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DRAFT REPORT

Addendum

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PROGRAMME QUESTIONS

Proposed medium-term plan for the period 1998-2001

<u>Programme 17</u>. Economic and social development in Latin America and the Caribbean

1. At its 29th meeting on 21 June 1996, the Committee considered programme 17, Economic and social development in Latin America and the Caribbean, of the proposed medium-term plan for the period 1998-2001.

Discussion

- 2. Many delegations stressed the importance of the programme, particularly in the areas of analysis of economic and social issues and in technical assistance activities, and supported the objectives of the plan. One delegation said the programme was very wide-ranging and questioned whether all the activities represented areas in which the Economic Commission for Latin America and the Caribbean (ECLAC) had a comparative advantage.
- 3. Some delegations were concerned that the overall objective of the programme as stated in the plan had moved away from focusing on the achievement of sustained economic growth in the region. Other delegations felt that the objectives did not lend themselves to measurement. Some delegations expressed the desire for a better balance between analytical and technical assistance activities. Other delegations stressed the need to ensure that adequate

coordination be maintained between that programme and other United Nations organs and/or agencies, in particular other economic commissions, as well as the Bretton Woods institutions, the United Nations Conference on Trade and Development (UNCTAD), the International Labour Organization (ILO) and Caribbean development organizations, in order to avoid duplication of work.

- 4. Some delegations were concerned that the subject of foreign indebtedness and its impact in the economies of the region was not appropriately emphasized in the proposed plan as it had been in the previous plan. Other delegations echoed the same concern with regard to the issues of scientific development, food and agriculture, as well as training and technical cooperation programmes in the area of demographics and social development. One delegation was concerned that the proposed plan did not reflect an adequate level of emphasis on issues related to the Caribbean subregion and to sustainable development in smaller nations within the overall scope of ECLAC subprogrammes.
- 5. Several delegations questioned the definition of strategic administration in subprogramme 17.6 and its distinction from the concepts of public administration and governance. Other delegations questioned the link between intraregional trade and environmental and employment conditions in subprogramme 17.2, as well as the nature of the contribution that transnational corporations could make to the economic development of the region's countries.
- 6. One delegation stressed the need of studying capital flows in addition to trade flows under subprogramme 17.2. Other delegations were interested in furthering the study of issues related to the economic impact caused by the production and trafficking of narcotic drugs and psychotropic substances, such as crop substitution. The need to coordinate activities in that area with the United Nations International Drug Control Programme (UNDCP) was also stressed.
- 7. One delegation expressed concern that the current medium-term plan did not reflect current priority-setting exercises in ECLAC.

<u>Conclusions</u> and <u>recommendations</u>

- 8. The Committee recommended approval by the General Assembly of programme 17 of the proposed medium-term plan for the period 1998-2001 with the following modifications, taking into account the result of the process of restructuring currently under way in ECLAC:
- (a) Paragraph 17.1: In the first sentence, <u>replace</u> the words "to contribute to the development of" with the words "to promote the economic and social development of";
- (b) Paragraph 17.5 (a): Add the following at the end of the paragraph: "and to provide support to the States of the region in their efforts to maximize the benefits and minimize the pitfalls of these global trends.";
- (c) <u>Paragraph 17.6</u>: In the second sentence, <u>insert</u> the words "and the Caribbean" after the words "Latin America";

- (d) <u>Paragraph 17.7 (a</u>):
- (i) After the words "Latin American" <u>insert</u> the words "and Caribbean" (in both cases);
- (ii) In the first sentence, after the word "future", add the following:
 "and to provide support at the operational level to States of the
 region in their efforts to address these problems.";
- (iii) Replace the word "rechannelling" with the word "reorienting";
- (iv) Replace the words "flows as a result of formal agreements" with the words "and capital flows as a result of the formal agreement mentioned above.";
- (v) Replace the words "to establish free trade zones." with the words "to promote economic integration in the region";
- (e) Paragraph 17.7 (b): In the second sentence, after the words "the second objective is to" \underline{insert} the words "provide Member States and subregional integrated institutions with analytical and operational support in order" before the words "to improve";
- (f) <u>Paragraph 17.7 (c)</u>: After the words "means of transport," <u>insert</u> the words "including air and sea transport, which are vital to the expansion of the productivity and enhancement of competitiveness of the island economies,";
- (g) Paragraph 17.9 (a): At the end of the paragraph, $\underline{\text{delete}}$ the words "and the development of new debt instruments and facilities";
 - (h) Paragraph 17.9: Add a new subparagraph (b) as follows:

"Another objective is to help Member States to formulate international and regional strategies to solve the problems stemming from external indebtedness, with an emphasis on improving the terms and conditions of this indebtedness. Special attention will also be paid to the issue of the development of new debt instruments and facilities."

Renumber the remaining subparagraphs accordingly;

- (i) Paragraph 17.9 (d): In the fourth sentence, replace the words "A new articulation" with the word "Interaction"; replace the word "achieved" with the word "enhanced"; and replace the word "intense" with the word "intensive";
- (j) Paragraph 17.10: After the words "necessary to change" add the words "or strengthen, where appropriate,";
- (k) <u>Paragraph 17.11 (b)</u>: In the second sentence, <u>delete</u> the words "in the formulation of policies and programmes and in control over their management";
- (1) <u>Subprogramme 17.6</u>: <u>Replace</u> the title of the subprogramme with the title "Administrative management.";

- (m) <u>Paragraph 17.12 (a</u>):
- (i) Replace the first sentence with the following:

"Effective public administration within a democratic framework is an important prerequisite for the type of development to which the Latin American and Caribbean region aspires.";

(ii) <u>Replace</u> part of the third sentence up to the words "and at systematizing," with the following:

"The first objective is to arrive at clarifying the notion of an effective public administration reform";

- (n) <u>Paragraph 17.12 (b</u>):
- (i) In the first sentence, after the words "public agenda" add the words "where appropriate and in conformity with national priorities";
- (ii) $\underline{\text{Delete}}$ the words from "on, among others ..." to the end of the sentence;
- (o) <u>Paragraph 17.12 (c)</u>:
- (i) In the first sentence, <u>replace</u> the words "a substantial restructuring of the State and of public administration" with the words "the reform of the public administration";
- (ii) In the second sentence, after the words "of the region" <u>insert</u> the words "upon requests of Governments concerned";
- (p) Paragraph 17.12 (e): Replace the first sentence with the following:

"One aspect that must be appropriate in the context of the reform of the administrative management is the improvement, <u>inter alia</u>, of the regulatory function of the State as an entity promoting the efficient operation of market mechanisms.";

(q) Paragraph 17.19: Replace the second sentence with the following:

"Thus, the role of the State is gradually being redefined in the management of the economy taking into account the specific evolution and necessity of each country, and a greater role has been given to other actors, forums and agents.".
