

**UNITED NATIONS
ECONOMIC COMMISSION
FOR LATIN AMERICA
AND THE CARIBBEAN - ECLAC**



Distr.
GENERAL
LC/G.1977
25 August 1997
ENGLISH
ORIGINAL: SPANISH

**REPORT OF THE SECOND MEETING OF THE AD HOC WORKING GROUP
ESTABLISHED PURSUANT TO RESOLUTION 553(XXVI)**

(New York, 5 June 1997)

CONTENTS

	<u>Paragraph</u>	<u>Page</u>
1. Mandate	1	1
2. Place and date of the meeting	2	1
3. Attendance	3-4	1
4. Agenda	5	1
5. Summary of the proceedings	6-18	1
Annex: LIST OF PARTICIPANTS	-	5

1. Mandate

1. Pursuant to resolution 553(XXVI) of the Economic Commission for Latin America and the Caribbean (ECLAC), an ad hoc working group open to all ECLAC members was established. This group, in consultation with the Executive Secretary, was empowered to define priorities for the work programme and to recommend to the Commission strategic directions for its future activities, taking into account the development priorities of Latin America and the Caribbean as well as budgetary considerations.

2. Place and date of the meeting

2. Following notification of the States members of the Commission by the secretariat on 17 April 1997, the second meeting of the ad hoc working group was held in New York on 5 June 1997.

3. Attendance¹

3. The meeting was attended by representatives of the following States members of the Economic Commission for Latin America and the Caribbean: Antigua and Barbuda, Argentina, Barbados, Bolivia, Brazil, Canada, Chile, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, France, Grenada, Guatemala, Guyana, Haiti, Honduras, Italy, Jamaica, Mexico, Netherlands, Nicaragua, Panama, Paraguay, Peru, Portugal, Saint Kitts and Nevis, Saint Lucia, Spain, Suriname, Trinidad and Tobago, United Kingdom, United States, Uruguay and Venezuela.

4. Two associate members of the Commission were also represented: Netherlands Antilles and United States Virgin Islands.

4. Agenda

5. The sole agenda item, which had been included in the invitation to the meeting, was a review of recent reforms adopted by the Economic Commission for Latin America and the Caribbean. In that connection, the secretariat presented a note entitled "Review of recent reforms adopted by the Economic Commission for Latin America and the Caribbean" (LC/G.1962), and a document entitled "Management pilot scheme" (LC/G.1964).

¹ See the annex.

5. Summary of the proceedings

6. The Chairman of the working group recalled that, at its first meeting, the group had carried out a thorough analysis of the components of the work programme for the biennium 1998-1999 which had proved to be a valuable contribution to the process of reforming the United Nations. Since then, ECLAC had continued to pursue its process of reform and modernization; while the countries' views and perspectives on the subject might vary, they were all a part of that process as it continued to move forward.

7. Reform was not a matter that had caught ECLAC off guard, since for a number of years the Commission and its secretariat had been dealing with the reality of the need for change and had already set themselves the task of updating an organization of such great importance and relevance for Latin America and the Caribbean and of doing so in a constructive and transparent manner. Thus, ECLAC could be said to have anticipated the events currently occurring in the Organization as a whole; it had put into practice a series of concepts which, in view of their success, might be relevant to the overall reform process in the system. The ad hoc working group was a good example of its capacity for adaptation and innovation.

8. The Executive Secretary then proceeded to make his presentation. The second meeting of the ad hoc working group had been convened for three reasons: a) the fact that an express request to that effect had been made by the participants of the first meeting; b) the request made by the Economic and Social Council to the effect that all the regional commissions should undertake an examination with a view to strengthening their effectiveness; and c) the need for the secretariat to hold periodic meetings with the Governments of its member States so that together they could analyse the measures adopted with a view to enhancing their relevance for the countries. The current meeting was being held under different conditions than the first. One of those differences was that part of the proposal being formulated by the new Secretary-General of the United Nations had been made known; another was that the proposed budget for ECLAC for the 1998-1999 biennium, which was to be submitted to the Fifth Committee, was available for examination. In drawing up that proposal, full account had been taken of the work programme and its priorities, as approved by the member countries.

