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ECONOMIC COMMISSION FOR LATIN AMERICA

COMMITTEE OF THE WHOLE

REPORT ON THE NINTH SESSION

(6-7 June 1962)

ECONOMIC AND SOCIAL COUNCIL

OFFICIAL RECORDS : THIRTY-FOURTH SESSION

SUPPLEMENT No. 4A ✓

UNITED NATIONS

New York, 1962



ECONOMIC COMMISSION FOR LATIN AMERICA

Report on the ninth session of the Committee of the Whole 6-7 June 1962

INTRODUCTION

1. The Committee of the Whole of the Economic Commission for Latin America (ECLA), at its eighth session held at the Commission's headquarters at Santiago, Chile, from 14 to 16 February 1962, adopted resolution 218 (AC.50)¹ establishing the Latin American Institute for Economic and Social Planning.

2. Pursuant to part B, paragraph 1, of the resolution, which provided that the first election of the members of the Governing Council of the Institute should take place at an extraordinary meeting of the Committee of the Whole, to be held at Santiago on 21 March 1962 with that exclusive end in view, the fourth extraordinary session of the Committee of the Whole was held on that date and the Governing Council of the new institution was elected.

3. On 1 May 1962, having consulted with the Governing Council of the Institute, the Secretary-General of the United Nations appointed as Director-General of the Institute Mr. Raúl Prebisch, the Executive Secretary of ECLA.

4. In the discharge of his new functions, the Director-General discussed with the Inter-American Development

Bank (IDB) the terms on which the latter would make its financial contribution to the newly created institution. It became apparent in the course of the negotiations that resolution 218 (AC.50) did not meet certain requirements fixed by the Bank in the resolutions on the Institute approved by its Board of Executive Directors in December 1961. It was accordingly considered necessary to introduce certain modifications into resolution 218 (AC.50), and to that end the ninth session of the Committee of the Whole was convened in order to examine the proposals of the secretariat set forth in document E/CN.12/AC.52/2/Rev.1.

5. The present report is divided into three parts. Part I describes the proceedings of the ninth session of the Committee of the Whole. Part II sets out the resolution adopted by the Committee. Part III sets out a draft resolution for action by the Economic and Social Council. The list of delegations is given in an annex.

¹ See *Official Records of the Economic and Social Council, Thirty-fourth Session, Supplement No. 4*, part III.

Part I

NINTH SESSION OF THE COMMITTEE OF THE WHOLE

A. Attendance and organization of work

OPENING AND CLOSING MEETINGS

6. The ninth session of the Committee of the Whole was held in New York at United Nations Headquarters on 6 and 7 June 1962, and opened with a brief statement by the Chairman of the Economic Commission for Latin America, Mr. Luis Escobar Cerda, Minister for Economic Affairs, Development and Reconstruction of Chile.

7. At the conclusion of the proceedings on 7 June 1962, the Rapporteur submitted the present report to

the Committee, which adopted it and authorized the secretariat to introduce such final drafting changes as were considered necessary.

MEMBERSHIP AND ATTENDANCE

8. The session was attended by delegations of the following Member States: Argentina, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, France, Guatemala, Haiti, Honduras, Mexico, Netherlands, Nicaragua, Panama, Paraguay, Peru, United Kingdom of Great Britain and Northern Ireland, United States of Ame-

Bank and the Organization of American States shall also be members of the Governing Council without the right to vote;

“(c) The eight members mentioned above shall be elected for a term of two years at the regular session of ECLA and shall be eligible for re-election. The three remaining members shall be appointed by the organizations mentioned above for a term of two years and shall be eligible for re-election;”

20. Another delegation took the view that, if sub-paragraph (a) modified the composition of the Governing Council by specifying that the Inter-American Development Bank was one of the “international organizations working in the field of economic and social development in Latin America” to be represented, the secretariat of ECLA and the Secretary-General of OAS should also be specifically mentioned in the new drafting of the paragraph.

21. That delegation accordingly proposed that sub-paragraph (a) submitted by the secretariat should be amended to read as follows:

“(a) Eleven members of recognized technical ability; eight of these members shall be nationals of eight different Latin American countries and elected by ECLA, one member shall be appointed by the President of the Inter-American Development Bank, one member shall be appointed by the Secretary-General of OAS and one member shall represent the secretariat of ECLA at international organizations working in the economic and financial field in Latin America.”

22. It follows clearly from the two proposals submitted that the Committee of the Whole agreed on the participation of the three organizations in question but that there were major differences regarding the form of the participation, particularly with respect to voting rights in the Institute’s Governing Council.

23. After a lengthy debate in which the representative of the Inter-American Development Bank and the secretariat of the Commission had an opportunity of stating their position, the view prevailed that the representatives of the three international organizations should have the same rights to speak and vote as the other eight members of the Governing Council. It was stressed that, in view of the technical nature of the duties of members of the Council, there was no justification for differentiating between them.

24. The delegation which had submitted the first amendment stated that it would not press its point and, in an effort at conciliation, withdrew its amendment, announcing that it would abstain in the vote on the new formulation.

