged or will not be called on to discharge any significant liabilities under the funding. Any percentage retained ought to reflect support work actually performed.

130. The Inspector is happy to note that since his visit CEPAL Santiago has issued to the Port-of-Spain office new guidelines of September 1980 governing the negotiation and execution of extra-budgetary projects. The guidelines cover, inter alia, the delegation of authority of projects with "governments or sub-regional groupings in the region" and with any organization of the U N system.

131. The Inspector was informed that contact between the Caribbean office and New York is not encouraged on the ground that Santiago should handle all Caribbean business with New York. CEPAL Santiago states that it does not oppose communication but must be kept aware of the substance of contact. It is important that ambiguity be removed. If results are to be important, the sub-regional office must have freedom to communicate with UN Headquarters and UN Headquarters should extend its co-operation to the sub-regional office likewise. This is another aspect of the confidence which must subsist between headquarters and branch.

132. The Caribbean Development and Co-operation Committee (CDCC) has perceived the underlying tension and has recommended that action be taken to resolve it. While the Inspector does not expect all tension to be removed - tensions can also be creative - the way needs to be found to get rid of the debilitating effects on initiative and drive where the tension is negative. CDCC in a resolution passed at its meeting held in June 1980 in Jamaica has recommended inter alia that the office for the Caribbean:

- become the CEPAL sub-regional Headquarters for the Caribbean in order to enable it to be more adequately equipped and financed to respond more efficiently to the needs of the Committee; and
- be empowered to consult with, receive and administer funds originating from CEPAL and other UN family organizations, other international inter-governmental or sub-regional government-related agencies, in accordance with pertinent UN regulations.

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19/ Peter F. Drucker: Management, Pan Books (London, 1979), page 207.

133. The Inspector believes the Resolution is searching for the meeting ground between decentralization and effective control. The Executive Secretary has himself acknowledged the need. In a statement to CDCC at its June 1980 meeting, he said:

"With regard to the strengthening of the authority and responsibility of the office, the Executive Secretariat supports completely the objective of delegating to the office all the attributes which are required to comply with the requirements of the sub-region".

The Inspector considers that this step should follow logically upon the record CEPAL has built up over the years for decentralizing its activities and encouraging sub-regional development. While the delegation of authority to the sub-regional offices in programming and in substantive matters has been perceptible and real, excessive administrative control from Santiago in the past weakened the capacity of the Caribbean office to perform. If its performance is to improve, it needs more freedom of choice. But it needs other thrusts as well: a more virile engagement of UN system resources; better rapport between Santiago and the Caribbean with a keener grasp on each side of the other's conceptual frame of reference; the readiness of CDCC member governments to follow through in concert on proposals, at the national level, in the Commission and before the Governing Bodies of the Specialized Agencies. These initiatives will profit from the transfer of administrative authority to the Caribbean office where hitherto its absence has compromised the integrity of effort. This way decentralization can better prove its worth.

PART IV

SUMMARY OF MAIN RECOMMENDATIONS

Mexico Office

Recommendation 1: The Mexico and Caribbean offices should exchange ideas and experience on a more consistent basis and should work more closely together on common problems (paras. 21 and 50).

Recommendation 2: UNDP should strengthen its collaboration with the Mexico office in programming for the sub-region. The Mexico office should also keep UNDP Resident Representatives better informed of CEPAL activities in their respective countries of appointment (paras. 22, 24 and 47).

Recommendation 3: The office should establish closer links with Planning Ministries, without however diminishing its contacts with Ministries of Economy (paras. 27 and 48).

Recommendation 4: Consideration should be given to the preparation of a host agreement defining the relationships between the Government and sub-regional office (para. 33).

Recommendation 5: In the light of present money values and to facilitate some management decisions in the field, the ceilings of \$5,000 and \$20,000 which limit the responsibility of the Mexico office and the CEPAL Contracts Committee respectively for purchases and contractual services should be raised (para. 41).

Caribbean Office

Recommendation 6: Given the number of widely dispersed Member Countries of CDCC and the variety of languages represented, the office should be provided with adequate resources for travel and language services (paras. 66, 67, 76, 116 and 123).

Recommendation 7: A more formal arrangement with CARICOM and ECCM, as well as with other sub-regional groupings whose work impinges on CDCC's, should be introduced whereby the CDCC draft work programme would be discussed with those bodies before it is put to the technical preparatory meeting of CDCC. This would reduce possibilities of duplication and encourage complementarity in programming (para. 66).

Recommendation 8: The work programme should be so presented as to allow easy identification of sources of technical assistance and funds, costs, staff required, estimated duration and phasing of projects, planned outputs and measurement indicators. The elaboration of a four to six-year medium-term plan for CDCC would also provide a good perspective against which to judge the work programme. CDCC might consider the feasibility of holding a biennial, instead of annual, ministerial meeting, prior to the Commission's meeting (paras. 69, 70 and 105-109).

Recommendation 9: Taking into account the distance and the difficulties in communications between Santiago and the Caribbean office, Santiago should

(i) delegate to the latter authority to take decisions on matters concerning general service staff such as medical clearances, short-term appointments and special services agreements, the preparation of proposals for promotions, and the general well-being and administration of staff (paras. 81 and 82);

(ii) review the weaknesses in the present system of financial management in order to strengthen the capacity of the Caribbean office to take charge of its

financial affairs. As part of this review, the Caribbean office should be allowed to make its views known to the Office of Financial Services at UN Headquarters (para. 87); and

(iii) ensure that the financial procedures in force take proper account of the cash needs of the Caribbean office (para. 89).

