

Department of External Affairs

CLASSIFIED

File No. 35-20-ECLA

Subject: ECONOMIC AFFAIRS -
REGIONAL ECONOMIC GROUPINGS -
ECONOMIC COMMISSION FOR
LATIN AMERICA

Vol. 2
From 1/5/65
To 30/4/66

ACRX

References to Related Files

File No.

Subject

CLOSURE

W149-152

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PUBLIC RECORDS ORDER

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PUBLIC ARCHIVES APPROVALS

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VOL. 2

9

File No. 35-20-

Series 35-SERIES	File/Dossier 35-20-ECLA	Volume 2	Dates I/5/65 to 30/4/66	Location/Lieu
Title/Titre ECONOMIC AFFAIRS REGIONAL ECONOMIC GROUPINGS			Screened A. D. Ross	Date June 5/84
Category/Catégorie ECONOMIC COMMISSION FOR LATIN AMERICA		Declassified Déclassé <input type="checkbox"/>	Partly declassified Déclassé en partie <input checked="" type="checkbox"/>	Closed Non déclassé <input type="checkbox"/>

Explanation/Explication

IITH session of ECLA on Mexico City mainly concerned with integration and somewhat distracted by the situation in the Dominican Republic including US intervrvtion. ELLA role as technical asswssor to LAFTA, cohesion of Central America contrasts with LAFTA in ELLA proceed-

s. Routine ECLA experts meetings. Constructive of new regional UN HQ in SANTIAGO, Chile. Summary of 1965 activities. ECLA Symposium on Industrial Development in Latin.

There is only one exemption under ATIA ON Technical grounds as documents is from IMF and marked NOT FOR PUBLIC USE However it could be made available to academics who have signed the "Controlled Access"

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EXT 210 (11/77)

A, D, ROSS

Date
 15-08-80

CHECKLIST - PREPARATION OF SUBSTANTIVE FILES FOR MICROFILMING
 LISTE DE CONTROLE - EXAMEN DE DOSSIERS - MATIERES POUR FINS DE MICROPHOTOGRAPHIE

File No./Dossier no
 35-20-ECLA

Vol. No.
 2

Subject/Sujet
 Economic Affairs - Regional Economic Groupings - Economic Commission for Latin America

Date From/De
 65-05-01

Date To/À
 66-04-30

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MESSAGE

FM/	EXTERNAL OTT	DATE	FILE/DOSSIER		SECURITY/SECURITE
		MAY 7, 1965	35-80-ECLA	40	42
				NO	PRECEDENCE
TO/A	MEXICO			E-1034	PRIORITY
INFO	TANDC OTT				

REF

SUB/SUJ ECLA: STUDY ON TRADE IN COMMONWEALTH CARIBBEAN (DOC. E/CN.12/712)

MADE
 WE HAVE ~~HAD~~ A PRELIMINARY EXAMINATION OF MCINTYRE'S STUDY ON TRADE AND DEVELOPMENT IN CARIBBEAN AREA. IN GENERAL WE FIND IT A USEFUL SURVEY ~~ON CURRENT ECONOMIC PROBLEMS IN THE CARIBBEAN~~ CAN ~~AND WOULD SUPPORT~~ MAIN RECOMMENDATION OF REPORT THAT EFFORTS SHOULD BE MADE TO PROMOTE CLOSER ECONOMIC COOPERATION IN CARIBBEAN AREA. ~~STUDY ALSO COMMENTS ON~~ CDA'S ~~NATURE OF~~ TRADE RELATIONSHIP WITH BRIT WEST INDIES AND INDICATES A RATHER PESSIMISTIC OUTLOOK FOR FUTURE PROSPECTS OF BRIT WEST INDIAN EXPORTS IN CDN MKT.

2. IF THERE IS AN OPPORTUNITY FOR YOU TO COMMENT YOU MAY WISH TO MAKE A STATEMENT WHICH COULD INCLUDE THE FOLLOWING CONSIDERATIONS:

- (A) WE WELCOME PARTICIPATION IN ECLA OF OUR FELLOW COMMONWEALTH MEMBERS IN THE CARIBBEAN WITH WHOM WE HAVE ENJOYED CLOSE ECONOMIC RELATIONS FOR MANY DECADES BASED IN PART ON SPECIAL ARRANGEMENTS WITHIN THE COMMONWEALTH ~~WITHIN THE COMMONWEALTH~~ FRAMEWORK;
- (B) ALTHOUGH WE HAVE NOT HAD TIME TO GIVE DOC E/CN.12/712 A CLOSE EXAMINATION CONTRIBUTION TO OUR PRELIMINARY REACTION IS THAT IT IS A USEFUL ~~CONTRIBUTION~~

....2

DISTRIBUTION LOCAL/LOCALE	FINANCE	NO STD REF DONE IN DIV	
ORIGINATOR/REDACTEUR	DIVISION	TELEPHONE	APPROVED/AUTORISE
SIG. J. RAYNER/E.D. WILGESS/JA	ECONOMIC	2-7107	SIG. J.C. LANGLEYJ.C. LANGLEY.....

INCREASING

~~WIDE BY~~ ~~WHEREXINDIATRADEYESXTOXICREASEX~~ ECONOMIC COOPERATION AMONG COUNTRIES IN
CARIBBEAN.

(C) AS REPORT NOTES, THERE HAS BEEN A VERY SUBSTANTIAL LEVEL OF TRADE BETWEEN
CDA AND COMMONWEALTH CARIBBEAN: CDA IS AN IMPORTANT MKT FOR EXPORTS OF THESE
COUNTRIES ESPECIALLY FOR SUCH PRODUCTS AS BAUXITE, OIL AND SUGAR. IN 1963 CDA
EXPORTED \$56.4 MILLION AND IMPORTED \$108.6 MILLION FROM BRIT WEST INDIES AND IN
1964 EXPORTS TOTALLED \$69.9 MILLION AND IMPORTS \$111 MILLION.

3. THE FOLLOWING COMMENTS MAY BE USEFUL TO YOU AS
/ ~~REXEXXOLEXEXEXX~~ BACKGROUND INFO: ~~ONLYXX~~

(1) CDA GRANTS BENEFIT OF BRIT PREFERENTIAL TARIFF TO ALL EXPORTS OF BRIT
WEST INDIES AND IN ADDITION, UNDER A PROVISION OF CDA-BRIT WEST INDIES TRADE
AGREEMENT GRANTS SPECIAL LOWER PREFERENTIAL TARIFFS TO CDN MKT FOR CERTAIN
PRODUCTS. THE CDA-BRIT WEST INDIES TRADE AGREEMENT ALSO GIVES CDA PREFERENTIAL
ACCESS TO THE MKTS OF BRIT WEST INDIES. ADJUSTMENTS IN THESE PREFERENTIAL
ARRANGEMENTS WOULD REQUIRE CONSULTATIONS BETWEEN CONTRACTING PARTIES. IN THE
CONTEXT OF GENERAL U.N. DISCUSSIONS ON PREFERENCES WE HAVE NOT BEEN OPPOSED IN
PRINCIPLE TO REDUCTION OF SUCH PREFERENCES IN INTERESTS OF EXPANDING TRADING
OPPORTUNITIES OF LDGS GENERALLY, TAKING INTO ACCOUNT THE INTERESTS OF
COMMONWEALTH COUNTRIES THEREBY AFFECTED;

(B) ~~ASXKXKX PREFERENTIALX XREDSX TOX COMXENT~~, WE DOUBT THAT FINANCIAL COMPENSA-
TION FOR ANY REDUCTION OR REMOVAL OF PREFERENCES THAT CDA ACCORDS TO COMMON-
WEALTH CARIBBEAN COUNTRIES WOULD BE A PRACTICAL PROPOSAL AS /STUDY SUGGESTS.
MCINTYRE'S

(C) CDA IS ONE OF THE MOST OPEN MKTS AMONG INDUSTRIALIZED COUNTRIES FOR
PRODUCTS OF DEVELOPING COUNTRIES. (FOR EXAMPLE CDA'S PER CAPITA CONSUMPTION OF
COTTON TEXTILE PRODUCTS FROM DEVELOPING /~~COUNTRXX EXXALONGX HIGHESTX XRX DEVELOPXX~~
COUNTRXXESX IN CONNECTION WITH PARA 122 OF STUDY DEALING WITH MKT DISRUPTION

ONLY
BY COMMONWEALTH SUPPLIERS CDA HAS ONLY ENTERED INTO AN AGREEMENT WITH /ONE
COMMONWEALTH SUPPLIER (NAMELY HONG KONG) TO RESTRAIN EXPORTS OF SOME TEXTILE
PRODUCTS.

OTT010

CNTGAA002 74/72 NL

MEXICO CF 7

DEPT OF EXTERNAL AFFAIRS

OTTAWA

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35-20 - ECLA

36 | 29

None

FOLLOWING FOR PICK FROM FEAVER ECLA CONFERENCE VARIOUS DELEGATIONS
 AND SECRETARIAT OF CONFERENCE VERY APPRECIATIVE OF READINESS
 OF CANADIAN DELEGATION TO MAKE STATEMENT ALONG LINES APPROVED BY
 YOU FORTUNATELY HOWEVER THE ATMOSPHERE WAS CALM AT THIS
 AFTERNOONS SESSION SO STATEMENT WAS NOT NECESSARY AND IT IS HOPED
 THAT THERE WILL BE NO RECURRENCE OF TENSION REQUIRING ACTION
 OF THIS NATURE OUR FORMAL STATEMENT IN PLENARY WILL BE MADE MONDAY
 MORNING

DOMCAN MEX BEAVER.

J-47

TO The Under-Secretary of State for External
A Affairs, Ottawa

SECURITY RESTRICTED
Sécurité

FROM The Canadian Embassy, Santiago, Chile
De

DATE May 12, 1965

REFERENCE Memorandum from Latin American Division to
Référence Economic Division of April 26, 1965

NUMBER 144
Numéro

SUBJECT Possible Visit of Executive Secretary of ECLA
Sujet to Ottawa

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	13-1-3-4 40/42

ENCLOSURES
Annexes

DISTRIBUTION

Copy to
L.A. Div.
(Mr. Pich)
a file
Mr.

I would like to support very strongly the recommendation contained in the above mentioned memorandum that Dr. Mayobre be invited to Ottawa together with the proposal that some public speaking engagements be arranged for him. Nothing better could be thought of for a good presentation in Canada of current Latin American affairs and prospects.

2. The visit should be arranged, we suggest, at a time when the Prime Minister and the Minister could spare time for a full discussion of Latin American affairs, as Dr. Mayobre is not only one of the leading figures in South America but can present details of economic development and of planning for the area which cannot fail to be of the highest interest to them as well as to others concerned with this area.

3. I have heard Dr. Mayobre as a public speaker only in Spanish and he speaks with clarity and great authority. His style is, as you note, different from that of Prebisch but he is none the less an extremely able and a convincing speaker and for certain audiences it is perhaps an advantage that his arguments will be put with force and conviction but possibly less dramatically than would be the case with Prebisch. As he speaks English perfectly in conversation I am quite sure that there will be no difficulty in his addressing a public audience in English and that he will be as effective as in Spanish. In addition to technical competence in his field and the prestige of his office, Dr. Mayobre can be expected to make an excellent impression on an audience and on those he meets privately for his pleasant and easy charm of manner, his common sense and integrity, to which can be added a very friendly attitude towards Canada.

4. We have not on file a biography of Dr. Mayobre but this will not be difficult to secure. In the meantime it might be mentioned that our records show that in addition to being Venezuelan Ambassador to Washington he also formerly held the post of Minister of Finance in his country.

5. We should be grateful to be advised of any progress in these plans.

The Embassy.

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ECLA

Refer to Mr. Pitt
Econ. Div.
None 13.5.

CNT GA008 156/150 DL

MEXICO CITY 12-1235P

DEPT OF EXTERNAL AFFAIRS

OTTAWA ONT

FROM MEXICO 107 MAY11.

FOLLOWING FOR PICK FROM FEAVER ECLA CONFERENCE.

IN PLENARY SESSION YESTERDAY I MADE A STATEMENT BASED ON TEXT AND BRIEFING PREPARED IN DEPT. IT WAS VERY WELL RECEIVED AND PRODUCED COMPLIMENTS GOING FAR BEYOND THE REQUIREMENTS OF POLITENESS FROM MR CAMPOS SALAS MEXICAN MINISTER OF INDUSTRY AND COMMERCE WHO IS CHAIRMAN OF THE CONFERENCE AS WELL AS FROM A LARGE NUMBER OF OTHER DELEGATES AND THE EXECUTIVE SECRETARY 2.. THE DISCUSSIONS UNFORTUNATELY HAVE CONSIDERABLE POLITICAL COLOURING AS A RESULT OF THE SITUATION IN THE DOMINICAN REPUBLIC.. THIS MORNINGS PRESS IN REPORTING ON THE ATTENTION GIVEN TO THIS MATTER BY A NUMBER OF DELEGATIONS YESTERDAY STATED QUOTE THE ONLY SPEAKER WHO REALLY MANAGED TO STICK TO THE POINT -ECONOMICS-, WAS CANADAS CHIEF DELEGATE UNQUOTE HOWEVER AT THIS STAGE I THINK THERE IS NO SERIOUS REQUIREMENT OF ANY INTERVENTION ALONG THE LINES APPROVED BY YOU IN OUR TELEPHONE CONVERSATION

EMBAJADA DEL CANADA..

448PM 12TH MAY 1965..

Notes Prepared For Incorporation in Canadian
Delegation's Report)

B. Shapiro)



35-20-ECLA		
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11TH SESSION OF ECLA, MEXICO CITY, MAY 4 to 13, 1965

The 11th Session of the UN Economic Commission for Latin America, originally scheduled to be held in Santo Domingo, took place in Mexico City from May 4 to 13. The government of the Dominican Republic was under some apprehension as to its ability to maintain peaceful conditions at the time of the conference and it therefore had asked the ECLA secretariat to hold the meeting elsewhere. This apprehension was certainly well-founded, for violent revolution broke out in the Dominican Republic causing bloodshed, military action by the U.S., and bitter accusations against the U.S. by some members of the OAS. The Dominican crisis occurred while the ECLA was assembling in Mexico City and it deeply affected the Conference during the first few days.

The President of Mexico, Sr. Gustavo Dia Ordaz, gave the welcoming address to the Commission and observers, praising the work of ECLA over the years. However, midway in his speech in Mexico City's grand Medical Centre auditorium he could not refrain from expressing his country's solid opposition to U.S. military intervention in the Dominican civil struggle, and this may have set off the series of denunciations from the delegates of Chile, Cuba, and Uruguay, and from such observers as the USSR, Yugoslavia, Hungary, and others. The U.S. delegation briefly defended its position and went on to point out advancements in Latin America in recent years thanks to the Alliance for Progress and related programs, including that of ECLA. No one supported the U.S. position openly but Colombia and Costa Rica attempted to get a ruling from the Mexican chairman concerning the inappropriateness of

political controversy in an ECLA forum. The Canadian delegation spoke privately to the Executive Secretary of ECLA and offered to introduce a motion suggesting that since there was a strong possibility of destroying the feeling of friendly co-operation with which the members had assembled to carry out the vital objectives of ECLA, the delegates be asked to vote whether further discussions be limited to subjects on the agenda. Dr. Mayobre felt that he perhaps had the situation under control, but indicated that he might have to fall back on the Canadian offer. However, such a request was not made, although later speeches by some members continued to make allusions to the Dominican situation and U.S. intervention.

The Chairman did not intervene nor try to prevent political comments on the part of delegates or observers and the discussion on the Dominican issue petered out.

Election of Officers

On the opening day of the Conference, Heads of Delegations elected the following officers:-

Chairman	Sr. O. Campós Salas	(Mexico)
First Vice-chairman	Sr. Guerrero	(Nicaragua)
Second Vice-chairman	Sr. Carranza	(Argentina)
Rapporteur	Dr. Hector Hurtado	(Venezuela)

Documentation

Prior to the meeting, most of the background papers were sent to Ottawa and to our other Latin American missions by the Commercial Division of our embassy in Santiago. As usual, the reports were well prepared in Spanish and English; they were also voluminous, and little time was allowed to assimilate their contents. At the meeting itself, an important paper entitled "A Contribution to Economic Integration Policy in Latin



America" (Document E/CN.12/728) was submitted by the secretariat. This 185-page report on the problems and possible ways and means of attaining a common market will certainly be a reference manual by all countries involved in the grand design for Latin America.

Statements by Observers

The question of the participation in the sessions by non-members is certainly important enough to be mentioned. Present as observers were 13 UN countries and the Federal Republic of Germany and Switzerland, along with representatives of some 10 UN agencies and 18 other international public and private organizations. Thus, some 43 non-members could speak on some aspect of Latin American economic or political development, or could speak about their own work. In fact over a dozen delivered statements. Since there are now 27 members of ECIA, most of whom deliver a statement, the problem of permitting observers to add their views leaves little time for discussion of agenda items by members. Why they are not limited to distributing a prepared written statement is not known.

Canadian Statement

The Canadian statement was delivered on May 10 by the head of the delegation, Mr. H. S. Feaver, Ambassador to Mexico, and a copy of his comments is attached hereto.

Trade Problems

The opening statement by Mr. Mayobre, Executive Secretary of ECIA, on the present position of the Latin American economy, laid special emphasis on the problem of the vagaries of foreign trade of Latin American countries and warned that another decline in foreign trade would have serious consequences, as external financing could not be relied on to fill the gap in exchange needs. He asked the Commission to determine future lines of action, particularly with respect to what the region ought to do and what it ought to ask of the countries to which it exported, in regard to world trade. There was no clear response from members on this point. Dr. Prebisch, Secretary-General of UNCTAD, recommended vigorously against seeking preferential access in the U.S. since there would be sharp reactions from LDC's in Africa and elsewhere. He urged all LDC's to press for non-discriminatory preferential treatment from the developed countries through the UNCTAD, particularly for manufactured and semi-manufactured goods. The Brazilian delegation suggested that one useful measure would be the financing of exports of capital goods by the Alliance for Progress and the IDB. The Central American countries remarked that they were in the process of adopting a common foreign trade policy.

Latin American Integration

The clarion call by Dr. Prebisch for high-level political decisions to support a Latin American common market received a tremendous round of applause. It was clear from the ensuing debate that this was the principal item of interest. The Central American Common Market countries reacted cautiously, warning the other countries of the great practical difficulties in the way of integration, speaking from their own experiences. They emphasized the need for special treatment of the less developed countries within Latin America and referred to the conditions of abrupt disequilibrium existing between regions of America. They emphasized the need for a system of payments arrangements for the area. Brazil was cautiously optimistic, but pressed for a closer examination of the Montevideo Treaty and LAFTA with a view to building up on the existing structure. Brazil asked ECIA to continue studying the report of the Four Economists and its own work on integration, but Brazil's view was that the

pace of integration must be the responsibility of the member countries. The U.S. delegate stated that a common market was contingent on the general adoption of a model of regional cooperation. The Brazilian delegate stated that United States and Canada could not be included in a common market at this time. If a high level of efficiency is to be reached in the not too distant future, the question could be considered. Meanwhile, any cooperation on the part of these two wealthy neighbours of Latin America might well hasten the day when they too would form part of the system.

The debate was concluded, after some intervening statements by other delegates, by the U.S. delegate who stated that the U.S. supports effective economic integration in Latin America because it is essential to the economic and political development of the area, in accordance with the Alliance for Progress program. The Latin America which could emerge from this economic transformation could be a strong partner of the U.S. The U.S. was prepared to consider proposals as to what contributions could be made by it to the general advancement of the integration scheme, and would be glad to participate in exploratory discussions at any time. Earlier the U.S. delegation had pointed to the need to convince the private foreign investor of the will by the member countries to carry the plan forward to a sound conclusion, and the need to encourage competition not only within the region but also with outside industry.

UNCTAD

The debate on UNCTAD was a confused and muddled affair. It was obvious that the reports of the new Trade and Development Board's first meeting in New York had either not been received or had not been studied by the delegates. There was no doubt of their complete support for this new organization.

The Colombian delegate urged that, in accordance with the first UNCTAD wherein no country had dissented from a resolution on the gradual elimination of preferences granted by the developed countries as between the LDC's, the ECLA members should urgently try to prevent or eliminate all discrimination affecting Latin American exports. He prepared a resolution on this point and after private discussions with the Jamaican and Trinidad delegations, as well as ourselves, Netherlands, and the British, he accepted several amendments to it. However, in final form it still called for action that was contradictory to the Canadian position in Geneva, and we abstained from voting. Jamaica and Trinidad voted for the resolution. The British and the Netherlands delegations, as well as the French group, explained to the assembly the complexity of the resolution and their sympathy with the Latin American intention, but also abstained from the vote.

Industrial Development

Discussion under this item turned out to be highly technical in nature, as was expected by us, and there was little controversy. The important resolution concerned itself with accepting the ECLA secretariat's suggestion that the regional symposium be held at Santiago in February 1966 and that all member countries try to attend, and be prepared to report on their respective industrialization processes, so that they will be prepared for the international symposium under the UN later in 1966. The secretariat offered its services to any member in preparing its report for the meeting. The question of the LDC's seeking to convert the UN Centre for Industrial Development into a new UN agency did not arise.

Financial Support

There were impressive statements by the World Bank representative and the IDB representative (Dr. Herrera did not speak). The amount of resources being moved into the area by these two institutions, plus the financial assistance by the U.S., ourselves, and others present at the meeting, was emphasized. We had not mentioned the projected arrangement between ECIC

and the IDB for a \$15 million additional fund, but the IDB representative announced it, among other comments.

Resolutions

A relatively modest number of resolutions were offered by members. Some had been drawn up by the secretariat, particularly in reference to their program of work for the next two years. It appears that the secretariat anticipates a work program of some \$1.3 million for 1966. There were a number of suggestions from the floor which urged additional duties on the secretariat, but which obviously will be subjected to priority ratings. The key resolution dealt with the projected Latin American common market and requested the secretariat to proceed with studies immediately in cooperation with the LAFTA and CACM secretariat to determine the steps to be recommended towards a broader market. The vote was unanimous, even the Cuban delegate voted for it. The Colombian immediately questioned the admissibility to this new common market of the centralized economy of Cuba. The Cuban reacted with a great show of anger, asking the Colombian whether his advisors on this issue were people who spoke Spanish as a native language. The fact remains, however, that this broad resolution in favour of a common market does not specify whether Cuba is to be excluded.

A resolution of special interest to our Department of Trade and Commerce requested the Secretariat to cooperate and to ensure coordination among the various international bodies involved in the development of the Inter-American Telecommunication Network (RED). This resolution stemmed from a request made in Santiago from the meeting of the I.T.U. (attended by Canadians).

Other Agenda Items

Other agenda items were dealt with in a routine way. The Heads of delegations were required to elect 8 members to the Governing Council of the Latin American Institute for Economic and Social Planning (situated in Santiago), established in 1962 largely with the financial assistance of the UN Special Fund and the IDB, as an autonomous body under the aegis of ECLA. Also, the selection of the location for the next full session of ECLA in 1967 was without incident, since Uruguay withdrew its offer in favour of Venezuela.

Latin American Centre for Economic Projects

The Netherlands delegation urged the secretariat to press forward with its sectoral study of the aluminum industry (in regard to Surinam and the Antilles), and noted also that the secretariat was paying insufficient attention to the building up of the Latin American Centre for Economic projects. In reply the secretariat pointed out that this unit was created only this year but would be given proper attention. (We have not had an opportunity to learn more about this new unit.)

Jamaica and Trinidad

Both countries fielded good delegations which sought to play a helpful role in the meeting while showing much determination to get a fair share of attention paid to their social and economic problems. They voted for all the resolutions, including the one on elimination of preferences pari passu with compensation for damage to the trade of the involved LDC's. They voted also for the resolution on the broadened Latin American common market.

General

This meeting of ECLA contained a number of overtones of a political and social nature, possibly more intense than in recent meetings of the Commission. Before the end of the session, Mr. Mayobre announced that the UN Secretary General had asked him to act as mediator in the Dominican Republic and he was leaving immediately for New York. This brought a great burst of applause from the delegates and observers. He referred to the mystical bonds between all Latin Americans, and noted the mandate which the Commission had given to the secretariat to proceed immediately with recommendations on the formation of a common market. If Canada is to obtain the maximum benefit from its participation in these ECLA meetings, I would recommend that the practice followed in this instance of sending an officer from Ottawa and bringing in the liaison officer from Santiago, as well as using members of the Commission in the city where the meetings are held, be followed.

In the light of the unanimous decision (there were no abstentions) that the secretariat should take over the search for the path to a common market in Latin America, it is of interest to report that our delegation had an opportunity to discuss this proposal with the American delegation when they made a call on me in the embassy the opening day of the session. When they asked us for our views on the common market, Mr. Shapiro commented that we tended to follow the GATT position - if the countries of Latin America were determined to work for the establishment of a common market, we would not criticize but would urge them at every opportunity to avoid excessive protection. The U.S. delegates commented that they did not think such a grandiose proposal could get anywhere, but that they would have to maintain the posture of supporting it. They added that there was a fundamental contradiction in expecting the Latin Americans to avoid excessive protectionism while proceeding with integration of their economies.

Statement made to the 11th Session of the Economic Commission
for Latin America by Mr. H. F. Feaver, Head of the Canadian
Delegation

As head of the Canadian Delegation may I say how very pleased I am that the 11th session of the Economic Commission for Latin America is being held in Mexico City, and presided over by my most distinguished friend the Minister of Industry and Commerce -- all the more so because, in my normal capacity as Canadian Ambassador to Mexico, I have come to appreciate the warmth of Mexican hospitality, the efficiency of Mexican technical arrangements for international conferences and the vast variety of wondrous attractions in this great republic.

Mexico was a major centre of civilization in America long before the arrival of Europeans on this continent. This city was the rich and flourishing capital of New Spain when there were little more than fur trading posts in the area which is today Canada. Mexico remains one of the foremost centres of the Spanish-speaking world not only in the intellectual and cultural realm, but also in terms of its striking economic progress. Additionally this great republic is, in more than a geographical sense, Canada's closest Latin American neighbour.

It is therefore, in our eyes, a most appropriate meeting place for the Economic Commission for Latin America -- the United Nations regional economic organization open to membership by all countries of the Americas, although, as its name implies, its main focus of attention is devoted to the economic problems and possibilities of the Latin American

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republics rather than to those of the United States and Canada. At the same time we are glad to see that a preliminary draft study has been prepared under ECLA auspices on Development and Trade in the Commonwealth Caribbean. While recognizing that ECLA should concentrate its work within Latin America, we nonetheless view with cordial approval the widening of the scope of its activities to include, in particular, Jamaica and Trinidad and Tobago.

The work of the Secretariat of ECLA has traditionally been of a high level. In the past year, however, it has even surpassed its own previous record. We are deeply impressed by the industry and thought which have gone into the preparation of the studies and documents prepared for the present session under the inspirational direction of the extremely able Executive Secretary Dr. Mayobre. In particular we would commend the "Economic Survey of Latin America for 1964". This is a magnificent piece of work which could be duplicated by no other body.

I think it correct to say that it is because of ECLA more than for any other reason that Latin America has become a major center for the development of new ideas and new approaches in international economics. Pioneering efforts in this field often lead to controversy and while the Canadian Government has not always been in complete accord with the concepts developed in the ECLA Secretariat, I can honestly state that this organization is having a great influence on

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- 3 -

world economic thinking, including our own. For this reason we come to an ECLA session to learn rather than to question.

Moreover the problems facing Latin America bear a direct relevance to those facing my own country. While Canada enjoys a relatively high standard of living it is in many ways still a developing nation, as is evidenced by its continuing dependence on supplies of capital from abroad. Among the important matters touched upon by Mr. Philippe de Sayne, Under-Secretary for Economic and Social Affairs, were the activities of the large international companies which play an admittedly efficient role in introducing modern technology and in developing large scale industry and yet which, in the economic field, stand astride traditional lines of national sovereignty. This is a problem with which Canada is at present grappling. We do not pretend to have found final answers and will be very pleased to learn from the experience of other areas.

Canada, like its sister countries of this hemisphere, has a deep interest in the efficient marketing of commodities in international commerce. It must be remembered that the export of commodities remains of fundamental importance to our economy. We are prepared to enter into discussions on commodity arrangements either as a consumer or producer wherever circumstances are appropriate in order to maintain prices at equitable and remunerative levels, bearing in mind,

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nonetheless, the problems created by the maintenance of artificially high prices which not only run the risk of calling into being unmanageable surpluses but also of encouraging the use of substitute products.

Canada is watching with deep interest the renewed stimulus to Latin American economic integration reflected so clearly in the masterful opening speech delivered by President Diaz Ordaz. The efforts to improve and strengthen the structure of the Latin America Free Trade Area and indeed move beyond it to the creation of a Latin American economic community will have an important influence on the structure of world trade. The Latin American Republics, as masters of their own fate, must, and will, decide for themselves the degree to which economic integration is politically and economically desirable and feasible. At the same time we would hope that whatever political or economic structure emerges from the present period of deliberations will be outward-looking and outward-thinking. The interesting paper prepared by the Secretariat on economic integration policy for Latin America points out the long range difficulties inherent in a policy of unlimited import substitution on a national level financed in considerable measure by loans from abroad; with no provision made for increased export earnings the stage is soon reached where available foreign exchange cannot cover the raw material import requirements of new industries or the costs

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of servicing the debts incurred in creating this industrial base. On a regional level there are also risks in an excessively inward-looking approach. This paper points out that rapid growth of intra-regional trade should be accompanied by a rising level of trade with the outside world. The Latin American Republics have a natural interest in promoting industrial exports. This is difficult where national costs are too high. Inefficient investment is a luxury which cannot be afforded. Scarce resources must be invested in such a way as to ensure maximum returns.

In this ECLA has a major role to play. The studies participated in and undertaken by the Commission on various industrial sectors and on the process of industrialization itself can point to a more rational use of available capital, and take into full account the possibilities of developing competitive export industries, thus adapting to the changing patterns in the international division of labour.

Although growing Latin American integration would affect the nature of our exports to the region, we trust that our economy would prove sufficiently flexible to permit the development of new lines of exports and the absorption of new classes and an increasing volume of imports from Latin America. This prospect is, of course, based upon the achievement of a successful Latin American integration policy imparting dynamic growth to the entire region. This will not be an easy

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accomplishment. The challenging proposals put forward by Dr. Prebisch, Dr. Mayobre and their two distinguished colleagues, point out the risks of a partial integration which does not fully remove national obstacles to trade or lead to more productive new investment.

The Geneva Conference on Trade and Development provided a historic occasion and an entirely new basis for the discussion of international trade problems. While it is natural that each country in trade questions is influenced by its own self-interest and there were therefore certain basic differences of opinion, already great progress has been made in reaching a satisfactory understanding between the developed and less developed countries on these vital matters. The conference has, indeed, led to a markedly increasing awareness of the importance of a satisfactory international trade environment for the economic progress of the nations of this world which are still in process of development.

The Canadian Delegation wholeheartedly welcomes ECLA's intention to follow regularly the activities and recommendations of UNCTAD in order to stimulate the regional government's interest and active participation in its work and is also glad to note from the report of the meeting of the Secretariats of the Regional Economic Commissions that a basis for close and continuing links has been established between the Secretariats of these Commissions and the UNCTAD Secretariat.

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With its intimate and specialized knowledge of Latin American economic affairs, ECLA, its Trade Committee and its Secretariat can make an invaluable contribution to UNCTAD's work. ECLA is a forum where the suggestions and recommendations which the Latin American countries wish to put before the Trade and Development Board and its committees can first be discussed and analyzed. The highly qualified Secretariat is in a position to prepare expert studies on Latin American development problems to assist the UNCTAD Secretariat in its extensive work. We know how important ECLA's contributions were to the work of the first UNCTAD Conference. We are confident that it will continue to make a vital contribution to UNCTAD's future deliberations.

This new task undertaken by ECLA will be of particular interest to all members of UNCTAD giving them, as it does, the opportunity to learn at first hand of the trade and development problems of the Latin American countries.

As all delegates know, the Trade and Development Board recently concluded its first session at which the four main committees of the Board -- the Committee on Commodities, the Committee on Manufactures, the Committee on Invisibles and Financing Related to Trade and the Committee on Shipping -- were established and their terms of reference drawn up. Canada was honored by being given the opportunity to play an active role in the work of each of these committees. Now that the

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basic organizational structure of UNCTAD has been established, it is in a position to proceed efficiently and effectively with the study of solutions to specific trade and development problems on a world-wide basis as ECLA is doing on a regional basis.

Delegates from the Latin American Republics have on occasion expressed impatience that more rapid progress has not been made in translating the Geneva proposals into concrete action. This impatience is understandable because the trade and development problems which the Latin American countries face are urgent ones requiring urgent solutions. Indeed, as we all recognize, the situation is such that the developing countries cannot accomplish this task by themselves. The more developed countries must co-operate in their efforts by appropriate policies in the trade and aid fields.

The process of translating UNCTAD proposals into new policies, involves progressive acceptance and the building of general confidence. So far as Canada is concerned, I can assure you that the first UNCTAD Conference has had an important impact on Canadian opinion. Our representative to the Trade and Development Board meeting pointed out: "Canada is now 'seized' of the problem of underdevelopment in a new context and with fresh urgency. As a result of this new dimension of involvement, this fresh concentration on the contribution trade can make to development, we are more

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familiar with, and better prepared to come to grips with, the manifold aspects of the problem than we were a year ago."

Mr. Chairman, I will not impose on the time of the conference to describe in further detail the policies of my government which support the aims and principles of ECLA and UNCTAD. I should, however, like to mention certain aspects of our general commercial policy. The conditions of access to our markets for products of export interest to developing countries are among the most liberal in the world: we have no quantitative restrictions on such products and a wide range of them enter into Canada duty-free or subject only to moderate tariffs. Canada offers an import market which last year absorbed \$7.5 billion Canadian dollars of foreign products. The Latin American share of this market was in the neighbourhood of \$400 million dollars. We believe that there is room for an expansion of sales by Latin American exporters. There is an obvious need for more effective trade promotion.

This is one reason why we are particularly pleased that a number of our fellow members of ECLA are joining with us in celebration of the one hundredth anniversary of Canadian Confederation through participation in the International and Universal Exposition to be held in Montreal in 1967. Not only will Canadians have an opportunity to appreciate both the varied and manifold exports of Latin American countries and their rich and vital cultural heritage, but the Latin American visitors whom we will welcome will gain a deeper understanding of our country.

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The report of the meetings of the Executive Secretaries of the United Nations Regional Economic Commissions mentions that one trade activity being carried out by these Commissions is export promotion. There may be a place for an ECLA role in this field to complement the valuable work of the GATT Centre for disseminating information and advice on trade promotion. Our own exports to Latin America are growing and amounted last year to \$330 million dollars. Canada is providing long term financing for exports to the region and more than \$125 million dollars has been provided in this way since the program began in 1961.

At the same time we recognize the need to contribute directly to Latin American economic, technical and educational development and have made arrangements with the Inter-American Development Bank whereby Canadian funds can be used for this purpose. Indeed, we expect this to be the first step in a growing and fruitful co-operation between our country and this institution. Canada is also a founding member of the World Bank Group which provides major financial resources to the Republics of Latin America. In addition, Canada, of course, continues to make substantial contributions to the various United Nations programs.

In advancing along a road one is always more aware of the obstacles which remain to be faced than those which have already been overcome. Major successes have been

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achieved in building up a modern industrial structure in several parts of Latin America. While much more remains to be done, in order to achieve satisfactory standards of living and levels of employment, there already exists a foundation which facilitates future advances. At a conference where time is limited it is wise to devote attention to certain key topics; the questions of economic integration and industrial development are perhaps the two most important facing the southern part of this hemisphere in the years immediately ahead, and certainly ones which ECLA is well equipped to explore with a view to determining the various paths which can be followed. The Secretariat is to be complimented for directing its attention to the matters of most vital concern within ECLA's field of responsibility.

The movement towards Latin American economic integration and the establishment of UNCTAD are but two evidences of the inescapable truth that we are living in a world of rapidly changing economic relations. This makes it all the more essential rapidly to find ways of making accessible to countries in process of development the means for a sharp rise in industrial and agricultural production made possible by modern technology. Canada intends to contribute to the best of its ability to the achievement of this goal. At the same time it is our view that no one organization, no one aspect

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of economic life and no one approach will be sufficient to meet all problems of development. The rational distribution of land, the introduction of new agricultural techniques, a reformed tax structure, universal primary education and an expanding system of higher education adapted to national needs, political stability and social justice, satisfactory rates of domestic savings, the reward of entrepreneurial skill and the modification of attitudes not compatible with the functioning of a modern economy are among the many factors to be taken into consideration. Progress must be made along a variety of fronts and many separate battles must be won. Some of the most important matters are only responsive to national and regional leadership and cannot be determined by outside powers no matter how well meaning. At the same time the existence of a world partly rich and largely poor cannot be permitted to endure. The more developed countries must play a constructive role in spreading the benefits made possible by modern technology, not only through aid and through loans extended on suitable terms, but by opening their markets in appropriate ways to the products of developing countries. Canada, in co-operation with others, is willing and prepared to accept its part in this collective responsibility.

Canadian officials dealing with Latin American affairs.

4. At the Embassy, we were also hampered in preparing for the session by the late arrival of the excellent briefing material from Ottawa, and lack of documentation on Canadian participation in ECLA. It would seem that previous reports by Canadian participants in ECLA meetings have not been circulated to our embassies in Latin America. We would suggest that this be done with the present reports as well as with previous reports which are on file in Ottawa. If we had had this material on hand, the late arrival of the briefing material would not have represented as grave a problem.

The Secretariat

5. We were impressed by the efficiency of the Secretariat. Summary records of the morning and afternoon meetings during the session were available quickly in both Spanish and English. Other required documentation was also produced with remarkable speed.

6. We had the distinct impression that the Secretariat succeeded in guiding the session to its general satisfaction. A representative from a United Nations agency remarked to the World Bank observer that the session indeed had been very successful for this very reason.

7. Nonetheless, this very efficiency has possibly certain potential dangers. The Secretariat is not in a position to force national governments to take the decisions which it may wish. If it eludes control by the member states, it also risks getting out of touch with what is politically possible in the economic field.

Role of Canada

8. You indicated in your letter E96 of April 30, 1965 that while Canada is a full member of ECLA, our role in many ways is that of an interested and sympathetic observer. This was certainly our experience. We mentioned in our letter under reference on main trends at the session that Canada is not accepted as a member of the Latin American family. Nor would it appear prudent to become closely involved in discussions on Latin American integration, industrialization, commercial policy, etc. as this might imply a willingness to provide financial assistance. From this point of view our position is rather different from that of the United States, which in view of the power it exercises in this region and the aid which it is expending, expects to have a voice in Latin American economic affairs.

9. The Netherlands is in a peculiar situation because of membership in the Kingdom of the Netherlands Antilles and Surinam. As long as this awkward constitutional structure continues, the Netherlands delegation at ECLA sessions will be taking a rather different approach from ourselves. Our role in ECLA would seem most closely analogous to that of France and Britain. The Latin American approach to economic affairs tends to be rather different from that of our own and other developed countries. In the Latin American view ECLA is their organization and they have the voting strength to control it. We would only create resentment by attacking forthrightly in the ECLA forum Latin American views with which we disagreed. There are bound to be resolutions at an ECLA session with which we are not in accord. In such cases we should abstain when possible although prepared to vote against such resolutions wherever necessary; as a general rule, however, an explanation of our vote is likely to do more harm than good.