25. In the voting, majority endorsement was given to the text of sub-paragraph (a) of paragraph 3 proposed by the secretariat, as amended in paragraph 21 above. Sub-paragraph (c) as proposed by the secretariat was adopted without modification.

26. The Committee of the Whole then proceeded to consider the secretariat’s proposal for the addition, at

the end of part A, of a new paragraph 5 reading as follows:

“5. To establish an Advisory Committee to be composed of a representative of the ECLA secretariat, a representative appointed by the Inter-American Development Bank, and representatives of other organizations substantially contributing to the activities of the Institute, invited by the Governing Council to be represented on the Advisory Committee.

“The functions of this Committee shall be to advise the Director-General on matters relating to the work of the Institute, such as the training course curriculum and fellowships, the work of the advisory groups, and, in particular, the co-ordination of the activities of the Institute with those of other international organizations which give assistance to Latin America in economic planning and social development and in the training of specialists in these areas. The Advisory Committee shall be permanent in character, and shall meet at least once a month at the headquarters of the Institute.”

27. The Committee of the Whole agreed that the establishment of an advisory committee to advise the Director-General of the Institute would be highly useful, and, with the modification proposed by a delegation that explicit mention should also be made of “a representative appointed by the Organization of American States” in referring to the advisory committee’s membership, the proposal set out in paragraph 26 above was adopted by a majority.

28. The Committee of the Whole next considered the proposal submitted, during its proceedings, by the secretariat, to the effect that sub-paragraph (e) of paragraph 4 of part A, should be amended to read as follows:

“(e) To make the necessary arrangements with Governments or international organizations for making available the services of the Institute;”

29. Several delegations expressed reservations regarding the Director-General’s authority to conclude arrangements outside the purely governmental sphere. Other delegations, however, stressed the need to cooperate not only with international organizations, as proposed, but also with self-governing or private national agencies whose activities might be developed with the technical help of the Institute. One delegation embodied this view in the following proposal:

“(e) To conclude with Governments and with other national or international agencies such contracts or other arrangements as may be necessary for making available the services of the Institute;”

30. Delegations offered various alternative formulations of this text in order to make it more explicit and to dispel the fear that certain steps by-passing Governments might be taken. Finally, there emerged a fairly general feeling in favour of the following text, which was adopted by a majority:

“(e) To conclude with Governments and with other national or international agencies such contracts or

implications were obscure and whose terms seemed incompatible with the aims and functions of the Institute as set out in part A, paragraph 1, of resolution 218 (AC.50), and my delegation felt constrained to vote against it. We regret that the insistence on maintaining the sub-amendment deprived my delegation and various other delegations of the opportunity of using their votes to express support for the secretariat's proposal on this paragraph.

"Regarding the new paragraph 5 of part A, my delegation voted for the United States sub-amendment³ set out in paragraph 2 of Conference Room Paper No. 3, since we feel that a reference to the Organization of American States is appropriate in connexion with the Advisory Committee. We also voted for the new paragraph 5 proposed by the secretariat, as amended, which corresponded to an Argentine initiative at Santiago, and we are pleased that this modification was adopted.

"We wish, however, to express the hope that, in inviting the other international bodies which are to constitute the Advisory Committee, the Governing Council will take into special account the important work being done by the ILO, UNESCO and FAO in fields related to the work of the Institute.

"Lastly, we wish to reiterate our appreciation of the efforts of the ECLA secretariat regarding the establishment of the Institute, and of the valuable contributions of IDB and the Special Fund which made the Institute's establishment possible."

(b) *Explanation of vote of the Panamanian delegation regarding the modification of part A, paragraph 4 (e), of resolution 215 (AC.50)*

"First, the amendment which the Committee has adopted by inserting the words 'and with other national . . . agencies' will, in my view, introduce into the Institute's mode of functioning an element discouraging co-ordination in the public sector.

"Secondly, the most difficult task is to co-ordinate the public sector as a whole, because, for one thing, self-governing agencies almost always want to operate as fully autonomous entities.

"Thirdly, although it is clearly laid down that the Institute's services — whether advisory or training services — will be provided at the request of the

Governments concerned, I am afraid that these self-governing institutions will assume that the sole function of the Government is to ensure liaison between them and the Institute.

"Fourthly, it is a serious matter if a Government is unable, through its planning agency, to take a major part in the orientation, financial decisions etc. of its self-governing institutions. I am afraid, therefore, that this modification will be detrimental to the co-ordination which should exist throughout the public sector."

OTHER STATEMENTS

34. In the discussions regarding the establishment of the Latin American Institute for Economic and Social Planning, a number of statements were made which deserve mention at the conclusion of this account and which may be further consulted in the summary records of the Committee of the Whole (E/CN.12/AC.52/SR.1-3).

35. The observer for a State Member of the United Nations which is not a member of the Commission noted the value of the Institute in the preparation of national development plans and in the adequate use of resources. He stated that his country would give favourable consideration to requests for technical assistance which might be submitted to it, and, if the occasion arose, would send national experts to participate in the training courses of the Institute and in the advisory groups.