9. The main message that the secretariat wished to convey to the Governments was that it was making an exceptional effort to adapt to the new circumstances. That effort not only meant that they had to be more exacting in formulating the programme of work, but also, at times, called for changes in the secretariat's working procedures and the way in which it interacted with the Governments so that it would be able to reciprocate the trust they placed in it by providing valuable and unique types of services. At the current meeting of the working group, in particular, the secretariat sought assurance that it had the Government's support for the proposals formulated in two particularly sensitive areas: a) management (a new system agreed upon with United Nations Headquarters whereby stricter accountability was secured in exchange for a greater delegation of authority and increased flexibility within existing rules) and b) the application of the scarce resources which were allocated to it (the secretariat was proposing a more widespread use of short-term specialists and consultants to supplement the work of its permanent staff while, of course, continuing to abide by the Organization's regulations concerning the maintenance of an international civil service).

10. The floor was then opened for discussion and the two reports were submitted to the participants for their consideration. The deliberations began with a number of general observations about how ECLAC might carry out its functions within the existing context of the United Nations reform process. Emphasis

was placed on the need to ensure that such reforms did not impair, but, on the contrary, strengthened the major role that the institution had played in formulating analyses and proposals for furthering the development of the countries of the region. It was also pointed out that, as indicated in the documents presented to the meeting, it was necessary to intensify the interaction between the Governments and the ECLAC secretariat.

11. The question was raised as to whether the reforms being implemented by ECLAC were fully consistent with the announcements soon to be made by the Secretary-General on the reform process for the Organization as a whole. It was the secretariat's understanding that they were indeed compatible, but with a view to gaining a fuller understanding of the reform process as seen from the vantage point of Headquarters, the Under-Secretary-General for Administration and Management was invited to take the floor.

12. The Under-Secretary-General for Administration and Management noted that, together with the Office of Conference and Support Services and the United Nations Office at Vienna, ECLAC had been selected to participate in the management pilot scheme by virtue of its efficient performance. He then proceeded to address the ad hoc working group, noting that it was therefore an important component of the reform process initiated by the Secretary-General, who was seeking to delegate authority to units that were carrying out concrete activities and, above all, to institutions which could be relied upon. While it was true that the overall budget had been cut back, budgetary allocations to economic and social areas had not declined; the Secretary-General was allocating funds to programmes of benefit to member States rather than to tasks relating to the Organization's internal administration. The United Nations could be said to be suffering from a syndrome of centralization which the Organization was striving to overcome by means of the pilot scheme. It was gratifying to note that the relevant ECLAC document included some of the concepts formulated at Headquarters, specifically with respect to the first stage of the current reform process.

13. Participants in the debate then addressed a number of questions to the Secretariat concerning the management pilot scheme and the reform process. The questions focused on matters relating, in particular, to how the implementation of those measures would affect the substantive work of the Commission and its capacity to meet the needs of the Governments of its member countries. The Secretariat responded fully to each question. The representatives' comments indicated they were in agreement as to the importance of the management pilot scheme and supported the general thrust of the proposals for decentralization, which they considered to be innovative and substantive responses to the need to adapt to prevailing circumstances both within the Organization and in the world as a whole. Some participants also emphasized the importance of transparency to the success of the project.

14. The participants also underscored the valuable contribution that the Commission had made to economic thought in the region in recent decades through its work as an independent think-tank. It was important to safeguard its independence since, in the final analysis, that quality was what would ensure the Commission's freedom of thought and its continued identity as a centre of excellence. The Commission was currently playing an important role in the rapid process of regional and subregional integration as well, since it was especially qualified to provide the region with studies on the subject. Some participants also reiterated the importance of the operational activities provided by the Commission.

15. With respect to the specific programmes —an issue that had already been examined thoroughly at the first meeting of the ad hoc working group— several representatives stressed the need to strengthen the subregional offices; a special effort should also be made to offer support to the countries with small

economies, which would undoubtedly be reflected, to some extent, in the allocation of available funds. In that regard, some of the participants felt that the move to provide greater flexibility and to delegate authority could constitute a significant step forward. Proper monitoring and follow-up to the activities provided for in the budget for the 1998-1999 biennium were also essential in order to ensure both the continuity of the tasks being carried out by ECLAC units and subregional offices and the quality of the work that would be entrusted to outside consultants.