10. On the other hand, where Canadian views parallel those of the Latin American republics, there is an advantage in the Canadian delegation playing an active role.

11. Given the power and authority of the Secretariat, we could probably

bring our influence to bear as a member of ECLA most effectively through private discussions with influential members of the Secretariat; in this regard constructive comments, or criticisms based on economic grounds, of ECLA studies, might play a minor but useful role in shaping the economic views of the Secretariat.

Canadian Statement

12. From the manner in which the session developed, it became apparent that the most effective intervention by the Canadian delegation would be in the form of a general statement rather than remarks directed exclusively to UNCTAD. We incorporated the suggested draft statement, however, with other material from the briefing in the general statement which I made; a copy is attached.

Statements by Observers

13. The item on the agenda entitled "The present position of the Latin American Economy" was in fact used by delegates and observers as an occasion for making general statements. As a result, discussions of this item took an unnecessarily long time so that debate on other more interesting items had to be curtailed and voting on the resolutions, some of importance, was rushed through so rapidly that it was difficult to give the individual resolutions the careful consideration which they deserved. Indeed the U.S. delegation was visibly angered at being given a few moments only to examine major resolutions on integration and commercial policy.

14. A large part of this difficulty resulted from the fact that observers at the session were given the apparently unrestricted right to make statements. There were observers from 13 U.N. members who did not belong to ECLA, together with the Federal Republic of Germany and Switzerland, representatives of some 10 U.N. agencies, plus representatives from several different branches of the U.N. Secretariat, as well as accredited observers from about 20 other inter-American public and private organizations. Most made statements, some of considerable and tedious length. Each U.N. spokesman felt compelled to explain the overriding importance of the work done by the agency with which he was connected. A low or high point of some kind was reached when the representative from the International Atomic Energy Agency explained the role of this agency in combatting the Mediterranean fruit fly; I do not challenge the importance of this job but an ECLA session hardly seemed the place to expound upon it. Nor did I see any good reason why Soviet Union should be in a position to make an irrelevant cold war declaration at a session of ECLA, an agency of which it is not a member.

15. There is an obvious need to limit statements by observers. This could take either the form of a time limit or allowing observers to distribute rather than actually deliver statements. Speeches by U.N. representatives should also be considerably curbed. Some speakers from the U.N. made a definite contribution to the ECLA proceedings. In particular the speech by M. Philippe de Seynes, Under-secretary for Economic and Social Affairs, and Dr. Prebisch, whose survey of the world economic scene, delivered without notes, was a superb tour de force. There would perhaps be room for a Canadian initiative in limiting speeches by observers and representatives of United Nations agencies. It is our impression that this would have the support of other ECLA members.

16. It is perhaps worth noting the lack of applause which greeted the brief statement by the IMF representative with its expected emphasis on sound finance and the evils of inflation. It reminded us how useful such an organization as the IMF is in putting forward views of the more developed countries on financial matters and receiving the brunt of the resultant ill will which might otherwise be directed individually at the various developed countries.

Resolutions

17. We are attaching the provisional annual report of the Economic Committee for Latin America, February 15, 1964 to May 17, 1965, which contains the texts of the resolutions adopted by the Committee at its 11th session (pages 130 to 157). There are not an inordinate number of resolutions and none which should cause any particular difficulty to the Secretariat. The more important ones were, indeed, probably inspired and perhaps drawn up by the Secretariat itself. We will comment separately on a few of the more significant resolutions.

(a) Trade in Manufactures and the Industrial Integration of Latin America (Page 131)

At first reading it is hard to capture what is intended in this typical example of Argentine prose. The key phrase is in Part II of the operative part of the resolution referring to "systemizing the factors which will promote the effective integration of sectoral industrial planning". The Argentine delegation was anxious that industries be located in any regional integration scheme in accordance with objective economic criteria, that is, calculated to benefit established industrial centers such as Buenos Aires, Sao Paulo, and Mexico City.

(b) Agricultural and Industrial Development (Page 132), and Education for Industrial Development (Page 134)

These two resolutions are in full accordance with standard ECLA views and were put forward presumably in order that the session could be said to have adopted Cuban resolutions. When they were incorporated in the report from the Working Group set up to deal with industrialization even the United States found it possible to approve the proposed package with the two Cuban resolutions incorporated in it.

(c) Sectoral Studies of Industry (Page 137)

This resolution expresses support for the sectoral integration of industries, in the promotion of a Latin American Common Market, an approach which is being strongly promoted by the ECLA Secretariat. ECLA sectoral studies will include iron and steel, non-ferrous metals (aluminum, copper); the chemical industry (fertilizers, alkalis and basic petrochemicals), pulp and paper, the metal transforming industry (heavy equipment, machine tools and textile industries), the textile industry and the motor vehicle industry. We think it highly probable that some experiments will be made in sectoral industrial integration. The ECLA studies are likely to affect the nature of any agreements reached. As a result, it might be worthwhile to examine with care studies of industrial sectors which could affect Canadian exports. It may be that informed criticism transmitted to the Secretariat would have some influence on the final form of such studies. Our criticism, of course, would have to be based on factors other than our own self interest. As a developed country the fact that our trade would be hurt would not impress members of the Secretariat or Latin American officials dealing with economic matters.

(d) Symposia on Industrialization (Page 139)

This resolution lends support to the regional symposium on industrialization which will be held in

February 1966 at Santiago, Chile, in preparation for the subsequent international symposium. Latin American members of ECLA are requested to prepare studies on the status of "their respective industrialization processes". In this context Latin American apparently means underdeveloped, so that it would include Trinidad and Jamaica, but not France, Britain, the U.S. or Canada. We assume, nonetheless, that we would be entitled to be represented at the regional symposium. It might be worthwhile to send a government economist, preferably Spanish-speaking, to participate in the discussions. He might also visit the Latin American Institute for Economic and Social Planning in Santiago. This Institute will be playing an important role in training Latin American officials in economic affairs likely to occupy leading positions in the years ahead. The Soviet Union offered to provide as professors Soviet experts in central planning, to be paid for with their contribution to the U.N. Technical Assistance Programme. It might also be worth investigating whether a Canadian economist would be welcomed by the Institute and could be made available.

(e) The Economic Integration of Latin America (Page 141)

This resolution was hammered out amongst the Latin American delegates in a long series of private sessions. While emphasizing the Latin American Free Trade Association and a Central American Common Market, it nonetheless gives the ECLA Secretariat fairly considerable freedom in undertaking further studies on economic integration. The Secretariat announced a meeting of experts from Latin American governments would be held in July to help prepare studies for the Foreign Ministers' Meeting of the LAFTA members scheduled to take place before the end of August. Moreover the trade committee of ECLA will meet before December 15 of this year (see section 6 of the operative section of the resolution, page 143).

Mention in the resolution of the need to find solutions of payments problems and to consider financial and monetary coordination could imply that efforts will be made to draw up a plan for a payments union, or at least a move will be made in that direction.

Section 4 of the operative part of the resolution (page 143) requests the ECLA Secretariat to bear in mind the situation of the countries with inadequate markets for the development of certain types of activities and the less developed countries in order that they may share in the benefits to be derived from regional integration. We mentioned in our letter under reference the difficulties of devising any integration scheme which will provide equal benefits for all Latin American republics and at the same time be economically sensible. The less developed countries are the eleven mentioned in our letter and the countries with inadequate markets for the development of certain types of activities are apparently Venezuela, Colombia, Peru, Chile, and Uruguay. You will also wish to examine the special resolution (Page 148) in which the "relatively less developed countries" instruct ECLA to take into account their special needs. The Brazilian delegate, speaking for the more developed Latin American republics, accepted this resolution with a marked degree of both condescension and irony.

The series of meetings to be held this year could be of decisive importance in determining the pace and extent of the movement towards Latin American economic integration. They will be worth following closely.

(f) Trade and Development Activities of ECLA

There was little debate on UNCTAD at the ECLA session, partly because of the inordinate amount of time taken up by the statements of observers. This resolution was probably prepared in accordance with the wishes of the Secretariat. The approach the Latin American republics will take at UNCTAD is partly revealed by the nature of the specific studies to be undertaken by the ECLA Secretariat:

- (a) Preparation of schedules of primary commodities and manufactures and semi-manufactures which are of special interest to Latin America as exports;
- (b) Determining the trade position of the items included in the above-mentioned schedules, in the light of the status quo commitment accepted by the developed countries at Geneva;
- (c) Determining the setbacks resulting from reintroducing or raising customs duties or non-tariff restrictions on particular products and evaluation of their effects on the Latin American countries;
- (d) Trends in the international prices of the principal primary commodities exported by the Latin American countries and significance of the fluctuations in their purchasing power in terms of the prices of the goods they have to import;
- (e) Effect of the elimination of trade preferences and of the compensatory measures that can be adopted for the benefit of the developing countries which relinquish such discriminatory preferences;
- (f) Scope and general and particular features of agreements on commodities which are of importance to the Latin American countries and whose international markets suffer from short-term or long-term disequilibria;
- (g) Possible forms and characteristics of a general and non-discriminatory preferential system to encourage exports of manufactures and semi-manufactures from the developing to the developed countries;
- (h) Schedule of manufactures and semi-manufactures which the Latin American countries could export if import duties and equivalent restrictions were eliminated or substantially reduced in the markets of the industrialized countries;
- (i) Reporting on the measures adopted by the industrialized countries and international financial institutions in response to recommendation A.IV.1 of UNCTAD.

Since this resolution approved the report of the Fourth session of the trade committee, we were compelled to abstain as we had when the vote on this report was taken at the trade committee in Santiago.

(g) Trade Policy (Page 144)

This resolution, discussed in our letter under reference, recommends that members of ECLA should give special priority to the prevention of discriminatory treatment affecting the exports of Latin American countries in accordance with the final act of the U.N. Conference on Trade and Development. An American delegate noted that the Latin American countries did not offer to give up their special advantages for the sale of sugar to the U.S. Trinidad and Jamaica were able to vote for the resolution after amending it to make clear that preferences would be abandoned only when equivalent advantages had been provided to developing countries. You will note a misprint in the provisional report stating that the equivalent advantages are to be provided to the developed countries benefitting from present preferential arrangements. On this basis, we could presumably have voted for the resolution instead of abstaining.

18. Except where Canadian policy made it necessary to abstain, we supported the resolutions put forward even when we had rather serious doubts as to their utility, such as in the case of the resolution on publicity concerning the Committee's work (page 152). While we could have abstained on the resolutions on integration on the grounds that Canada was not involved, it would have created a bad impression to do so once the French and British delegates, after a considerable hesitation, had decided to support them.

19. The final statement on behalf of the Secretariat was delivered by the Assistant Executive Secretary and not by Dr. Mayobre because of his departure for the Dominican Republic as personal representative of the Secretary General of the United Nations. News of his appointment was greeted with enthusiastic applause by all delegates. In a vibrant extemporaneous address given at that time Dr. Mayobre indicated that despite a limited staff and budget ECLA would fulfill the mandate given to it by the session to prepare studies on integration. It would be our guess that other activities of ECLA may suffer. This is further proof, however, of the overriding importance of integration in the work of ECLA at the present time.

20. The next session of ECLA is scheduled to be held in April or May of 1967 in Caracas.


Ambassador

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

NUMBERED LETTER

File on

TO: THE UNDER-SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: The Canadian Embassy,
Mexico City.....

Reference: Our Numbered Letter 233, May 28/65

Subject: Main Trends at the Eleventh Session
.....of Economic Commission for Latin
.....America.....

Security: Confidential.....

No:.....231.....

Date:....May 28, 1965.....

Enclosures:.....

Air or Surface Mail: Courier.....

Post File No: 9-5-16 *17*.....

Ottawa File No.	
35-20-ECLA	
40	42

E	TO: <i>F. H. H. 110</i>
	JUN 1 1965
REGISTRY	

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Distribution
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The promotion of Latin American integration is, at the present time, the principal function of the Economic Commission for Latin America (ECLA), in the eyes of both its Secretariat and the overwhelming majority of its Latin American members. The Canadian delegation found the strength of integration sentiment far stronger than we had anticipated.

2. An ECLA session is not the proper place to assess coolly the obstacles to the economic integration of the Latin American republics. Words of skepticism would have been as out of place as a speech in favour of sin at a revival meeting. Nonetheless, certain serious difficulties were apparent.

3. The proposal by the four economists for the rapid creation of a sweeping new economic and political structure for Latin American integration (see our letter 203, April 30) served to focus attention on the concept of unity, but the general homage paid to their initiative at the session was in sufficiently abstract form as to suggest that the detailed scheme put forward had in fact failed to win many converts. Argentine, Brazil and Mexico, the big three in the Latin American economic scene, clearly prefer to work through and expand the functions of the Latin American Free Trade Association (LAFTA), rather than create any further organizational superstructure. In fact Argentina and Brazil initially showed some reluctance to allow ECLA a major role in integration planning. The compromise reached amongst the delegates of the Latin American Republics allows ECLA in its capacity as technical assessor of LAFTA to prepare detailed studies on integration for examination by the Foreign Ministers of the LAFTA members scheduled to meet in Montevideo before the end of August. While ECLA will not have any direct executive function, its studies, providing that they take into due account economic and political realities, could influence decisively the direction of discussions within LAFTA and the nature of any new agreements reached. It seems less likely that they can devise any means of associating the Central American Common Market with LAFTA

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at this stage. The unity displayed by the members of the Central American Market at the ECLA session was remarkable, and far greater than in the case of the members of LAFTA who were frequently divided amongst themselves. The Central Americans, however, gave every evidence of wishing to perfect their own regional scheme before seriously exploring means of entering, presumably as a single unit, into a general Latin American Common Market.

4. A major problem in moving towards economic integration will be to meet the needs of the less developed Latin American republics. For bargaining purposes, they formed a group known as "The Eleven", as they had apparently earlier done at the United Nations Conference on Trade and Development in Geneva; its members are Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama, Ecuador, Bolivia, Paraguay, and presumably Haiti (which did not play an active role at the ECLA session; indeed, in a plaintive speech, the Haitian delegate virtually described his country as a long-neglected orphan and practically read it out of the Latin-American family) and the Dominican Republic (which was not represented). These countries insisted that in addition to specific mention of their needs in the general compromise resolution on integration, a separate resolution be adopted directing ECLA to study their special requirements. They fear that the benefits of economic integration will accrue exclusively to the more developed republics. Yet there may well be limits to the concessions which Argentine, Brazil and Mexico are prepared to make, particularly in view of the fact that there are entire regions within these countries which are as populous and underdeveloped as some of the smaller Latin American republics.

5. It is also worth noting that Venezuela, Columbia, Peru and Uruguay seem for some purposes to form a third group with interests somewhat different from both "The Eleven" and the big three. In discussions at UNCTAD it may be worth bearing in mind the conflicting interests within the Latin American bloc.

6. The most likely next step in the integration process will be efforts to create fully or partially integrated markets in certain industrial sectors where the region's needs are presently met wholly, or in large part, by imports. The study of industrialization by ECLA is at present chiefly devoted to this end. As a matter of firm doctrine integration is accepted as the fundamental factor in promoting more efficient industrial growth in Latin America, both through making possible larger and hence more efficient production units and as a result of increased competition (no suggestion is made in this regard that lower national tariffs could achieve much the same effect). In the industrial, as in other fields, the Secretariat envisages its task no longer to argue merits of integration, now accepted as an article of faith, but rather to work out the modalities for moving swiftly towards this objective.

7. While a report prepared by the Secretariat pointed out the difficulties resulting from an unlimited

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import substitution policy on a national level (without provision for increased export earnings the point is soon reached where available foreign exchange cannot pay for raw materials required by new industries or meet the charges on the debts incurred in building such industries), the Secretariat's views on regional industrial planning reflect much the same restrictive and protectionist attitude. The entire emphasis is on the substitution of products imported from the outside world, such as aluminum and newsprint, and cost remains a very secondary consideration. We noted that most delegates seemed to envisage that their country would receive a pulp and paper mill as a result of this policy. Little thought is being given to export possibilities to the outside world. As the larger Latin American republics will each insist on having a share in any major industrial field, the Secretariat is concentrating on the concept of a complementary development whereby as a result of prior agreement certain specified chemicals or machine tools would be produced in each country. Political factors would inevitably play a key role in this process. As a result the sectoral approach to industrial integration might lead merely to the regionalization of existing inefficiency. It is our impression that, regrettably, the movement towards Latin American integration is likely to be exceedingly inward-looking. The political and economic obstacles to the formation of a genuine economic community are sufficiently great that a Latin American common market, with its possible advantages in terms of dynamic economic growth, may never be achieved. What is more likely is the gradual creation of an exceedingly complex system of intra-regional preferences which could work to the detriment of outside traders without notably lowering the existing protection accorded to national industries.

8. Not all non-Latin American observers at the ECLA session would agree with our pessimistic evaluation. The new series of studies to be prepared by ECLA and the August meeting of the LAFTA Foreign Ministers should provide important evidence as the likely future development of the integration movement. In any event we agree with other observers that some further steps towards the goal of integration will be taken; in particular, experiments are likely to be made on the integration of certain industrial sectors with the emphasis on import replacement through new investment. This could affect certain Canadian exports to the region.

9. It is unlikely that Canada can exercise any major influence on these developments; we are not a sufficiently important trading partner of any Latin American republic, with the possible exception of Venezuela, to enjoy the leverage to do so. Moreover, although Canada is a full member of ECLA, it was quite clear at the present session, as it has been in other inter-American gatherings, that we are not really accepted as part of the Latin American family. Nevertheless Canadian membership in ECLA seemed useful to us both as a sign of our interest in the area and as a means of becoming acquainted with Latin American views

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on economic affairs. Canada was mentioned seldom in the discussions and then generally in conjunction with the United States. The President of Mexico in opening the session stated that his country did not consider the United States and Canada as eligible to join a Latin American economic community and other speakers echoed this view. A Brazilian delegate talked vaguely of these two nations joining once the Latin American republics had reached their level of development, but this was, perhaps, just a more diplomatic way of saying the same thing, dictated by Brazil's recognition of the need for infusions of capital from United States, and if possible Canadian, sources if a Latin American economic community is to be a success.

10. Like ourselves the United States delegation was treated largely as an outsider, a fact resented by some of its members. One told us that in bilateral conversations the United States was able to talk sense to the different Latin American republics, but that when the Latin Americans started negotiating amongst themselves, the United States could not make its voice heard. He was indignant that the United States would not be invited to participate in discussions on integration under ECLA auspices, despite its expressed willingness to do so, as under the terms of the resolution adopted such discussions were to be limited to Latin American experts.

11. There was a degree of ambivalence in the United States approach to integration. The second head of their delegation (Ambassador Williams, U.S. representative to the U.N. Economic and Social Council replaced Mr. Sayre shortly after the conference opened) repeated Vice President Humphrey's warm words of support for integration. On the other hand Mr. Turnage, the number two man on their delegation, told us privately that it was easy to support the concept of integration as little real progress in achieving it was likely. When we suggested that support for the goal of integration might make it difficult for the United States to oppose steps towards it, even though they might be unpalatable in themselves (and all the more so if full integration were never to be achieved), he replied that the United States would support steps towards integration on a strictly selective basis.

12. In view of the importance of IDB (Inter-American Development Bank) financing in the promotion of sectoral industrialization integration, it was interesting to note a degree of hostility towards Dr. Herrera, its President, by members of the United States delegation, who indicated contemptuously that his actions were presently dictated by his desire to become President of Chile. On the other hand, this institution seemed highly popular amongst Latin American delegates.

13. It was of special interest to note the role of the other non-Latin American delegations. Trinidad and Jamaica showed no wish to join with the British delegation and ourselves in any Commonwealth grouping, although relations amongst our four delegations were cordial. They seemed to view keeping open the possibility of entry into a Latin American trading area, even

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though not presently feasible for them, as a form of reinsurance if present Commonwealth preference arrangements were to break down which they apparently would accept without regret as long as they were adequately compensated. They, therefore, desired to appear as much as possible at the ECLA session as members of the Latin American family. While the Latin American republics would probably not really welcome participation by Jamaica and Trinidad in any regional economic grouping, these two countries might not be excluded if they took the initiative in requesting membership.

14. The delegation from the Kingdom of the Netherlands consisted of representatives from "Holland", the Netherlands Antilles and Surinam. As this was a Latin American occasion, representatives within the delegation from "Holland" were apparently under instructions to defer to the views of their Antilles and Surinam colleagues. The contrasting economic interests of the component parts of the Kingdom of the Netherlands must create a disagreeable strain within their delegations to meetings of this kind and make effective negotiations difficult. Members of the delegations from the Antilles and Surinam went out of their way in their statements to identify themselves as Latin Americans, although they warned that they could not sacrifice their associate status in the European Common Market until equally attractive alternative arrangements came into being.

15. The French delegation seemed to carry no great weight with the Latin American delegations, and their repeated demands for the translating into French of all important documents (rejected by the Secretariat on budgetary grounds) may have caused a certain irritation. The delegation was led by Mr. Gabriel Lisette; although born in the French Antilles and a negro by racial origin, he acted as a spokesman for France and did not mention any special problems or interests of the French Caribbean possessions. Nor did the British delegate, Sir Keith Unwin discuss the specific interests of the British colonial territories in the Americas, on the basis of which Britain presumably enjoys membership in ECLA. For the British and French, like ourselves, membership in ECLA seems designed to promote their influence in Latin America and create goodwill and as a result an ECLA session is not a suitable place for serious discussions of economic problems where our approach differs in any fundamental way from that of the Latin Americans. Any influence which we could bring to bear should probably be applied through well thought out comments upon or criticisms of ECLA studies directed privately to members of the ECLA Secretariat.

16. A Columbian resolution called for the end of discrimination against Latin American exports in accordance with the recommendations of the Geneva Conference concerning preferences to developing countries. Trinidad and Jamaica, anxious not to be in opposition to their Latin American neighbours, succeeded in amending the resolution to make it clear that preferences should not be eliminated before adequate compensation was provided for those developing countries presently benefiting from them. As a result they were able to vote for the resolution. The United Kingdom and France, like ourselves, abstained.

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17. The general discussion concerning preferences suggested that there might develop within the fairly near future serious Latin American demands for hemisphere preferences, that is to say preferential entry for Latin American products into the United States, and possibly Canadian, market. The official policies of the Latin American republics still support a non-discriminatory system of preferences by the developed countries in favour of the developing countries. Dr. Prebisch thought it necessary, however, to oppose the views of un-named Latin American friends who favour hemisphere preferences. The Columbian delegate himself explained somewhat contradictorily that on the one hand it might be not until the end of the century that Latin Americans would have the kind of non-discriminatory trading world which they wanted and on the other hand that if they did not achieve rapid success, they could switch their policy and seek hemisphere preferences. A Brazilian spokesman indicated support for the Columbian resolution in such an ambiguous manner as to suggest that Brazil may soon change its approach and demand special preferences in the United States market.

18. Despite the fact that several Latin American delegates had come to Mexico City directly from the United Nations Trade and Development Board meeting in New York City, and that Dr. Prebisch addressed the session, this new organization was not discussed at any length. An Argentine resolution, probably inspired by the ECLA Secretariat itself, instructed it to prepare the Latin American position for presentation at the Trade Development Board. The Latin American delegates seem to have full confidence in the Secretariat's approach to matters within the jurisdiction of the Trade and Development Board and felt no need to set up limiting guidelines.

19. Although undoubtedly looming large in the thoughts of delegates, events in the Dominican Republic did not in fact occupy a major place in ECLA discussions, despite its mention in the opening statement by the President of Mexico. The Chilean delegate attacked the United States at length in a particularly violent speech and his criticisms were echoed by Uruguay and to a much lesser degree Venezuela. The U.S. delegate replied briefly to criticisms of United States policy and indicated that this matter was under debate elsewhere. The Cuban delegate devoted most of his speech to an outline of supposed or real Cuban economic progress; his attacks on the United States were the more effective for being expressed in few words and in a relatively mild manner, though sharply critical in content. The Cubans were anxious to be accepted as Latin Americans in good standing and managed to secure the adoption of two resolutions designed to be non-controversial and withdrew a third which other Latin American delegates could not accept. This exercise in relative moderation was partly undone by the harsh and abusive reply of the Cuban alternate delegate and former Ambassador to the United Nations, Inchaustegui, to the statement by the Columbian delegate at the end of the session that his government considered Cuba ineligible to participate in the process of Latin America economic integration.

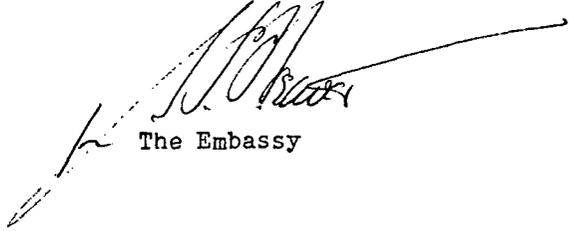
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20. It was perhaps significant that the Latin American countries co-operating with the United States in the Dominican affair within the Organization of American States did not choose to defend the United States position at the ECLA session but rather remained silent or indicated that a technical economic body was not the appropriate forum for discussion of political issues. The USSR observer delivered a cold war diatribe denouncing the United States in vigorous terms, which was echoed in lower key by the Hungarian and Yugoslav observers; on the other hand the Rumanians and Czechoslovakian observers made constructive statements on economic relations with Latin America entirely free of polemics.

21. In a larger sense the Dominican Republic affair may have contributed to the considerable enthusiasm for Latin American economic integration which was in evidence. The force behind the integration movement is certainly as much political as economic. A Latin American regional grouping without United States participation has a great appeal to many Latin Americans. Yet, sadly enough, Latin Americans have traditionally found it easier to formulate sentiments than to carry out constructive policies. We wonder whether the industry, skill and enthusiasm of Latin American-minded civil servants in ECLA, LAFTA and IDB can overcome the formidable obstacles in the path of effective integration, including inertia and whole congeries of entrenched interests. Yet, our major conclusion from the ECLA session is that at least some further progress in strengthening economic bonds amongst the Latin American republics is likely to be made. It would be a mistake to underestimate the capacity of the ECLA Secretariat to promote such progress. For our part, we were impressed by the general level of efficiency and enthusiasm which it displayed during the session and by the ability of its executive Secretary, Dr. Mayobre.

22. I have dealt in a separate numbered letter with matters at the ECLA session likely to be primarily of interest to those in Ottawa who handle ECLA affairs and to Canadian representatives at future ECLA meetings.



The Embassy

Latin American/AJPick/WHF

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO Economic and U.N. Divisions

SECURITY
Sécurité

FROM Latin American Division

DATE June 23, 1965

REFERENCE
Référence

NUMBER
Numéro

SUBJECT ECLA DOCUMENTS.

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2-6865
Mrs Butler

FILE	DOSSIER
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MISSION 14 -	✓

ENCLOSURES
Annexes

DISTRIBUTION

Mr. W. E. Duffett
Memo down to J.A. Div.
June 21/65

Mr. Walter Duffett, the Dominion Statistician, who represents Canada on the Inter-American Statistical Institute, telephoned me yesterday to say that he would like to receive the reports and publications of the Economic Commission for Latin America. His main interest is naturally in the field of statistics. Apparently some efforts have been made, though not too successfully, to have ECLA and IASI undertake some joint projects.

2. I told Mr. Duffett that ECLA was primarily the responsibility of Economic Division but that U.N. Division might be concerned in the distribution of ECLA documents.

3. It would be appreciated if some arrangement could be made between the two Divisions most concerned to have Mr. Duffett receive ECLA publications. Possibly the best arrangement would be to suggest that the DBS subscribe directly to ECLA publications, preferably in English. Mr. Duffett says that it may well be that there is more issued by ECLA than he would wish to receive, but I think this can only be determined after he has been able to scan a number of the ECLA reports.

[Signature]
Latin American Division.

Mr. C. Karty
Personnel
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of file
To

OTTAWA, July 2, 1965

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Dear Mr. Cote,

We thought that we should tell you that we have now learned that Mr. Pollock's successor in ECLA has been chosen, should you have not received this information already from the ECLA Secretariat itself. However, if you have already sent your curriculum vitae to Mr. Hayobre, perhaps he will be able to offer you another position which might interest you.

Yours sincerely,

J. O. PARRY

Under-Secretary of State
for External Affairs

Mr. Jacques Cote
370 Lockwell Street
Apartment No. 512
QUEBEC, P.Q.

NACIONES UNIDAS

COMISION ECONOMICA PARA AMERICA LATINA

Av. Providencia 871

Casilla 179 D.

SANTIAGO, CHILE

Document disclosed under the Access to Information Act -
Document divulgué en vertu de la Loi sur l'accès à l'information

REFERENCIA.

22 July, 1965.

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Sir,

I have the honour to inform you that, pursuant to resolutions 1940 (XVIII) of the United Nations General Assembly, 1030 C (XXXVII) of the Economic and Social Council, 242 (AC.57) of the ECLA Committee of the Whole and 250 (XI) of the Commission, a Latin American Symposium on Industrial Development will be held at Santiago, Chile, the headquarters of the Commission, from 14 to 25 March, 1966. In compliance with the above mentioned resolutions, I have pleasure in inviting your Government to send representatives to the meeting.

As indicated in the document entitled Note by the secretariat with respect to the regional symposium on industrial development (E/CN.12/705), submitted at the eleventh session of the Commission, the main purpose of the Seminar is to explore the present status, problems and prospects of the industrial development process in both the region as a whole and the individual countries and to consider the measures and decisions that should be taken to accelerate that process within each country and in the realm of international co-operation. It is intended that the discussions shall not be confined to the general problems of the industry as a whole, but shall also focus on some of the more salient aspects of the principal industrial branches and sectors. The symposium is to be held shortly after similar meetings in Asia and Africa and its findings should constitute a contribution to the preparatory work for the international symposium on the same subject that is scheduled to take place early in 1967.

In view of the complexity and breadth of the topics to be discussed, the secretariat thinks it best that the symposium should be confined to an exchange of technical experiences and views on the major obstacles to the acceleration of industrial development, and should neither take decisions nor adopt formal recommendations. The views expressed and, in particular, those on which the participants are in general agreement, will be embodied in a final report for immediate transmittal to member Governments.

His Excellency
The Hon. Paul James Martin
Secretary of State for Foreign Affairs
Ottawa, Canada.

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... In order to facilitate the arrangements and studies connected with the participation of the States members of the Commission in the Santiago symposium, an aide-mémoire is attached comprising general information on the meeting; the draft agenda and a suggested outline for use in preparing the national reports, which have been requested solely of the Latin American countries, members of the Commission, as specified in operative paragraph 4 of resolution 250 (XI).

In view of the increasing importance which the different forms of international co-operation are acquiring for the acceleration of industrial development in Latin America, and the desirability of comparing experiences in this field, the co-operation of your Government will be a vital element in ensuring the success of the Latin American symposium on industrialization.

Accept, Sir, the assurances of my highest consideration,

Manuel Balboa
Acting Executive Secretary

Annexes in triplicate:

1. Note by the secretariat with respect to the regional symposium on industrial development (E/CN.12/705).
2. ECLA resolution 250 (XI).
3. General information on the symposium, the provisional agenda and an outline for the preparation of the national reports.

ECLA
July 1965

LATIN AMERICAN SYMPOSIUM ON INDUSTRIAL DEVELOPMENT
(Santiago, Chile, 14-25 March 1966)

General information, provisional agenda and outline for the
preparation of the national reports

A. GENERAL INFORMATION

1. Background data

A Latin American Symposium on Industrial Development will be held at the headquarters of the Economic Commission for Latin America (ECLA) from 14 to 25 March 1966, under the joint sponsorship of ECLA and the United Nations Centre for Industrial Development. Other similar meetings will take place in Asia and the Far East (Manila, December 1965) and Africa (Cairo, January-February 1966). The main purpose of the present meeting is to analyse the trends followed by Latin American industry during the last few decades, in conjunction with the obstacles to its faster growth; to estimate the technical and financial needs associated with the next stages in industrial development; and to evaluate technical assistance procedures and resources and other forms of aid which international co-operation could make available to the developing countries. The findings of the meeting will be presented at an international symposium which will probably take place early in 1967.

The background data of the Latin America Symposium are as follows: ^{1/}

- a) General Assembly resolution 1940 (XVIII) of 11 December 1963, which requests the Secretary-General to initiate consultation and studies with the appropriate organizations on the advisability of holding an international symposium preceded by preparatory regional symposia, relating to the problems of industrialization;

^{1/} The resolutions referred to in paragraphs a), b) and c) are contained in Note by the secretariat on the Latin American Symposium on Industrial Development (E/CN.12/705), and that cited in paragraph d) is reproduced in a separate document.

/b) Resolution

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- b) Resolution 242 (AC.57) of 13 February 1964 of the Committee of the Whole of ECLA, which welcomes the above recommendation;
- c) Economic and Social Council resolution 1030 C (XXXVII) of 13 August 1964, which endorses, inter alia, the decision of the Economic Commission for Latin America to hold a regional symposium and to participate in the international symposium;
- d) ECLA resolution 250 (XI) of 14 May 1965, which calls upon member countries to support and take part in the symposia, and requests the Latin American countries to prepare national studies on the present status of their respective industrialization processes for presentation at the regional symposium.

2. Purpose of the meeting

The purpose of the meeting is to examine the present status, problems and prospects of the industrial development process, both in Latin America as a whole and in the individual countries, in the belief that the region's economic development can be accelerated only if an industrialization proceeds with ever increasing vigour.

The discussions are expected to be particularly productive in respect of the measures and decisions that must be adopted, at both the national and international level, to expedite industrial development. To that end, the aim will be to analyse both the problems affecting industry in general and specific problems affecting the major sectors of industry.

The comparison of experience in Latin American industry and the exchange of views thereon will be embodied in the final report of the symposium, which will be transmitted to the Latin American Governments through ECLA and the United Nations Centre for Industrial Development. The symposium is not expected to adopt resolutions or formal recommendations.

3. Administrative questions

In line with established practice the participants' travel and subsistence costs will be paid by the Governments concerned.

/4. Content

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4. Content and nature of the national reports

The Commission, in resolution 250 (XI), recommended the Governments of member States to prepare monographs designed to provide an general up-to-date picture of industry and its problems in the various Latin American countries. These national studies are intended to supplement ECLA's reports which are of a nature that excludes any detailed analysis of the characteristics of industrial development in each country, the aim being to present an over-all picture highlighting the features which most countries have in common. Similar studies presented almost simultaneously at the African and Asian symposia will permit of comparisons that will be most useful in gaining an insight into the general industrial development process.

Since the discussions will be based on experience in the Latin American countries, the requirement to prepare national reports applies only to those countries, as provided for in resolution 250 (XI), paragraph 4. Countries may call upon ECLA for assistance in this task.

a) Content. It is suggested that the attached outline should be followed, at least roughly, in preparing the national reports, not only so that they will cover all the subjects and facets of concern to the meeting and thus provide for thorough and extensive discussion, but also for the sake of uniformity to facilitate discussions and comparative analysis.

The reports should deal only with manufacturing industry. Wherever the data presented include other activities, such as construction or power generation, this fact should be clearly specified.

b) Length. Although there are no hard and fast limits to the length of the reports, about 100 pages of typescript (space and a half), not counting attachments, are considered sufficient for the purpose.

c) Weights and measures. Only the metric system should be used, and where the use of other units is unavoidable, the metric equivalent

/should be

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should be given in brackets. To facilitate comparison it would be appreciated if, wherever possible, values were expressed in United States dollars, with an indication of the exchange rate used.

- d) Language. The official language of the country concerned.
- e) Time-limit. Since the national reports will have to be made uniform, edited, and translated into other languages where necessary, in addition to other work prior to their distribution which must be effected well in advance of the meeting, they should be received by the secretariat not later than 31 October 1965.
- f) Co-operation with ECLA. The ECLA secretariat will co-operate with Governments as far as its resources permit, to enable the reports to be prepared along the lines and within the time-limit stipulated. To that effect, it will make available to the liaison officers appointed in accordance with paragraph 5 of the present document all the background data and analytical material in its possession and will provide them with any assistance they require.

5. Liaison during preparation of the symposium

To facilitate liaison with ECLA throughout the preparatory work for the symposium, particularly in connexion with the national reports, an official should be appointed to co-ordinate activities with ECLA. His name and that of the agency to which he belongs should be communicated to the ECLA secretariat as soon as possible.

Correspondence relating to the preparation of the national reports and other questions connected with the Symposium should be addressed to:

Mr. Nuno Fidelino de Figueiredo
Director, Joint ECLA/INST/IDB Programme for the Integration
of Industrial Development
Avenida Providencia 871
Santiago, Chile

/B. PROVISIONAL

ECLA
July 1965

LATIN AMERICAN SYMPOSIUM ON
INDUSTRIAL DEVELOPMENT
(Santiago, Chile, 14-25
March 1966)

B. PROVISIONAL AGENDA AND DOCUMENTS

1. Provisional agenda

- I. Evaluation and prospects of industrial development in Latin America
 1. Latin American industry: past trends and present characteristics
 2. Industrial development policy and future prospects
 3. Industrial development programming: institutions and methods
- II. Present status, problems and prospects of the major sectors of industry
 1. Basic metals
 2. Chemicals
 3. Pulp and paper
 4. Metal transforming
 5. Textiles
- III. Problems concerning credit, exports and small-scale industry
 1. Credit and financing of industrial expansion
 2. Exports of manufactures to world markets
 3. The role of small enterprise in Latin America's development
- IV. Problems connected with the absorption of technical know-how, applied technological research, and technical assistance
 1. The technical know-how needed for industrial development: methods of assimilating that of other regions, and related problems
 2. Technological research and adaptation of processes and equipment to conditions in Latin America
 3. Technical assistance for industrial development
- V. International Symposium on Industrial Development (1967) and industrialization in Latin America.

/2. Documents

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2. Documents

The work of the symposium will be based on background and reference documents. The main background documents will be El proceso de industrialización en América Latina (E/CN.12/716/Rev.1), in three volumes, and Los principales sectores de la industria latinoamericana; problemas y perspectivas (E/CN.12/716/Rev.1), in two volumes, which were presented at the eleventh session of ECLA and are to be revised and broadened in scope before the symposium. Other background documents, on specific problems covered by the agenda (industrial credit, technological research, technical assistance, etc.) will also be distributed.

The reference documents will consist of national reports (a consolidated summary of which will be prepared as a basis for discussion) and other secretariat reports relating to the various agenda items and, in particular, to specific sectors of industry.

The secretariat will dispatch these documents well before the date of the symposium. The first batch will be sent off in November 1965 and the next in January 1966. This will enable the detailed study of background data and documents on which the success of the Seminar largely depends.

The above agenda covers a large number of industrial development problems. In order to allow for full discussion of each question, the secretariat proposes to limit the documents to be prepared and submitted to a few specific questions relating to each item of the agenda. The first batch of documents to be dispatched will include an annotated agenda and list of documents, indicating the specific questions and problems on which the secretariat believes the discussions should concentrate.

5. Characteristics of foreign trade in manufactured goods

- (a) analysis of the structure of imports and their evolution over the last ten or fifteen years;
- (b) the same for exports;
- (c) a more extensive analysis of exports of manufactures and their trends in recent years.