36. The observers from several specialized agencies stressed the importance of the work which the Institute was to undertake, and indicated their agencies' interest in taking part in its activities so far as their respective fields were concerned. In particular, they expressed the desire to participate in the Advisory Committee, which they regarded as the best forum for the expression of their technical opinions and for the achieving of that unity of action which should mark the activities of the Institute. Several representatives of specialized agencies also summarized briefly the work they were carrying out in collaboration with ECLA and other regional bodies, and expressed their hope that the opening of the Institute would broaden and make more effective the co-operation which already existed in the matter of economic and social planning in Latin America.

Part II

RESOLUTION ADOPTED BY THE COMMITTEE OF THE WHOLE

220 (AC.52). Latin American Institute for Economic and Social Planning *

The Committee of the Whole of the Economic Commission for Latin America,

* *Note:* This resolution is based on resolution 218 (AC.50), with the amendments approved at the ninth session of the Committee of the Whole.

Noting with satisfaction the document prepared by the Executive Secretary on the Latin American Institute for Economic and Social Planning (E/CN.12/AC.50/7) and submitted in compliance with the provisions of ECLA resolution 199 (IX), paragraph 1,

Bearing in mind General Assembly resolution 1708 (XVI), which invites the Governments concerned

ment with the specialized agencies as to methods of co-operating with the Institute in the respective fields of such agencies;

5. To establish an Advisory Committee, to be composed of a representative of the ECLA secretariat, a representative appointed by the Inter-American Development Bank, a representative appointed by the Organization of American States, and representatives of other organizations substantially contributing to the activities of the Institute and invited by the Governing Council to be represented on the Advisory Committee.

The functions of this Committee shall be to advise the Director-General on matters relating to the work of the Institute, such as the training course curriculum and fellowships, the work of the advisory groups, and, in particular, the co-ordination of the activities of the Institute with those of other international organizations assisting Latin America in economic planning and social development and in the training of specialists in these areas. The Advisory Committee shall be permanent in character, and shall meet at least once a month at the headquarters of the Institute.

B

The Committee of the Whole of the Economic Commission for Latin America

Further resolves:

1. That the first election of the members of the Governing Council referred to in part A, paragraph 3 (a), of this resolution shall take place at an extraordinary meeting of the Committee of the Whole, to be held at Santiago on 21 March 1962 with this exclusive end in view; the members thus appointed shall remain in office until the tenth session of the Commission; with a view to facilitating the convening of this extraordinary meeting, it is agreed that the secretariat shall not be required to abide by the provisions laid down in the rules of procedure of the Commission in respect of documentation, prior notice and other arrangements;

2. That the Governing Council of the Institute shall approve a plan of operation for the United Nations Special Fund project in accordance with the provisions of the present resolution and, should the occasion arise, shall authorize the Chairman of the Governing Council to sign it;

3. That the Governing Council shall submit to ECLA, prior to its 1966 session, a proposal designed to ensure the continuity of the Institute, in accordance with the aims referred to in ECLA resolution 199 (IX), paragraph 7;

4. That the Director-General of the Institute, after prior consultation with the Governing Council, shall reach agreement with the Executing Agency and the United Nations Special Fund on any change in the budget contained in the plan of operation of the Special Fund project;

5. That, as long as the Special Fund contribution continues, the Director-General of the Institute, in addition to reporting to the Governing Council, shall report directly to the Executing Agency in accordance with the provisions of the Special Fund project;

6. That the Director-General may also request the co-operation of the resident representatives of the Technical Assistance Board, who are also programme directors of the Special Fund, in regard to the provision of such training and advisory services as may be agreed upon with the Governments concerned;

7. That, for the purpose of furthering the aims of the Institute, the Director-General may, in consultation with the tripartite OAS/ECLA/IDB Committee, consider what co-operation might be afforded by these organizations with respect to any requests that Governments may make for training and advisory services;

8. To urge the Latin American Governments to submit to the United Nations Special Fund separate requests for advisory services, as provided in paragraph 5 of document E/CN.12/AC.50/7.

6 June 1962

Part III

DRAFT RESOLUTION FOR ACTION BY THE ECONOMIC AND SOCIAL COUNCIL

The Economic and Social Council

Takes note of the report of the Committee of the Whole of the Economic Commission for Latin America on its ninth session (E/3649-E/CN.12/AC.52/3) and of resolution 220 (AC.52), which reproduces the text of resolution 218 (AC.50), "Latin American Institute for Economic and Social Planning", as amended at that session, and of the account of proceedings contained in the report.

United Kingdom of Great Britain and Northern Ireland

Representative: Miss Barbara Salt, C.B.E., Representative on the Economic and Social Council

United States of America

Representative: Mr. Seymour M. Finger, Senior Adviser, Economic and Social Affairs, Permanent Mission to the United Nations

Uruguay

Representative: H.E. Mr. Carlos María Velázquez, Ambassador and Permanent Representative to the United Nations

Venezuela

Representative: Mr. Carlos Dorante, member of the Permanent Mission to the United Nations

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International Monetary Fund (IMF): Mr. G. Williams

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International Confederation of Free Trade Unions (ICFTU):
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