Recommendation 10: The UN system's contribution to the CDCC work programme should be strengthened, on lines proposed in 1978, inter alia, by

(a) the holding of regular, perhaps biennial, meetings with technical and programme personnel of the agencies with the aim of consulting them and harmonizing the CDCC work programme with agency programme plans;

(b) having such consultations at such time as would allow the proposals to be fed logically into the CDCC work programme;

(c) the Caribbean office's securing adequate assurances of support, from individual ministries of the several governments, for the proposals in the work programme when these eventually come before governing bodies of the UN system for adoption (para. 97).

#### The Nexus with Santiago

Recommendation 11: The staffing of professionals at Santiago ought better to reflect the national composition of the sub-regions (paras. 102).

Recommendation 12: Santiago should ensure that Government representatives become more organically involved at the level of the Commission in identifying and setting the priorities for the region, in finding the right mix of regional and global projects they will support and in testing the financial implications of their proposals in order to plan better for their needs (paras. 104-107).

Recommendation 13: Several options to strengthen staff resources of both sub-regional offices suggest themselves: a conscious policy of staff rotation; short-term assignments of qualified Santiago staff to the sub-region; and re-deployment of Santiago staff. Successful implementation of a policy of strengthening staff experience by work in different sub-regional offices pre-supposes that they offer viable conditions of service. The sub-regional offices should be able to rely on Santiago for the necessary administrative and substantive support in seeking improved conditions of service (paras. 34 and 110-115).

Recommendation 14: Santiago should consider investing in specialist staff on a fixed-term basis where particular programmes have been identified by the sub-regions as of medium or long-term value, but where support of the relevant Specialized Agencies is lacking (para. 120).

Recommendation 15: The sub-regional offices should be empowered to negotiate the acquisition of extra-budgetary funds for their programmes, subject to procedures which, while preserving the UN Headquarters' and Santiago's overall responsibilities with regard to the acceptance of such funds, recognizes as the main criterion, the need to encourage results in the field (paras. 124-128).

Recommendation 16: Any percentage of extra-budgetary funds retained by Santiago as its share of support costs should reflect support work actually performed (para. 129).

TABLE I  
COMPARATIVE ANALYSIS OF PORT-OF-SPAIN, MEXICO AND SANTIAGO PERSONNEL GROWTH,  
BY CATEGORY AND SOURCE OF FUNDS <sup>a/</sup>  
(Base 1970=100)

Source of Funds	PROFESSIONALS				GENERAL SERVICES				FIELD SERVICE			
	Total CEPAL Staff	POS	MEX	SCL	Total CEPAL Staff	POS	MEX	SCL	Total CEPAL Staff	POS	MEX	SCL
<u>As of February 1970</u>												
<u>Regular Budget</u>	137	5	25	97	302	-	60	237	2	-	-	2
<u>Extrabudgetary sources:</u>												
Section 24y OTC	23	4	9	10	-	-	-	-				
Specialized Agencies and Other Funds	19	-	4	15	9	-	7	2				
Host Government	-	-	-	-	11	8	-	-				
Other Governments	-	-	-	-	-	-	-	-				
Overhead	-	-	-	-	3	-	-	3				
Temporary Assistance	-	-	-	-	25	2	5	16				
GRAND TOTAL	179	9	38	122	350	10	72	258	2	-	-	2
<u>As of January 1975</u>												
<u>Regular Budget</u>	155	8	24	106	336	8	63	256	2	-	-	2
Growth	13%	60%	(4%)	9%	11%	800%	5%	8%				
<u>Extrabudgetary sources:</u>												
Section 24	7	1	2	2	-	-	-	-				
Specialized Agencies and Other Funds	28	-	1	27	10	-	9	1				
Host Government	-	-	-	-	21	5	-	-				
Other Government	5	-	-	4	1	-	-	1				
Overhead	-	-	-	-	4	-	-	4				
Temporary Assistance	-	-	-	-	12	2	-	8				
GRAND TOTAL	195	9	27	139	384	15	72	270	2	-	-	2
GROWTH	9%	-	(29%)	14%	10%	50%	-	5%	-	-	-	-
<u>As of February 1980</u>												
<u>Regular Budget</u>	189	13	27	133	387	15	65	297	4	-	-	4
Growth	38%	160%	8%	37%	28%	1500%	8%	25%	100%			100%
<u>Extrabudgetary sources:</u>												
Section 24	8	1	1	5	2	-	-	2				
Specialized Agencies and Other Funds	49	5	14	26	23	3	-	20				
Host Government	-	-	-	-	12	4	-	-				
Other Governments	13	-	4	9	5	-	1	4				
Overhead	1	-	-	1	79	2	5	71				
Temporary Assistance	-	-	-	-	14	2	2	8				
GRAND TOTAL	260	19	46	174	522	26	73	402	4	-	-	4
GROWTH	45%	111%	21%	43%	49%	160%	-	56%	100%	-	-	100%

<sup>a/</sup> ILPES and CELADE staff excluded.

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