In relation to the principal characteristics and problems of manufacturing industry, the following points might be developed.

6. Financing of manufacturing industry. Although the inflation prevailing in a number of countries, and the variety of policies adopted for the amortization and revaluation of assets, hamper the task of finding out how industrial development is financed, an attempt should be made to supply some basic data on the following factors:

- (a) Undistributed profits;
- (b) Depreciation reserves;
- (c) Reserves and provisions of other kinds (indicating their nature);
- (d) Capital investment obtained through issuing of shares and other devices;
- (e) Issuing of shares and capital interests through the use of reserves (specifying the nature of the latter) and revaluation of assets;
- (f) Loans contracted in the country;
- (g) Loans contracted abroad.

It would be useful to include tables of the sources and uses of funds, when available.

Some data should be provided on how far growth of industry is financed from the capital market, with an indication of recent projected measures for giving industrial firms easier access to that market. Some explanation should also be given of the policy adopted for the revaluation and amortization of assets and, where relevant, the relations between these practices and industrial financing.

/7. Size

7. Size and characteristics of manufacturing establishments.

Information should be supplied on these aspects. It would be interesting to know the criteria used for defining small industry, and the relative weight of the latter in the industrial sector as a whole.

8. Employment in industry. Give total figures and a breakdown by groups of industries^{2/} with, if possible, an indication of the levels of skill of the labour force employed. There should be a brief review of general manpower training programmes (excluding specific sectoral programmes, which come into the following chapter).

9. Location of industry. This should cover how far manufacturing activities are concentrated in particular areas, recent trends, and the results expected if a policy of decentralization is applied. It would be useful to know something of the principal plans for industrial decentralization based on the creation of an infrastructure in the basic services.

III. The major sectors of manufacturing industry

This chapter should provide a short description of the present situation, past development and future prospects of the major industrial sectors such as steel making, non-ferrous metallurgy (aluminium, copper, zinc and tin), chemicals, pharmaceuticals, pulp and paper, metal-transforming, textiles, rubber, footwear, food processing and any other industries that it is deemed necessary or advisable to include. The analysis of these sectors should cover the following points that generally form the basis of the secretariat's industrial studies.

1. Apparent consumption, production and imports of the sector in question, including projections of demand whenever possible;
2. Description of existing industry in terms of the labour employed, size of establishment, technology and operational conditions (characteristics, age and efficiency of the machinery, labour productivity, etc.);

^{2/} If it proves impossible to obtain data classified according to the list in the annex, a list should be made of the specific activities concerned.

/3. Cost

3. Cost analysis accompanied, whenever possible, by a comparison of domestic (ex-factory) prices with world market prices for similar products;
4. Development problems in each sector, in relation to financing, raw materials and other inputs, labour training, inadequate markets, etc.
5. Prospects for the future development of each sector, and for increasing its share of export trade in Latin America and the rest of the world.

IV. Plans and programmes for industrial development

1. A general industrial development strategy

It should first be explained whether industrial development and the different incentives and methods of promotion adopted by the Government are based on a strategy laid down for the development of industry as part of a general economic development policy. If so, the broad lines of the strategy should be described, with special reference to how the industrial programme is dovetailed with the over-all development plan.

2. Industrial programming

If a general industrial development plan or programme is in course of preparation, its main features should be outlined (i.e. goals, the criteria adopted for determining their order of priority, duration, legal provisions, etc.) and the bodies responsible for its preparation and supervision named.

3. Executing agencies in industrial development

What bodies have specific executive responsibility in industry? The Ministry of Industry? A Department of Industry in another ministry? Other agencies? What are the specific functions of the bodies in question? Does authorization have to be obtained beforehand for the establishment of new industrial undertakings? What body gives the authorization and on what grounds does it base its decisions?

4. Sectoral programmes and agencies

Are there special programmes for the development of certain industrial sectors, apart from a general programme for industry as a whole? What is the substance of such programmes and which bodies are responsible for formulating and executing them? How broad are the executive powers of these bodies?

/5. Private

5. Private enterprise in industrial programming

What is the role of private enterprise in the formulation of industrial development programmes (general or sectoral)?

V. Policy measures for industrial development

1. Government promotion of industry

As a general introduction to this chapter, a broad outline should be given of the principal industrial promotion machinery and institutions in the country.

2. Tariff protection

With regard to tariff protection for industry, information should be furnished on:

- (a) the general characteristics of the customs tariff^{3/} in its main protectionist aspects, and the average levels of protection by broad categories of goods and certain typical products;
- (b) the principal exemptions, whether total or partial, and the system of application;
- (c) the regulations or principles established for adapting the tariff to new circumstances as an instrument of protection, and the institution responsible for applying the said regulations and principles;
- (d) a rough assessment of the influence of the tariff on the trend of industrial activities in the recent past.

3. Other forms of import control

Import control by means of quantitative and exchange restrictions of different kinds, from the standpoint of protection of industry. The following are required in particular:

- (a) Description of measures of protection other than the customs tariff;
- (b) Indication of the degree of stability or permanence;

^{3/} Equivalent duties and charges should also be specified here.

/(c) Analysis

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- (c) Analysis of the criteria and procedures to be adopted for co-ordinating the application of these measures with the structure of the existing customs tariff and, in general, with industrial promotion policy;
- (d) A rough assessment of the influence of these measures on industrial development trends.

4. Industrial credit policy

The background information needed in this section should serve to evaluate the industrial credit situation in three respects:

- (a) how far the forms of industrial credit available to domestic industry are in keeping with the country's requirements which, in their turn, are a function of the level of industrial development already attained and the respective problems;
- (b) institutions responsible for administering industrial credit, and the degree of flexibility of credit terms;
- (c) financial resources earmarked for the different forms of industrial credit and the channels through which it is provided, in comparison with the amount required for vigorous industrial growth. ✓

When the three questions of credit, lending agencies and financial resources are being considered, short-term and medium-term credit for providing enterprises with working capital should be distinguished from medium-term credit for financing exports of manufactures and long-term credit for fixed assets. Special attention should be paid to the domestic financing of sales of capital goods, in the countries where this presents a real problem.

In order to have a bird's eye view of the workings of the credit system in relation to industry, a table should be included showing the public and private agencies, the sums granted in recent years, amortization terms, rates of interest and other relevant items for each of the different forms of credit extended.

✓ In order not to duplicate the data requested in chapter VI on technical and financial assistance from abroad, domestic credit resources obtained from external loans should be recorded separately.

/It would

It would also be useful to have a critical assessment of how far the system of industrial credit, with its different agencies and forms, has been tailored to the particular requirements of industrial expansion in each country.

5. Tax policy as an incentive and guide for industrial investment

It would be helpful to have information on the following points:

- (a) Tax treatment for industry in comparison with that for other economic sectors;
- (b) Tax regulations relating to the depreciation of assets, reinvestment of profits, revaluation of assets, etc.;
- (c) Other fiscal provisions with a bearing on industrial development, such as regulations on exemptions and subsidies.

6. Legal provisions governing foreign capital and enterprises

- (a) General tenor of policy on foreign capital and enterprises, and possible limitations on the fields in which this capital may be invested;
- (b) An outline of the exchange and tax treatment accorded to foreign capital;
- (c) A brief description of any other differential measures that may be applied to foreign companies.

7. Policy for promoting exports of manufactures

An account of the whole body of measures adopted to promote exports of manufactures to Latin America and other regions, with some indication of the specific possibilities over the short and medium term for products that have been given special treatment, and of the results expected in terms of additional foreign exchange earnings.

8. Provisions for small industry

Is there a consistent policy for the modernization and promotion of small industry? What are its terms and which are the bodies responsible for framing and applying it?

/Fairly detailed

Fairly detailed information should be given on the special provisions favouring small industry^{5/} as regards credit, taxation, training, technical assistance and special forms of promotion, such as the establishment of industrial estates or zones.

9. Direct Government promotion through public or semi-public enterprises
Information is needed on:

- (a) Current Government policy on industrial promotion through public enterprises;
- (b) Existing public enterprises, their number, legal status, administrative and financial systems, share in the production of the sector concerned, and other features of interest;
- (c) Whenever possible, an appraisal of the experience acquired in the existing enterprises, as regards operational efficiency, financial results, rate of growth, etc.

10. Regional industrial development policy

Information should be furnished on current or projected industrial policy to expedite the development of certain areas of the country, the institutions or corporations that may have been established for that purpose and the promotional measures adopted. It ought also to be indicated how far other policy measures for industry or general development (e.g. the rates policy in the transport and energy sectors) would be liable to hamper or prevent a planned policy of balanced regional development from having its full effect.

11. Manpower training programmes

Information should be given on current systems of industrial labour training for the lower and intermediate levels (workmen, foremen, etc.), and on the training institutions, their relations with private enterprise and their financing practices. The facilities represented by such institutions should be evaluated in relation to demand in the country.

^{5/} The criterion underlying the definition of small industry should be explained, so as to clarify the qualifications of such industry for preferential treatment.

/12. Productivity

12. Productivity and industrial extension services

Agencies responsible for increasing productivity and lending technical assistance for that purpose; their forms of operation, relations with industry and Government, and the source and volume of their funds.

13. Technological research

Institutions of applied technological research for industry, their nature, organization, work programmes and resources. Their relations with industry, the universities and the Government, and their achievements in comparison with national requirements.

14. Standardization

Information on the formulation of technical standards for industry, the organizations concerned, their methods and resources. The results obtained should be reviewed, and future requirements weighed up.

15. Other aspects of industrial promotion policy

This section is concerned with any other method of industrial promotion, or related questions that are considered relevant.

VI. External aid for industrial development

The fullest possible information should be given on the technical and financial assistance received from abroad through multilateral and bilateral channels, and estimated future requirements. It would also be useful to describe the method used by the country for periodically calculating such requirements, and for ensuring that the assistance reaches the national agencies concerned.

1. Bilateral and multilateral financial assistance (public capital) received in recent years for industrial development, and estimated future requirements of both types in the light of the development plans and programmes in preparation or execution.

2. Volume and characteristics of private foreign capital recently invested in industrial development.

3. Evaluation of multilateral technical assistance for industrial development: characteristics, volume, results and estimated future requirements.

4. Evaluation of bilateral technical assistance for industrial development: source, characteristics, volume, results and estimated future requirements.

5. System of evaluating multilateral and bilateral technical assistance needs, preparing the respective requests, and the funds to the agencies responsible for carrying out the specific programmes in the country.

6. Provisions relating to patent agreements and royalty payments. Estimated cost, and foreign exchange disbursements under those heads.

VII. Miscellaneous

Other aspects of national experience in industrial development considered of interest.

VIII. Reference works

It would be helpful to list the latest reports, studies and other material of special interest that have been compiled on general aspects of industry by Government agencies, international organizations, universities or other bodies.

/Annex

Annex

PRESENTATION OF STATISTICAL DATA FOR THE NATIONAL REPORTS

In order to standardize the quantitative data on the industrial sector on the subjects dealt with in the national reports, and permit identification and comparability of the various industrial activities, in both text and tables, an extract, from the Standard Industrial Classification of All Economic Activities (ISIC) is given below, covering manufacturing. This classification has now been adopted by the national statistical services of most Latin American countries.

EXTRACT FROM THE ISIC CLASSIFICATION ^{a/}

Division	Major group	Group
2-3 Manufacturing	20. Food manufacturing industries, except beverage industries	201. Slaughtering, preparation and preserving of meat 202. Manufacture of dairy products 203. Canning and preserving of fruits and vegetables 204. Canning and preserving of fish and other sea foods

^{a/} United Nations, International Standard Industrial Classification of All Economic Activities (ISIC), Statistical Papers Series M. No. 4, Rev.1.

Annex (cont. 1)

Division	Major group	Group
		205. Manufacture of grain mill products
		206. Manufacture of bakery products
		207. Sugar factories and refineries
		208. Manufacture of cocoa, chocolate and sugar confectionery
		209. Manufacture of miscellaneous food preparations
	21. Beverage industries	211. Distilling, rectifying and blending of spirits
		212. Wine industries
		213. Breweries and manufacturing of malt
		214. Soft drinks and carbonated water industries
	22. Tobacco manufactures	220. Manufacture of tobacco products
	23. Manufacture of textiles	231. Spinning, weaving and finishing textiles
		232. Knitting mills
		233. Cordage, rope and twine industries
		239. Manufacture of textiles not elsewhere classified

/Annex (cont. 2)

Annex (cont. 2)

Division	Major group	Group
	24. Manufacture of footwear, other wearing apparel and made-up textile goods	241. Manufacture of footwear, except rubber footwear
		242. Repair of footwear
		243. Manufacture of wearing apparel, except footwear
		244. Manufacture of made-up textile goods, except wearing apparel
	25. Manufactures of wood and cork, except manufacture of furniture	251. Sawmills, planing and other wood mills
		252. Wooden and cane containers and cane small ware
		259. Manufacture of cork and wood products not elsewhere classified
	26. Manufacture of furniture and fixtures	260. Manufacture of furniture and fixtures
	27. Manufacture of paper and paper products	271. Manufacture of pulp, paper and paperboard
		272. Manufacture of articles of pulp, paper and paperboard
	28. Printing, publishing and allied industries	280. Printing, publishing and allied industries
	29. Manufacture of leather and leather and fur products, except footwear and other wearing apparel	291. Tanneries and leather finishing plants

/Annex (cont. 3)

Annex (cont. 3)

Division	Major group	Group
		292. Manufacture of fur products, except wearing apparel
		293. Manufacture of leather products, except footwear and other wearing apparel
	30. Manufacture of rubber products	300. Manufacture of rubber products
	31. Manufacture of chemicals and chemical products	311. Basic industrial chemicals, including fertilizers
		312. Vegetable and animal oils and fats
		313. Manufacture of paints, varnishes and lacquers
		319. Manufacture of miscellaneous chemical products
	32. Manufacture of products of petroleum and coal	321. Petroleum refineries
		329. Manufacture of miscellaneous products of petroleum and coal
	33. Manufacture of non-metallic mineral products, except products of petroleum and coal	331. Manufacture of structural clay products
		332. Manufacture of glass and glass products
		333. Manufacture of pottery, china and earthenware

/Annex (cont. 4)

Annex (cont. 4)

Division	Major group	Group
		334. Manufacture of cement (hydraulic)
		339. Manufacture of non-metallic mineral products not elsewhere classified
	34. Basic metal industries	341. Iron and steel basic industries
		342. Non-ferrous metal basic industries
	35. Manufacture of metal products, except machinery and transport equipment	350. Manufacture of metal products, except machinery and transport equipment
	36. Manufacture of machinery, except electrical machinery	360. Manufacture of machinery, except electrical machinery
	37. Manufacture of electrical machinery, apparatus, appliances and supplies	370. Manufacture of electrical machinery, apparatus, appliances and supplies
	38. Manufacture of transport equipment	381. Ship building and repairing
		382. Manufacture of railroad equipment
		383. Manufacture of motor vehicles
		384. Repair of motor vehicles and bicycles
		385. Manufacture of motorcycles and bicycles

/Annex (cont.)

It would also be useful to have a critical assessment of how far the system of industrial credit, with its different agencies and forms, has been tailored to the particular requirements of industrial expansion in each country.

5. Tax policy as an incentive and guide for industrial investment

It would be helpful to have information on the following points:

- (a) Tax treatment for industry in comparison with that for other economic sectors;
- (b) Tax regulations relating to the depreciation of assets, reinvestment of profits, revaluation of assets, etc.;
- (c) Other fiscal provisions with a bearing on industrial development, such as regulations on exemptions and subsidies.

6. Legal provisions governing foreign capital and enterprises

- (a) General tenor of policy on foreign capital and enterprises, and possible limitations on the fields in which this capital may be invested;
- (b) An outline of the exchange and tax treatment accorded to foreign capital;
- (c) A brief description of any other differential measures that may be applied to foreign companies.

7. Policy for promoting exports of manufactures

An account of the whole body of measures adopted to promote exports of manufactures to Latin America and other regions, with some indication of the specific possibilities over the short and medium term for products that have been given special treatment, and of the results expected in terms of additional foreign exchange earnings.

8. Provisions for small industry

Is there a consistent policy for the modernization and promotion of small industry? What are its terms and which are the bodies responsible for framing and applying it?

/Fairly detailed

Annex (conc.)

Division	Major group	Group
		386. Manufacture of aircraft
		389. Manufacture of transport equipment, not elsewhere classified
	39. Miscellaneous manufacturing industries	391. Manufacture of professional, scientific, measuring and controlling instruments
		392. Manufacture of photographic and optical goods
		393. Manufacture of watches and clocks
		394. Manufacture of jewellery and related articles
		395. Manufacture of musical instruments
		399. Manufacturing industries not elsewhere classified

TO: THE UNDER-SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: Canadian Embassy, Washington, D.C.

Reference: Mexico City Letter No. 231 of May 28

Subject: 11th Session of the Economic
Committee for Latin America

No: *confidential*
Date: July 26, 1965

Enclosures:

Air or Surface Mail: Surface

Post File No:

Ottawa File No.	
35-20-ECLA	
40	28

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JUL 30 1965
REGISTRY

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References

We noticed in paragraph 4 of the letter under reference from Mexico City that mention was made of a brief which had been prepared for the 11th Session of the Economic Committee for Latin America. A check in our files indicated that this brief was not received here, and as we have an opportunity here to meet frequently with members of the ECLA Secretariat based in Washington it would be helpful if you could send us a copy of that brief. We might also suggest that Santiago and perhaps other Latin American posts might be interested in receiving a copy.

We did receive from the ECLA office here a provisional copy of ECLA's Annual Report (February 15, 1964 - May 17, 1965). We presume this Report is available in Ottawa and has been distributed to interested Latin American posts.

Registry
As returned with file.
files
July 30

[Signature]
The Embassy

Internal
Circulation

6,

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

NUMBERED LETTER

TO: THE UNDER-SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: The Embassy
Santiago, Chile

Reference:

Subject: Economic Commission for Latin America
Economic Integration

Security: CONFIDENTIAL

No: 232

Date: July 30, 1965

Enclosures:

Air or Surface Mail:

Post File No:

Ottawa File No.
35-20-ECLA
6 5

E	TO: <i>Registration</i>
	AUG 16 1965
REGISTRY	

References
Dept. Fin. & L.A. div.
Gen. Sec.
over Paris
L.A. Div.
Dr. Mayobre
Done Aug 20/65
Mb.
filed 2

Letter No. 233 from our Embassy in Mexico reported fully on the 11th Session of the Committee of the Whole of the Economic Commission for Latin America, which took place in that city from May 6 to May 17th, 1964. On page 5, paragraph 17 (e), the Ambassador commented at length on Resolution No. 251 (XI) dealing with the economic integration of Latin America. The text of the Resolution authorized the ECLA Secretariat to establish, when it deems this expedient, ad hoc working groups to consider special aspects of integration, namely:

- (a) future joint action in the field of trade policy;
- (b) co-ordination of agricultural policy;
- (c) regional investment policy;
- (d) the solution of payment problems and financial and monetary co-ordination;
- (e) regional policy on transport and communications; and
- (f) legal and institutional aspects of a co-ordinated programme of action aimed at accelerating the integration process.

At the time this Resolution was approved, the ECLA Secretariat announced a meeting of experts from Latin American governments, agencies and organizations to help prepare studies for the Foreign Ministers' meeting of the Latin American Free Trade Area (LAFTA), scheduled to take place in Montevideo before the end of August.

Internal Circulation 3.

cc Dept. of Trade & Commerce

E

Distribution to Posts

This week, the Commercial Counsellor had a long chat with Sra. Mónica Barnett, an officer on the staff of the Executive Secretary's Office of ECLA, who is responsible for the Commission's programmes of studies. In Sra. Barnett's opinion, Dr. Mayobre's decision to hold a meeting of Latin American experts in June was a little precipitated. The meeting was to take place in Santiago from June 26 to July 6, so as to allow Dr. Mayobre to attend the IA-ECOSOC meeting of July 8 in Geneva, where he could apprise the delegates of the latest developments in Latin American integration. Of course, Dr. Mayobre could not presage the lasting quality of his appointment to the Dominican Republic as personal representative of the Secretary General of the United Nations, when he took his sudden and dramatic leave from the assembled delegates towards the end of the Mexico Conference. Indeed he thought at the time that the Dominican crisis might possibly be solved with celerity and a minimum of interference with his normal activities in the ECLA.

4. The meeting of experts was postponed at the request of Brazil. It seems that the Brazilian Representative or head of the delegation at the Mexico Conference, José Garrido Torres, President of the National Economic Development Bank, did not altogether share the views of his government on the subject of integration. Sra. Barnett referred to Garrido as "Brazil's one and only integrationist". So Garrido returned

- 2 -

home with the news of a new impending conference or meeting on integration and apparently the news was far from welcome.

5. Unaware of this, the ECLA Secretariat began to make arrangements for the meeting and send out invitations. The ECLA staff as a whole thought the meeting premature and much too soon after the Mexico Conference but, of course, they were prepared and ready to go along. The acting Executive Secretary, Sr. Manuel Balboa, then approached Argentina on the subject of their delegation to the meeting and was told that Brazil had asked them to support their request for postponement and that they had agreed to do so. However, they did not wish this to be known by the other Latin American members. They themselves were not proposing a postponement of the meeting but they wished to support Brazil's proposal. So, in the end, the ECLA Secretariat announced that the meeting had been postponed at the request of some Latin American governments. By this time, however, some delegates had already arrived in Santiago and amongst them Mario Garcia Inchaústegui, who, as alternate delegate for Cuba at the May Conference of ECLA in Mexico, had used harsh and abusive language in his reply to the statement by the Colombian delegate, that his government considered Cuba ineligible to participate in the process of Latin America's economic integration (Mexico's numbered Letter No. 231). Garcia Inchaústegui came accompanied by Francisco Iglesias Iglesias and both remained in Santiago some four or five days before leaving Chile. Upon their arrival at the airport, they were first denied entry in the country by Interpol, but the intervention of the ECLA Secretariat and the possession of official passports by the delegates eliminated all difficulties.
6. Following the ECLA's announcement that the meeting of experts was being postponed, it was rumoured that the meeting would now take place until after the LAFTA meeting of Foreign Ministers, scheduled for the end of August. When asked about the LAFTA meeting, Sra. Barnett told Mr. Gravel that it had now been postponed until November. This had been done at the request of Peru who complained of "misbehaviour" on the part of Colombia, Chile and Uruguay, who were applying "unilateral restrictions" on trade within the LAFTA. Sra. Barnett said that the ECLA Secretariat was finding it hard to understand the exact nature of Peru's complaint.
7. In any case, Sra. Barnett felt that the impetus of the Mexico Conference had been lost and that although every one talked about the need and urgency for integration, no one country - including Chile - was really doing something constructive about it. She told Mr. Gravel confidentially that Sr. Balboa had just left for Brazil and that it was hoped in ECLA circles that the much discussed meeting of experts would now take place at the end of August. Meanwhile, Dr. Mayobre is still away in the Dominican Republic and the Secretariat do not know when he may be back in Santiago. He has been invited by Israel and it is thought that he will visit that country before returning here.
8. No new documents or studies have been published or distributed by the ECLA since the Mexico Conference with the exception of the Annual Report of the Economic Commission for Latin America (15 February, 1964 - 17 May, 1965) in its final form.

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- 3 -

9. As regards the next or Fifth Session of the Trade Committee of ECLA, no date or time has as yet been set although the Resolution referred to in the first part of this Letter, requested the ECLA Secretariat to convene the Trade Committee prior to December 15, 1965. We shall advise as soon as information becomes available.

M. G. Seaul
The Embassy

Economic/J.E. Hyndman/gg

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO
A The Canadian Embassy, Washington, D.C.

FROM
De The Under-Secretary of State for External
Affairs, Ottawa, Canada.

REFERENCE
Référence Your Letter No. 1211 of July 26, 1965.

SUBJECT
Sujet 11th Session of the Economic Committee for
Latin America.

SECURITY **CONFIDENTIAL**
Sécurité

DATE August 11, 1965.

NUMBER E-745
Numéro

FILE	DOSSIER
OTTAWA	
	35-20-ECL.
MISSION	40 A

ENCLOSURES
Annexes

1

DISTRIBUTION

Attached, as requested, is a copy of the brief prepared for the Canadian delegation to the 11th Session of ECLA. We are also sending a copy of this brief for their information to Santiago and other Latin American posts.

2. You will note that the various UNCTAD papers referred to on page 4 are not included in this copy of the brief since you will have received already a copy of the comprehensive report of our delegation to the First Session of the Trade and Development Board of UNCTAD.

(SGD) J. E. HYNDMAN
FOR THE

Under-Secretary of State
for External Affairs.

TO: THE UNDER-SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.

No:.....260.....

Date:.....August 13, 1965.....

FROM:The Embassy.....

Enclosures:.....

.....Santiago., Chile.....

Air or Surface Mail:.....

Reference:.... Our numbered letter 232.....

Post File No:.....

Subject:..... ECLA - Fifth Session of the Trade.....

..... Committee

Ottawa File No.	
35-20-ECLA	
40	40

Walt

TO: <i>Legation</i>
E AUG 19 1965
<i>with file</i>
REGISTRY

References

In paragraph 9 of our letter under reference, we mentioned that no time had as yet been set for the Fifth Session of the Trade Committee of ECLA, although it had been agreed at the May Conference in Mexico to convene the Committee prior to December 15, 1965.

2. On a draft calendar of meetings in which the ECLA will participate during the next eight months, the Trade Committee Meeting is listed for December without date. However, we have been assured by reliable ECLA sources that it is most unlikely to take place before March of next year. As the LAFTA meeting of Foreign Ministers has been postponed until November, it is thought in ECLA circles that a Trade Committee Meeting in December would follow too closely on the LAFTA meeting.

free

W.C. Seauf
The Embassy

TO: THE UNDER-SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: The Embassy
Santiago, Chile

J-48

Reference: Our numbered letter 232

Subject: v. ECLA - Meeting of Latin American
Integration Experts

No: 259

Date: August 13, 1965

Enclosures:

Air or Surface Mail:

Post File No:

Ottawa File No.	
35-20-ECLA	
40	40

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	AUG 29 1965
	with file
	REGISTRY

CC 35-20-ECLA/CAC

References

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~~L.A.~~
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~~Office~~
done
Sep 1/65

Information picked up yesterday at the ECLA headoffice indicates that the meeting of experts discussed in our letter under reference, will now take place in Santiago, on September 27th., 1965. It would seem that Sr. Balboa was successful in obtaining the agreement of Brazil during his recent visit to that country. No official announcement has been made as yet. Invitations will not be sent out, as this was already done early in June, but countries participating in the integration meeting will merely be advised of the new date of the reunion.

- This September meeting is to be a purely Latin American affair in which neither Canada nor the United States will participate. We were told that Jamaica and Trinidad were not expected to attend the meeting. We will report on the integration meeting as information is obtained.

W.G. Stavel
The Embassy

J-51

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO
À The Under-Secretary of State for
External Affairs, Ottawa, Canada.

SECURITY
Sécurité Unclassified

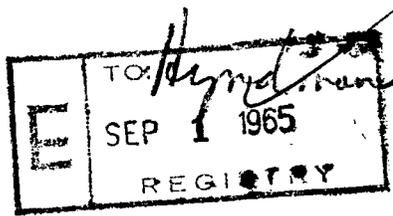
FROM
De The Embassy,
Santiago, Chile

DATE August 23, 1965

REFERENCE
Référence

NUMBER
Numéro 270 *MB*

SUBJECT
Sujet CALENDAR OF ECLA MEETINGS



FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	40/40

ENCLOSURES
Annexes

DISTRIBUTION

We are enclosing the latest schedule of the ECLA activities from August 1965 to December 1966, which we have today obtained from the Secretariat. It is a tentative calendar including not only meetings organized by the Commission or with the Commission's cooperation, but also meetings to which the Economic Commission for Latin America has been invited or in which they are interested.

M. G. Seaman
The Embassy

Dept. of
Trade & Com-
merce, Ottawa

*To file
MR [handwritten]
a file*

*Done
11/9/65*

BEST ORIGINAL AVAILABLE
MEILLEUR ORIGINAL

Naciones Unidas
Comisión Económica para América Latina
Unidad de Conferencias

Santiago de Chile
Agosto de 1965
Calendario N° 1

CALENDARIO PROVISIONAL DE REUNIONES PROYECTADAS PARA 1965-1966 a/
(TENTATIVE CALENDAR OF MEETINGS PLANNED FOR 1965-1966) a/

<u>Fecha</u>	<u>Lugar</u>	<u>Nombre de la Reunión</u>	<u>Organización Patrocinadora</u>	
<u>1965</u>				
30	Junio	Ginebra	Consejo Económico y Social de las Naciones Unidas y Reunión de Secretarios Ejecutivos (United Nations Economic and Social Council including Executive Secretaries Meeting)	NU UN
6-14	Julio	Santiago	Seminario de Organización y Administración del Planeamiento (Seminar on Planning Organization and Administration)	ILPES INSTITUTE
8-9	Julio	Ginebra	Comité del GATT sobre Comercio y Desarrollo (GATT Committee on Trade and Development)	GATT GATT
14-17	Julio	Lima	Parlamento Latinoamericano (Latin American Parliament)	Perú Peru
19-30	Julio	Río de Janeiro	Seminario sobre Planificación Estadual (Seminar on State Planning)	Brasil/CEPAL Brazil/ECLA
26-30	Julio	Buenos Aires	Reunión de Expertos en Medición de Productividad (Meeting of Experts on Productivity Measurement)	Asociación Interamericana de Productividad Inter-American Productivity Association
29-30	Julio	Santiago	V Congreso Latinoamericano de Siderurgia (V Latin American Congress on the Steel Industry)	ILAFA ILAFA
20 de	Julio	Colombia	XI Congreso Internacional de Viajes (XI International Congress on Travel)	Colombia Colombia
de	agosto			
2-13	Agosto	Montevideo	Comisión asesora de Política Comercial (Advisory Committee on Trade Policy)	ALALC ALALC

Incluye reuniones organizadas por la CEPAL; con la cooperación de la CEPAL; a las que la CEPAL ha sido invitada; o en las que la CEPAL tiene interés.

Includes meetings organized by ECLA; with the co-operation of ECLA; to which ECLA has been invited; or meetings in which ECLA is interested.

- 2 -

<u>Fecha</u>	<u>Lugar</u>	<u>Nombre de la Reunión</u>	<u>Organización Patrocinadora</u>
10 Agosto	Montevideo	Comisión Asesora de Desarrollo Industrial (Siderurgia) (Advisory Committee on Industrial Development) (Steel)	ALALC ALALC
11-14 Agosto	Cali	I Asamblea Panamericana de Población (I Pan American Assembly on Population)	Colombia/Estados Unidos Colombia/United States
12-20 Agosto	Montevideo	Reunión Latinoamericana del Comité de Migraciones Europeas (Latin American Meeting of the Committee on European Migrations)	CIME CIME
17-20 Agosto	Montevideo	Comisión Asesora de Estadística (Advisory Committee on Statistics)	ALALC ALALC
22-27 Agosto	Bogotá	X Conferencia Hemisférica de Seguros (X Inter-American Insurance Conference)	Colombia Colombia
13 Septiembre	Montevideo	Comisión Asesora de Desarrollo Industrial (Celulosa y Papel) (Advisory Committee on Industrial Development) (Pulp and paper)	ALALC ALALC
24 de Agosto a 13 de Septiembre	Kiev (Ucrania)	Simposio Interregional sobre Industria de Fertilizantes (Inter-regional Symposium on the Fertilizer Industry)	NU/DOAT UN/BTAO
24 de Agosto a 14 de Septiembre	Ginebra	II Sesión de la Junta de Comercio y Desarrollo (II Session of the Trade and Development Board)	NU UN
30 Agosto	Montevideo	Comisión Asesora de Transporte (Advisory Committee on Transport)	ALALC ALALC
30 de Agosto a 4 de Septiembre	Santiago	Reunión sobre Financiación de la Reforma Agraria (Meeting on the Financing of Land Reform)	BID/BIRF/CEPAL/CIAP/FAO IDB/IBRD/ECLA/ICAP/FAO
30 de Agosto a 10 de Septiembre	Belgrado	Conferencia Mundial de Población (World Population Conference)	NU UN
5-17 Septiembre	Ankara	Seminario Interregional sobre Planificación del Sector Externo (Inter-regional Seminar on the Planning of the External Sector)	NU/DOAT UN/BTAO

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- 3 -

<u>Fecha</u>		<u>Lugar</u>	<u>Nombre de la Reunión</u>	<u>Organización Patrocinadora</u>
6-27	Septiembre	Lodz (Polonia)	Seminario Interregional sobre la Industria Textil (Inter-regional Seminar on the Textile Industry)	NU/DOAT UN/BTAO
13-22	Septiembre	Santiago	Conferencia sobre la Aplicación de la Ciencia y la Tecnología al Desarrollo de América Latina (CASTALA) (Conference on the Application of Science and Technology to the Development of Latin America)	UNESCO, con la cooperación de la CEPAL UNESCO, in co-operation with ECLA
27	Septiembre	Asunción	Reunión de la Asociación Latinoamericana de Armadores (Meeting of the Latin American Association of Shipbuilders)	ALAMAR ALAMAR
---	Septiembre	Río de Janeiro	Reunión sobre Petróleo de la Asociación de Asistencia Recíproca Petrolera Estatal Latinoamericana (ARPEL Meeting on Petroleum)	ARPEL ARPEL
---	Septiembre	Guatemala	Comité de Cooperación Económica del Istmo Centroamericano (IX reunión)* (Meeting of the Central American Economic Co-operation Committee) (IX meeting)*	CEPAL ECLA
---	Septiembre	Río de Janeiro	Reunión de la Asociación Latinoamericana de Ferrocarriles (Meeting of the Association of Latin American Railways)	ALAF ALAF
---	Septiembre/Octubre	Caracas	Grupo de Trabajo para Coordinación de las Actividades Petroquímicas de las Empresas Estatales de Petróleo (Working Group on the Co-ordination of the Petrochemical Activities of the State Petroleum Industries)	Venezuela Venezuela

* Organismo Subsidiario del Comité de Cooperación Económica del Istmo Centroamericano de la CEPAL.
 (Subsidiary body of ECLA's Central American Economic Co-operation Committee).

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- 4 -

<u>Fecha</u>		<u>Lugar</u>	<u>Nombre de la Reunión</u>	<u>Organización Patrocinadora</u>
4	Octubre	Montevideo	Comisión Asesora de Desarrollo Industrial (Industrias Químicas) (Advisory Committee on Industrial Development) (Chemical Industries)	ALALC ALALC
10-17	Octubre	París	Coloquio Internacional sobre Problemas Agrarios de América Latina (International Seminar on Agrarian Problems in Latin America)	Francia France
11-29	Octubre	Praga	Seminario Interregional sobre Evaluación de Proyectos Industriales (Inter-regional Seminar on Industrial Projects Evaluation)	NU/DOAT UN/BTAO
20-27	Octubre	México	Unión Internacional de Organismos Oficiales de Viajes (XIX Asamblea General) (International Union of Official Travel Organizations) (XIX General Assembly)	México Mexico
---	Octubre	Honduras*	Subcomité Centroamericano de Electrificación y Recursos Hidráulicos (III reunión)** (Central American Sub-Committee on Electrification and Hydroelectric Resources) (III meeting)**	CEPAL ECLA
---	Octubre	Washington	Grupo de Trabajo sobre Fertilizantes (Working Group on Fertilizers)	CIAP ICAP
8-17	Noviembre	Santiago	Grupo de Trabajo sobre Cuentas Nacionales (Working Group on National Accounts)	CEPAL/Oficina de Estadística de Naciones Unidas/DOAT ECLA/United Nations Statistical Office/BTAO

- * Las sedes están pendientes de aprobación o ratificación por parte de los gobiernos.
 (The choice of meeting places has to be approved or ratified by the Governments concerned).
- ** Organo Subsidiario del Comité de Cooperación Económica del Istmo Centroamericano de la CEPAL.
 (Subsidiary body of ECLA's Central American Economic Co-operation Committee).

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- 5 -

<u>Fecha</u>	<u>Lugar</u>	<u>Nombre de la Reunión</u>	<u>Organización Patrocinadora</u>
20 de Noviembre a 10 de Diciembre	Roma	XIII Reunión General de la FAO (Thirteenth Session of the FAO Conference)	FAO FAO
28 de Noviembre a 11 de Diciembre	Santiago	Conferencia Latinoamericana sobre la Infancia y la Juventud en el Desarrollo Nacional (Latin American Conference on Children and Youth in National Development)	UNICEF/CEPAL UNICEF/ECLA
---	Noviembre	El Salvador*	
		Subcomité Centroamericano de Transportes (o un grupo de trabajo) (III reunión)** (Central American Transport Sub-Committee) (or a Working Group) (III meeting)**	CEPAL ECLA
---	Noviembre***	Montevideo	
		Reunión de Cancelleres de la ALALC y V Período de Sesiones Ordinarias de la Conferencia de las Partes Contratantes (Meeting of Foreign Ministers of ALALC and Fifth Regular Session of the Conference of Contracting Parties)	ALALC ALALC
---	Noviembre***	Washington	
		Conferencia Portuaria Interamericana Extraordinaria (Special Inter-American Conference on Ports)	OEA OAS
---	Noviembre	Nueva York	
		Grupo de Expertos sobre uso de maquinaria de segunda mano (Working Group on the use of second-hand machinery)	NU UN
---	Noviembre***	Río de Janeiro	
		II Conferencia Interamericana Extraordinaria (III Sesión) (Second Special Inter-American Conference) (III Session)	OEA OAS
---	Noviembre	Washington	
		Subcomisión de COINS para censos de 1970 (COINS Sub-Committee for 1970 censuses)	IASI IASI

* Las sedes están pendientes de aprobación o ratificación por parte de los gobiernos.

(The choice of meeting places has to be approved or ratified by the Governments concerned).

** Organismo Subsidiario del Comité de Cooperación Económica del Istmo Centroamericano de la CEPAL.

(Subsidiary body of ECLA's Central American Economic Co-operation Committee).

*** Fecha en consulta.

(Date being consulted).

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- 6 -

<u>Fecha</u>	<u>Lugar</u>	<u>Nombre de la Reunión</u>	<u>Organización Patrocinadora</u>	
6-18	Diciembre	Manila	Simposio Asiático de Industrialización (Symposium on Industrialization in Asia)	CDI/NU CID/UN
---	Diciembre	Costa Rica*	Subcomité Centroamericano de Comercio (XIII reunión)** (Central American Trade Sub-Committee) (XIII meeting)**	CEPAL ECLA
---	Diciembre***	Santiago	Reunión del Comité de Comercio (Meeting of Trade Committee)	CEPAL ECLA
---	---	Montevideo	Comisión Asesora de Desarrollo Industrial (III Reunión) (Advisory Committee on Industrial Development) (III Meeting)	ALALC ALALC
---	***	Santiago	Reunión de Expertos Gubernamentales Latinoamericanos sobre Integración Económica (Meeting of Latin American Governmental Experts on Economic Integration)	CEPAL ECLA
---	***	Santiago	Curso Regional sobre Política Comercial (Regional Course on Trade Policy)	CEPAL/DOAT ECLA/BTAO

- * Las sedes están pendientes de aprobación o ratificación por parte de los gobiernos.
 (The choice of meeting places has to be approved or ratified by the Governments concerned).
- ** Organismo Subsidiario del Comité de Cooperación Económica del Istmo Centroamericano de la CEPAL.
 (Subsidiary body of ECLA's Central American Economic Co-operation Committee).
- *** Fecha en consulta.
 (Date being consulted).

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<u>Fecha</u>	<u>Lugar</u>	<u>Nombre de la Reunión</u>	<u>Organización Patrocinadora</u>	
<u>1966</u>				
23-26	Enero	Washington D.C.	Reunión Latinoamericana de Financiamiento Municipal (Latin American Meeting on Municipal Financing)	
27 de a 10 de	Enero Febrero	Cairo	Simposio Africano de Industrialización (Symposium on Industrialization in Africa)	CDI/NU CID/UN
---	Febrero	Nicaragua o Costa Rica*	Subcomité de Vivienda, Edificación y Planeamiento del Istmo Centroamericano (III reunión)** (Housing, Building and Urban Planning Sub-Committee) (III meeting)**	CEPAL ECLA
---	Febrero o Marzo***	Santiago	XI Comité Plenario de la Comisión (Eleventh Committee of the Whole of the Commission)	CEPAL ECLA
14-25	Marzo	Santiago	Simposio Latinoamericano de Industrialización (Latin American Symposium on Industrialization)	CEPAL/CDI ECLA/CID
---	Marzo	Santiago	Curso de Programación de la Vivienda (Housing Programming Course)	CEPAL/ILPES/DOAT ECLA/INSTITUTE/BTAC
---	Marzo	Santiago	Seminario Latinoamericano sobre Inversiones en Educación (Latin American Seminar on Investment in Education)	UNESCO/CEPAL UNESCO/ECLA
---	Marzo/Abril	Washington	Reunión Grupo de Trabajo sobre Fertilizantes (Working Group on Fertilizers)	CIAP ICAP
---	Abril	Santiago	II Reunión sobre Electrificación Rural (II Meeting on Rural Electrification)	Chile Chile
25-29	abril	México	VII Reunión de Gobernadores (VII Board of Governors)	BID IDB
---	Abril/Mayo	Lima	Reunión sobre Planificación de Sistemas Eléctricos (Meeting on the Planning of Electric Power Systems)	Perú Peru

* Las sedes están pendientes de aprobación o ratificación por parte de los gobiernos.
 (The choice of meeting places has to be approved or ratified by the Governments concerned).

** Organismo Subsidiario del Comité de Cooperación Económica del Istmo Centroamericano de la CEPAL.
 (Subsidiary body of ECLA's Central American Economic Co-operation Committee).

*** Fecha en consulta.
 (Date being consulted).

- 8 -

<u>Fecha</u>	<u>Lugar</u>	<u>Nombre de la Reunión</u>	<u>Organización Patrona</u>	
--- Mayo	Guatemala u Honduras*	Subcomité de Coordinación Estadística del Istmo Centroamericano (dos grupos de trabajo)** (Central American Sub-Committee on Statistical Co-ordination) (Two Working Groups)**	CEPAL ECLA	
--- Junio	El Salvador*	Grupo de Trabajo sobre Desarrollo Industrial** (Working Group on Industrial Development)**	CEPAL ECLA	
27 de a 7 de	Junio Julio	Buenos Aires	Conferencia Latinoamericana de Ministros de Educación y de Planeamiento (Conference of Latin American Ministers of Education and Ministers responsible for Economic Planning)	UNESCO/CEPAL UNESCO/ECLA
--- Julio	Quito	Seminario sobre Estadísticas Industriales y de Comercio Interno (Seminar on Industrial and Internal Trade Statistics)	CEPAL/NU/DOAT/IASI ECLA/UN/BTAC/IASI	
--- Agosto	Nicaragua u Honduras*	Subcomité Centroamericano de Desarrollo Económico Agropecuario (grupo de trabajo)** (Sub-Committee on Agricultural Development) (Working Group)**	CEPAL ECLA	
--- Agosto	Mescú	Seminario Interregional sobre Construcción de Máquinas y Máquinas Herramientas (Inter-regional Seminar on Production of Machinery and Machine-tools)	NU/DOAT UN/BTAO	
--- Agosto	Pittsburgh	Seminario Interregional sobre Planeamiento en relación con Urbanización (Inter-regional Seminar on Planning in relation to Urbanization)	NU/DOAT UN/BTAO	
--- Septiembre	Quito	Seminario sobre la Pequeña Industria (Seminar on Small Industry)	CEPAL/DOAT ECLA/BTAO	
--- Septiembre	Guatemala*	Grupo de Trabajo sobre Política Fiscal** (Working Group on Fiscal Policy)**	CEPAL ECLA	

* Las sedes están pendientes de aprobación o ratificación por parte de los gobiernos.
(The choice of meeting places has to be approved or ratified by the Governments concerned).

** Organismo Subsidiario del Comité de Cooperación Económica del Istmo Centroamericano de la CEPAL.
(Subsidiary body of ECLA's Central American Economic Co-operation Committee).

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- 9 -

<u>Fecha</u>	<u>Lugar</u>	<u>Nombre de la Reunión</u>	<u>Organización Patrocinadora</u>	
---	Otubre	Ginebra	XIV Sesión de la Comisión de Estadística (XIV Session of the Statistical Commission)	NU UN
---	Noviembre	México	Reunión sobre Electrificación (Meeting on Electrification)	México Mexico
---	Noviembre	Santiago	Grupo de Trabajo sobre Política y Programas de Vivienda (Working Group on Housing Policy and Programmes)	CEPAL/DOAT ECLA/BTAO
---	Noviembre	Guatemala u Honduras*	Subcomité de Coordinación Estadística del Istmo Centroamericano (dos grupos de trabajo)** (Central American Sub-Committee on Statistical Co-ordination) (Two Working Groups)**	CEPAL ECLA
---	Noviembre	Copenhague	Seminario Latinoamericano sobre Pre-fabricación de Vivienda (Seminar on Pre-fabrication of Houses for Latin American Countries)	CEPAL/DOAT ECLA/BTAO
---	Noviembre/Diciembre***	Santiago	Curso Regional sobre Política Comercial (Regional Course on Trade Policy)	CEPAL/DOAT ECLA/BTAO
---	****	México	Seminario sobre Financiamiento y Promoción del Desarrollo Industrial (Seminar on Financing and promotion of Industrial Development)	CEPAL/DOAT ECLA/BTAO
---	(Ultimo trimestre)	Caracas	V Conferencia Interamericana de Estadística (V Inter-American Statistical Conference)	IASI IASI

- * Las sedes están pendientes de aprobación o ratificación por parte de los gobiernos.
(The choice of meeting places has to be approved or ratified by the Governments concerned).
- ** Organismo Subsidiario del Comité de Cooperación Económica del Istmo Centroamericano de la CEPAL.
(Subsidiary body of ECLA's Central American Economic Co-operation Committee).
- *** Fecha en consulta.
(Date being consulted).
- **** A realizarse en 1967.
(To be held in 1967).



TO
À The Under-Secretary of State for
External Affairs, Ottawa, Canada

SECURITY
Sécurité **Unclassified**

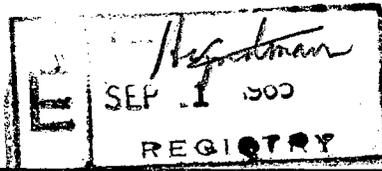
FROM
De The Embassy, Santiago, Chile

DATE August 24, 1965

REFERENCE
Référence

NUMBER
Numéro **273**

SUBJECT
Sujet ECLA - Personnel



FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	40/40

ENCLOSURES
Annexes

DISTRIBUTION

We enclose a photocopy of a list of the executive personnel of the Economic Commission for Latin America, showing the names of the directors or chiefs of the various divisions or services of the Santiago headoffice. The list also contains the name of the organization's representatives in Washington, Rio, Mexico and Bogota.

- 2. We expect to obtain a newer and more detailed list shortly, when this will be sent forward.

Done Sept 7/65

*Refer. Annexes
UN. Div.
to be*

*W.C. Stewart
The Embassy*

*MR. B...
D...
a file*

Department
of Trade &
Commerce -
Ottawa.

*Done
CB
1/9/65*

E

COMISION ECONOMICA PARA AMERICA LATINA

OFICINA DEL SECRETARIO EJECUTIVO

Secretario Ejecutivo:	Dr. José Antonio Mayobre ✓
Secretario Ejecutivo Adjunto:	Sr. Manuel Balboa ✓
Secretario Ejecutivo Auxiliar:	Sr. Pedro Manáive ✓
Secretario de la Comisión:	Sr. Ricardo Luna ✓
Secretario Asistente de la Comisión:	Sr. Carlos A. Villagra
Oficial de Programas:	Sra. Mónica Barnett ✓

Unidad Coordinadora de Asistencia Técnica

Jefe: Sr. Nessim Aradti

Servicios de Información

Jefe: Sr. Luis Carlos Sánchez

Servicio Editorial y de Idiomas

Jefe: Sra. Rosa Doren ✓

DIVISION DE ADMINISTRACION

Director:	Sr. Ole W. Danielson ✓
Director Adjunto:	Sr. George Mouchabek

DIVISION DE INVESTIGACION Y DESARROLLO ECONOMICO

Director: Sr. Pedro Vusković

Centro de Proyecciones Económicas

Director Adjunto: Sr. Francisco Azorín

DIVISION DE ASUNTOS SOCIALES

Director: Sr. Marshall Wolfe

DIVISION DE POLITICA COMERCIAL

Director:	Sr. Santiago Macario ✓
Director Adjunto:	Sr. Alejandro Power Aliberti ✓

Sección de Estudios Especiales

Jefe: Sr. Stanley Bruthwaite

DIVISION DE FORTALECIMIENTO

Director:	Sr. Gustaaf L. Loeb
Director Adjunto:	Sr. César Holostina

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- 2 -

DIVISION AGRICOLA CONJUNTA CEPAL/FAO

Director: Sr. Jacobo Schatan
Director Adjunto: Sr. José Cañón

PROGRAMA CONJUNTO CEPAL/ILPES/BLD DE INTEGRACION D L DESARROLLO INDUSTRIAL

Director: Sr. Nuno F. de Figueiredo

PROGRAMA DE RECURSOS NATURALES Y ENERGIA

Director: Sr. Adolfo Dorfman
Director Adjunto: Sr. Eduardo García

PROGRAMA DE TRANSPORTES

Director: Sr. Jules Dekock

SUBSEDE DE LA CEPAL EN MEXICO

Director: Sr. Carlos Manuel Castillo
Director Adjunto: Sr. Joseph Roscaralla
Subdirector: Sr. Francisco Giner de los Ríos

SUBSEDE DE LA CEPAL EN BOGOTA

Jefe: Sr. Fernando Illanos Benítez

OFICINA DE LA CEPAL EN RIO DE JANEIRO

(Centro de Desarrollo Económico CEPAL/BNDE)

Funcionario encargado: Sra. María Tavares

OFICINA DE LA CEPAL EN WASHINGTON

Jefe: Sr. David Pollock

Oficial aya

Henry A. Hudicourt

35-20-ECLA
14 | 14

file

CONFIDENTIAL

Ottawa, August 26, 1965.

The Deputy Minister,
Department of Labour,
Confederation Building,
OTTAWA, Ontario.

-- We enclose a note from the Acting Executive Secretary of the Economic Commission for Latin America inviting Canada to be represented at a Latin American Symposium on Industrial Development, to be held from March 14 to 25, 1966, in Santiago, Chile. As you know, the organization of regional and international symposia on industrial development is the result of recommendations adopted by the Committee for Industrial Development, ECOSOC and the General Assembly. Canada has supported these resolutions. The Santiago seminar will explore the present status, problems and prospects of the industrial development process and will focus on some of the more salient aspects of the principal industrial branches and sectors. It will precede and contribute to the preparatory work for an international symposium on the same subject to be held early in 1967. For your additional information, we -- enclose the provisional agenda, other material provided by the Commission and the Report of the Canadian Delegation to the Fifth Session of the Committee for Industrial Development. -- We would draw your attention in particular to Annex III which gives the text of the Canadian statement on regional and international symposia.

We should be grateful for your views on the composition of a Canadian delegation (if any) to the Latin American symposium and, in particular, whether your Department would wish to be included. We would appreciate receiving your reply by October 1. Similar letters have been sent to the Departments of Finance and Industry.

W. H. BARTON
FOR THE

The Under-Secretary of State
for External Affairs.

J-49

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO / À The Under-Secretary of State for External Affairs, Ottawa, Canada.

SECURITY / Sécurité Unclassified

FROM / De The Embassy, Santiago, Chile

DATE August 26, 1965

REFERENCE / Référence

TO: *Hyattman*
 SEP 11 1965
 REGISTRY

NUMBER / Numéro 276

SUBJECT / Sujet ECLA and the new Latin American Integration Institute

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	40/40

cc 35-20-LAFTA/CACM

ENCLOSURES / Annexes

DISTRIBUTION

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Department of Trade & Commerce
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None OK
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The local newspapers report today the inauguration, in Buenos Aires on August 24th, of the head-office of an Integration Institute for Latin America. This Institute, which is under the auspices of the Inter-American Development Bank, was officially inaugurated by the Bank's president, Mr. Felipe Herrera, in the presence of Arturo U. Illia, President of Argentina.

2. According to Bank officials, the Institute, the first of its kind in Latin America, will dedicate itself exclusively to the study of problems related to regional integration, in its economic, social, legal and institutional aspects. It will also serve to form functionaries and public and private organisms connected with the integration process as well as specialists for universities and centres of higher studies. Scholarships will be granted on a limited basis and in accordance with the geographic representation of each country member of IDB. Other functions of the Institute will include the establishment of a library specialized on integration; the organization of Seminars of Latin American leaders to analyze economic, social and political problems related to the economic integration of Latin America; collaboration with international world or regional agencies and with universities and research centres on integration. Finally, the Institute will counsel the Inter-American Development Bank on matters of integration.
3. The creation of this new organization is said to be a direct outcome of President Johnson's appeal for an integrated Latin America on the lines of the European Common Market. President Johnson made this appeal on August 17 at a White House ceremony on the occasion of the 4th anniversary of the Alliance for Progress.
4. High-ranking officials of the ECLA and of the Latin American Institute of Economic and Social Planning have been asked to address the new Institute on the main aspects of the regional economy. The Acting Executive Secretary of the ECLA, Sr. Manuel

2

Balboa, will speak on the present situation of the Latin American economy while the Acting Director General of the Planning Institute, Sr. Cristóbal Lara, will analyze the results obtained so far in matters of planning. Other ECLA speakers will be Sr. Nuno de Figueiredo, Sr. Anibal Pinto and Sr. Alejandro Power.

H. C. Saul
The Embassy



TO The Under-Secretary of State
A for External Affairs, Ottawa, Canada.

SECURITY Unclassified
Sécurité Sécurité

FROM The Embassy, Santiago, Chile
De

DATE August 31, 1965

REFERENCE Our numbered letter 259
Référence

NUMBER 281
Numéro

SUBJECT ECLA - Meeting of Latin American
Sujet Integration Experts

J-52

E	TO: <i>Hyndman</i>
	SEP 7 1965
REGISTRY	

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	40/40

ENCLOSURES
Annexes

CE 35-20-LAFTA/EACM

DISTRIBUTION

MR. Maloney
FR

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and Commerce,
Ottawa.

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other R.A. posts
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Geneva
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24-9-65

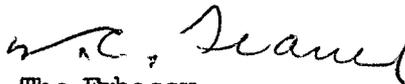
The Economic Commission of the United Nations for Latin America convened a meeting of government experts on economic integration in June of this year. At the request of some Latin American governments, the meeting was postponed and it will now take place in Santiago, Chile, from September 27 to October 4, 1965.

2. This meeting of government experts on economic integration is being called by the Executive Secretariat of the ECLA in accordance with Resolution 251 (XI) of the 11th Session which took place in Mexico in May of this year. This resolution charged the Secretariat in its character of technical adviser to the LAFTA and to the Central American Common Market to re-examine, in close coordination with the secretariats of both organizations, the formulas and alternatives contained in the document: "A Contribution to Economic Integration Policy in Latin America" (E/CN.12/728) and, in addition, taking into consideration the studies, proposals and opinions recently formulated by the governments of the member countries of the Commission, regional organizations and experts, as well as the comments made during the Eleventh Session, to formulate concrete short-term proposals tending to accelerate and expand the integration process. The resolution also mentioned that government experts of Latin American countries would take part in this task and that other agencies engaged in the field of economic integration could be consulted as well as experts on this subject.

3. For this meeting, the ECLA Secretariat has worked out a provisional agenda containing six basic themes for the advancement of the economic integration of Latin America. These are:
 - (1) the necessity to accelerate and increase the reduction of tariff barriers and liberalization of reciprocal trade;
 - (2) the urgency to study formulas insuring equal benefits to less developed countries;
 - (3) the role that corresponds to technical and financial assistance in the solution of problems resulting from integration, especially in the industrial field;
 - (4) the possibilities of securing agreement in the industrial sectors, which will permit the acceleration and amplification of the process of industrialization which may contribute to stimulate integration;

Economic Div/
J.A. Malone/sm
Oct 4/65

- (5) the rational utilization of agricultural resources in order to obtain a quick increase in production and a price decrease which will benefit Latin American consumers; and
 - (6) the establishment - or the strengthening - of Latin American institutions, so that their improved structure may balance up the national interests of each country, as well as the common interest of the region.
4. The selection of these themes does not mean in any way that the Secretariat gives less importance to others not included in the agenda, such as monetary and financial policy, transport in relation to regional economic integration, and the general policy of investment in infrastructure. Other factors had to be taken into account in the preparation of the agenda, such as the relatively brief time allotted for this meeting, the studies and background material available and the fact that some of the topics not included in the agenda have been the object of specific consideration recently by regional integration organisms. The agenda is provisional so that it may be modified at the request of the experts.


The Embassy

TO
A The Under-Secretary of State
for External Affairs, Ottawa

FROM
De The Embassy
Santiago, Chile

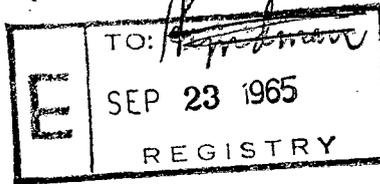
REFERENCE
Référence

SUBJECT
Sujet The United Nations Building
Santiago, Chile

SECURITY
Sécurité Unclassified

DATE September 16, 1965

NUMBER
Numéro 314



FILE	DOSS
OTTAWA	35-20-ECLA
MISSION	40/40

ENCLOSURES
Annexes

(3)

DISTRIBUTION

We had occasion recently to visit the Santiago United Nations building, towards which cost the Canadian Government contributed the sum of \$ 10,000 in December 1963, under the Gift Programme undertaken by the Ad Hoc Committee of the ECLA.

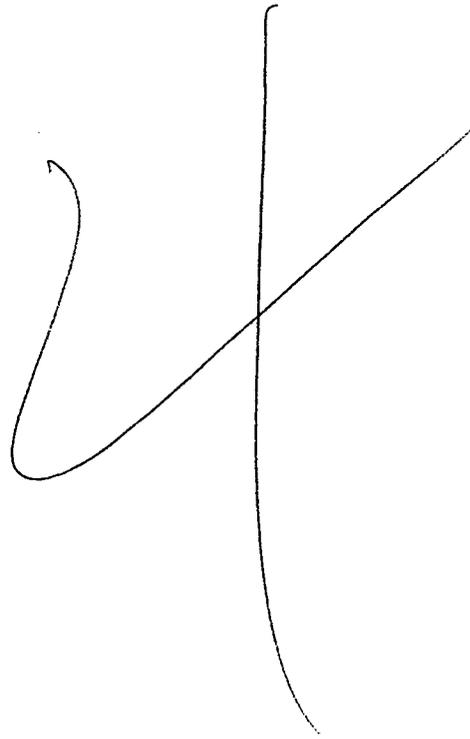
2. We were accompanied during our visit by Mr. Ole W. Danielson, Chief, Division of Administration of U.N.'s ECLA, who informed us that the building, which was originally scheduled for completion in June of this year, will not be ready for possibly another year. We are enclosing two photographs taken in June 1965. One shows the main entrance of the building, while the other one gives an aerial view. In addition, we are attaching for comparison purposes, an illustrated brochure showing the building as it will look when completed.
3. The building is located in the "Parque de las Américas", an area of some 47,000 square meters, in the Vitacura residential sector. The present cost is estimated at US\$ 4,075,000. It will house the head-office of the ECLA, and the local offices of FAO and other United Nations agencies located in Chile. Already and even before occupancy, the new building is considered too small for today's needs. Work started on the U.N. Building in January 1963.

sent to FIP

Dept. of
Trade & Com.

A. C. Seavel
The Embassy

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EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

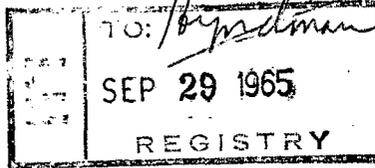
J-54

TO
A The Under-Secretary of State
for External Affairs, Ottawa.

FROM
De The Embassy,
Santiago, Chile

REFERENCE
Référence

SUBJECT
Sujet ECLA ACTIVITIES -
Conference on the Application of Science and
Technology to the Development of Latin America
Santiago, Chile - 13-22 September, 1965



SECURITY
Sécurité Unclassified
DATE September 22, 1965
NUMBER
Numéro 317

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	40/40

ENCLOSURES
Annexes

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8.10.65
Done
Oct 8/65

The Conference on the Application of Science and Technology to the Development of Latin America (CASTALA) was held in Santiago (Chile) from the 13th to the 22nd of September 1965, in accordance with a resolution adopted by the General Conference of UNESCO at its 13th Session, authorizing the Director-General, in co-operation with and upon the request of the Member States concerned, to assess their technological needs in the field of science and its application and, in particular, "... to organize regional conferences on the application of science and technology for the benefit of undeveloped areas ...".

2. This regional conference convened by UNESCO was organized with the co-operation of the U.N. Economic Commission for Latin America (ECLA), and in consultation with the other Specialized Agencies of the United Nations and with Latin American organizations and associations. This meeting was listed in the schedule of ECLA activities which accompanied our letter No. 270 of August 23, 1965.
3. The Conference was officially opened at the Conference Hall of the State Technical University by the President of Chile, Sr. Eduardo Frei M., in the presence of Dr. Malcolm S. Adiseshiah, Deputy Director-General of UNESCO, Mr. Manuel Balboa, Acting Executive Secretary of ECLA, the Chilean Minister of Education, Sr. Juan Gómez M., and members of the Diplomatic Corps.

Participation

4. The following countries were invited to send delegates: the United States of America, the British Eastern Caribbean Group, Jamaica, Trinidad, Tobago, and all Latin American countries including Cuba; the remaining Member States and Associate Members of UNESCO having the privilege of sending observers. The Conference was attended by representatives of 18 governments as participants, 4 governments as observers, 8 United Nations' Institutions, 3 inter-governmental organizations, 8 international non-governmental organizations and private institutions. The total number of delegates and observers

.... 2

- 2 -

attending the Conference was 157.

5. Mr. Gravel, Commercial Counsellor, attended the opening and closing sessions and was erroneously listed as an observer. ||

Theme of the Conference

6. The Conference concerned itself with natural resources and their utilization; human resources and training of scientific and technical personnel; application of science and technology to industrial development in Latin America; and scientific and technological policies, and instruments for their materialization.

Conclusions and Recommendations

7. In a closing speech by Professor A. Matveyev, Assistant Director General for Science, UNESCO, the main conclusions and recommendations as adopted by the Conference, were summarized as follows:

- A. " The lack of data for the full scientific analysis of the problem under consideration

Each of us must have felt during the discussions how difficult it was to reach any quantitative conclusions, due to the lack of basic statistical information on manpower, research institutions, natural resources data, etc. The absence of this information makes it impossible to analyse the problem of the application of science and technology in Latin America to the fullest desirable extent. Consequently, many of our recommendations and conclusions are rather of a qualitative character. The lack of relevant information also renders it difficult for Governments and other bodies to reach well-grounded decisions in the field of application of science and technology to development. Thus the sooner this bottleneck is eliminated, the sooner science and technology will play their full role in the economic development of Latin America.

- B. The imbalance between the various elements constituting the base for the application of science and technology to development

On this subject, I should like to refer to the following factors reflecting a lack of balance:

- (a) The imbalance between existing manpower and the needs for development.

While there is an excess of specialists in some humanistic subjects, there is a great deficiency of personnel in some engineering and science subjects.

- (b) The imbalance between the three main groups of scientists and technologists needed by a country - that is, between members of the highly qualified category, professional-level specialists and specialists of below university-level.

.... 3

- 3 -

- (c) The imbalance between research work and the teaching activities of staff in universities and institutions - in other words, the organic link between research and teaching is not properly maintained.
 - (d) The imbalance between the role of research and science teaching, and the actual position of scientists and teachers. In many cases, science and teaching are not a full-time occupation. There is a great need for full-time teachers and research-workers.
 - (e) The imbalance between the training of scientific and technological personnel, and facilities for research and employment of this personnel. This imbalance is one of the main reasons for the "brain-drain" of Latin American scientists and technologists away from their own countries and from the region as a whole.
- C. There is an urgent need for re-orientation of the work of Latin American institutes and universities towards eliminating the imbalance I have just mentioned, and towards intensifying their role in economic development
- D. The science policy objectives in Latin America may be defined as follows:
- Latin American countries should develop a dynamic scientific and technological policy aiming at:
- (a) Raising the level of scientific activities and improving the network of research institutes.
 - (b) Orientating scientific - and especially technological - research towards the problems arising from fundamental and essential economic development problems.
 - (c) Devoting 0.7% to 1% of the national income to scientific and technological research.
- E. Science policy machinery should be set up for the implementation of science policy objectives
- Science and technology have become a most important factor for economic development in modern society. In consequence, science should be one of the most important preoccupations of governments. Latin American countries should set up the necessary governmental structures to elaborate a scientific and technological policy. Governments should be instrumental in collecting and analysing the data on expenditures for research and human resources in science and technology, as part of their promotion of scientific and technological policy.
- National research councils should be set up in those Latin American countries in which they do not as yet exist, with a view to:

- 4 -

- (a) Planning and supporting research programmes within the framework of the governmental science policy.
- (b) Promoting the basic sciences and training young scientists in the front line disciplines of modern research.
- (c) Ensuring decent employment for research workers acting in programmes sponsored by national research councils.

F. The proper relation between fundamental research, applied research and economic planning

The aims of the application of science and technology to development may be achieved only if proper attention is paid to the development of the basic sciences. Applied research and technology, without the proper development of the basic sciences, is like a tree without trunk or root: it can neither grow nor even exist.

Proper links should be established between scientific planning and economic planning. Neither should be totally subordinated to the other. Only a part of scientific and technological research can be geared to the productive sector of the economy. Other scientific activities should be carried out for their own sake, in order to discover new frontiers in science and technology.

G. The following tasks in education and training should be urgently stressed:

- (a) To give science and technology in higher education much greater emphasis than in the past.
- (b) Science must be introduced at all levels of education, including the primary level. The scientific training of teachers should be improved in view of this task.
- (c) Greater emphasis should be laid on technical education at the secondary and intermediate levels. There is an urgent need to develop appropriate institutions in all countries of the region.
- (d) There is a great need to improve the qualifications of specialists at all levels who are active in industry, by means of post-graduate courses, vocational training programmes, etc.

H. In developing technological research, the following considerations should be taken into account:

- (a) Scientific and technological research have a most important role to play in the transfer of existing technology, through what is known as 'adaptive research'. This will make the processing of local raw materials fit for application and use without social and economic troubles and disruption, and will also enable the countries themselves to produce high-quality products of competitive value on the world market.

- 5 -

- (b) When choosing a new technology, it is necessary to take into account - besides other factors - the problems of employing existing and future manpower.
- (c) Links between applied research institutes and industry should be considerably strengthened, including the possibility for research institutes to set up pilot plants.

I. For its successful economic development, each country should make full use of its natural resources

The promotion of natural resources research is a pre-requisite for the proper utilization and conservation of natural resources. The following priority activities are recommended in the field of natural resources:

- (a) The compilation of existing natural resources data, and an inventory of the various natural resources.
- (b) Mapping of all kinds and cartographic work; the implementation of the International Hydrological Decade programme; research in marine resources and in problems of soil erosion.
- (c) As lack of co-ordination is the main hindrance to the evaluation of natural resources, it is recommended that all institutions concerned with the research, evaluation, conservation and/or the planning of the utilization of one or more natural resources, be grouped together into a single governmental body at the highest level, in those countries of Latin America where this is desirable and where the political and administrative infra-structure makes this possible.

J. Regional and international co-operation constitute an essential element in the promotion of the application of science and technology to development

Great emphasis has been laid on all kinds of international and regional co-operation in research and training, through programmes designed to promote the exchange of experience, professors and research-workers, through fellowship programmes, etc.

Special stress has been laid on the importance of studies on general problems of the technological development of Latin America, together with promotional work in this field through regional and international activities.

As a means of strengthening regional cooperation, the Conference recommended that appropriate machinery be set up:

- (a) A Latin American Centre for the Application of Science and Technology to Development to be established in Latin America by UNESCO. The Conference has given a detailed description of the functions of this Centre, which would help UNESCO carry out its tasks in the most efficient way.

... 6

- 6 -

- (b) An annual meeting to be convened by the Director-General of UNESCO, through the Science Cooperation Office for Latin America, with its headquarters in Montevideo, which would be attended by representatives of national Latin American institutions responsible for their respective countries' policy in matters of science and technology, or in charge of research programmes. The first such meeting would consider the establishment of a Latin American Council for Science and Technology, as an instrument for co-ordinating the region's plans for scientific and technological development, and as an advisor to UNESCO with regard to our Organization's scientific and technological programmes in the region.

These are some of the main conclusions and recommendations of the Conference, the implementation of which could considerably assist and improve the application of science and technology to the development of Latin America. The only question which remains unanswered, is by whom and how these recommendations will be implemented.

At the regional and international levels, these recommendations may be successfully carried out by regional and international organizations, in close co-operation with governments and national institutions. At the national level, these recommendations can be carried out only by those bodies which have assigned delegates to this Conference: that is, by the governments of Latin America, in close co-operation with universities, research institutions and scientists, and with the help of regional, international and other organizations. The conclusions and recommendations of this Conference provide governments with guidelines as to measures for improving the application of science and technology to development, and the machinery required in order to bring about this improvement."


The Embassy

EXTERNAL AFFAIRS

AFFAIRES EXTÉRIEURES



26 1965
REGISTRY

To:
SEP 29 1965
To:

5-56

TO The Under-Secretary of State
for External Affairs

FROM The Embassy
De Santiago, Chile

REFERENCE Our Letter No. 314
Référence

SUBJECT THE UNITED NATIONS BUILDING
Sujet Santiago, Chile

SECURITY Unclassified
Sécurité

DATE September 24, 1965

NUMBER 318
Numéro

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	40/40

ENCLOSURES
Annexes

DISTRIBUTION

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merce, Ottawa
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L.A. Div.
and file
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27-10-65

*Done Oct 28/65
J.L.F.*

In further reference to our letter No. 314 of September 16, 1965, the local press announces today that the Secretary General of the United Nations asked the General Assembly for a credit of one million two hundred thousand dollars in order to complete the construction of the ECLA building in Santiago, Chile.

- In a brief presented in support of his request, U-Thant explained that the cost of the building is estimated at US\$ 4,075,000 as reported in our Letter under reference, that is, one million two hundred and fifty six thousand dollars more than the credits already approved by the General Assembly.
- In connection with this new credit, Mr. Ole W. Danielson, Chief, Division of Administration of U.N.'s ECLA, informed me this morning that earlier this year, the U.N. Comptroller negotiated an arrangement whereby Chile would pay the deficit in local currency over a 10-year period, but meanwhile the U.N. would put up the money.
- Contributions to the Gift Programme for the U.N. building in Santiago to date are as follows:

<u>Canada</u>	\$ 10,000 (payment was made in December 1963)
<u>Ecuador</u>	\$ 10,000 (payment has not yet materialized)
<u>Dominican Republic</u>	\$ 5,000 (payment has not materialized. Doubtful)
<u>Netherlands</u>	\$ 10,000 (in equipment and material, in simultaneous translation, etc., plus an additional \$ 10,000 of the same equipment given by Philips).
<u>Surinam</u>	\$ 5,000 (special woods for parquet of library; has been received).
<u>British Honduras</u>	\$ 2,000 (Cedar for paneling of Small Conference Room). Has been received).
<u>British Guiana</u>	(Expected to make a similar gift).
<u>Mexico</u>	\$ 20,000 (in ceramics now being shipped from Acapulco).

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<u>Argentina</u>	A very substantial gift of marble worth approximately Arg. Pesos 17 million.
<u>Perú</u>	Possibility of a donation mentioned at one time. Nothing so far.
<u>Brazil</u>	\$ 18,000 (towards landscaping. Has not materialized as yet).
<u>Venezuela</u>	Offered a highly impractical gift of 300 tons of cement. The Executive Secretary of ECLA will endeavour to exchange this for something else.
<u>France</u>	Has announced contribution in artistic gifts.
<u>Britain</u>	Mentioned glass for the building at one time. Nothing more has developed.
<u>Central America and Panama</u>	Negative
<u>Cuba, Bolivia, Paraguay & Uruguay</u>	Negative
<u>U. S. A.</u>	No contribution

W. to, Seaup
(The Embassy)

EXTERNAL AFFAIRS



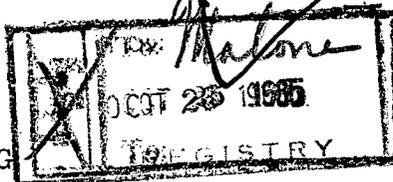
AFFAIRES EXTÉRIEURES

TO
A The Under-Secretary of State
for External Affairs

FROM
De The Embassy
Santiago, Chile

REFERENCE
Référence Our Letter No. 318

SUBJECT
Sujet THE UNITED NATIONS BUILDING
Santiago, Chile



J-55

SECURITY
Sécurité Unclassified
DATE October 15, 1965
NUMBER
Numéro 355

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	40/40

ENCLOSURES
Annexes

One

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27. 10. 65

Done Oct 20/65
S.E.

Merely in order to keep your file up-to-date on this subject, we enclose herewith a copy, in English, of the Report to the General Assembly with regard to the United Nations Building in Santiago. You will perhaps have noted in the press that earlier this month, the Fifth Committee of the General Assembly recommended unanimously the proposal of the Secretary General with regard to financing of the new building project.

FOR
ATTACHMENT
-SEE
ACL
CONCERNANT
ANNEXE
VOIR

G. Seavel
The Embassy

E



TO
 A The Under-Secretary of State
 or External Affairs, Ottawa

FROM
 De The Embassy,
 Santiago, Chile

REFERENCE
 Référence Our Numbered Letters 259 and 281

SUBJECT
 Sujet ECLA ACTIVITIES - Meeting of Latin
 American Integration Experts

TO: Mr. Malone
 OCT 27 1965
 SECURITY

SECURITY
 Sécurité Unclassified

DATE October 18, 1965

NUMBER
 Numéro 356

FILE	DOSSIER
OTTAWA 33-20-ECLA	
MISSION 14	14

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Gen. 10/21/65

Mr. [Signature]

to see + file

AM

27.10.65

The meeting of Latin American integration experts convened by the Executive Secretariat of ECLA took place in Santiago from September 27 to October 4. This was in accordance with the resolution (No. 251) approved by the delegates to ECLA's Eleventh Session which took place in Mexico last May. At this Session the Latin American governments in co-ordination with the Secretariats of LAFTA and of the Central American Common Market announced their intention to re-examine the different attempts that had been made in the region to set up an economic integration and to formulate some concrete long and short term proposals. Dr. José A. Mayobre, ECLA's Executive Secretary, returned to Santiago from his Dominican appointment, just in time to chair the opening session.

Participation

Delegates from 14 Latin American countries attended the 10-day meeting: Argentina, Bolivia, Brazil, Colombia, Cuba, Chile, Ecuador, Guatemala, Mexico, Panama, Paraguay, Perú, Uruguay and Venezuela. The following international and regional organizations were also represented: the Latin American Free Trade Area (LAFTA), the Committee of Nine, the Interamerican Development Bank (IDB), the Interamerican Committee of the Alliance for Progress, and the Food and Agriculture Organization (FAO). The meetings were not public and attendance was strictly limited to Latin American countries and regional international organizations.

Integration

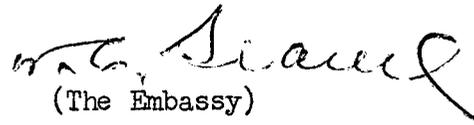
Perhaps the most interesting outcome of the Conference has been the clarification of each country's position as regards the integration process. The existence of different or conflicting opinions, even on the basic question of whether or not to accelerate Latin American integration, was a secret for no one. As a result, the discussions while animated were superfluously cautious and seldom in unison - except with regard to the fundamental need for the future establishment of a Latin American common market.

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- 2 -

The report of this meeting will become available on Thursday, October 21st. We will endeavour to procure an extra copy for direct despatch to our Mission in Uruguay.

As you know, the Foreign Ministers of the LAFTA countries assembling in Montevideo from November 3 to 6 will deliberate on the various opinions and proposals put forth by the integration experts at the Santiago meeting.


(The Embassy)

UNITED NATIONS
ECONOMIC COMMISSION FOR LATIN AMERICA



NATIONS UNIES
COMMISSION ECONOMIQUE POUR L'AMERIQUE LATINE

NACIONES UNIDAS
COMISION ECONOMICA PARA AMERICA LATINA
AV. PROVIDENCIA 871
CASILLA 179 D
SANTIAGO, CHILE

File am

REFERENCIA:

CABLE: UNATIONS

20 October 1965

35-20-ECLA
14 | -

Sir,

In accordance with resolution 251 (XI) adopted by the States members of the Economic Commission for Latin America at its last session, I have the honour to send you five copies each of the following two documents:

No Attachments

Informe de la Reunión de Expertos Gubernamentales en materia de Integración Económica (ST/ECLA/Conf.21/L.5/Rev.1) which contains a summary of the discussions held at the meeting of Latin American governmental experts which took place in this city from 27 September to 4 October 1965; and a document setting out the suggestions made by this secretariat to the Permanent Executive Committee of the Latin American Free-Trade Association (ALALC) in connexion with the process of Latin American integration.

Accept, Sir, the assurances of my highest consideration.

Manuel Balboa
Acting Executive Secretary

His Excellency
The Hon. Paul James Martin
Secretary of State for Foreign Affairs
Ottawa, Canada

TO
A The Under-Secretary of State
for External Affairs, Ottawa

FROM
De The Embassy, Santiago, Chile

REFERENCE
Référence Our Numbered Letter 356

SUBJECT
Sujet ECLA ACTIVITIES - Meeting of
Latin American Integration Experts

TO: *Malone*
E NOV 8 1965
REGISTRY

SECURITY
Sécurité Unclassified

DATE October 26, 1965

NUMBER
Numéro 367

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	40/14

J-57

cc 35-20-LAPTA/RAC

ENCLOSURES
Annexes

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Uruguay.

Mr. A. Potts
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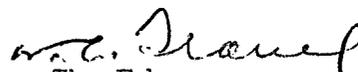
According to the final report of the Meeting of Governments Experts on Economic Integration, there was unanimous agreement on the necessity of accelerating and intensifying the process of the integration of Latin America, so as to attain, as soon as possible, the establishment of a Latin American common market. With this end in view, and in relation to the topics discussed, the general consensus prevailed that to achieve this result, it would be necessary to adopt practical decisions in line with the following propositions:

- (1) Accelerate the removal of tariff trade barriers and the liberalization of reciprocal trade, adjust application of tariffs to that of the rest of the world, with special regard to regional preference, grant technical and financial assistance and promote investment programmes in various economic activities and in infrastructure;
- (2) Strengthen the preferential treatment given to countries of relatively less economic development, in the various aspects related to measures of commercial character, specific programmes of technical and financial assistance and for industrial development;
- (3) Consider the particular problems pertaining to economic activities which take place in countries with insufficient markets;
- (4) Establish regulations based on set decisions so as to carry into effect a more ample concept of the principle of reciprocity in order that the benefits of integration be distributed equitably among the member countries;
- (5) Establish a more adequate mechanism of safe-guard clauses and a system of technical and financial assistance that would facilitate the making of adjustments that might originate with the expansion of a market, avoiding any impairment to the national economies;
- (6) Speed up the negotiation of agreements by industrial commodity groups, taking into account the singular efficacy of these instruments in order to advance rapidly in the process of integration;
- (7) Determine appropriate mechanisms for stimulating agricultural integration so as to take full advantage of the resources of the region in a rational manner;

Economic/
J.A. Malone/sm
Nov 8/65

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- (8) Decide on the establishment of an efficient institutional structure to administrate and further the process of integration;
 - (9) Devise practical methods for linking up the two existing areas of integration, and
 - (10) Coordinate within a regional sphere the tasks of analysis, investigation and planning which are now being done by different entities working in the matter of integration - particularly ECLA, IDB and LAFTA - to avoid duplications, to better the efficiency in the use of resources, and strengthen the activity and the subsequent development of LAFTA.
2. This enunciation, while not exhaustive, confirms the concurrence among the government experts, the technical officials of LAFTA and ECLA and the representatives of regional organizations, with regard to the nature and extent of the fundamental decisions that should be adopted for furthering the advance of the process of integration, which may be considered a most significant fact. This did not hinder the expression of differences of opinion in respect to the convenience of these decisions, the technical characteristics of the set formulas to carry into effect those essential purposes, or to the conditions, prior or simultaneous, that would be required for the application of each of these measures. Nevertheless, it should be noted that in this instance the limited time available did not allow for a more thorough examination of the various alternative solutions.
3. Further positive results achieved at the meeting indicate:
- (a) The re-affirmation of the necessity and convenience that ECLA, IDB and the Secretariats of the two integration organizations - LAFTA and CAEIP (SIECA) - collaborate together and coordinate their activities;
 - (b) The substantial advancement attained in the agreements between ECLA, IDB and LAFTA for extending and strengthening this collaboration and coordination.


The Embassy

35-20

Nov 17 1965

35-20-ECLA	
14	—

PERSONAL

Ottawa, November 17, 1965

[Handwritten signature]

Dear Graham,

We recently received a report from our Embassy in Santiago about a Conference on the Application of Science and Technology to the Development of Latin America. I enclose a copy which you might like to have for reference, and also to save me recounting the details.

You will see from Para. 4 that procedurally Canada might have expected an invitation to send an observer (we are as you know, a member of ECLA also). However, we heard nothing about the meeting until this report came in. Mr. Gravel presumably attended the opening and closing sessions as the officer assigned to cover ECLA activities, on a regular basis, but without instructions from Ottawa, apparently did not consider himself as an observer. (Para. 5)

As Alfred Pick tries to keep track of Latin American meetings in which we participate, we would be interested in some explanation regarding the invitation to this particular conference. It may be, of course, that the usual circular was sent to us and went astray in the mail. A diligent search of our Registry has brought no results here either in the context of ECLA or UNESCO. Alternatively it may be that, simply through an oversight at the Secretariat, no invitation was sent to us. Would you therefore have a word in appropriate quarters? This is not intended as a complaint. In any event we might well have appointed Mr. Gravel, but in case any questions were raised by our Latin American friends it would be helpful to have an explanation.

Graham McInnes, Esq.,
 Canadian Permanent Delegate to UNESCO,
 1 rue Champs,
 PARIS, France.

There are two or three other matters on which I
hope to write to you in the next few days, so will keep
this letter to the one subject.

Best regards and enjoy your holiday (which you
may be on by the time this arrives - it is not urgent).

As ever,

M. Q. DENCH

Mary Q. Dench

Alc. [Signature]

35-20-ECLA
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~~III~~ E *[Handwritten initials]*

*Referto: R. A. Dir.
W. N. Dir.
J. + C. (attention Mr. R. Bull)
Finance
Industry
Labour*

*ECLA
file*

and return

*Amalone
23.12.65*

VVVV

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FM SNTAGIO DEC13/65

TO EXTERNAL177

LATINAMERICAN SYMPOSIUM ON INDUSTRIAL DEVELOPMENT

ECLA WRITES WITH REF TO ABOVE CONFERENCE TO WHICH THEY SAY AN INVITATION WAS SENT TO CDN GOVT BY LET DATED JUL22/65 AND HAS SUPPLIED US WITH SUBSTANTIAL QUANTITY OF OF DOCUMENTATION AS A FIRST DESP TO BE TRANSMITTED TO PERSON APPOINTED AS COUNTRY REP.

2. PLEASE ADVISE IF REPRESENTATION OF CDA IS PROPOSED AND WHETHER }
FROM OTT OR HERE.

3. WE ARE MAKING A LIST OF DOCUS WHICH IN ADDITION TO GENERAL STUDIES COVER STUDIES OF PARTICULAR INDUSTRIES IN DIFFERENT COUNTRIES-NEARLY ALL IN SPANISH-AND WOULD BE GRATEFUL FOR YOUR INSTRUCTIONS AS TO WHETHER ALL OF THESE SHOULD BE FORWARDED BY AIRMAIL OR SEA MAIL.

4. EARLY ADVICE AS TO PROBABLE EXTENT OF PARTICIPATION AND DEMANDS ON THIS MISSION WILL HELP US IN ARRANGING LEAVE SCHEDULES

SUMMERS

000538

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO
A The Under-Secretary of State for External
Affairs, Ottawa

SECURITY UNCLASSIFIED
Sécurité

FROM
De The Canadian Embassy, Santiago, Chile

DATE December 14, 1965

REFERENCE
Référence Our Telegram No. 177 of December 13, 1965

NUMBER 433
Numéro

SUBJECT
Sujet Latin American Symposium on Industrial
Development

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	40/40

E	TO: Malone
	DEC 29 1965
	REGISTRY

ENCLOSURES
Annexes

We enclose copies of a letter dated December 9, 1965 from the United Nations Economic Commission for Latin America in Santiago, with enclosed letter of July 22 to the Canadian Government inviting it to attend the Latin American Symposium on Industrial Development from 14 to 25 March 1966, and list of documents included in the first despatch.

J-58

The Embassy.

John Payne

3
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- J. & C. (Mr. Bull)*
- Finance*
- Industry*
- Labour*
- and file*
- A. Malone*
- 29-12-65*

Economic Div/
J.A. Malone/sm
Dec 30

E

C O P Y

UNITED NATIONS
Economic Commission for Latin America
Av. Providencia 871
Casilla 179 D.
Santiago, Chile

9 December 1965

Sir,

I have the honour to refer to the Latin American Symposium on Industrial Development to be held here from 14 to 25 March 1966 and to which your Government was invited by letter dated 22 July 1965, a copy of which is attached.

...
In this connexion I have pleasure in sending you two sets of the first despatch of documents for the Symposium, a list of which is submitted. We should very much appreciate your being kind enough to forward said documents to your Ministry of Foreign Affairs in order that they may be handed to the person to be appointed as your country representative at the Symposium.

Accept, Sir, the assurances of my highest consideration.

(Sgd) Manuel Balboa

Manuel Balboa
Executive Secretary a.i.

His Excellency
Mr. George Bernard Summers Q.C.,
Ambassador of Canada
Agustinas 1225, 5o piso
Santiago

C O P Y

July 22, 1965.

Sir,

I have the honour to inform you that, pursuant to resolutions 1940 (XVIII) of the United Nations General Assembly, 1030 C (XXXVII) of the Economic and Social Council, 242 (AC.57) of the ECLA Committee of the whole and 250 (XI) of the Commission, a Latin American Symposium on Industrial Development will be held at Santiago, Chile, the headquarters of the Commission, from 14 to 25 March, 1966. In compliance with the above mentioned resolutions, I have pleasure in inviting your Government to send representatives to the meeting.

As indicated in the document entitled Note by the secretariat with respect to the regional symposium on industrial development (E/CN.12/705), submitted at the eleventh session of the Commission, the main purpose of the Seminar is to explore the present status, problems and prospects of the industrial development process in both the region as a whole and the individual countries and to consider the measures and decisions that should be taken to accelerate that process within each country and in the realm of international co-operation. It is intended that the discussions shall not be confined to the general problems on the industry as a whole, but shall also focus on some of the more salient aspects of the principal industrial branches and sectors. The symposium is to be held shortly after similar meetings in Asia and Africa and its findings should constitute a contribution to the preparatory work for the international symposium on the same subject that is scheduled to take place early in 1967.

In view of the complexity and breadth of the topics to be discussed, the secretariat thinks it best that the symposium should be confined to an exchange of technical experiences and views on the major obstacles to the acceleration of industrial development, and should neither take decisions nor adopt formal recommendations. The views expressed and, in particular, those on which the participants are in general agreement, will be embodied in a final report for immediate transmittal to member Governments.

In order to facilitate the arrangements and studies connected with the participation of the States members of the Commission in the Santiago symposium, an aide-mémoire is attached comprising general information on the meeting, the draft agenda and a suggested outline for use in preparing the national reports, which have been requested solely of the Latin American countries members of the Commission, as specified in operative paragraph 4 of resolution 250 (XX).

In view of the increasing importance which the different forms of International co-operation are acquiring for the acceleration of industrial development in Latin America, and the

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- 2 -

desirability of comparing experiences in this field, the co-operation of your Government will be a vital element in ensuring the success of the Latin American symposium on industrialization.

Accept, Sir, the assurance of my highest consideration,

Manuel Balboa
Acting Executive Secretary

Annexes in triplicate:

1. Note by the secretariat with respect to the regional symposium on industrial development (E/CN.12/705)
2. ECLA resolution 250 (XI).
3. General information on the symposium, the provisional agenda and an outline for the preparation of the national reports.

C O P Y

ECLA, Santiago de Chile
7 December 1965

LATIN AMERICAN SYMPOSIUM ON INDUSTRIAL DEVELOPMENT

(Santiago de Chile, 14-25 March 1966)

List of documents included in the first despatch

<u>No.</u>	<u>Symbol</u>	<u>Title of document</u>	<u>Relevant section of the provisional agenda</u>
1.	ST/ECLA/CONF.23/L.2 y Add. 1 y 2	<u>El proceso de industrialización en América Latina</u> (2 volumes of text and a statistical annex)	I
2.	ST/ECLS/CONF.23/L.4	<u>Las industrias mecánicas de Venezuela: un programa de sustitución de importaciones para su desarrollo</u>	II
3.	ST/ECLA/CONF.23/L.5	<u>Report of the Seminar on the Development of the Chemical Industry in Latin America</u>	II
4.	ST/ECLA/CONF.23/L.8	<u>La industria textil en América Latina - VIII Argentina</u>	II
5.	ST/ECLA/CONF.23/L.7	<u>La industria textil en América Latina - IX Ecuador</u>	II
6.	ST/ECLA/CONF.23/L.9	<u>Economías de escala en las hilanderías y tejedurías de algodón</u>	II
7.	ST/ECLA/CONF.12/L.6	<u>Las investigaciones sobre celulosa y papel en América Latina</u>	IV
8.	ST/ECLA/CONF.23/L.10	<u>Progress report on symposia on industrial development</u>	V

Note: The second shipment of documents will be despatched at the beginning of January 1966. It will also include English versions of documents 1, 2, 4 and 6 of this list.

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO
A The Under-Secretary of State
for External Affairs, Ottawa

SECURITY
Sécurité Unclassified

FROM
De The Embassy, Santiago, Chile

DATE January 7, 1966

REFERENCE
Référence

TO: *Malone*
E JAN 13 1966
REGISTRY

NUMBER
Numéro 9

SUBJECT
Sujet ECLA-- Summary of Activities during 1965

FILE	DOSSIER
OTTAWA	<i>35-20-ECLA</i>
MISSION	<i>40/40</i>

ENCLOSURES
Annexes

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During 1965, the Economic Commission for Latin America (ECLA) renewed efforts in support of the economic integration of the region. Within this objective, the Commission devoted the greater part of its 11th Session, which was held in Mexico last May, to the analysis and discussion of the possibilities of accelerating and strengthening the two movements of regional integration: the Central American Common Market and the Latin American Free Trade Association (LAFTA). Soon afterward, and in accordance with one of the resolutions approved at the Mexico meeting, the Commission re-examined the studies and documents on regional integration, and convened a meeting of government experts to be held at its Santiago headoffice (September 27 - October 4).

- At the same time, ECLA continued participating in the joint integration programme of industrial development, together with the Latin American Institute of Social and Economic Planning and the Interamerican Development Bank; it also pursued the preparation of a Regional Industrialization Symposium, scheduled to take place in March 1966. (The Commercial Counsellor, R. E. Gravel, will represent Canada at this Symposium).
- During the year, ECLA collaborated with UNESCO in organizing the "Conference on the Application of Science and Technology to the Development of Latin America" (September 13-22) and patronized jointly with UNICEF and the Institute for Economic and Social Planning, the first "Latin American Conference on Children and Youth in National Development" which was attended by Dr. Willard, Deputy Minister, Department of Health and Welfare, who represented Canada (November 28 - December 11).
- In the field of research and analysis, ECLA presented, among other studies, the "Economic Survey of Latin America, 1964" and a complete study, the first of its kind, on the evolution, present situation and prospects of transport in the area.

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- 2 -

5. In addition, the Commission arranged two important meetings - the first, to study the possibilities of adopting the new National Accounts System proposed by the United Nations to Latin American countries; and the second, to prepare Latin American participation in the Second United Nations Conference on Trade and Development. In close coordination with ECLA's activities, the Institute for Economic and Social Planning added to its training programme a Seminar on Economic and Social Planification in Latin America.

I. - ECLA's Eleventh Session

6. As agreed at the ECLA meeting held in Mar del Plata in 1963, the Eleventh Session was to take place in Santo Domingo in May 1965. However, as the Dominican Republic declined for fear of political disturbances, the meeting took place in Mexico City, on the invitation of the Mexican Government. The Canadian Ambassador in Mexico, H.F.B. Feaver, headed the Delegation from Canada, assisted by R.E. Gravel, Commercial Counsellor in Santiago; B. Shapiro, Chief, Latin American Division, Department of Trade and Commerce, Ottawa; and D.W. Fulford, First Secretary, Mexico.
7. Following a detailed analysis of the Latin American economy, of industrialization needs and of the possibilities of regional economic integration, the Commission approved during its sessions in Mexico, 17 resolutions. Six were on industrialization and related subjects; four on integration and commercial policy; and the rest, on the Commission's work, integration of the interamerican telecommunications network, participation of ECLA in regional conferences on Science and Technology and on Education and Planning. Caracas was designed as the seat of the 12th period of sessions, in 1967.

II. - Economic Survey, 1964

8. At the Mexico meeting, ECLA presented a preliminary version on the "Economic Survey of Latin America, 1964", which analyses the tendencies and characteristics registered that year in the economic development of the region. The Survey, as in previous years, offered global considerations on the various sectors of the economy; and concrete data on the economic evolution recently registered in Argentina, Brazil, Central America, Colombia, Chile, Ecuador, Mexico, Paraguay, Perú, Uruguay and Venezuela.

III. - Regional Conferences

9. In September 1965, ECLA cooperated with UNESCO in the organization of the "Conference on the Application of Science and Technology in the Development of Latin America", which

- 3 -

took place in Santiago. On that occasion, ECLA presented several working documents and actively participated in the debates on the application of technology in industrial development.

10. Later, towards the end of the year and at its headoffice, ECLA co-hosted, together with UNICEF and the Institute for Economic and Social Planning, the "Latin American Conference on Children and Youth in National Development". At the meeting, approximately 80 experts from 25 member countries of ECLA and the United Nations and its Specialized Organizations formed recommendations to the Latin American Governments, designed to improve their mother-child protection programmes and to ensure better education opportunities to the youth, as well as improved health and living conditions, and a more active participation in national development programmes.

IV. - Working Groups

11. Within its regular programme of activities, ECLA held, during the last quarter of 1965, two meetings of the highest significance for the region. One, on the application of the new System of National Accounts in Latin America, proposed by the United Nations; and the other, on trade and development.
12. In the Working Group on National Accounts - which corresponds to a series of meetings scheduled by the United Nations in different regions of the world - government experts from Argentina, Barbados, Brazil, Colombia, Chile, Ecuador, Guatemala, Jamaica, Mexico, Panama, Perú, Trinidad and Tobago, and Uruguay participated. Also present in that group were officials from the Statistics Offices of the United Nations, of ECLA, of the Institute of Economic and Social Planning, and of the Interamerican Institute on Statistics.
13. At the meeting of Consultants on Trade and Development, designed to analyse the commercial external policy of Latin America, high level experts, associated with Latin American diplomatic missions before the European Economic Community, with regional organizations and with University and financial centers, participated. The observations and suggestions obtained at this consultation meeting were utilized in the preparation of working documents for the use of Latin American governments, with regard to the Second Conference of the United Nations on Trade and Development.

V. - Advising and Investigation

14. In accordance with the recommendations adopted during the 11th period of sessions and with its general working programme,

- 4 -

ECLA carried out in 1965 various tasks related to the economic and social development of the region.

15. Thus, following the Mexico meeting, ECLA re-examined the documentation on integration and commercial policy. Then, at the end of September called a meeting at its headoffice, of government experts on Latin American economic integration and afterwards participated in LAFTA's Ministers Meeting, presenting a series of suggestions destined to make the integration process a more dynamic one.
16. In 1965, ECLA continued offering its advisory services to the economic integration organisms of Central America and to the countries of that region. For example, in ECLA's Mexico Office, last November, a Mixed Commission met, composed of Mexican officials and directors of Central American integration organizations. This Commission formulated a series of recommendations with the object of increasing economic cooperation among the members of the Central American common market and Mexico,
17. In the field of industrialization, within the IBD/Institute for Economic and Social Planning joint programme, ECLA promoted the elaboration of a programme on fertilizers. It also compiled material on the mechanical industries of the region.
18. In the social field, in addition to a series of studies presented to the "Conference on Children and Youth in the National Development", and to its participation in the conference, the Commission carried out research work on housing. The basis for a capacitation course on Technical Development for Syndicate Leaders of Latin America was also agreed upon. This course will take place in April and May 1966, in Santiago, at the Institute's headoffice.
19. As for agricultural matters, the joint Agricultural Division ECLA/FAO, concentrated its efforts during 1965 in the preparation of a study on basic agricultural requisites essential for operation. Likewise, the Division continued collaborating in the activities of the Interamerican Committee for Agricultural Development (CIDA). As for the Program of Natural Resources and Power, studies were advanced with respect to hydraulic resources in Argentina, Perú and Uruguay. A study on petroleum is under way. It is possible that some documentation on Electric Power will be presented at two meetings scheduled for 1966, namely: the Planification of the Electric Sector, which will be held in Perú; and Rural Electrification, which will take place in Chile.

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VI. - The Institute of Economic & Social Planning

20. In 1965, the Latin American Institute of Economic and Social Planning gave three new courses on training, prepared several manuals on Programmation and relevant subjects and held a Seminar on Economic and Social Planning in Latin America. The participants at this Seminar made a thorough evaluation of the different stages of Planification in Latin America, in the light of their experiences in various regions of the world.
21. As far as the Courses on Professional Formation and Specialization, in the Basic 10-Month Course, 51 government officials and professionals participated, representing 18 Latin American countries. In the Course on Health Planning, held from September to December, 37 doctors and specialists of 15 countries participated. In the Course on Education Planning, which this year took place in Buenos Aires, 72 educators and experts in education programmes received specialized instruction.
22. Also, during 1965, the Institute collaborated in the intensive training courses given in Brazil, Mexico, Central America, Ecuador and Perú.

W. G. Seauf
The Embassy



NACIONES UNIDAS



COMISION ECONOMICA PARA AMERICA LATINA

Avda. Providencia 871 - Casilla 179-D

Santiago - Chile

ORGANIZACION PARA LA AGRICULTURA
Y LA ALIMENTACION

Cano y Aponte 995 - Casilla 10095

Santiago - Chile

7 January 1966

file

20-ECLA
35-12-EDF
LM

Sir,

The Executive Secretary of the Economic Commission for Latin America and the Assistant Director-General for Latin American Affairs of the Food and Agriculture Organization of the United Nations have the honour to invite your Government to be represented at the Advisory Meeting on the Development of the Pulp and Paper Industry in Latin America which will be held at Santiago, Chile, from 17 to 22 March 1966, under the auspices of the two afore-mentioned organizations.

The purpose of the meeting will be to consider the present situation of the industry with respect to markets, investments, expansion programmes and factors influencing its operating efficiency, as well as the possibility of convening a second Board of Experts in 1967 or 1968 with a view to evaluating the progress made since the meeting of the first Latin American Board of Experts on the Pulp and Paper Industry (Buenos Aires, 1954). The ECLA/FAO/BTAO Pulp and Paper Advisory Group for Latin America, with headquarters at Santiago, Chile, will be in charge of preliminary arrangements for the Advisory Meeting.

The first part of the meeting will coincide with the discussions of the Latin American Symposium on Industrial Development, sponsored jointly by the Economic Commission for Latin America and the United Nations Centre for Industrial Development, an invitation to which was sent to your Government on 22 July 1965. A copy of the invitation is attached herewith. The decision to hold the Symposium and the Advisory Meeting at the same

...
His Excellency
The Hon. Paul James Martin
Secretary of State for Foreign Affairs
Ottawa, Canada

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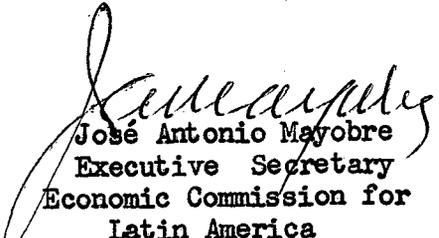
time is based on the desire to avoid duplication in the subject matter to be dealt with, since a number of problems to be considered at the Advisory Meeting are closely related to the items to be discussed at the Symposium.

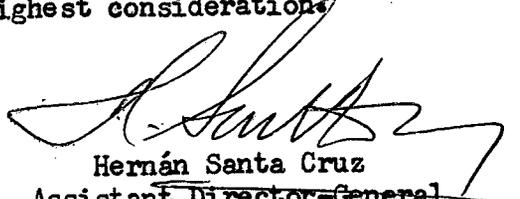
We venture to suggest that your Government in appointing its representatives to the Symposium, should bear in mind that the discussions on the pulp and paper industry will be broader in scope and depth, in relation to the other branches of industry to be dealt with at the Symposium.

... In order to provide a clearer idea of the items to be considered, a note is attached which gives general information on the Advisory Meeting, the provisional agenda and the relevant documents, as well as a summary of the Pulp and Paper Advisory Group's activities and prerogatives.

In view of the limited budget approved for the meeting, it will unfortunately not be possible for our organizations to defray the expenses involved in the participation of representatives at the meeting. We trust, however, that this will not preclude the attendance of representatives from your country.

Accept, Sir, the assurances of our highest considerations.


José Antonio Mayobre
Executive Secretary
Economic Commission for
Latin America


Hernán Santa Cruz
Assistant Director-General
for Latin American Affairs
of the Food and Agriculture Organization

BEST ORIGINAL AVAILABLE
MEILLEUR ORIGINAL

July 22, 1965.

Sir,

I have the honour to inform you that, pursuant to resolutions 1940 (XVIII) of the United Nations General Assembly, 1030 C (XXXVII) of the Economic and Social Council, 242 (AC.57) of the ECLA Committee of the Whole and 230 (XI) of the Commission, a Latin American Symposium on Industrial Development will be held at Santiago, Chile, the headquarters of the Commission, from 14 to 25 March, 1966. In compliance with the above mentioned resolutions, I have pleasure in inviting your Government to send representatives to the meeting.

As indicated in the document entitled Note by the secretariat with respect to the regional symposium on industrial development (E/CN.12/705), submitted at the eleventh session of the Commission, the main purpose of the Seminar is to explore the present status, problems and prospects of the industrial development process in both the region as a whole and the individual countries and to consider the measures and decisions that should be taken to accelerate that process within each country and in the realm of international co-operation. It is intended that the discussions shall not be confined to the general problems of the industry as a whole, but shall also focus on some of the more salient aspects of the principal industrial branches and sectors. The symposium is to be held shortly after similar meetings in Asia and Africa and its findings should constitute a contribution to the preparatory work for the international symposium on the same subject that is scheduled to take place early in 1967.

In view of the complexity and breadth of the topics to be discussed, the secretariat thinks it best that the symposium should be confined to an exchange of technical experiences and views on the major obstacles to the acceleration of industrial development, and should neither take decisions nor adopt formal recommendations. The views expressed and, in particular, those on which the participants are in general agreement, will be embodied in a final report for immediate transmittal to member Governments.

LETTER SENT TO: Mr. M. Stewart, London; Mr. D. Rusk, USA; Dr. Forbes Burnham, British Guiana; Dr. E. Williams, Trinidad and Tobago; Mr. G.C. Price, British Honduras; Sr. Alexander Bustamante, Jamaica; Mr. J.M.A.N. Lans, Netherlands; The Hon. Paul J. Martin, Canada

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In order to facilitate the arrangements and studies connected with the participation of the States members of the Commission in the Santiago symposium, an aide-mémoire is attached comprising general information on the meeting, the draft agenda and a suggested outline for use in preparing the national reports, which have been requested solely of the Latin American countries members of the Commission, as specified in operative paragraph 4 of resolution 290 (XI).

In view of the increasing importance which the different forms of International co-operation are acquiring for the acceleration of industrial development in Latin America, and the desirability of comparing experiences in this field, the co-operation of your Government will be a vital element in ensuring the success of the Latin American symposium on industrialization.

Accept, Sir, the assurance of my highest consideration,

Manuel Balboa
Acting Executive Secretary

Annexes in triplicate:

1. Note by the secretariat with respect to the regional symposium on industrial development (E/CN.12/705)
2. ECLA resolution 290 (XI).
3. General information on the symposium, the provisional agenda and an outline for the preparation of the national reports.

REVIEW CONSULTATION ON PULP AND PAPER DEVELOPMENT IN LATIN AMERICA

Santiago, Chile, 17 to 22 March 1966

GENERAL INFORMATION, PROVISIONAL AGENDA and DOCUMENTATION ACTIVITIES
OF THE PULP AND PAPER ADVISORY GROUP

A. GENERAL INFORMATION

1. Background Information

The Consultation on the Development of the Pulp and Paper Industries in Latin America which is being jointly organized by ECLA and FAO, will be held in Santiago, Chile, from 17 to 22 March 1966.

The first part of this meeting will coincide with the Latin American Symposium on Industrialization; thus discussion of items I and II of the provisional agenda shown below, has been set for Thursday 17th, Friday 18th and Saturday 19th March 1966, as a part of the work of the Symposium, as they are of interest to both meetings. The Consultation will then continue independently until 22 March.

2. Objectives

The purpose of this meeting is to review the progress made by this industrial sector since the Latin American Meeting of Experts on the Pulp and Paper Industry held in Buenos Aires in October 1954, under the sponsorship of ECLA, FAO and TAA; determine its prospects for the future and make a careful analysis of some aspects of fundamental importance to the future of the industry, such as:

- a) present and future demand for pulp and paper in Latin America as a whole and in the different countries;
- b) possibilities for the regional integration of the industry;
- c) export prospects to the world markets;
- d) economic aspects of small and medium size factories and the possibilities for their improvement and expansion;
- e) sources for financing the development of the pulp and paper industry.

- 2 -

3. Administrative aspects

The Pulp and Paper Advisory Group for Latin America which operates in Santiago, Chile, under the joint sponsorship of ECLA and FAO, will be in charge of the organization and technical secretariat of the meeting.

Because of the limited budget, travel expenses and per diem of the participants will be paid by the governments or associations.

All correspondence relating to the Consultation should be addressed to:

Mr. Seppo Raisanen
Chief of the Pulp and Paper Advisory Group for Latin America
Cano y Aponte 912,
Casilla 10095,
Santiago - Chile

B. PROVISIONAL AGENDA AND DOCUMENTATION

1. Provisional Agenda

I. Historic development and prospects of the industry.

1. Evolution of the industry in recent years, present situation and future prospects.
2. Regional integration: present difficulties and their possible effect on the development of the industry.
3. Export prospects to world markets.

II. Problems related to the size and modernization of the enterprises.

1. Analysis of the industry's economies of scale.
2. The size and operational efficiency of Latin American enterprises and their possibilities for expansion and modernization.

III. Problems related to technological research, training of personnel and financing of the industry.

1. Technological research and optimum utilization of existing resources.
2. Staff requirements and training systems in the industry.

- 3 -

3. National and international financing of the industry's development: existing and resources institutions.

4. Minimum statistical requirements in connection with the industry's programming: existing problems and suggestions for solving them.

IV. Some special problems

1. Present situation of the dissolving pulp industry and its possible development.
2. The use of containers and their influence on the evolution of the Latin American pulp and paper market.
3. Production of newsprint using short fibered raw material.

2. Documentation

Several documents which will serve as a basis for the definite agenda are being prepared.

The analysis of some of the subjects to be dealt with will be based on documents which have been previously published by the Pulp and Paper Advisory Group, which are being revised and expanded for the Consultation. Of these the following may be mentioned:

- a) El papel y la celulosa en América Latina: (Pulp and Paper in Latin America: Present Situation and Future Trends of its Demand, Production and Trade, 1965) (E/CN.12/570/Rev.2, FAO/ETAP/1346/Rev.2; TAO/LAT/30/Rev.2).
- b) Informaciones y criterios para la programación de la industria del papel y celulosa, 1964 (Information and Criteria for Programming in the Pulp and Paper industry, 1964) (E/CN.12/702; FAO/ETAP/1922; TAO/LAT/46).
- c) Situación actual de la industria de la celulosa soluble en América Latina y sus perspectivas futuras (Present Situation of the dissolving Pulp Industry in Latin America and its Future Prospects) (E/CN.12/724; FAO/ETAP/1931; TAO/LAT/47).

In addition, other documents will be prepared in relation with some specific subjects of the agenda, such as: regional integration, exports to world markets, size and operational efficiency of industries, technological research, national and international financing, etc.

The documents, the agenda with comments and a definite list of the documents will be despatched in due course.

- 4 -

ECLA/FAO/BTAO PULP AND PAPER ADVISORY GROUP
FOR LATIN AMERICA

1. Background

A recommendation was approved by the Latin American Meeting of experts on Pulp and Paper held in Buenos Aires in 1954, emphasizing the importance of making available to the Latin American countries a group of experts, made up by specialists in the industrial problems and economic aspects of the pulp and paper industry.

In compliance with that recommendation, the Pulp and Paper Advisory Group for Latin America was established in July 1955 jointly by the Economic Commission for Latin America (ECLA), the Food and Agriculture Organization of the United Nations (FAO) and the Board of Technical Assistance Operations Administration (BTAO). The Group's headquarters are in Santiago, Chile.

2. Terms of Reference

The principal functions of the Advisory Group are summarized below:

1. Study the conditions in which this industry operates in the countries, the problems related to the size of the plants and of the economies of scale in relation to the magnitude of the markets, of technological research requirements and organization, etc., with a view to advising the governments of the preparation of the industries development programs;
2. Collaborate in the negotiations to turn the foregoing studies into concrete development programs, including general feasibility studies relating to the main plants to be established and to help in the formulation of requests for loans from financing institutions.
3. Evaluation of existing projects for the purpose of advising governments or enterprises with regard to their final decisions.

The services of the Pulp and Paper Advisory Group are at the disposal of all the Latin American governments, and the countries wishing to receive technical assistance from this group may submit their request either to ECLA or to FAO.

- 5 -

Documents prepared

Following is a list of the documents prepared by the Advisory Group since it was established:

- a) Resumen de la situación del papel y la celulosa en la Argentina
(Summary of the pulp and paper situation in Argentina: development possibilities and economic aspects, 1957) (E/CN.12/485; FAO/ETAP/711)
- b) Chile: Futuro exportador de papel y celulosa, 1957
(Chile: Future pulp and paper exporter, 1957) (E/CN.12/424; FAO/ETAP/560; TAA/CHI/3)
- c) Colaboración en la preparación del Relatorio de Grupo de Trabalho de Celulosa y Papel, 1957 (Conselho do Desenvolvimento, Rio de Janeiro)
(Collaboration in the preparation of the Report of the Pulp and Paper Working Group, 1957) (Development Council, Rio de Janeiro)
- d) Estudio del papel y de la celulosa en el Ecuador, 1959
(Study on paper and pulp in Ecuador, 1959) (E/CN.12/534; FAO/ETAP/1118; TAO/ECU/10)
- e) La industria mexicana de papel y celulosa
(The Mexican Pulp and Paper Industry: Present Situation and Future trends, 1959) (E/CN.12/535; FAO/ETAP/1117; TAO/MEX/4)
- f) La industria peruana del papel y la celulosa
(The Peruvian Pulp and Paper Industry; Present Situation and Future Trends, 1959) (E/CN.12/537; FAO/ETAP/1116; TAO/PER/10)
- g) La industria del papel y la celulosa en Venezuela
(The Pulp and Paper Industry in Venezuela, 1959) (E/CN.12/536; FAO/ETAP/1115; TAO/VEN/12)
- h) La industria colombiana del papel y la celulosa
(The Colombian Pulp and Paper Industry: Present Situation and Future Trends, 1960) (E/CN.12/540; FAO/ETAP/1219; TAO/COL/9)
- i) Report of the Surinam Government in the Prospects of the Pulp and Paper Industry in Surinam, 1960 (E/CN.12/539; FAO/ETAP/1220; TAO/SUR/1)
- j) La industria del papel y la celulosa en América Latina
(The Pulp and Paper Industry in Latin America, 1960) (E/CN.12/543; FAO/ETAP/1221; TAO/LAT/9)
- k) La industria del papel y la celulosa en Cuba
(The Pulp and Paper Industry in Cuba: Present Situation and suggestions for its development, 1960) (A restricted distribution of the document is being considered by the Cuban Government)

- l) El papel y la celulosa en América Latina
(Pulp and Paper in Latin America, 1962) (E/CN.12/570/Rev.1; FAO/ETAP/1346/Rev.1; TAO/LAT/30/Rev.1)
- m) Posibilidades de ampliación de la industria de papel y celulosa en el Uruguay
(Possibilities for the expansion of the Pulp and Paper Industry in Uruguay, 1964) (E/CN.12/697; FAO/ETAP/1882; TAO/LAT/44)
- n) Informaciones y criterios para la programación de la industria del papel y la celulosa
(Information and Criteria for Programming of the Pulp and Paper Industry, 1964) (E/CN.12/702; FAO/ETAP/1922; TAO/LAT/46)
- o) Situación actual de la industria de la celulosa soluble en América Latina y sus perspectivas futuras
(Present Situation of the Dissolving Pulp Industry in Latin America and its future prospects, 1965) (E/CN.12/724; FAO/ETAP/1931; TAO/LAT/47)
- p) El papel y la celulosa en América Latina
(Pulp and Paper in Latin America: Present Situation of its future Demand, Production and Trade, 1965) (E/CN.12/570/Rev.2; FAO/ETAP/1346/Rev.2; TAO/LAT/30/Rev.2)

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ADVISORY MTG ON DEVELOPMENT OF PULP AND PAPER INDUSTRY IN LATIN AMERICA

SIMULTANEOUS TRANSLATION FACILITIES SPANISH TO ENGLISH WILL BE AVAILABLE.

2. RE MEMBER OF CDN PULP AND PAPER ASSOCIATION-FAO WOULD LIKE TO SEE MEMBER INCLUDED HOWEVER COMPOSITION OF DELEGATION IS ENTIRELY AT DISCRETION OF CDN GOVT.

3. ONLY PAPERS PRESENTED IN ENGLISH WILL BE MADE AVAILABLE IN ENGLISH AND AT THIS TIME FAO UNABLE TO ESTIMATE INTERVAL WHEN PAPERS WILL BE AVAILABLE FOLLOWING PRESENTATION.

4. FOR YOUR INFO OUR LOCAL FAO CONTACT-SR SEPPO RAISANEN.

c.c. O/SSEA
U.N. Division
Latin American Division
Trade & Commerce
Dept. of Finance

Economic/J.A.Malone/pa

35-12 - CDA	
14	19

JM

Ottawa, February 2, 1966.

Dear Sir,

The Secretary of State for External Affairs has asked me to acknowledge on his behalf your letter of January 7, 1966 inviting Canada to be represented at the Advisory Meeting on the Development of the Pulp and Paper Industry in Latin America which will be held at Santiago, Chile from March 17-22, 1966, under the auspices of the Economic Commission for Latin America and of the Food and Agriculture Organization.

Your letter has been circulated to the various Government Departments concerned, and we should hope to send a reply to you in the near future.

Yours sincerely,

(SGD) J. C. LANGLEY
FOR THE

Under-Secretary of State
for External Affairs.

Mr. José Antonio Mayobre,
Executive Secretary,
Economic Commission for Latin America,
Santiago, Chile.

c.c. Mr. Hernán Santa Cruz,
Assistant Director-General for Latin American
Affairs of the Food and Agriculture Organization.

cc: U.N. Division
Latin American Div.
TandC (Mr. Roger Bull)

RESTRICTED

Ottawa, February 2, 1966.

The Deputy Minister,
Department of Trade and Commerce.
Attention: Mr. Dawson. ✓

The Deputy Minister,
Department of Forestry. ✓

The Deputy Minister,
Department of Agriculture.
Attention: Mr. Sheerin.

The Deputy Minister,
Department of Industry.
Attention: Mr. Abell. ✓

35-12-CDA
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XEROX ORIGINAL

Advisory Meeting on the Development of the Pulp
and Paper Industry in Latin America - Santiago
March 17 - 22, 1966.

We enclose a copy of a letter dated January 7 from the Executive Secretary of the Economic Commission for Latin America and the Assistant Director-General for Latin American Affairs of the Food and Agriculture Organization of the United Nations, addressed to the Secretary of State for External Affairs. Also enclosed are copies of the attachments to this letter - a copy of an invitation from ECLA to the Canadian Government to attend the Latin American Symposium on Industrial Development, and documentation on the Pulp and Paper Advisory Group.

In their letter under reference the ECLA and the FAO invite the Canadian Government to be represented at the Advisory Meeting on the Development of the Pulp and Paper Industry in Latin America which will be held at Santiago from March 17 - 22, 1966, under the auspices of the two aforementioned organizations.

You will note that the first part of the Advisory Meeting will coincide with the discussions of the Latin American Symposium on Industrial Development to be held in Santiago from March 14 - 25, and that a number of problems to be considered at the Advisory Meeting are closely related to the items to be discussed at the Symposium.

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RESTRICTED

- 2 -

The Canadian Government has accepted IICA's invitation to attend the Symposium and has designated Mr. R.A. Gravel, Commercial Counsellor at our Embassy in Santiago, as its representative. It should be noted that discussions at both of these meetings, and the documentation for them, will be exclusively in Spanish.

We should be grateful for your views and comments on whether it would be desirable to send an additional representative to the advisory Meeting on the Development of the pulp and Paper Industry in Latin America.

J. E. HYNDMAN

Under-Secretary of State
for External Affairs.

cc. J. & C. (Mr. M. K. Paumann)
see and file
DEPARTMENT OF INDUSTRY
OF CANADA
16.2.66



filed am 3.3.66

35-20-ECLA
35-1
38 45
V
MINISTÈRE DE L'INDUSTRIE

J. 46

RESTRICTED

REFER TO FILE NO. / MENTIONNER LE DOSSIER.....

Ottawa, February 14, 1966

Under-Secretary of State
for External Affairs,
East Block,
O t t a w a 4, Ontario.

Attention: Mr. W.H. Barton,
Head of United Nations Division.

Dear Sir:

ECLA.

Re: Advisory Meeting on the Development of the
Pulp and Paper Industry in Latin America
Santiago March 17 - 22, 1966

Mr. Malouf, Economic
TO: *Mr. Barton*
V FEB 15 1966
REGISTRY

35-20-ECLA
36 36

In answer to your letter of February 2, in view of the fact that Mr. R. E. Gravel, Commercial Counsellor at the Canadian Embassy in Santiago will attend the Latin American Symposium on Industrial Development March 14 to 25, we do not think it is necessary to provide an additional representative to the Advisory Meeting on the Development of the Pulp and Paper Industry in Latin America.

Yours sincerely,

A. S. Abell,
Economic Adviser.

✓

DEPUTY MINISTER
OF
FORESTRY

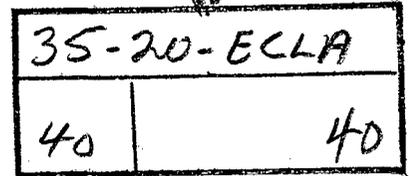
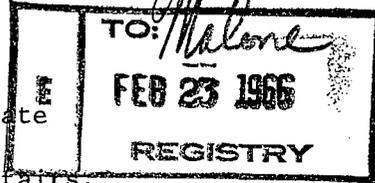


CANADA

SOUS-MINISTRE
DES
FORÊTS

*File
Amalone
24.2.66*

OTTAWA, February 18, 1966.



J-60

The Under-Secretary of State
for External Affairs,
Department of External Affairs,
O t t a w a, Ontario.

Dear Sir:

I wish to acknowledge receipt of a copy of your letter of February 2, 1966 addressed to the Deputy Minister of Trade and Commerce. This letter concerns the forthcoming Advisory Meeting on the Development of the Pulp and Paper Industry in Latin America, scheduled for Santiago, Chile, in March, 1966.

I would appreciate being supplied with copies of papers presented at this Meeting, as well as a copy of the official report when this documentation becomes available.

Very truly yours,

Richard F Hurley

Richard F. Hurley,
Executive Assistant.

F

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO
 À The Canadian Embassy,
 SANTIAGO, Chile.

FROM
 De The Under-Secretary of State for External Affairs

REFERENCE
 Référence Your Telegram TC-112 of December 29, 1965.

SUBJECT
 Sujet ECLA: Regional Symposium on Industrial
 Development.

SECURITY
 Sécurité RESTRICTED

DATE February 17, 1966

NUMBER
 Numéro E-655

FILE	DOSSIER
OTTAWA	25-20-ECLA
MISSION	36 36

ENCLOSURES
 Annexes

DISTRIBUTION

Finance Dept.
 TandC
 Industry
 EAO

UN Division
 LA Division

As you know, ECLA's Symposium on Industrial Development is being held pursuant to resolutions of the General Assembly, of the Economic and Social Council, of the ECLA Committee of the Whole, and of the Commission in order to explore the present status, problems and prospects of the industrial development process in both Latin America as a whole and in individual Latin American countries and to consider the measures and decisions that should be taken to accelerate that process within each country and in the realm of international co-operation. Particular questions to be considered by the Symposium include ways and means of transferring the technical knowledge of the industrial countries to the Latin American countries, problems relating to the selection of production techniques, and possible methods of increasing exports of manufactures. The Symposium is being held shortly after similar meetings in Asia and Africa and its findings will contribute to the preparatory work for the international symposium on the same subject scheduled to take place early in 1967. These regional symposia, as far as they concern the promotion and diversification of exports of manufactures and semi-manufactures, are relevant to the work of the UNCTAD Committee on Manufactures, as well as to the activities of the new United Nations Organization for Industrial Development. The international symposium will be held in the same year as the second full-scale Conference on Trade and Development.

2. Canada has expressed its support in the UN Committee on Industrial Development and in the UNCTAD for the study of problems of industrialization in national or regional contexts. Within these contexts the topics of discussion are broad and complex and interest a number of Departments in Ottawa. There is an interest in particular in discussions on the following provisional agenda items:

(a) Agenda Item I

Evaluation and prospects of Industrial Development in Latin America. Of particular interest to us would be the prospects of trade in manufactures between Latin America and Canada, and the process of regional integration as an aid to industrial development.

Agenda Item II

- (b) Present status, problems and prospects of the major sectors of industry, No.3 - Pulp and paper. As you know, Latin America is currently the number one developing overseas market for Canadian exports of pulp and paper.

(c) Agenda Item III

Problems concerning credit, exports and small-scale industry, No.2 - Exports of manufactures to world markets. Discussions on this item will no doubt touch on the question of preferences by developed countries for the exports of manufactures or semi-manufactures from developing countries. This important issue is presently under consideration in a number of international bodies, notably by GATT, the OECD, and UNCTAD.

(d) Agenda Item IV

Problems connected with the absorption of technical know-how, applied technological research, and technical assistance, No.3 - Technical assistance for industrial development. Discussions on this subject might yield some useful indications of worthwhile opportunities for technical assistance under our External Aid Programme.

3. We shall be looking forward to receiving your report on the Symposium.

Under-Secretary of State
for External Affairs

1.3.66

Mr. Hyndman
For review

EXTERNAL AFFAIRS



AFFAIRES EXTERIEURES

*OK. Are there any
to cover I could
have?*
WJ

TO
À
Mr. Langley.

FROM
De
Mr. Hyndman.

REFERENCE
Référence

SUBJECT
Sujet
**Interdepartmental Meeting on Latin American
Economic Development.**

SECURITY **RESTRICTED**
Sécurité

DATE **February 23, 1966.**

NUMBER
Numéro

FILE	DOSSIER
OTTAWA	<i>35-20-ECLA</i>
MISSION	<i>36</i>

ENCLOSURES
Annexes

DISTRIBUTION

Attached for your signature, if you agree, is a letter to various Government departments inviting them to send representatives to an interdepartmental meeting convened by our Division to review Canadian interest in forthcoming Latin American conferences and in Latin American economic developments generally. We are suggesting that the meeting be held at 2:30 p.m. on Tuesday, March 1 in the Large Conference Room of the East Block.

2. The letter has been cleared with Latin American Division who agree that our Division should chair the meeting. Mr. Pick would attend, and would be prepared to make some general opening remarks on Latin American developments and institutions and on our broad political interest in Latin America. It would seem appropriate that either you or Mr. McKinney chair this meeting if this is convenient. We would prepare an agenda and some background notes.

Mr. Hyndman, please.
I'm tied up with
Promotion Board
for Junior Officers.
J.E. Hyndman

J.E. Hyndman.

Economic/J.A. Malone/jhb

cc: TANDC (Paumann)

35-20-FCLA
36 J

Handwritten initials

OTTAWA, February 23, 1966.

Dear Dr. Haviland,

We were pleased to learn of your plans to attend the Advisory Meeting on the Development of the Pulp and Paper Industry in Latin America to be held in Santiago from March 17 to 22.

We have informed our Embassy in Santiago of your plans and asked them to reserve and confirm hotel accommodation for you for the period March 16 to 23. Our Embassy will send directly to you any further material on the meeting which becomes available. We enclose a copy of the material available at present.

Yours sincerely,

(SGE) J. E. HYNEMAN
FOR THE

Under-Secretary of State
for External Affairs

Dr. W. E. Haviland,
Canadian Pulp and Paper Association,
2280 Sun Life Building,
Montreal 2, P.Q.

Economic/JA Malone/jc

cc: Latam Div. (Mr. Pick)
Economic (Mr. Langley)
Economic (Mr. Dupuis)
Embassy, Santiago
Embassy, Buenos Aires

35-20-ECLA
36 ✓

PM

RESTRICTED

OTTAWA, February 23, 1966.

The Deputy Minister,
Department of Trade and Commerce.
Attention: Mr. Roger Bull

The Deputy Minister,
Department of Finance.
Attention: Mr. J.A. MacPherson

The Director,
External Aid Office,
Attention: Mr. Drake

The Deputy Minister,
Department of Industry.
Attention: Mr. Abell.

The Director,
Export Credits Insurance Corporation.

The Deputy Governor,
Bank of Canada.
Attention: Mr. A. MacKay

The Deputy Minister,
Department of Labour.
Attention: Mr. Mainwaring

Re: Latin American Economic
Development

As you are no doubt aware, a number of meetings and conferences on Latin American trade and development problems are to be held in the coming months under the auspices of various regional organizations. Among these are:

The Latin American Symposium on Industrial Development (ECLA),
March 14-25, Santiago.

The Fourth Annual Meeting of the IA-ECOSOC (OAS),
March 15, Buenos Aires.

The Eleventh Meeting of the Committee of the Whole of ECLA,
May 10-12, Santiago.

Canada, as a member of ECLA, will be represented at the two ECLA meetings noted above. Though not a member of the IA-ECOSOC, Canada has been invited, as in the past, to send observers to the Annual Meeting, and has accepted the invitation.

...2

- 2 -

RESTRICTED

It has occurred to us that it might be useful and timely for representatives of interested departments to meet in the near future to review the Canadian interest in these meetings and in Latin American economic development: generally. On the basis of discussions at this meeting, guidance might be prepared as required for Canadian officials who will attend these meetings.

We would suggest holding this meeting at 2:30 p.m. on Tuesday, March 1 in the Large Conference Room of the East Block. We should be grateful if you would inform Mr. A. Malone of our Economic Division (2-3280) whether the timing proposed is convenient and who would attend from your Department.

...

Attached for your convenience is the agenda of the Symposium on Industrial Development. We have not yet received the agendas of the other two meetings but expect that the following will be the principal agenda items:

(a) ECLA's Eleventh Meeting of the Committee of the Whole:

1. Economic Integration in Latin America.
2. Industrial Development in Latin America

(b) Fourth Annual Meeting of the IA-ECOSOC:

1. Achievements of the Alliance for Progress.
2. Foreign Trade and Latin American Economic Integration.
3. Special Development Assistance Fund.

(SGD) J. C. LANGLEY
FOR THE

Under-Secretary of State
for External Affairs

ECIA
July 1965

LATIN AMERICAN SYMPOSIUM ON
INDUSTRIAL DEVELOPMENT
(Santiago, Chile, 14-25
March 1966)

B. PROVISIONAL AGENDA AND DOCUMENTS

1. Provisional agenda

I. Evaluation and prospects of industrial development in Latin America

1. Latin American industry: past trends and present characteristics
2. Industrial development policy and future prospects
3. Industrial development programming: institutions and methods

II. Present status, problems and prospects of the major sectors of industry

1. Basic metals
2. Chemicals
3. Pulp and paper
4. Metal transforming
5. Textiles

III. Problems concerning credit, exports and small-scale industry

1. Credit and financing of industrial expansion
2. Exports of manufactures to world markets
3. The role of small enterprise in Latin America's development

IV. Problems connected with the absorption of technical know-how, applied technological research, and technical assistance

1. The technical know-how needed for industrial development: methods of assimilating that of other regions, and related problems
2. Technological research and adaptation of processes and equipment to conditions in Latin America
3. Technical assistance for industrial development

V. International Symposium on Industrial Development (1967) and industrialization in Latin America.

/2. Documents

Economic/JA Malone/jc

35-26-ECLA
36 ✓

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO
A Mr. Langley.

SECURITY RESTRICTED
Sécurité

FROM
De Mr. Hyndman.

DATE February 23, 1966.

REFERENCE
Référence

NUMBER
Numéro

JA

SUBJECT
Sujet Interdepartmental Meeting on Latin American Economic Development.

FILE	DOSSIER
OTTAWA	
MISSION	

ENCLOSURES
Annexes

DISTRIBUTION

... Attached for your signature, if you agree, is a letter to various Government departments inviting them to send representatives to an interdepartmental meeting convened by our Division to review Canadian interest in forthcoming Latin American conferences and in Latin American economic developments generally. We are suggesting that the meeting be held at 2:30 p.m. on Tuesday, March 1 in the Large Conference Room of the East Block.

2. The letter has been cleared with Latin American Division who agree that our Division should chair the meeting. Mr. Pick would attend, and would be prepared to make some general opening remarks on Latin American developments and institutions and on our broad political interest in Latin America. It would seem appropriate that either you or Mr. McKinney chair this meeting if this is convenient. We would prepare an agenda and some background notes.

J. E. HYNDMAN

J.E. Hyndman.

MESSAGE

FILE NO

DATE	FILE/DOSSIER	SECURITY SECURITE
FEB24/66	35-20-RCLA 5 5	UNCLAS

FM/DE EXTERNAL OTT

TO/A SANTIAGO

INFO TANDCOTT (PAUMANN)

NO	PRECEDENCE
E-672	IMMED

REF YOURTEL TC-25 FEB24

SUB/SUJ ADVISORY MTG ON DEVELOPMENT OF PULP AND PAPER INDUSTRY IN
 LATIN AMERICA

SINCE ABOVE MTG WAS ARRANGED TO COINCIDE WITH, AND IS CLOSELY
 RELATED TO, SYMPOSIUM ON INDUSTRIAL DEVELOPMENT, WE HAVE HAD IN
 MIND THAT GRAVEL MIGHT BE CDN REP, ASSISTED BY DR. HAVILLAND, AND
 THAT HE COULD FOLLOW MTG GENERALLY. IF THIS SEEMS SENSIBLE AND IS
 CONVENIENT, PLEASE ADVISE FAO ACCORDINGLY.

2. FLT NUMBER FOLLOWS BY TEL.

DISTRIBUTION
 LOCAL/LOCALE

NO STD

ORIGINATOR/REDACTEUR

DIVISION

TELEPHONE

APPROVED/AUTORISE

SIG.....
J.A. MALONE/jc.....

ECONOMIC

2-3280

SIG.....
J.C. LANGLEY.....

T.A.C.

FUNCTIONAL COMMISSIONS AND SUBCOMMISSIONS

67-8-10-3	"V"	Statistical Commission
45-14-1	"V"	Population Commission
45-4-1	"V"	Social Commission
45-13-1-1	"V"	Commission on Human Rights
45-13-3-1	"V"	Subcommission on Prevention of Discrimination and Protection of Minorities
45-13-4-1	"V"	Commission on the Status of Women
45-9-1-1	"V"	Commission on Narcotic Drugs

REGIONAL ECONOMIC COMMISSIONS

35-20-ECE	"E"	Economic Commission for Europe (ECE)
35-20-ECAFE	"E"	Economic Commission for Asia and the Far East (ECAFE)
35-20-ECLA	"E"	Economic Commission for Latin America (ECLA)
35-20-ECA	"E"	Economic Commission for Africa (ECA)

STANDING COMMITTEES

38-9-1-1	"E"	Technical Assistance Committee
35-1-9	"V"	Committee for Industrial Development
45-7-2-1	"V"	Committee on Housing, Building, and Planning
24-3-4	"V"	Council Committee on Non-Government Organizations
24-14-6	"V"	Interim Committee on Programme of Conferences
24-3-2	"V"	Special Committee on Coordination

SPECIAL BODIES

45-9-1-1	"V"	Permanent Central Opium Board
45-9-1-1	"V"	Drug Supervisory Body
46-4-UNICEF-1	"V"	United Nations Children's Fund (UNICEF)
46-4-UNICEF-13	"V"	Executive Board
24-3-2	"V"	Administrative Committee on Coordination
37-15-CITC	"E"	Interim Coordinating Committee for International Commodity Arrangements
38-9-1-1	"E"	Technical Assistance Board
38-9-1-3	"E"	Governing Council of the Special Fund

ECONOMIC / R. Malone

*file
amalgam
3-3-66*

File 35-20-ECLA

March 1, 1966

Provisional Agenda for Interdepartmental Meeting
on Latin American Economic Development.

(Chairman-Mr. McKinney)

1. Remarks by Mr. Pick on institutional and political background of Latin American economic groupings.
2. Canadian interest in Latin American trade and economic developments:
 - a) Regional integration (LAFTA, CACM) and its trade and trade policy implications for Canada.
 - b) Latin American thinking on preferences, commodity arrangements and position in UNCTAD.
 - c) Canadian economic assistance to Latin America:
 - i. multilateral or bilateral?
 - ii. could our export financing terms be on more generous terms?
 - d) Industrial Development Symposium-Canadian interest.
3. Canadian interest in ECLA's IIth meeting of the Committee of the Whole and in the 4th Annual IA-ECOSOC.

File [Signature]



PARLIAMENTARY
SECRETARY

Office of
The Secretary of State for External Affairs
Canada

*Examine this
for advice to
Par. Sec*

Ottawa, March 11th, 1966

35-20-ECLA
36

MEMORANDUM TO: J. G. HADWEN, ESQ.,
SPECIAL ASSISTANT TO THE MINISTER

FROM: DONALD S. MACDONALD, M.P.

I am enclosing a copy of a letter which I have received from Mr. James C. McNulty, M.P. for Lincoln, and I would greatly appreciate any information you could provide me with so that I may in turn pass it on to Mr. McNulty for his constituent's use.

D.S.M.

D. S. M.

encl

11-181-115
MAR 14 1975
Entel

IVAN P. BOTTOMS P.ENG.
B.Sc. MEMBER INSTITUTE OF REFRIGERATION
ASSOCIATE MEMBER INSTITUTE OF PETROLEUM
CONSULTING ENGINEER

File
[Signature]

MUTUAL 4-0868
REF.1

79 CRESTDALE AVENUE
ST. CATHARINES, ONT.

5th. March, 1966

James C. McNulty M.P.
House of Commons,
Ottawa,
Ontario.

BEST ORIGINAL AVAILABLE
MULTIPLE COPIES

Dear Mr McNulty,

Further to our telephone conversation of this morning I would confirm our discussion as following and trust that you will be able to obtain the information for me.

I am interested in development projects in Latin-America; these projects cover irrigation, harbours, agricultural industry, and industrial plants. For some of these projects it will be necessary to use a European Consulting Company for specialised data and information which is not available in Canada. The Consultants involved have approached me with a view to doing the Engineering and Design in Canada. The projects will be controlled from Canada and due to our association their specialised knowledge will become available to this country.

For these purposes we wish to make use of External Aid, soft or long term loans, together with financing from the recipient country. The main question is: Would my company in Canada have to be 100% Canadian, or could my European Associates have a financial interest in it, and if so to what limit. Further; if we have to be 100% Canadian would we be permitted to pay the European Consultants for the basic data and advice. These amounts would be relatively small compared to the amount spent in Canada.

I will greatly appreciate clarification of the above together with full details of the aid programs available.

Yours truly

Ivan P. Bottoms

35-20-ECLA

Economic/LAKJames/pa 26/5

cc: Mr. Hadwen O/SSEA

Ottawa, March 16, 1966.

The Director General,
External Aid Office.

Attention: Mr. R.W.Clark

re: Development Projects in Latin America.

.. The Parliamentary Secretary has received the attached request for advice regarding development projects in Latin America, which we feel might best be answered by the External Aid Office. We regret the delay in transmitting this request to you and trust that you can clarify the points that are raised.

J. R. BARKER

FOR

Under-Secretary of State
for External Affairs.

Economic/E. Hébert/55

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO
A Mr. J. E. Hyndman

SECURITY
Sécurité **Unclassified**

FROM
De E. Hébert

DATE **March 22, 1966.**

REFERENCE
Référence

NUMBER
Numéro

Misfiled

SUBJECT
Sujet **ECLA's Eleventh Meeting of the Committee of the Whole**

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	36

ENCLOSURES
Annexes

DISTRIBUTION

The ECLA's Eleventh Meeting of the Committee of the Whole will be held in Santiago from May 10-12, 1966 (Santiago's telegram 11 of February 2, 1966). Although Canada, as a member of ECLA, will be represented at this meeting noted above, nothing appear to have been done yet with regard to the Canadian delegation which will attend this meeting.

2. You will no doubt recall that an inter-departmental meeting on Latin American Economic Development convened by our Division to review Canadian interest in forthcoming Latin American conferences and in Latin American economic developments generally was held on Tuesday, March 1 in the Large Conference Room of the East Block.

J. A. E. HÉBERT

Economic Division.



NACIONES UNIDAS
COMISIÓN ECONÓMICA PARA AMÉRICA LATINA
Av. Providencia 871
Casilla 179 D.
SANTIAGO, CHILE

35-20-ECLA
36
CABLE: UNATIONS

REFERENCIA: ORG 411 (1) XI

1 April 1966

Sir,

I have the honour to advise you that the eleventh session of the Committee of the Whole of ECLA will be held at the headquarters of the Commission, at Santiago, Chile, from 10 to 12 May 1966.

I take pleasure in inviting your Government to send representatives to this session, and I should be very grateful if you would communicate to this secretariat at your earliest convenience the names of members of your country's delegation.

...

The main item on the attached provisional agenda is the review and adoption of the annual report of the Commission to the Economic and Social Council.

I am sending, under separate cover, the documents that will be submitted at the above-mentioned session of the Committee of the Whole.

Accept, Sir, the assurances of my highest consideration.

FOR
ATTACHMENT
SEE
ACL
CONCERNANT
ANNEXE
VOIR

José Antonio Mayobre
Executive Secretary

refer to D.C.
(Latin American Div)
Latin American Div
000581

His Excellency
The Hon. Paul James Martin
Secretary of State for Foreign Affairs
Ottawa, Canada

cc: TandC
Santiago
Montevideo

Economic/EM E. Hébert, jc

Handwritten initials and signature

Handwritten initials

35-20-ECLA
36

Ottawa,

Sir,

I have the honour to refer to your letter of April 1, 1966 inviting the Canadian Government to send representatives to attend the Eleventh Session of the Committee of the Whole for Latin America to be held in Santiago, Chile from May 10 to 12, 1966.

Letter signed & forwarded 2/5/66

The Canadian Delegation to this Session will be composed as follows:

- Mr. G.B. Summers - Canadian Ambassador to Chile (Head of Canadian Delegation)
- Mr. R.E. Gravel - Commercial Counsellor, Canadian Embassy, Santiago
- Mr. B. Shapiro - Commercial Counsellor, Canadian Embassy, Montevideo, Uruguay
- Mr. Z.W. Burlanyk - Third Secretary, Canadian Embassy, Santiago

Accept, Sir, the assurances of my highest consideration.

PAUL MARTIN

Secretary of State
for External Affairs

José Antonio Mayobre, Esq.,
Executive Secretary,
United Nations Economic Commission
for Latin America,
Ave. Providencia 871,
Casilla 1790,
Santiago, Chile.

UNITED NATIONS
ECONOMIC COMMISSION FOR LATIN AMERICA



NATIONS UNIES
COMMISSION ÉCONOMIQUE POUR L'AMÉRIQUE LATINE

NACIONES UNIDAS
COMISIÓN ECONÓMICA PARA AMÉRICA LATINA
Av. Providencia 871
Casilla 179 D.
SANTIAGO, CHILE

REFERENCIA: ORG 411 (1) XI

CABLE: UNATIONS

1 April 1966.

Sir,

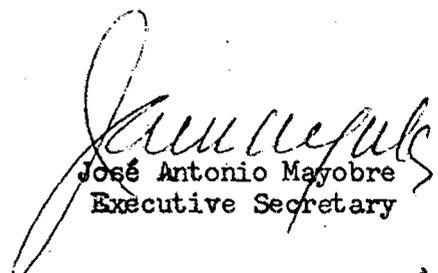
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I am sending, under separate cover, the documents that will be submitted at the above-mentioned session of the Committee of the Whole.

Accept, Sir, the assurances of my highest consideration.


José Antonio Mayobre
Executive Secretary

His Excellency
The Hon. Paul James Martin
Secretary of State for Foreign Affairs
Ottawa, Canada

*refer to D.C.
(Petition...)
Petition...*

July 16: F&C (Mr. Jamieson)
Forestry
Forestry
UNDP
June 2/5/66
at
no file
add

Eco 9
14
a file

4 April 1966

after my first
discussion

Report on Meeting Concerning Pulp
and Paper in Latin America

35-20-ECLA
36 —

Held in Santiago, Chile, 17-22 March 1966

by Dr. William E. Haviland

Economist, Canadian Pulp and Paper Association
and Accredited Representative for Canada

The pulp and paper meeting was held during a longer conference on general economic development in Latin America. The latter is to be reported separately by R. E. Gravel, Commercial Counsellor of the Canadian Embassy in Santiago.

My report consists of my summary of the meeting, without attempting to verify or complete the summary but with a few closing interpretive comments.

The declared purpose of the pulp and paper meeting was to evaluate progress since the Buenos Aires meeting of 1954, and to review the current situation with respect to production, marketing and expansion. The meeting was sponsored by FAO and ECLA. Countries represented by delegates were:

- | | |
|--------------|--------------------------|
| 1. Argentina | 9. Honduras |
| 2. Brazil | 10. Mexico |
| 3. Canada | 11. Peru |
| 4. Cuba | 12. Republica Dominicana |
| 5. Colombia | 13. Surinam |
| 6. Chile | 14. Trinidad-Tobago |
| 7. France | 15. Venezuela |
| 8. Guatemala | |

Countries represented by observers were:

- | | |
|-------------|-----------------|
| 1. Austria | 6. Uruguay |
| 2. Ecuador | 7. USA |
| 3. Paraguay | 8. West Germany |
| 4. Poland | 9. Yugoslavia |
| 5. UK | |

Organizations represented were:

1. Central American Common Market
2. Latin American Free Trade Association
3. Organization of American States
4. Inter American Committee for Alliance and Progress
5. Inter American Development Bank
6. Latin American Institute of Economic and Social Planning
7. Latin American Development Group of the Atlantic Community
8. The Central American Bank for Economic Development

The chairman of the meeting was Senor J. Caterpillan of Chile. Most of the meeting was conducted in Spanish with simultaneous English and French translation.

There were sessions and background documents on the following subjects. I have a complete list of the documents and a copy of most of them.

1. Historical developments and future trends,
2. Economies of scale,
3. Studies of small plants,
4. Statistical classification,
5. Technical education,
6. Financing development,
7. Packaging and industrialization,
8. Dissolving pulp,
9. Chip groundwood for newsprint.

The expansion in pulp and paper production and consumption in Latin America has been rapid in recent years. Demand was said to be growing at an annual rate of 8.2% - faster than population and national income. Statistical problems were acknowledged, but the following estimates of annual and per capita consumption and import percentages were tabled:

	<u>1948-52</u>	<u>1964</u>	<u>1975</u>
Consumption, million tons	1.3	3.0	7.0
Lbs. per cap.	18.5	28.6	52.8
Dependence on imports	44%	27%	18%

- 3 -

Realization of the above estimates for 1975 was said to require \$200 million in new investment. Taking advantage of economies of scale would not only reduce operating costs but save investment per ton of product - an important consideration in Latin America where there is a shortage of capital. A regional, as distinct from a national, response might help here, but long-term planning would still be needed to integrate the expansion with general industrial and rural development. Close cooperation between government and private industry is needed.

It was stated that integrated pulp and paper production had not taken place in Latin America. The paper mills were located in the consuming centres. The pulp mills and the paper mills are numerous and mostly small and productivity is low. New capacity usually has been added to existing installations. In 1964, there were 235 pulp mills, only 7 of which had a capacity in excess of 200 tons per day. There were 295 paper mills, only 6 of which had a capacity in excess of 200 tons per day.

Latin America possesses great forest resources, but these are not much used. They are composed mainly of mixed hardwoods which only recently have been coming into use. Increasing use is being made of bagasse.

The background paper by Mr. Arne Sundelin held little hope for expansion of Latin American exports especially in the shorter-run. In his "Prospects for Latin American Pulp and Paper Exports to Overseas", Sundelin concluded (pp.53-4):

Therefore, it appears almost certain that the region's overall deficit in the supply of pulp, paper and board will rise in the next fifteen years, particularly as regards the supply of long-fibred pulp and of coniferous wood for its manufacture.

With these prospects in view, it would be inconsistent with a sound economic planning in the region if exports of long-fibred pulp to the world market were to be encouraged. Should such exports develop they must be compensated for by imports from other regions, and the additional costs arising from these cross-shipments would ultimately have to be paid by the Latin American countries...however...Latin America having cheap resources of broadleaved wood and, in particular, of eucalyptus, should seriously investigate the possibilities of building dissolving pulp mills for export to the international market and, in particular, to Western Europe.

- 4 -

Mr. J. Westoby of FAO argued that although pulp capacity will weigh on the world market for the next five years, the statistics do not demonstrate that net imports to Latin America must rise. Economic wood reserves in B. C. are not unlimited, Westoby said. It is unlikely that the USSR will have a million-ton surplus for Eastern Europe by 1970. It is unlikely that sawlogs and fuelwood in Western Europe will be diverted to pulping as fast as Sundelin suggested. Coniferous resources in Latin America were said to be larger than was supposed. Westoby claimed that costs of plantation wood in Latin America were less than half of wood costs in Eastern Canada. Disadvantages of lack of skills, entrepreneurial ability and infrastructure could be overcome. Export trade often develops before all of the domestic need is satisfied. The world demand for paper is rising rapidly. Latin America must plan now and plant now, he said. Sundelin was assuming an outcome which the Santiago meeting was trying to avert.

Three countries produce and consume 70% of the region's pulp - Argentina, Brazil, and Mexico. Argentina has a relatively high per capita consumption of paper. Argentina's wood resources are mostly in the Argentine delta. There is little long fibre pulp, although some newsprint is produced. Except for newsprint and certain specialities, the country supplies most of its own paper needs. In spite of a serious "infrastructure" problem, conditions were said to be favourable for expansion of Argentina's pulp and paper industry, and all countries were called on for more assistance. It is interested in more international capital. Integration of pulp mills with paper mills sometimes would help. The Argentine industry has set up an organization of pulp and paper technicians. Argentina wants a study made of the use of short fibre for dissolving pulp.

Brazil has abundant pine and eucalyptus resources, but a low per capita consumption of paper. It has achieved notable import substitution, but its costs are high. It produces some newsprint.

Chile is the only net exporter of pulp and paper in Latin America. It has 2 newsprint mills, one of which ("Inforsa") has to export all of its production. Chile has good possibilities as an accessible source of softwoods. It feels that positive measures are needed to increase export markets. It would like a separate study made of the lack of development of newsprint production in Latin America.

Ecuador's pulp and paper industry was virtually non-existent when a new market suddenly opened up for cardboard boxes for exporting bananas and for cement bags. Domestic production is from bagasse and banana waste, but the cost of the cardboard boxes is higher than from duty-free imported supplies. Banana exports have to remain competitive, including the cost of packaging. Kraft liner from the U.S. was said to be substantially cheaper than local production.

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Peru has mostly hardwoods, located far from consuming centres. It relies considerably on bagasse.

Uruguay is poorly endowed with forests, and relies mainly on imports. Paper prices are high and consumption per capita has decreased. It was suggested that a partial solution might lie in some small plants specializing their production.

Venezuela has no long fibre, and so uses bagasse and imports pulp. Paper prices are moderate.

Colombia has no long cellulose fibre and relies on bagasse. Colombia allows only 5 hardwood species to regenerate. About 1/3 of its pulp and paper is imported. It said that tariff protection can lead to high-cost projects which reduce the economic welfare of the people.

Mexico has experienced a dynamic and sustained expansion in recent years, based on the use of pine, straw and bagasse. Its technology is advanced. It produces some newsprint, and is enthusiastic about substituting bagasse for high-cost, mechanical wood pulp. Some mechanical success has been achieved in making high-speed newsprint from 75% bagasse, 15% groundwood, and 10% kraft pulp. Mexico wants to integrate pulp with paper making, and would like to try to export pulp and paper. Mexico wants capital from international organizations.

Trade liberalization within IAFITA (Argentina, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay, and Mexico) would be easiest for newsprint and pulps for which there are national as well as regional deficits, but liberalization would be difficult to achieve for other papers.

Members of the Central American Common Market are: Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua. The Common Market is to be realized by 1970. A feasibility study has been made of the forest resources of Central America, but the help and cooperation of developed countries are needed in order to get this economic development moving.

Guatemala and the Dominican Republic do not use all of their installed capacity. The Dominican Republic suggested that financing should be related to the optimum economic size of a plant. Guatemala argues that it is better to have regional than national tariffs as far as achieving economic size of plants is concerned. Research in new processes should be related to optimum mill size. Institutes of technology should be on a regional scale.

Honduras pointed out that the size of investment in a plant must be related to the capacity of the national economy to assimilate it.

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Cuba said it produces 100,000 tons of paper. It hopes to use more bagasse, but handling and transportation is a real problem. Cuba wants a study made of bagasse.

To sum up with a few interpretive comments, I would say that the Santiago meeting was significant as a get-together of the Latin American family of nations. The countries are undergoing considerable inflation. Agricultural products account for most of the packaging materials consumed.

Not enough work seems to have been done on the forest resource base. There seem to be three related problems: (a) How to use the existing mixed hardwood (short-fibre) species economically, (b) How and where to grow long-fibre species economically, and (c) How and where to use bagasse and other vegetable fibres economically for pulp.

In a practical, commercial sense, under conditions of expanded production, the difference in wood costs between South and North America were probably exaggerated at the meeting. In any case, the pulp and paper industry in Latin America has very high capital costs which outweigh the low wood costs. Interest costs are particularly high. Low incomes and restricted markets have not allowed expansion and economies of scale. Domestic prices are usually higher than in world markets. There has been a tendency in recent years to modernization (thanks was given to some dynamic entrepreneurs), but outside influences are necessary to stimulate change.

Besides building new mills, most of the existing mills need to be modernized so they can compete. More specifically, lines of credit and fiscal help, as well as technical advance, were said to be needed to promote expansion. A greater degree of standardization in processes, grade qualities and specifications seems to be needed. Some TAPPI-sponsored books should be translated into Spanish.

Although the size of a national economy imposes limits on the assimilable scale of investment, installing inefficient plants for the sake of import substitution will only make problems for the future. Newsprint from bagasse is technically possible, but is it economically feasible? Import substitution, even on a regional scale, is a defensive phase which may ultimately give way to a more aggressive export policy. Harmonious regional action was suggested for exploring broader markets. Meanwhile, Latin Americans face two fundamental problems: (a) How to attract outside capital and know-how, and gain access to larger markets, without foreign control, and (b) How to reconcile economic growth and economies of scale with the socio-political goal of income redistribution.

A policy of import substitution poses obvious problems for Canadian exporters to Latin America. On the other hand, Latin Americans need outside capital, know-how and entree to world markets. Latin Americans, however, are unlikely to welcome Canadian business investment unless they are convinced that such business: does not want to perpetuate a primitive economy in Latin America; does not want to exploit Latin America economically; is not opposed to economic integration in Latin America; and is not opposed to Latin Americans sharing in the ownership and management of successful undertakings.*

The next Latin American regional meeting on pulp and paper is likely to be held in 1968 or 1969, in Mexico.

Following the pulp and paper meeting, a study tour was made of two paper mills at Laja and Nacimiento, about 250 miles south of Santiago in the Bio-Bio district.

The Laja mill is one of the mills of the Compania Manufacturera de Papeles y Cartones, the president of which is Sr. Alessandri, past-President of Chile. The Compania is well run.

The Laja mill produces bleached and semi-bleached kraft pulp and paper, and (in collaboration with Crown Zellerbach) IBM card stock for export to the U.S. The total output of the Laja mill is about 800 tons per day, which is the largest in Latin America. (The second largest is half that size.) The old village of Laja is rather primitive, but newer homes owned by mill employees have been built by a government housing agency. The mill has to produce most of its own services. For example, it has a large electrolytic plant for making chlorine. Also, the mill generates 35,000 KWH of electricity and buys 4,000 KWH. Its water is drawn from deep wells and from a river. There is a large new warehouse.

The pulpwood is mainly plantation pine, which grows quickly, but has to be planted and does not regenerate. Although the company owns large acreages, most of the wood so far has been purchased from small and larger farmers. A trucking firm gathers up the wood and delivers it to the mill.

*

See David Rockefeller "What Private Enterprise Means to Latin America" in Foreign Affairs, April 1966.

- 8 -

The Nacimiento mill is a handsome new groundwood-sulphite newsprint plant owned by Industrias Forestales SA ("Inforsa"), also a joint stock company. The President of Inforsa was the third-running candidate for President of Chile in the last election in which President Frei was elected. The capital for the installation (about \$14 million) came from Canada in 1960 via ECIC with a guarantee by the Chilean Development Agency. Canada got the contract because it offered longer credit at 6% than a competing European Country. The machinery, etc. was allowed in duty-free on condition that all of the output would be exported. Exports go to other Latin American countries, e.g. Mexico. I learned that this export requirement may be renegotiated in return for paying some of the foregone import duties on the mill installation.

Sandwell has provided the production management on contract. Current production is 200 tons per day, but could increase. The newsprint is of good quality, but perhaps not as opaque as Canadian due to the use of fast-growing pine. So far all of the pulpwood has been purchased, but the Company is about to start cutting some of its own.

Word in the banking community in Santiago is that Inforsa is in financial difficulty. The directors put some of their cash into an anchovy paste enterprise, and then lost money when the anchovies put out to sea. They also bought control of a small bank which is said to be doing all right. The export price, less transport costs, is said to be inadequate to cover present production costs. It is unlikely, however, that the government would allow the company to fail. The longer-run future of Inforsa seems brighter.

Document disclosed under the Access to Information Act -
Document divulgué en vertu de la Loi sur l'accès à l'information

DOCUMENTS PRESENTED AT THE
REVIEW CONSULTATION ON PULP AND PAPER DEVELOPMENT
IN LATIN AMERICA
SANTIAGO, MARCH 17 - 22, 1966

- ✓ II/1 Economics of pulp and paper manufacture under average Latin American conditions
- II/2 Aspectos económicos y condiciones de operación de pequeñas plantas de celulosa y papel elegidas en Argentina y Brasil
- II/3 Aspectos económicos de la modernización y expansión de pequeñas plantas de celulosa y papel con especial énfasis en los casos de Argentina y Brasil
- III/2 Needs of technological education and training for personnel of the Latin American pulp and paper industry
- ✓ III/3 Financing of Latin America's pulp and paper industry's development by national institutions
- ✓ III/4 Statistical classifications in the field of pulp and paper
- ✓ IV/1 Dissolving pulp industry in Latin America: present situation and future prospects
- ✓ IV/2 Packaging and industrialization in Latin America
- ✓ IV/3 Chip groundwood and possibilities for its application to newsprint manufacture in Latin America

The following documents concerned with the pulp and paper industry were presented at the ECLA Symposium for Industrial Development:

- L.3 La industria de la celulosa y el papel
- ✓ L.6 Research on pulp and paper in Latin America
- L.32 El papel y la celulosa en América Latina: situación actual y tendencias futuras de su demanda, producción e intercambio
- ✓ ~~L.40 Prospects for Latin American pulp and paper exports to overseas~~



TO
À

The Under-Secretary of State for
External Affairs, Ottawa

SECURITY
Sécurité

Unclassified

FROM
De

The Embassy, Santiago, Chile

TO: *Hebert*
DATE
APR 15 1966

NUMBER
Numéro
91

April 4, 1966

REFERENCE
Référence

Our Letter No. 433

REGISTRY

SUBJECT
Sujet

DOCUMENTS PRESENTED AT THE REVIEW
CONSULTATION ON PULP AND PAPER DEVELOPMENT
SANTIAGO, MARCH 17 - 22, 1966

FILE

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ENCLOSURES
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Commerce
(Latin
American
Division)

Further to our letter under reference, we attach a complete list of the documents issued at the Review Consultation on Pulp and Paper Development in Latin America, which was held in Santiago from March 17 to March 22, 1966, concurrently with the ECLA Symposium on Industrial Development in Latin America.

We will await your instructions as to which of these documents should be forwarded to the Department, and whether they should be forwarded by air or by sea mail.

All documents relating to specific countries have been sent directly to our missions in Latin America.

w. G. Saul
The Embassy.

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DOCUMENTS PRESENTED AT THE ECLA INDUSTRIALIZATION SYMPOSIUM
SANTIAGO, MARCH 14 - 25, 1966

1. Evaluation and Prospects for the Industrialization of Latin America

- ✓✓✓✓ L.2 The process of industrialization in Latin America
- ✓✓✓✓ L.28 Some problems of industrial development
- L.35 El Desarrollo industrial de la Argentina
- L.36 O Desenvolvimento industrial do Brasil
- L.37 El Desarrollo Industrial en Centroamérica
- L.17 El Desarrollo Industrial de Colombia
- L.63 El Desarrollo Industrial de Cuba
- L.46 El Desarrollo Industrial de Chile
- L.16 El Desarrollo Industrial del Ecuador
- L.38 El Desarrollo Industrial de México
- L.51 El Desarrollo Industrial del Paraguay
- L.39 El Desarrollo Industrial del Perú
- L.50 El Desarrollo Industrial del Uruguay
- L.24 El Desarrollo Industrial de Venezuela
- ✓ L.45 Industrial Development of Trinidad and Tobago
- L.25 Descripción de las actividades de la Asociación Latinoamericana de Libre Comercio en el campo industrial
- L.19 Economic significance and contribution of industries based on renewable natural resources and the policies and institutions required for their development
- L.20 Some essential requisites for industrial development of renewable natural resources
- ✓ L.21 Food and food products industries
- L.22 Industries processing agricultural products other than food

L.23 Industrias pesqueras

II Present Situation, problems and prospects of main
Industrial Sectors

L.3 Los principales sectores de la industria latino-
americana: problemas y perspectivas

1. Base Metal Industry

✓ L.29 La economía siderúrgica de América
Latina

✓ L.26 Perspectivas del desarrollo de la
industria del aluminio primario en
América Latina y posibilidades de
integración regional

2. Chemical Industry

✓✓ L.5 Report of the seminar on the development
of the chemical industry in Latin America

✓ L.30 La industria petroquímica en América
Latina: evolución y perspectivas

3. Pulp and Paper Industry

✓ L.32 El papel y la celulosa en América Latina:
situación actual y tendencias futuras
de su demanda, producción e intercambio

4. Mechanical Industry

L.18 La fabricación de maquinarias y equipos
industriales en América Latina: IV.
Las máquinas-herramientas en la
Argentina

✓ L.4 The metal-transforming industry in
Venezuela: an import substitution
development programme

L.13 La industria mecánica del Uruguay: un
programa para su recuperación y
desarrollo

5. Textile Industry

L.8 La industria textil en América Latina:
VIII. Argentina

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5. Textile Industry (cont'd.)

- L.7 La industria textil en América Latina: IX. Ecuador
- L.11 La industria textil en América Latina: X. Venezuela
- L.31 La industria textil en América Latina: XI. México
- L.9 Economies of scale in the cotton spinning and weaving industry
- L.33 Selección de alternativas tecnológicas en la industria textil latinoamericana

III Problems of Finance, Export, and the Small Industry

1. Financing Industrial Expansion

- L.41 El crédito para financiamiento de la industria de bienes de capital en algunos países
- ✓✓ L.15 Issues in the financing of industrial development
- L.57 Aspectos del financiamiento internacional en el sector manufacturero bajo la Alianza para el Progreso
- L.60 El Banco Interamericano de Desarrollo y el sector industrial
- ✓✓ L.58 The experience of the World Bank Group in financing industrial development in Latin America

2. Export of Manufactured Goods to World Markets

- L.49 La exportación como perspectiva del desarrollo siderúrgico latinoamericano
- ✓✓ L.40 Prospects for Latin American pulp and paper exports to overseas
- ✓ L.43 La exportación en el mercado mundial: una perspectiva para el desarrollo de la industria textil latinoamericana

2. Export of Manufactured Goods to World Markets (cont'd.)

L.59 Actividades de asistencia técnica y de entrenamiento de la Secretaría del CIAP en el campo de la promoción de exportaciones y de diversificación

3. The Small Business in Latin American Industrial Development

L.47 La pequeña industria en América Latina

L.14 Issues and policies in the promotion of small-scale industries

L.52 The role of small manufacturing enterprises in the balanced economic and social development of Latin America

IV. Problems of Transfer of Technical Knowledge, Applied Technical Research, and Technical Assistance

1. The Transfer of Technical Knowledge from Outside and Adaptation of Processes and Equipment to Conditions in Latin America

L.12 Conocimiento técnico necesario para la industrialización de países poco desarrollados y obstáculos que se oponen a su transferencia

L.34 La tecnología actual y los obstáculos a su incorporación en la industria siderúrgica latinoamericana

L.48 O nível técnico e as modalidades de transferência de conhecimento técnico do exterior na indústria química do Brasil

2. Technological Research in Industrial Application

✓ L.6 Las investigaciones sobre celulosa y papel en América Latina

L.44 Problemas que requerem pesquisas tecnológicas na indústria siderúrgica latinoamericana e reflexões sobre acao necessária

✓ L.53 Problems of automation in developing countries

3. Technical Assistance for Industrial Development

- ✓✓ L.27 United Nations technical co-operation activities for industrial development ✓
- ✓ L.61 Training of Technical Personnel for industrialization in the developing countries
- X ✓ L.54 Employment and manpower problems related to industrial development ✓
- ✓✓ L.55 I.L.O. productivity and management development programmes in Latin America ✓
- ✓ L.42 A note on technical cooperation in the field of industrial development of D.A.C. member countries with Latin America
- L.56 Applications of radio isotopès in industry: assistance from International Atomic Energy Agency available to developing countries
- ✓✓ L.62 Background information on AID's activities in the field of industrial development in Latin America ✓



The Under-Secretary of State
for External Affairs, Ottawa

SECURITY Unclassified
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TO
À

DATE April 12, 1966

FROM
De

The Embassy, Santiago, Chile

NUMBER 106
Numéro

REFERENCE
Référence

Your telex V237 - April 6, 1966

SUBJECT
Sujet

REVIEW CONSULTATION ON PULP AND PAPER
DEVELOPMENT IN LATIN AMERICA -
SANTIAGO, MARCH 17 - 22, 1966

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	36 35-LATAM-20 36

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The Review Consultation on Pulp and Paper Development in Latin America (sponsored jointly by ECLA, FAO and BTAO) was held in Santiago, Chile, from March 17 to March 22, simultaneously with the Latin American Symposium on Industrial Development.

- The aim of this meeting was to assess the progress achieved since the Latin American Committee of Experts on Pulp and Paper industries met in Buenos Aires in 1954, with a view to examining the present situation of the industry with regard to markets, investments, expansion programmes and factors which affect the efficiency of its operations. This consultation was also called to discuss the need of convening a grand scale meeting on the development of the pulp and paper industry in Latin America, and to submit recommendations on the subjects to be discussed at this conference.

Canadian Participation

- Canada was represented by R.E. Gravel, Commercial Counsellor, Canadian Embassy, Santiago, and by Dr. William E. Havilland, economist of the Canadian Pulp and Paper Association of Canada.

Other Participation

- In addition to representatives from Latin America, the following countries sent either delegates or observers: France, U.S.A., Poland, Britain, Germany, and Yugoslavia. Interamerican organizations and agencies also sent representatives.

Agenda

- The following items were discussed by the group:
 - 1) Historical development and future trends of the industry.
 - 2) Economics of pulp and paper manufacture under average Latin American conditions.

...2

- 3) Situation of the small industry.
- 4) Statistical classifications in the field of pulp and paper.
- 5) Research on pulp and paper in Latin America.
- 6) Needs of technological education and training for personnel of the Latin American pulp and paper industry.
- 7) Financing of Latin America's pulp and paper industry.
- 8) Packaging and industrialization in Latin America.
- 9) The Latin American pulp industry.
- 10) Chip groundwood and possibilities for its application to newsprint manufacture in Latin America.

6. Recommendations

Chile

- 1) That ECLA and FAO prepare a special study on the present situation of the newsprint industry, the causes of its slow development and the measures that can be taken to develop production in Latin America;
- 2) That a special meeting be convened, not later than December 31, 1966 to study and analyse the report of the Pulp and Paper group with the object of making recommendations to respective governments;
- 3) That in future studies on pulp and paper, newsprint be treated separately;
- 4) That ECLA study the possibilities of the use and possible substitution of each of the different types of pulp.

Argentina

- 5) That FAO and ECLA enjoin international financing organizations such as IDB, Eximbank, IFC and IDA to give more consideration to the granting of loans related to the development of forestry projects such as pulp and paper in Latin America, taking into account the different possibilities encountered in each country.

Cuba

- 6) That the advisory group on pulp and paper prepare a study on the economies of packaging, storage and

transportation of bagassé as a source of raw material for pulp.

Uruguay

- 7) That the advisory group also determine the technical characteristics which are considered appropriate for the different types of packaging and of products, and also the present and possible degree of substitution of plastic materials for paper, from an economic point of view as well as a technical.

Ecuador

- 8) That the advisory group on pulp and paper intensify studies on the utilization of non-traditional materials (mixed tropical woods, sugar cane bagassé, and banana fibre) for the production of paper, corrugated cardboard and derivatives.

Guatemala

- 9) That efforts be made in the near future to utilize unexploited conifer in the region.
- 10) That information be assembled on the use of short fibres for the manufacture of newsprint and other kinds of paper requiring long fibre and that at the next conference a technical and economic study of such possibilities be presented.

Venezuela

- 11) That the advisory group carry out studies on the technical and economic aspects of tropical conifers as a source of long fibre pulp for the Latin American pulp and paper industry.
7. Finally, the meeting requested that the Executive Secretary of the ECLA and the General Director of the FAO take these recommendations under consideration as far as the means and time available permitted, in order to outline the study program of the advisory group and prepare the agenda of the next regional conference on pulp and paper.
8. In due course, we would appreciate receiving a copy of Dr. Havilland's report on this meeting.


The Embassy

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO
À

The Under-Secretary of State
for External Affairs, Ottawa

SECURITY
Sécurité

Unclassified

FROM
De

The Embassy, Santiago, Chile

DATE

April 12, 1966

REFERENCE
Référence

Your telex V237 - April 6, 1966

NUMBER
Numéro

107 JAM

SUBJECT
Sujet

LATIN AMERICAN SYMPOSIUM ON INDUSTRIAL
DEVELOPMENT - SANTIAGO, MARCH 14-25, 1966

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	36

35-LATAM-20

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In pursuance of resolutions adopted by the General Assembly, the Committee for Industrial Development and the Economic and Social Council, a series of regional symposia on industrial development were held in Manila, Cairo, Kuwait, and Santiago. Resolution 250 (XI) of May 14, 1965, adopted at the Eleventh Session of the Economic Commission for Latin America (ECLA) in Mexico City, requested the Latin American governments to "prepare national studies on the present status of their respective industrialization processes for presentation at the regional symposium".

- The Latin American Symposium on Industrial Development was held in the Santiago Headquarters of ECLA March 14 through March 25, 1966. It was the last of the four regional symposia held preparatory to the World or International Symposium planned for early 1967. The purpose of the Santiago meeting was to study the existing situation and problems, and future prospects, as regards industrial development, both for the region as a whole and for the individual Latin American countries, and to consider any measures and policies that might speed up the pace of this development in each country, or that might relate to regional and international co-operation.

Documentation

- Our letters Nos. 91 and 92 accompanied complete lists of the documents and background papers issued before and during the Symposium, as well as during the Review Consultation on Pulp and Paper Development in Latin America held concurrently with the Symposium. The documentation was excellent although somewhat massive. More than 75 documents, some of them of considerable length, were handed over to each delegation. However, two of these constituted the basic documents for discussion. These were: The process of industrial development in Latin America (in three volumes), and The principal sectors of Latin American industry: problems and prospects (in two volumes and available in Spanish only). The other documents

...2

consisted of studies prepared by ECLA's secretariat on industrial sectors or on specific problems relating either to the manufacturing sector as a whole, or to particular industrial branches; documents submitted by the U.N. Centre for Industrial Development on general industrialization problems; national studies or reports prepared by the countries concerned, and some reports submitted by Inter-American or international bodies.

4. One third of the documents and reference papers were available in the English language.

Canadian Participation

5. Canada was represented by R.E. Gravel, Commercial Counsellor, assisted by Zen W. Burianyk, Third Secretary Commercial, both of the Canadian Embassy in Santiago. Dr. W.E. Havilland, economist, Canadian Pulp and Paper Association and Newsprint Association of Canada, served as advisor to the Canadian Delegation on the Review Consultation on Pulp and Paper Development in Latin America. No interventions were called for by the Canadian Delegation, as the seminar was confined to a review of industrial development in Latin American countries and an exchange of technical experiences and views on the major obstacles in accelerating this development.

Participation of Other Delegations

6. In addition to Latin American representation (fifteen delegations, two absences), there were the usual delegations from the U.S.A., France, Britain, and the Netherlands. Of these, the most active were France and the Netherlands. The U.S. Delegation, headed by Robert E. Simpson, Director, Office of International Regional Economics of the U.S. Department of Commerce, intervened on matters of routine. Trinidad and Tobago also sent a delegation. The most talkative delegations were those of Mexico, Brazil, and Argentina, and of course Cuba. Because of the excessive amount of time spent in the delivery of various country papers, there was very little time left for discussion, at least in the plenary sessions.
7. The following countries were represented by observers appointed from their Santiago missions: Belgium, Spain, Japan, Poland, Rumania and Yugoslavia. In addition to being represented by local mission personnel, Sweden, the U.R.S.S. and Cæchoslovakia sent special observers from home. United Nations agencies were represented by twenty observers, while other international organizations sent eleven observers. Special guests of the Symposium included representatives of ADELA, of ILAPA (Latin American Iron and Steel Institute), and of the U.S.A. Development and Resources Corporation.

Election of Officers

8. At the first plenary meeting held on March 14, the following officers were elected:

Chairman: Salvador Lluch (Chile)
1st Vice-Chairman: Hélio Schlittler (Brazil)
2nd Vice-Chairman: Rigoberto Navarro (Costa Rica)
Rapporteur: Antonio Ledesna (Venezuela)

Mr. Nuno Fidelino de Figueiredo, Director of the Joint ECLA/UST/IDB Programme on the Integration of Industrial Development, acted as Director of the Symposium.

Working Groups

9. The heads of delegations agreed to set up two working groups to consider Section II of the Agenda: "Present situation, problems and prospects of the main industrial sectors". The first group dealt with the basic metals industries (steel and aluminum) and the metal-transforming industry, while the second group studied the chemical and textile industries.
10. In addition, a group established at the Consultative Meeting on the Development of the Pulp and Paper Industry met on March 17 through March 22.
11. The comments and observations which follow were taken in great part from the draft report of the Symposium.

Agenda

I Evaluation of industrialization in Latin America, and future outlook

1) Latin American industry: past evolution and present characteristics

12. Papers were presented by thirteen Latin American countries dealing with the historical establishment and development of industry in each country. It appears from these papers that the evolution of industrial development in Latin America has always been determined largely by the need for import substitution. In recent years, however, this process has shown signs of weakening in most countries and although import substitution has been an unavoidable necessity, some of the results have been unsatisfactory, as for instance the creation of monopolies, the production of undesirable luxury items, and undesirable range of

products and models by individual industrial establishments. Nevertheless, Latin American countries have reached a stage where, in spite of individual differences, they have some features in common such as the inefficient use of industrial capital, the excessive diversification of production, the inadequate training of the labour force, the use of unsuitable technologies with resulting high costs and prices, and the low level of consumption, the inability to compete in foreign markets, and lastly the inadequacy in creating sources of employment in relation to the explosive growth of population.

13. The process of industrial development of Latin America is taking place against a background of the world's fastest population growth, swift urbanization, slow growth in the agricultural sector, marked inequality of income, and violent fluctuations in foreign trade.

2) Industrialization policy and future prospects

14. Several delegates commented on the high costs and prices of the region's manufactured products, due not only to the inefficient use of industrial capital and the high percentage of idled installed capacity, but also to problems of scale of production and the defects in infrastructure, especially transport and energy. In some cases the high price of raw materials was mainly to blame for the high costs of manufactured products. These high costs of production make it almost impossible to compete in foreign markets.
15. Protectionist measures also had adverse repercussions. By constantly maintaining high levels of protection without adapting them to the changes in the economic development process, they had led to conditions in the smaller markets in which domestic competition was either limited or non-existent, and to a lack of incentives to increase production efficiency. As a result, domestic market prices often soared to exaggerated heights and the goods manufactured were of low quality.
16. Although substitution possibilities are not as yet completely exhausted and there still is a wide range of products which could be produced locally in several countries, the size of the domestic markets constitute a serious limitation, above all in relation to cost. It was nevertheless considered that the import substitution process could continue in respect of items from outside the region which could be replaced by items produced locally at scales of production that

...5

would take into account the market of all the Latin American countries as a whole. That would mean a considerable increase in trade in manufactures among the countries of the region, and therefore a fresh stimulus to industrial development. Continuation of the import substitution process along these new lines would require the gradual economic integration of all the Latin American countries. Hence it is that regional integration has become an indispensable requisite for the continuance and recrudescence of industrial expansion in Latin America.

3) Industrial development programming: institutions and instruments

17. Several delegations compared notes on the experience of their countries. It was clear that although industrial development plans shared certain essential features in common, the nature and even the significance of their institutional and administrative aspects differed from one Latin American country to another. While in some substantial progress has been made in the establishment of a planning system, in others only piecemeal action was being taken in that field. The level and organization of the planning unit also varied widely. In some instances, there were considerable dissimilarities in the machinery for the execution of the plans, determined by the particular conditions prevailing in the countries concerned. The same is true of regional programming at the national level.
18. In the course of the general discussion, stress was laid on two points, one relating to the participation of the private sector in industrial planning, and the other to the links that should exist between the agencies that formulated industrial programmes, those that promoted or executed them, and those that manipulated the various instruments of industrial policy.
19. The representative of France offered to share the integration experience his country had acquired in the European Common Market and the European Coal and Steel Community. With regard to the world market problems deriving from trade among countries and regions at different levels of economic development, France and Belgium had jointly proposed at Geneva in 1964 a set of logical and consistent measures designed to stabilize the market for basic commodities through the adoption of appropriate market organization patterns.

II Present situation, problems and prospects of the main industrial sectors

1) Basic metals industry

a) the steel industry:

20. The discussions on the steel industry were mainly based on a document submitted by ECLA which presents an overall picture of the existing situation and immediate prospects of Latin America's steel industry.

b) the aluminum industry:

21. The documents used as a basis for the discussions indicated the favourable prospects of development for this industry within the region and the importance for it of regional market integration based on large-scale production.

22. The main conclusion of the study is that as the ~~region has more than enough energy and raw materials for the successful and vigorous development of primary aluminum production, several of the Latin American countries could expand this industry on an economic basis, and achieve similar price levels to those prevailing in the domestic markets of the highly industrialized countries.~~

2) The chemical industry

23. If the process of integration in this industrial sector were channelled along the right lines--in particular by the countries whose chemical industries reached an important stage of development in the last few years (Argentina, Brazil, Mexico and Venezuela), and those where the continuity of development would be furthered by regional integration--efforts should also be made to intensify the development of industry as a whole in order to revive and invigorate the external sector of the different economies as one of the tools for achieving economic and social progress.

3) The pulp and paper industry

24. This item will be the subject of separate reports.

4) The metal-transforming industry

25. It was recognized that the measures and action that would have to be adopted for the development of

this industry, on both the national and regional plans, coincided with those contained in the ECLA document presented for the consideration of the Symposium.

26. These measures relate, particularly on the domestic side, to the organization of manufacturers on co-operative lines as a means of making better use of the installed production facilities, encouraging the sub-contracting of services, amplifying the existing knowledge of the possibilities for domestic manufacture and turning the technical resources to better account; to the adoption of a policy for promotion of the local design of equipment in line with the standards and specifications that permit interchangeability. On the regional side--through co-operation between countries--steps would have to be taken to promote co-operation between national producers' associations; to establish a system of regional preference for the purchase of industrial equipment and gradually to reduce or eliminate the tariff and other barriers obstructing trade. Again on the regional side--through Interamerican co-operation and development agencies--action would be needed to carry out studies of demand and supply for the region as a whole; to promote the transfer of know-how, building-up of the regional engineering and the establishment of manufacturing standards and specifications.

5) The textile industry

27. The scale of textile consumption in Latin America can best be conveyed by the figures on its volume and value. In 1965 estimated consumption was slightly over a million tons, and its value at factory prices had been over 4,000 million dollars. These figures show the industry's importance, since 90% of the region's consumption is based on local production.
28. During the discussion, consideration was given to various forms of a programme for the textile sector in terms of direct participation by the Government and by the entrepreneurial sector, in consultation with industry. Most countries considered that although the Government should draw up the general lines of the programme and the criteria underlying it, the industry itself should be mainly responsible for putting it into effect. It could rely on the assistance of the Government in such

matters as credits, the granting of import facilities for machinery, and other measures related to taxes, such as the granting of tax exemptions for those enterprises that take part in the programme. The group considered that the programme should be carried out with the assistance of the local agencies concerned with the various aspects of it, such as institutes for fibre research, productivity centres, agencies for professional and vocational training, and credit agencies, among others. Similarly, most of the group considered that international technical assistance provided through the specialized agencies concerned with the various aspects of the programme could make a valuable contribution, and that international financial agencies could also assist.

III Problems relating to financing, exports, and small industry

1) Credit for industrial expansion

29. The participants agreed that the industrial development of the Latin American countries had been limited by insufficient capital formation in the industrial sector. That, in turn, was due to the insufficient reinvestment of the funds generated by the industrial enterprises and the weakness of the stock markets and the credit machinery.
30. The representatives of Colombia and Argentina stated that a substantial volume of funds was siphoned away from the developing countries through various channels to the industrial countries, thus depriving Latin American industry of valuable opportunities. The representative of Colombia said that his country was considering the establishment of an organization that would be responsible for recovering such funds, and suggested that action on these lines should be taken on a multinational or regional basis. It was agreed that the suggestion should be passed on through the Secretariat, to the United Nations Conference on Trade and Development.
31. The representative of IDB stated that the external resources available were not being fully utilized, partly because of the shortage of properly-studied projects. That was why IDB had advocated the establishment of national preinvestment funds to finance programme and project-preparation studies. The IDB representative also alluded to some of the recommendations formulated at UNCTAD (Geneva 1964) in relation to the financial assistance extended by the industrialized to the developing countries. He referred

particularly to the one advocating that such co-operation should as far as possible permit the free use of external resources for the purchase of goods and services in those markets which offered the best terms in respect of prices, quality and delivery periods, including the markets of the recipient and other developing countries. He also recalled the recommendation that at the request of the recipient country the role of national development institutions should be taken into account in the channelling of funds obtained from external sources, and reminded the meeting that it was not being complied with. The Conference had earnestly requested that a proportion of the financial assistance granted should be extended to developing countries, when feasible and appropriate, through such regional agencies as IDB and the African Development Bank, or in association with them.

32. There was a consensus of opinion on the desirability of increasing the share of goods and services produced by Latin American countries in the purchases effected with external loans, whether the latter came from international institutions or from agencies in developed countries.

2) Exports of manufactures to the rest of the world

33. Discussions on this item did not as might have been expected touch on the question of preferences by developed countries for the exports of manufactures from developing countries. The ECLA Secretariat presented a summary of the reasons for Latin America's special interest in exporting manufactured goods. This was followed by accounts of the Mexican and Brazilian experiences in the field. The representative of Cuba underlined the difficulties in the way of seeking new paths for proceeding with the economic development process, once the possibilities of import substitution had been exhausted, and expressed doubts as to the prospects of both exports of manufactures to other parts of the world and the achievement of a genuine regional integration, owing to the structure of the economic system which placed the developing countries at a disadvantage.

34. The representative of the IDB described the regional system for financing exports of capital goods, established in 1964. Since it was the first experience of a regional nature in the world, it should be regarded as a pilot programme, which at present was limited in scope and would be subject to changes as it was gradually adapted to trade patterns in the Latin American countries.

35. Lastly, the Secretariat gave a summary of the resolutions adopted by the Manufactures Committee of UNCTAD at its last session. The drafts submitted for its approval included a proposal to establish ad hoc working groups for industrial sectors, consisting of representatives of both the developed and developing countries, with the aim of determining the future trends of the trade in manufactures and the possibilities that could be created, by appropriate measures, of developing exports of those products of the developing countries whose competitive advantage and market possibilities justified their being given priority. At the same meeting it had been agreed that the first group formed would relate to forest products, including pulp and paper.
- 3) The small enterprises in Latin American development
36. The representatives of the various countries agreed in attributing a dynamic role to small industry in the industrialization process of the developed countries, and noted that because of the way its characteristics had evolved it had been able to adapt itself to a consolidated industrial system, in which it occupied an important role.
37. It was reported that a seminar on Small Industry was scheduled to be held in Quito in the second half of the current year, under the sponsorship of ECLA and the Bureau of Technical Assistance Operations (BTAO) at which an attempt would be made to review at the regional level, for the first time in Latin America, the present situation of small industry in the various countries.
38. The discussion of the role of the small enterprise in the development of Latin America would comprise such important questions as the part that should be played by that sector in generating employment opportunities within the industrial development process; the types and branches of small-scale industry that should be encouraged in view of their technological and economic characteristics; the most appropriate technical assistance objectives and instruments; the possibilities of adapting special technologies to the characteristics of the sector, within the limits set by modern technique; the improvement of basic statistics; and the research that should be conducted in the field of small enterprises.

IV. Problems relating to the transfer of technical know-how, applied technological research and technical assistance

1) The transfer of technical know-how from abroad and the adaptation of processes and machinery to Latin American conditions

39. It was agreed that to ensure a more rapid absorption of technical know-how from abroad, it would be necessary to increase the skills of the local labour force, which could be done not only within industry, but also at educational centres.

2) Technological research of industrial application

40. Broadly speaking, it might be stated that no research institute in the developing countries could cover its costs with the result of its work, and that all of them needed large subsidies that should be provided almost entirely by the Government concerned. Consequently, it was agreed that it is necessary to arouse the enthusiasm of the Governments, international institutions, universities and industry itself if technological research is to be promoted.

3) Technical assistance for industrial development

41. The growing importance accorded to technical assistance, both in its bilateral and in its multilateral forms, was clearly evidenced in the discussions and statements of the participants.

42. The data available on the amount of technical assistance received by Latin America, both in absolute terms and in relation to other regions, although incomplete, sufficed to show that the share falling to the region was not commensurate with its requirements.

43. The Latin American countries had received about 11% of the total technical assistance resources officially provided by the OECD organization, of which Canada is a member, whereas their peoples represented 15% of the total population normally receiving assistance from the industrialized countries concerned. According to the same estimates, barely 4% of the experts and advisory service personnel discharged their functions in Latin America.

44. There was a consensus of opinion that the volume and nature of the technical assistance made available to the Latin American countries for purposes of industrial development should be revised in the light of the vital importance attaching to industrialization as a means of achieving more rapid economic growth.

45. With regard to patterns of technical assistance, despite the frequent preference shown by most countries for bilateral forms of such aid, the view was expressed that the problem should be analysed very carefully with regard to the special advantages offered by multilateral procedures, in terms of more efficient utilization of the resources made available, possibilities of directing the assistance provided to better purpose, and, above all, less recourse to "tied" forms of aid, etc., although it was recognized that a direct relation between two Governments might also have its advantages.
46. A compromise was represented by a practice which is becoming widespread, and which consists in ad hoc co-operation on the part of several donors for the purposes of one or more projects (aid consortia), as well as by the channelling of bilateral contributions through multilateral agencies, although as in the previous case, the identity of the donor country would still be maintained, and in addition, clearly-defined objectives would be established with regard to the fields of application of the assistance. The Secretariat considered that such a procedure would combine some of the advantages inherent in both bilateral and multilateral types of aid. A case in point was that of Canada, which channelled all its financial assistance to the region--and the technical assistance that went with it--through the Interamerican Development Bank.
47. The participants agreed that it was more satisfactory both for donors and recipients if technical assistance for industry were requested and accorded as an integral part of a sectoral development programme. In other words, the "programme approach" definitely took precedence over the "project approach".

V The International Symposium on Industrial Development (1967) and Industrial Development in Latin America

48. The Symposium neither took decisions nor adopted formal recommendations, but expressed the following views in connection with the World Symposium:
49. 1) The aim of the International Symposium should be to review the various instruments of international co-operation for the purpose of expediting industrial development and to suggest new forms of co-operation, should it deem them necessary and expedient.
50. 2) Accordingly, an exchange of information on experience at the national and regional levels should be taken as part of the background material relating to the problem. The relevant documents, in which the

experience in question would be described and analysed, would be circulated beforehand, although they would not be discussed at the Symposium, but used solely for purposes of reference and illustration.

51. 3) The presentation and discussion of methodologies for the programming of industrial development in the developing countries ought to be excluded from the objectives of the Symposium.
52. 4) Each country should appoint delegations whose status was such that they would be fully accredited to speak in the name of their respective countries on specific commitments.
53. 5) The agenda ought to be focussed on international co-operation, excluding both discussion of experience at the national level, and purely methodological and analytical questions. It might therefore consist of three major sections:
 54. a) The first would relate to analysis of the specific problems connected with the acceleration of industrial development, such as transfer of know-how, credit facilities, training etc. The object of this section would be to formulate a diagnosis of the problem, so as to pave the way for discussion of the relevant international co-operation measures.
 55. b) The second part, concerned with the major branches of industry, would comprise diagnoses of each of those branches at the world level, covering a balance sheet of current and future supply and demand, an indication of world trade characteristics and trends, and an account of the most important basic problems obstructing the development of the branch concerned.
 56. c) The third part would be dedicated to the discussion of the necessary corrections and expansions in international co-operation in the field of industrial development, or measures of international co-operation themselves.
57. 6) Desirability of exploring the possibility of preparing or defining a common stand by the Latin American countries in relation to the items to be dealt with by the International Symposium. There was general endorsement that the ECLA Secretariat should hold informal consultations with the member Governments of the Commission in order to study the possibility of adopting a common Latin American position.

58.

7) Consultations with member Governments should be undertaken by the Secretariat through the medium of the liaison officers appointed for the Regional Symposium.

59.

8) The states members of the Commission that have not been represented at the Regional Symposium should be included in these consultations.

60.

9) The common Latin American position should be defined in a document to be submitted for the consideration of the Commission at its Twelfth Session to be held in Caracas, in May 1967.

61.

10) Lastly, the documents for the International Symposium should be primarily a compendium of existing factual and statistical information, with new studies reduced to a minimum.

R. E. GRAVEL

The Embassy.

cc: T&C (LA DIV.) MR. BULL
LA DIV.
PERS. OPS. DIV.
FINANCE DEPT.

35-20-ECLA
36 —

OTTAWA, April 15, 1966

Sir:

On behalf of the Secretary of State for External Affairs, I have the honour to acknowledge receipt of your letter of April 1, 1966 inviting the Canadian Government to send representatives to attend the Eleventh Session of the Committee of the Whole (ECLA) which will be held in Santiago from May 10 to 12, 1966.

I shall inform you as soon as possible of the names of the persons who will constitute the Canadian Delegation to this Session of ECLA.

Accept, Sir, the renewed assurances of my highest consideration.

Yours sincerely,

J. C. LANGLEY

Under-Secretary of State
for External Affairs.

Senor José Antonio Mayobre,
Executive Secretary,
United Nations Economic Commission
for Latin America,
Av. Providencia 871,
Casilla 1790,
Santiago, Chile.

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EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

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TO
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Mr. A.E. Ritchie

FROM
De Economic Division

REFERENCE
Référence

SUBJECT ECLA's Eleventh Session of the Committee of the Whole.
Sujet

SECURITY
Sécurité

UNCLASSIFIED

DATE

April 15, 1966

NUMBER
Numéro

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	36

ENCLOSURES
Annexes

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T & G (LA Div)
(Mr. Bull)

LAT. AM. DIV.

PERS. OPS. DIV.

FINANCE DEPT.

The Executive Secretary of the Economic Commission for Latin America (ECLA) has advised us that ECLA's Eleventh Session will be held at the headquarters of the Commission in Santiago, Chile from May 10-12, 1966. He stated that the main item on the agenda will be "the review and adoption of the annual report of the Commission to the Economic and Social Council". (A copy of the letter from the Executive Secretary of ECLA is attached along with a provisional agenda.)

2. The Department of Trade and Commerce has advised us that they would consider making available for this Session, Mr. R.E. Gravel, Commercial Counsellor, Santiago, Chile. Mr. Gravel attended the 11th Plenary Session of ECLA in Mexico last year and is already well familiar with the Commission's work and Latin American economic and trade problems. Such limited briefing as may be required for the delegation will be prepared when the conference documents are received.

3. We should like to suggest, that the Canadian Delegation to this ECLA Session be composed as follows:

M.G.B. Summers, Canadian Ambassador to Chile
R.E. Gravel, Commercial Counsellor, Santiago, Chile

4. Do you agree?

5. Our delegation to the previous session of the Committee of the Whole was also headed by our Ambassador to Chile, Mr. M.G.B. Summers.

[Signature]
Economic Division

19.4.79/us)

UNITED NATIONS
ECONOMIC COMMISSION FOR LATIN AMERICA



NATIONS UNIES
COMMISSION ÉCONOMIQUE POUR L'AMÉRIQUE LATINE

NACIONES UNIDAS
COMISIÓN ECONÓMICA PARA AMÉRICA LATINA

Av. Providencia 871
Casilla 179 D.
SANTIAGO, CHILE

REFERENCIA: ORG 411 (1) XI

CABLE: UNATIONS

1 April 1966

SECRET
GENERAL SECRETARIAT
UNITED NATIONS

Sir,

I have the honour to advise you that the eleventh session of the Committee of the Whole of ECLA will be held at the headquarters of the Commission, at Santiago, Chile, from 10 to 12 May 1966.

I take pleasure in inviting your Government to send representatives to this session, and I should be very grateful if you would communicate to this secretariat at your earliest convenience the names of members of your country's delegation.

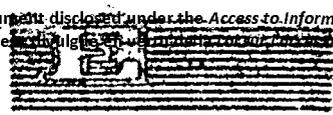
The main item on the attached provisional agenda is the review and adoption of the annual report of the Commission to the Economic and Social Council.

I am sending, under separate cover, the documents that will be submitted at the above-mentioned session of the Committee of the Whole.

Accept, Sir, the assurances of my highest consideration.

José Antonio Mayobra
Executive Secretary

His Excellency
The Hon. Paul James Martin
Secretary of State for Foreign Affairs
Ottawa, Canada



UNITED NATIONS
ECONOMIC
AND
SOCIAL COUNCIL



GENERAL
E/CN.12/AC.58/1
29 March, 1966
ORIGINAL: SPANISH

ECONOMIC COMMISSION FOR LATIN AMERICA
Committee of the Whole
Eleventh session
Santiago, Chile, 10 to 12 May 1966

PROVISIONAL AGENDA

1. Opening addresses
2. Election of officers
3. Adoption of the agenda
4. Report of the secretariat on the activities of the Commission

Documents:

Draft annual report of the Commission to the Economic and Social Council. Part I. (E/CN.12/AC.58/2)

Note by the secretariat on resolutions of concern to the Commission adopted by the General Assembly at its twentieth session and by the Economic and Social Council at its thirty-ninth session (E/CN.12/AC.58/4)

5. Central American Economic Integration Programme

Documents:

Report of the ninth session of the Central American Economic Co-operation Committee, held at Guatemala, 25 to 31 January 1966 (E/CN.12/AC.58/3)

6. Latin American Institute for Economic and Social Planning

Documents:

Note by the ECLA secretariat on the past history and future of the Latin American Institute for Economic and Social Planning (E/CN.12/AC.58/5)

/Past development

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

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TO
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The Under-Secretary of State for
External Affairs, Ottawa

TO: *Robert*
FILE APR 25 1966
REGISTRY 066

SECURITY
Sécurité

Unclassified

FROM
De

The Embassy, Santiago, Chile

DATE

April 15, 1966

REFERENCE
Référence

Dr. J.A. Mayobre's letter of
to the Hon. Paul Martin

NUMBER
Numéro

114

SUBJECT
Sujet

ECLA - ELEVENTH MEETING OF THE COMMITTEE OF
THE WHOLE - SANTIAGO, MAY 10 - MAY 12, 1966

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	40 35-LATAM-20 40

ENCLOSURES
Annexes

2 sets of
documents

DISTRIBUTION

Trade and
Commerce
(Latin
American
Division)

with 1 set
of documents

We are enclosing a provisional agenda together with a set of the documents which have so far been issued by the ECLA in connection with the Eleventh Meeting of the Committee of the Whole in Santiago, May 10 - May 12, 1966.

You will note that three documents are not included: E/CN/12/AC. 58/3, 58/5, and 58/6. These documents have not as yet been issued by the ECLA. We shall forward them as soon as they are available.

We shall hope to be advised by you in the near future of the composition of the Canadian delegation to the above meeting.

W.C. Searell
The Embassy.

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CONFERENCIA DE MINISTROS DE EDUCACION Y MINISTROS ENCARGADOS DEL
PLANEAMIENTO ECONOMICO EN LOS PAISES DE AMERICA LATINA Y DEL CARIBE

Buenos Aires, 29 a 30 de Junio de 1966

(Convocada conjuntamente por la UNESCO y la CEPAL)

35-20-ECLA
36

Ref.: ORG 420 (2) UNESCO/CEPAL

Cables: UNATIONS

Dirección: Castilla 179-D -- Santiago

18 April 1966

Sir,

We have the honour to invite your Government to take part in the Conference of Ministers of Education and Ministers responsible for Economic Planning in the countries of Latin America and the Caribbean, to be held in the City of Buenos Aires, from 20 to 30 June 1966 under the joint auspices of Unesco and the Economic Commission for Latin America.

The purpose of this Conference, as defined in resolution 1.322 (a) adopted by the General Conference of Unesco at its thirteenth session, is "to facilitate the formulation of guiding criteria and principles to help Member States in Latin America in planning the development of education at the national level."

These criteria and principles and the programmes for action at the national, regional and international level which it is hoped that the Conference will recommend, will be based on an analysis of the progress made in the field of education by the countries of Latin America and the Caribbean and of the needs arising from their economic and social development plans and prospects. The Conference will also take into account the conclusions and recommendations of the Conference on Education and Economic and Social Development in Latin America (Santiago de Chile, March 1962), of other technical meetings recently held in the region and of the World Congress of Ministers of Education on the Eradication of Illiteracy (Teheran, September 1965).

The Conference will also be invited to formulate recommendations on the orientation of Unesco's subsequent educational programmes in Latin America and the Caribbean after the conclusion, at the end of 1966, of the Major Project on the Extension and Improvement of Primary Education in Latin America.

In view of the importance and complexity of the problems to be discussed at this Conference, at which an attempt will be made for the first time to lay down, at the highest level, the main lines of an educational development policy which will reflect the educational and development needs of the Member States of the region, we earnestly hope that your Government will be represented at the Conference by its Minister of Education and the Minister or Director responsible for economic planning.

His Excellency
The Hon. Paul James Martin
Secretary of State for Foreign Affairs

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MILLER ORIGINAL

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- 2 -

We are conveying to you herewith three copies each of a memorandum on the aims of the Conference and arrangements made for it (MINEDECAL/1), of the provisional agenda (MINEDECAL/2), of the annotated agenda for the Conference (MINEDECAL/3) and of the provisional rules of Procedure (MINEDECAL/4).

As the memorandum indicates, the arrangements for and financing of the Conference will be the responsibility of the Unesco and ECLA Secretariats, in cooperation with the Government of Argentina. The financial responsibility of the sponsors does not include payment of the travel costs and per diem allowances of the participants.

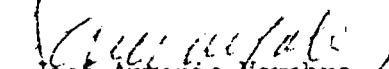
If, as we hope, your Government decides to accept this invitation, we should be most grateful if you could inform us, before 15 May 1966, of the names of your Government's delegates to the Conference.

Lastly, we venture to request that you ask the appropriate technical services to prepare a brief memorandum on the situation in your country as regards the matters raised in the Conference's agenda with statistical and descriptive annexes, and that you forward ten copies of this document to the Secretariat of the Conference - Casilla 179-D, Santiago, Chile - by not later than 15 May 1966.

Accept, Sir, the assurances of our highest consideration.



René Maheu
Director-General
Unesco



José Antonio Mayobre
Executive Secretary
Economic Commission for
Latin America

Distribution: limited

UNESCO/MINEDECAL/1
PARIS, 25 March 1966
Translated from the Spanish

UNITED NATIONS EDUCATIONAL,
SCIENTIFIC AND CULTURAL ORGANIZATION

CONFERENCE OF MINISTERS OF EDUCATION AND MINISTERS RESPONSIBLE
FOR ECONOMIC PLANNING IN LATIN AMERICA AND THE CARIBBEAN

(Convened jointly by Unesco and ECLA)

Buenos Aires, 20-30 June 1966

GENERAL BACKGROUND

Historical

1. For some years past and under its programme relating to the United Nations Development Decade, Unesco has been helping its Member States in the formulation of general policies for educational planning, integrated in the general plans for national development, through measures including the organization of regional conferences on the subject.
2. To that end, Unesco organized, in other regions of the world, conferences at Addis Ababa, for African States (1961); at Beirut, for Arab States (1962); at Karachi, for South East Asian States (1961); and, more recently, in co-operation with the United Nations Regional Economic Commissions for the regions concerned, the Conferences of Ministers of Education and Ministers responsible for Economic planning of Member States in Asia (Bangkok, November 1965) and in the Arab States (Tripoli, March 1966).
3. With regard to Latin America, Unesco and the Economic Commission for Latin America, convinced that educational planning and the planning of economic development are indissolubly linked, prepared and convened, in conjunction with the Organization of American States and in co-operation with the International Labour Organisation, the Food and Agriculture Organization and the World Health Organization, the Conference on Education and Economic and Social Development in Latin America, which took place in Santiago, Chile, in March 1962.
4. This Conference carefully studied the situation, needs and prospects of educational development in relation to economic and social development in Latin America and, on the basis of that study, made various recommendations concerning the extension and improvement of education, the integration of educational planning in economic and social planning, and international co-operation for the development of programmes of activity in those spheres.
5. Pursuant to the aforesaid recommendations, the Secretariats of Unesco and ECLA helped Member States of the region in the organization of educational and economic planning services and in the training of personnel for those services, besides, in general, advising on the preparation and implementation of development plans and programmes.

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MINEDICAL/1 - page 2

6. The General Conference of Unesco, at its thirteenth session (October-November 1964), authorized the Director-General to organize, in co-operation with the Economic Commission for Latin America, a Conference of Latin American Ministers of Education and Ministers responsible for Economic Planning, as a follow-up to the Santiago Conference held in March 1962 (13 C/Resolutions, 1.212 (b) and 1.322 (a)).

7. The Economic Commission for Latin America, at its eleventh session, adopted resolution 256 (XI), by which it authorized its Executive Secretary to seek ways and means of ensuring that the Commission's participation in the Conference would be at the level of co-sponsorship with Unesco.

8. The Executive Board of Unesco, at its 71st session (October 1965) noted with satisfaction that the Conference would be convened jointly by the two Organizations.

9. Lastly, Unesco and ECLA accepted the generous invitation of the Government of the Argentine Republic for the holding of the Conference in the City of Buenos Aires as well as its offer to contribute towards the financing of the Conference.

Purposes and nature of the Conference

10. In accordance with the above-mentioned resolutions, the chief purpose of the Conference is "to facilitate the formulation of guiding criteria and principles to help Member States in Latin America in planning the development of education at the national level". These criteria and principles, as well as the national, regional and international programmes of activity recommended by the Conference, will be based on a survey of progress in education made by the countries of Latin America and the Caribbean, and of the needs arising from those countries' plans for and prospects of economic and social development; account will be taken in them of the conclusions and recommendations of the Conference on Education and Economic and Social Development in Latin America (Santiago, Chile, 1962), of other technical meetings recently held in the region, and of the World Congress of Ministers of Education on the Eradication of Illiteracy (Teheran, September 1965).

11. The Conference will also make recommendations concerning the nature and trend of Unesco's future education programmes in the region following the termination at the end of 1966, of the Major Project on the Extension and Improvement of Primary Education in Latin America.

12. The Conference comes into Category II of the General Classification of the Various Categories of Meetings convened by Unesco, as adopted by the General Conference at its twelfth and thirteenth sessions, that is to say, the category of intergovernmental meetings other than international conferences of States.

Provisional Agenda

13. The provisional agenda of the Conference has been issued as a separate document (UNESCO/MINEDECAL/2) and dispatched to participants together with the letter of invitation.

Participants

14. In conformity with the decision adopted by the Executive Board of Unesco at its 71st session and with the regulations of the Economic Commission for Latin America, the Ministers of Education and Ministers or Directors responsible for economic planning of the following Member States and Associate Members of Unesco and ECLA will be invited to participate in the Conference.

Argentina, Bolivia, Brazil, British Eastern Caribbean Group, British Guiana, British Honduras, Canada, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, France, Guatemala, Haiti, Honduras, Jamaica, Mexico, Netherlands, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago, United Kingdom, United States of America, Uruguay and Venezuela.

15. All the other Member States and Associate Members of Unesco may be represented at the Conference by observers.

16. The Holy See will be invited to send an observer.

17. In conformity with the decision adopted by the Executive Board of Unesco at its 70th session (70 EX/Decisions), the United Nations and the organizations of the United Nations system will be invited to be represented at the Conference. The intergovernmental and non-governmental organizations mentioned in the list attached to the present document will also be invited to send observers.

18. The following organizations will be invited to send observers: the Organization of American States, the Inter-american Development Bank, the International Bureau of Education, the Ibero American Bureau of Education and the Organization for Economic Co-operation and Development.

19. The following private bodies: the Ford Foundation, Rockefeller Foundation and Carnegie Foundation will also be invited to send observers.

Working languages

20. The Conference documents will be distributed in Spanish, English and French.

In plenary meetings, and whenever possible in meetings of Commissions, simultaneous interpretation will be provided in these languages.

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Original As is

MINEDECAL/1 - page 4

Organization of the work

21. By their nature, some of the questions contained in the provisional agenda can suitably be discussed in plenary meetings, while others should first be dealt with in meetings of Commissions. Consequently, it is proposed to establish two Commissions, the work of the Conference being so planned as to avoid the holding of more than two meetings simultaneously at any given time.

Preparatory work

22. The organizations sponsoring the Conference are preparing a series of informatory and working papers to assist the discussion of the various items on the agenda. The former include summaries of the conclusions and recommendations of recent congresses, conferences and seminars that have a bearing on the central theme of the Conference.

23. Each of the Latin American and Caribbean countries has been asked to prepare a brief informatory paper (approximately 3,000 words) on its situation in regard to the questions contained in the agenda, accompanied by such statistical and descriptive annexes as may be thought necessary. It is earnestly requested that ten copies of these documents be transmitted to the Secretariat of the Conference (Casilla 179-D, Santiago) not later than 15 May 1966, and that each delegation bring to Buenos Aires thirty additional copies for distribution to participants. It is also hoped that, in each country, a Preparatory Committee will be appointed to study the agenda and working papers of the Conference.

Financing

24. Unesco and ECLA in co-operation with the Government of the Argentine Republic, will be responsible for the organization of the Conference and the provision of the services and facilities required for its efficient working. However, neither the Argentine Government, nor Unesco nor ECLA can defray the cost of delegates' travel to or stay in Buenos Aires. It is therefore requested that the necessary measures in this respect be taken by the governments of participating countries as well as by the governments, organizations and institutions which will be sending observers to the Conference.

Correspondence

25. All correspondence concerning the organization of, and preparatory work for the Conference should be addressed to:

Secretariat of the Conference of Ministers of Education and
Ministers responsible for Economic Planning in Latin America and the
Caribbean.

UNESCO/ECLA,
Avenida Providencia 871,
Santiago, Chile.

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MINEDECAL/1 - page 5

Cable address: UNATIONS MINEDECAL SANTIAGO DE CHILE.

A copy should be sent to:

The Director,
Department of School and Higher Education,
Unesco,
7 Place de Fontenoy,
Paris 7e,
France.

NEDECAL/ - page 6
Annex

ANNEX

LIST OF INTERNATIONAL NON-GOVERNMENTAL ORGANIZATIONS TO BE INVITED TO THE
CONFERENCE OF LATIN AMERICAN MINISTERS OF EDUCATION AND MINISTERS RESPONSIBLE
FOR ECONOMIC PLANNING

Category A

International Association of Universities
International Confederation of Free Trade Unions
International Co-operative Alliance
International Federation of Christian Trade Unions
International Federation of Workers Educational Associations
International Social Science Council
World Confederation of Organizations of the Teaching Profession
World Federation of Trade Unions (World Federation of Teachers' Unions)

Category B

Associated Country Women of the World
Catholic International Education Office
Commission of the Churches on International Affairs
International Alliance of Women
International Association for Educational and Vocational Guidance
International Association for Educational and Vocational Information
International Association for the Advancement of Educational Research
International Association of University Professors and Lecturers
International Association of Workers for Maladjusted Children
International Catholic Child Bureau
International Congress of University Adult Education
International Council of Women
International Council of Social Democratic Women
International Economic Association
International Federation of Children's Communities
International Federation of Free Teachers' Unions
International Federation of Organizations for School Correspondence
and Exchanges
International Federation of University Women
International League of Children and Adult Education
International Union for Child Welfare
International Union for the Scientific Study of Population
Inter-Parliamentary Union
World Alliance of Young Men's Christian Associations
World Organization for Early Childhood Education
World Union of Catholic Teachers
World University Service
World Young Women's Christian Association
Confederation of Latin American Educators

Distribution: limited

UNESCO/MINEDECAL/2
PARIS, 25 March 1966
Translated from the Spanish

UNITED NATIONS EDUCATIONAL,
SCIENTIFIC AND CULTURAL ORGANIZATION

CONFERENCE OF MINISTERS OF EDUCATION AND MINISTERS RESPONSIBLE FOR
ECONOMIC PLANNING IN LATIN AMERICA AND THE CARIBBEAN

(Convened jointly by Unesco and ECLA)

Buenos Aires, 20-30 June 1966

Provisional Agenda

1. Inauguration of the Conference
2. Election of the President
3. Adoption of the Rules of Procedure
4. Adoption of the Agenda
5. Election of the Vice-Presidents, of the Rapporteur General of the Conference and Chairmen of Commissions
6. Establishment of Commissions
7. Survey of progress made by the countries of the region in education and in the relevant sectors of economic and social development since the Conference of Ministers of Education in Lima (1956), and of the extent to which educational services are contributing to national development.
8. Prospects for the economic and social development of Latin America, and its needs in respect of the expansion of education and the training of human resources. Present and future availability of and demand for technical personnel and skilled manpower.
9. Reforms needed for the economic and social development of the countries of the region, in regard to the structure, quality and administration of their educational services, with particular reference to:
 - (a) general education as a prerequisite for specialized training of all kinds and at all levels;
 - (b) technical and vocational education;
 - (c) continuing education for young people and adults, and literacy programmes;
 - (d) training of personnel for the educational services.
10. Adoption of the Report of the Conference.

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tribution limited

UNESCO/MINEDECAL/3
PARIS, 25 March 1966
Translated from the Spanish

UNITED NATIONS EDUCATIONAL,
SCIENTIFIC AND CULTURAL ORGANIZATION

CONFERENCE OF MINISTERS OF EDUCATION AND MINISTERS RESPONSIBLE FOR
ECONOMIC PLANNING IN LATIN AMERICA AND THE CARIBBEAN

(Convened jointly by Unesco and ECLA)

Buenos Aires, 20-30 June 1966

ANNOTATIONS ON THE PROVISIONAL AGENDA

Item 6. Establishment of Commissions

dealt It is proposed to set up two Commissions, one for the questions to be dealt with under sub-paragraphs (a) and (d) of item 9 of the Agenda, and the other for the questions to be dealt with under sub-paragraphs (b) and (c) of item 9. Each Commission will establish such working parties as it may deem necessary.

Item 7. Survey of progress made by the countries of the region in education and in the relevant sectors of economic and social development since the Conference of Ministers of Education in Lima (1956), and of the extent to which educational services are contributing to national development.

The discussions on this item should provide the necessary background for the discussion of the following two items. The quantitative and qualitative survey of progress made in education, and of the extent to which education is contributing to the overall development of the countries concerned, will be based on definite information regarding educational development and those aspects of economic and social development which have a bearing on education; it will cover mainly:

(a) increase in school enrolment and in expenditure on education, compared with population growth and economic development since the end of the fifties.

(b) educational levels of the population according to the last censuses (in connexion with these two questions, separate data should be given in education for women and girls).

(c) evaluation of the Major Project and evaluation aspects of the conclusions of technical meetings held in the region since 1965;

(d) evaluation of the structure, line of policy and effectiveness of educational services, including the administration, planning and financing of such services, from the standpoint of their contributions to national development.

- n 8. Prospects for the economic and social development of Latin America, and its needs in respect of the expansion of education and the training of human resources. Present and future availability of and demand for technical personnel and skilled manpower.

The discussion of this item will be based on a series of projections relating to the economic and social development of the Latin American countries and including demographical data, the prospects of an increase in the national product and other significant variables, suppositions concerning the future course of the integration of regional development, etc. On this basis, efforts will be made to evaluate the needs implied by these projections in the matter of general education and technical training at the various levels and in relation to the different sectors of economic and social activity. Special attention will be given to consideration of the availability of and demand for technical personnel and skilled manpower, and to future requirements foreseeable in the light of the prospects of regional development.

- n 9. The reforms needed for the economic and social development of the countries of the region, in regard to the structure, quality and administration of their educational services, with particular reference to:

- (a) general education requirements for specialized training of all kinds and at all levels.
- (b) technical and vocational education;
- (c) continuing education for young people and adults, and literacy programmes;
- (d) training of personnel for the educational services.

The discussion of this item should provide the bases for the recommendations to be made under the following item. An endeavour will be made to determine the consequences of the existing situation, and of the projections discussed under the two previous items, for the future development of education in the countries of the region, as well as to show clearly the changes that are required in the structure of educational services, in the trend and quality of education, and in its administration and planning, to fit it to play an effective part in the promotion of economic and social development. Within this compass, and considering that the Conference will be of a policy-making rather than a technical nature, the discussion will be concentrated on the analysis of the problems raised under this item of the provisional agenda and on the consequences entailed by the solutions recommended for them, as regards the structure, quality and administration of education in the next few years.

9. (a) In connexion with the first problem, consideration will be given to the wider provision of general education and to its duration and content - matters deemed essential for the initiation of the various types of vocational, technical and professional training at all levels that are needed for the implementation of plans for economic and social development. Special attention will be paid to the improvement of science teaching, from first grades of general education, and to the provision of more opportunities for specialized training for women. To assist them in their study of this question, delegates will have before them the report of the Conference on the Application of Science and Technology to Development in Latin America and the report of the Meeting of Experts on Higher Education in Latin America.
9. (b) In the discussions on this subject account will be taken of the data and projections examined under Item 3 of the agenda. Consideration will therefore be given to the ways in which educational services should be extended and adapted to meet the technical and vocational training needs arising from the prospects of development in Latin America.
9. (c) The discussion on this question will turn on the relationship that should exist between the services which provide continuing education for young people and adults and the ordinary school system at all levels, as well as on the integration of literacy work in plans for economic and social development. Account will be taken of the conclusions of the International Conference on Public Education (Geneva, July 1965), of the World Congress of Ministers of Education on the Eradication of Illiteracy (Teheran, September 1965), and of the Regional Conference on the Organization and Planning of Literacy Programmes in Latin America and the Caribbean.
9. (d) In connexion with this problem, delegates will discuss the qualities that should characterize the pre-service and in service training of the personnel needed for the development of educational services, more especially teacher educators, inspectors, administrators, and specialists in the main educational problems.

UNESCO/MINEDECAL/4
PARIS, 25 March 1966
Original: English

UNITED NATIONS EDUCATIONAL,
SCIENTIFIC AND CULTURAL ORGANIZATION

CONFERENCE OF MINISTERS OF EDUCATION AND MINISTERS
RESPONSIBLE FOR ECONOMIC PLANNING IN LATIN AMERICA
AND THE CARIBBEAN

(Jointly convened by Unesco and ECLA)

Buenos Aires : 20 - 30 June 1966

PROVISIONAL RULES OF PROCEDURE

I. PARTICIPATION

Rule 1 - Chief participants

1.1. The following Member States and Associate Member States of the United Nations Educational, Scientific and Cultural Organization (Unesco) and the United Nations Economic Commission for Latin America (ECLA) invited to the Conference as decided by the Executive Board of Unesco in accordance with the provisions of the "Summary table of a general classification of the various categories of meetings convened by Unesco", shall be entitled to take part in the Conference with the right to vote: Argentina, Bolivia, Brazil, British Eastern Caribbean Group, British Guiana, British Honduras, Canada, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, France, Guatemala, Haiti, Honduras, Jamaica, Mexico, Netherlands, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago, United Kingdom, United States of America, Uruguay, and Venezuela.

1.2. The Member States and Associate Members of Unesco and ECLA referred to in paragraph 1.1 above shall be represented by their Minister of Education and by their Minister or Director responsible for Economic Planning or by alternates designated by the competent authority.

1.3. The Ministers of Education and Ministers or Directors for Economic Planning or their alternates may be accompanied by advisers and experts.

Rule 2 - Representatives and observers

2.1. Member States and Associate Members of Unesco other than those referred to in paragraph 1.1, may be represented by observers who may participate in the work of the Conference without the right to vote.

2.2. The Holy See shall be entitled to be represented by an observer without the right to vote.

2.3. The representatives of the United Nations and the organizations and agencies which form part of the United Nations system may participate in the work of the Conference without the right to vote.

2.4. Observers of intergovernmental organizations, international non-governmental organizations and foundations which have received an invitation from the convening organizations may participate in the work of the Conference without the right to vote.

MINED. /4 - page 2

II. ORGANIZATION OF THE CONFERENCE

Rule 3 - Elections

3.1. The Conference shall elect a President, four Vice-Presidents, a Rapporteur-General and Commission Chairmen.

Rule 4 - Subsidiary bodies

4.1. The Conference shall establish such main commissions and other subsidiary bodies as it may deem necessary for the conduct of its work. Membership of the main commissions will be the same as the Conference itself.

4.2. Subsidiary bodies other than the main commissions shall elect their own officers and the commissions shall elect their Vice-Chairmen and, if necessary, Rapporteur.

Rule 5 - General committee

5.1. The General committee of the Conference shall consist of the President, the Vice-Presidents, the Chairmen of the main commissions, and the Rapporteur-General.

5.2. The function of the General Committee shall be to co-ordinate the work of the Conference and of its subsidiary bodies and to fix the dates, hour and order of business of its meetings.

III. CONDUCT OF BUSINESS

Rule 6 - Duties of the President

6.1. In addition to exercising the powers which are conferred upon him elsewhere by the present Rules, the President shall open and close each plenary meeting of the Conference. He shall direct the discussions, ensure observance of these Rules, accord the right to speak, put questions to the vote and announce decisions. He shall rule on points of order and, subject to the present Rules, shall control the proceedings and the maintenance of order. He shall not vote.

6.2. If the President is absent during a meeting or any part thereof, his place shall be taken by one of the Vice-Presidents. A Vice-President acting as President shall have the same powers and duties as the President.

6.3. The Chairman and Vice-Chairman of any subsidiary body of the Conference shall have the same duties with regard to the body over which they are called upon to preside.

Rule 7 - Publicity of meetings

7.1. All plenary meetings and meetings of the main commissions shall be held in public unless the body concerned decides otherwise.

Art 8 - Quorum

8.1. At plenary meetings a quorum shall consist of a majority of the Member States and Associate Members referred to in Rule 1 which are represented at the Conference.

8.2. At meetings of subsidiary bodies, a quorum shall consist of a majority of the Member States and Associate Members referred to in Rule 1 which are members of the body in question.

Rule 9 - Order and time-limit of speeches

9.1. The President shall call upon speakers in the order in which they signify their wish to speak.

9.2. The President may limit the time allowed to each speaker if the course of the discussions makes this desirable.

9.3. The consent of the President must be obtained whenever an observer wishes to make a statement.

Rule 10 - Points of order

10.1. During a discussion, any delegation may raise a point of order; and such point of order shall be immediately decided upon by the President.

10.2. An appeal may be made against the ruling of the President. Such appeal shall be put to the vote immediately.

Rule 11 - Suspension, adjournment and closure

11.1. Any delegate may, at any time, propose the suspension, adjournment or closure of a meeting or of a debate.

11.2. Such a motion shall be put to the vote immediately.

11.3. The order of priority of such motions shall be as follows:

- (a) suspension of the meeting;
- (b) adjournment of the meeting;
- (c) adjournment of the debate on the question under discussion;
- (d) closure of the debate on the question under discussion.

Rule 12 - Resolutions and amendments

12.1. Draft resolutions and amendments may be proposed by the delegations of the Member States and Associate Members referred to in Rule 1 and shall be transmitted in writing to the Secretariat of the Conference which shall circulate copies to all delegations.

12.2. As a general rule, no draft resolution or amendment shall be discussed or put to the vote unless it has been circulated sufficiently in advance to all delegations in the working languages of the Conference.

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Rule 13 - Working languages

- 13.1. The working languages of the Conference shall be English, French and Spanish.
- 13.2. Speakers are, however, free to speak in any other language, provided they make their own arrangements for the interpretation of their speeches into one of the working languages.

Rule 14 - Voting

- 14.1. Each Member State and Associate Member referred to in Rule 1 shall have one vote in the Conference and in each of the subsidiary bodies on which it is represented.
- 14.2. Subject to the provisions of Rule 19, decisions shall be taken by a majority of the delegates present and voting.
- 14.3. For the purpose of the present Rules, the expression "delegates present and voting" shall mean delegations casting an affirmative or negative vote. Delegations abstaining from voting shall be considered as not voting.
- 14.4. Voting shall normally be by a show of hands or by standing.
- 14.5. When the result of a vote by show of hands or by standing is in doubt, the presiding officer may take a second vote by roll-call. A vote by roll-call shall also be taken if it is requested by not less than two delegations before the voting takes place.
- 14.6. When an amendment to a proposal is moved, the amendment shall be voted on first. When two or more amendments to a proposal are moved, the Conference shall first vote on the amendment deemed by the President to be furthest removed in substance from the original proposal, and then on the amendment next furthest removed therefrom and so on, until all the amendments have been put to the vote.
- 14.7. A motion is considered an amendment to a proposal if it merely adds to, deletes from or revises part of that proposal.

Rule 15 - Records

- 15.1. The results of the work and the recommendations of the main commissions shall be transmitted to the Conference in the form of reports.
- 15.2. The Conference shall adopt a final report on the results of its work, including such recommendations as it will have adopted.
- 15.3. After the close of the Conference, a report on the entire proceedings of the Conference shall be drawn up and published by the Unesco Secretariat. This final report will be prepared in consultation with ECLA.

IV. SECRETARIAT OF THE CONFERENCE

Rule 16 - Secretariat

16.1. The Director-General of Unesco and the Executive Secretary of ECLA or their representatives, shall participate in the deliberation of the Conference, without the right to vote.

16.2. The Director-General of Unesco, in consultation with the Executive Secretary of ECLA, shall appoint two officials to act as Secretary-General and Deputy-Secretary-General of the Conference as well as other officials who shall together constitute the Secretariat of the Conference.

16.3. The Secretary-General shall direct the staff required by the Conference for the successful accomplishment of its work.

Rule 17 - Duties of the Secretariat

17.1. It shall be the duty of the Secretariat to receive, translate and distribute documents, reports, resolutions and other official texts related to the work of the Conference. The Secretariat shall also provide for the interpretation of the discussions, participate in drawing up the reports of the Conference and perform all other work necessary for the smooth functioning of the Conference.

17.2. The Secretary-General, or a member of the Secretariat designated by him, may at any time, with the approval of the presiding officer, make to the Conference or its subsidiary bodies a statement on any question under discussion.

17.3. The Secretariat will assist the General Committee, as requested by it.

VI. ADOPTION AND AMENDMENT

Rule 18 - Adoption

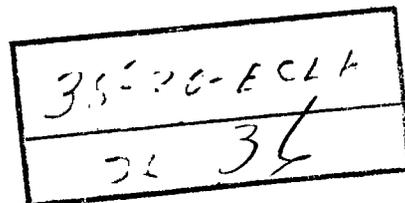
18.1. The present Rules of Procedure shall be submitted to the Conference for adoption.

Rule 19 - Amendment

19.1. The present Rules of Procedure may be amended by a two-thirds majority decision of the delegations present and voting in plenary meetings.

cc: UN Div.(Parry)

Economic/E Hébert/jc



OTTAWA, April 20, 1966.

The Deputy Minister,
Department of Industry.

The Deputy Minister,
Department of Labour.

The Director General,
External Aid Office.

The Deputy Governor,
Bank of Canada.

The Deputy Minister,
Department of Trade and Commerce.
Attention: Mr. Bull

The Deputy Minister,
Department of Finance.
Attention: Mr. MacPherson

Documents Presented at the ECLA Symposium for
Industrial Development, Santiago, March 14-25, 1966

... We are enclosing a copy of letter No. 92 dated April 4 which we received from our Embassy in Santiago, Chile, along with a complete list of the documents issued before and during the Latin American Symposium on Industrial Development held in Santiago from March 14 to 25, 1966. (A copy of the Delegation's report on the meeting is being referred to you separately.)

Would you kindly inform Mr. Hébert of Economic Division (2-3280) which of these documents, if any, you would wish to receive, so that we may inform our Santiago Embassy of our requirements.

(SGD) J. E. HYNDMAN
FOR THE

Under-Secretary of State
for External Affairs.

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ECLA SESSION

GRAVEL AND I WILL BE FREE TO ATTEND MTG MAY10-12. AT GRAVELS
SUGGESTION I RECOMMEND NAME OF ZEN BURIANYK BE ALSO ADDED TO
DEL FOR PURPOSES OF FAMILIARIZATION WITH THIS WORK. PLEASE ADVISE
AFTER DECISION ON DEL NAMES WHETHER YOU WILL ADVISE ECLA DIRECTLY
OR WHETHER NOTIFICATION SHOULD BE SENT BY EMB

E
Mr. Herbert

SUMMERS

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MESSAGE

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INFO	TANDCOTT				

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ECLA'S ELEVENTH SESSION OF CTTEE OF THE WHOLE

FOR THE AMBASSADOR

WE WOULD BE GRATEFUL IF YOU COULD BE OUR REP AT THE FORTHCOMING
 SESSION OF ECLA'S CTTEE OF THE WHOLE WHICH WILL BE HELD AT HEADQUARTERS
 OF THE COMMISSION IN SANTIAGO FROM MAY10-12. FOLLOWING CONSULTATION
 WITH TANDCOTT WE SHOULD LIKE MR. R.E. GRAVEL OF YOUR EMBASSY TO
 ASSIST YOU. PLEASE ADVISE IF YOU WOULD BOTH BE FREE TO ATTEND THIS
 MTG. BRIEFING MATERIAL WILL BE SENT TO YOU.

DISTRIBUTION
 LOCAL/LOCALE

PERS. OPS DIV.

LAT. AM. DIV.

NO STANDARD

ORIGINATOR/REDACTEUR	DIVISION	TELEPHONE	APPROVED/AUTORISE
SIG..... E. Hébert/jc/jel.....	Economic		SIG..... J. E. HYNDMAN J.C. LANGLEY.....

35-20-ECLA	
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DEPARTMENT
OF
INDUSTRY



MINISTÈRE
DE
L'INDUSTRIE

OFFICE OF THE DEPUTY MINISTER
CABINET DU SOUS-MINISTRE

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11*

Ottawa, April 22, 1966.

Mr. Hebert,
Economic Division,
The Under Secretary of State
for External Affairs,
East Block,
Ottawa, Ontario.

E	TO: <i>Hebert</i>
	APR 27 1966

J. 64

Dear Mr. Hebert:

Re: Documents presented by ECLA
Symposium for Industrial
Development, Santiago,
March 14-25, 1966

It would be appreciated if you would order a copy of each of the following documents issued before or during the Latin American Symposium on Industrial Development: -

- ~~L.2~~ The process of industrialization in Latin America.
- ~~L.28~~ Some problems of industrial development.
- ~~L.21~~ Food and food products industries.
- ~~L.5~~ Report of the seminar on the development of the chemical industry in Latin America.
- ~~L.4~~ The metal-transforming industry in Venezuela: an import substitution development programme.
- L.15 Issues in the financing of industrial development.
- ~~L.40~~ Prospects for Latin American pulp and paper exports to overseas.
- ~~L.53~~ Problems of automation in developing countries.

Yours truly,

J. C. Oliver,
Executive Assistant
to the Deputy Minister.

E

EXTERNAL AID OFFICE
OTTAWA 4



BUREAU DE L'AIDE EXTÉRIEURE
OTTAWA 4

*File
P.F.*

April 25, 1966.

Under-Secretary of State
for External Affairs,
East Block,
Ottawa, Ontario.

35-20-ECLA
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Attention: Economic Division

Documents Presented at the ECLA Symposium for
Industrial Development, Santiago, March 14-25, 1966

As requested in your letter of April 20, we have reviewed the list of documents which the Embassy in Santiago is prepared to obtain on request. We would be grateful if you would ask that the following documents be obtained and forwarded to the External Aid Office:

- L.2 The process of industrialization in Latin America
- ~~L.26~~ Some problems of industrial development
- ~~L.45~~ Industrial Development of Trinidad and Tobago
- ~~L.27~~ United Nations technical co-operation activities for industrial development
- ~~L.61~~ Training of Technical Personnel for industrialization in the developing countries
- ~~L.55~~ I.L.O. productivity and management development programs in Latin America
- ~~L.42~~ A note on technical co-operation in the field of industrial development of DAC member countries with Latin America
- L.62 Background information on AID's activities in the field of industrial development in Latin America

[Signature]
Director General.

Mr. H. G. ... (F. ...)
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 REGISTRY
 APR 27 1966
 UNCLAS

FILE	DATE	MESSAGE NO.	SECURITY
22-47	APR 26/66		UNCLAS
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TO TANDC MONTEVIDEO			ROUTINE
INFO SANTIAGO (R.E. GRAVEL)			35-20-ECLA
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SUBJECT

SHAPIRO DE BULL
 SUMMERS, GRAVEL AND BURIANYK HAVE ALREADY BEEN NAMED
 TO CDN DELEGATION TO ELEVENTH SESSION OF ECLA
 COMMITTEE OF THE WHOLE MEETING IN SANTIAGO MAY 10 TO
 12. WE HAVE SINCE RECEIVED PROVISIONAL AGENDA AND
 BACKGROUND PAPERS FOR SESSION AND NOTE THAT CONSIDERABLE
 REFERENCE IS MADE TO LAFTA ACTIVITIES. CONSEQUENTLY
 WE WOULD APPRECIATE IF YOU COULD ALSO ARRANGE TO JOIN
 DELEGATION. WHILE SANTIAGO OFFICE WILL BE RESPONSIBLE
 FOR OVERALL REPORT WE WOULD BE GRATEFUL FOR YOUR
 COMMENTS ON LAFTA ASPECTS.

2. PLEASE ARRANGE ACCOMMODATION AND OTHER DETAILS DIRECTLY
 WITH GRAVEL.

3. EXTERNAL WILL CONFIRM YOUR APPOINTMENT TO DELEGATION
 TO SUMMERS.

1ST ORIGINAL AVAILABLE
 MILLER ORIGINAL

STOP HERE WITH ELITE TYPE

STOP HERE WITH PICA TYPE

LOCAL DISTRIBUTION	EXTERNAL OTT		
ORIGINATOR	DIVISION	TELEPHONE	APPROVED
R.A. Bull	LATIN AMERICAN	2-7641	000645
			R.A. BULL

SECRET

UNCLASSIFIED

filed

April 26, 1966.

SEEN BY THE MINISTER

35-20-ECLA
36

MEMORANDUM FOR THE MINISTER

ECLA's Eleventh Session of the
Committee of the Whole

*letter signed &
forwarded
2/5/66*

...

Attached for your signature, if you agree, is a letter to Dr. Mayobre, Executive Secretary of the United Nations Economic Commission for Latin America (ECLA) advising him of the composition of the Canadian Delegation to the ECLA's Eleventh Session of the Committee of the Whole. Dr. Mayobre's letter to you dated April 1 is also attached. The proposed delegation has been discussed with and has the concurrence of the Department of Trade and Commerce. Mr. Summers has also been consulted and would be free to head our delegation.

2. Canada became a full member of ECLA in October 1961, and has participated regularly at its sessions and committee meetings since then. ECLA is one of the four regional economic commissions of the United Nations. Its membership is open to all the countries of North and South America, together with Great Britain, France, and The Netherlands which have territories in this hemisphere.

3. ECLA is concerned primarily with the trade and development problems of the Latin American countries, as well as of Jamaica and Trinidad and Tobago which recently joined the organization. The main subject to be considered at this session is the review and adoption of the annual report of the Commission to the Economic and Social Council.

[Handwritten signature]

M.C.
M.C.

*my
28.4.24/051*

MINISTERS OFFICE
-E-
APR 28 1966
-1329-

MESSAGE

FM/DE	EXTERNAL OTT	DATE	FILE/DOSSIER	SECURITY
		APR27/66	35-20-ECLA S' 5	SECURITE
TO/A	SANTIAGO	NO		PRECEDENCE
		E-1397		IMMED
INFO	MONTEVIDEO TANDCOTT(BULL)			

REF ~~RESESSION~~ YOURTEL 27 APR22

SUB/SUJ ECLA SESSION

FOR AMBASSADOR:

WE ARE SENDING FORMAL REPLY TO DR. MAYOBRE SIGNED BY MINISTER
 INFORMING HIM OF COMPOSITION OF CDN DEL TO ELEVENTH SESSION OF ECLA
 CTTEE OF THE WHOLE. BURLIANYK HAS BEEN ADDED AT YOUR SUGGESTION AND
 AT REQUEST OF TANDCOTT. B. SHAPIRO, COMMERCIAL COUNSELLOR, MONTEVIDEO,
 HAS ALSO BEEN ASKED TO JOIN DEL. WE HAVE ASSUMED THIS WOULD MEET
 WITH YOUR CONCURRENCE.

DISTRIBUTION LOCAL/LOCALE L.A. DIV.

PERSONNEL OPS DIV.

NO STANDARD

ORIGINATOR/REDACTEUR	DIVISION	TELEPHONE	APPROVED/AUTORISE
SIG..... J. E. HENNINGMAN/E. HEBERT/jc.....	ECONOMIC		SIG..... J. E. HENNINGMAN.....J. C. LANGLEY.....



DEPARTMENT OF TRADE AND COMMERCE
MINISTÈRE DU COMMERCE

35-20-ECLA	
40	40

FILE NO.
DOSSIER

22-47

OTTAWA, April 29, 1966.

E	TO: Hébert
	MAY 5 1966
	REGISTRY

*File
PP
J-65*

Mr. E. Hébert,
Economic Division,
Department of External Affairs,
Room 334 Langevin Block,
OTTAWA, Ontario

Dear Mr. Hébert:

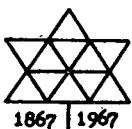
We would appreciate receiving copies of the following documents presented at the ECLA Symposium for Industrial Development.

- ~~L.2~~ - The process of industrialization in Latin America
- ~~L.28~~ - Some problems of industrial development
- ~~L.29~~ - La economía siderúrgica de América Latina
- ~~L.26~~ - Perspectivas del desarrollo de la industria del aluminio primario en América Latina y posibilidades de integración regional
- ~~L.5~~ - Report of the seminar on the development of the chemical industry in Latin America
- ~~L.30~~ - La industria petroquímica en América Latina: evolución y perspectivas
- ~~L.32~~ - El papel y la celulosa en América Latina: situación actual y tendencias futuras de su demanda, producción e intercambio
- ~~L.15~~ - Issues in the financing of industrial development
- ~~L.58~~ - The experience of the World Bank Group in financing industrial development in Latin America
- ~~L.40~~ - Prospects for Latin American pulp and paper exports to overseas
- ~~L.43~~ - La exportación en el mercado mundial: una perspectiva para el desarrollo de la industria textil latinoamericana
- L.6 - Las investigaciones sobre celulosa y papel en América Latina

Yours faithfully,

Roger Bull

R.A. Bull, Chief,
Latin American Division,
Office of Trade Relations.





DATED FROM 1/5/65 FILE NO. 35-20-ECLA

TO 31/4/66 VOLUME No. 2

CLOSED VOLUME

DO NOT PLACE ANY CORRESPONDENCE ON THIS FILE

FOR SUBSEQUENT CORRESPONDENCE SEE:

FILE No. 35-20-ECLA VOLUME No. 3

PLEASE KEEP ATTACHED TO TOP OF FILE