16. Given the importance of having an exchange of views on the current reform process at the system-wide level and the numerous questions it raised, as well as on the measures considered necessary in order to respond to the changes taking place within the Organization, the representatives felt that it would be highly advisable to hold periodic meetings of the ad hoc working group. Accordingly, it was proposed that another meeting should be held towards the end of 1997 to review the progress made in implementing the measures examined at the present meeting. It was then decided that the Committee of the Whole of the Commission would be convened on Friday, 6 June.

17. At the end of the meeting, which coincided with the conclusion of the twenty-first session of the Committee of the Whole of ECLAC, the Executive Secretary recapitulated the achievements of the meeting, stating that, for the second time, the forum provided by the ad hoc working group had demonstrated its great effectiveness in contributing to the joint effort to improve the organization and place it at the service of member States. He also expressed his satisfaction at the support received by ECLAC and said that the secretariat would do everything within its power to meet the challenges facing the organization.

18. It was agreed that, in addition to continuing to analyse the management pilot scheme and its practical implementation, the next meeting of the ad hoc working group would also consider other subjects of interest, such as the second phase of the reform process, which had yet to be outlined.

LIST OF PARTICIPANTS

**A. Estados miembros de la Comisión
Member States of the Commission
Etats Membres de la Commission**

ANTIGUA Y BARBUDA/ANTIGUA AND BARBUDA

Representante/Representative:

Patrick Lewis, Permanent Representative to the United Nations

Miembros de la delegación/Delegation members:

Conrad Hunte, Minister Counsellor, Permanent Mission to the United Nations

BARBADOS

Representante/Representative:

Anthony Wiltshire, Senior Foreign Service Officer, Ministry of Foreign Affairs

BOLIVIA

Representante/Representative:

Edgar Camacho Omiste, Representante Permanente ante las Naciones Unidas

Miembros de la delegación/Delegation members:

María Estela Mendoza Bilbao, Consejero, Misión Permanente ante las Naciones Unidas

BRASIL/BRAZIL

Representante/Representative:

Eduardo Carvalho, Counsellor, Permanent Mission to the United Nations

CANADA

Representante/Representative:

Ross Hynes, Minister Counsellor, Permanent Mission to the United Nations

COSTA RICA

Representante/Representative:

Fernando Berrocal, Representante Permanente ante las Naciones Unidas

Miembros de la delegación/Delegation members:

Melvin Sáenz Biolley, Embajador Alterno ante las Naciones Unidas

CHILE

Representante/Representative:

Eduardo Gálvez, Consejero, Misión Permanente ante las Naciones Unidas

DOMINICA

Representante/Representative:

Theodore Zilpha, Attaché, Permanent Mission to the United Nations

Miembros de la delegación/Delegation members:

Edna Murphy, Attaché

ECUADOR

Representante/Representative:

Santiago Apunte-Franco, Consejero, Misión Permanente ante las Naciones Unidas

Miembros de la delegación/Delegation members:

Fabián Páliz, Primer Secretario, Misión Permanente ante las Naciones Unidas

EL SALVADORRepresentante/Representative:

Francisco Sorto Rivas, Asesor del Viceministro de Economía

ESPAÑA/SPAINRepresentante/Representative:

Arturo Laclaustra, Representante Permanente Adjunto ante las Naciones Unidas

Miembros de la delegación/Delegation members:

Marta Betanzos, Consejera, Misión Permanente ante las Naciones Unidas

ESTADOS UNIDOS DE AMERICA/UNITED STATES OF AMERICARepresentante/Representative:

Kevin J. McGuire, Director, Economic and Social Affairs, Bureau of International Organizations

Miembros de la delegación/Delegation members:

Frank Kerber, Office of Economic and Social Affairs, Bureau of International Organizations

FRANCIA/FRANCERepresentante/Representative:

Philippe Delacroix, First Secretary, Permanent Mission to the United Nations

GRANADA/GRENADARepresentante/Representative:

Robert Millette, Permanent Representative to the United Nations

GUATEMALA

Representante/Representative:

Julio Martini, Representante Permanente ante las Naciones Unidas

Miembros de la delegación/Delegation members:

Silvia Corado Consejera, Misión Permanente ante las Naciones Unidas

GUYANA

Representante/Representative:

S.R. Insanally, Permanent Representative to the United Nations

Miembros de la delegación/Delegation members:

George Talbot, Second Secretary, Permanent Mission to the United Nations

HAITI

Representante/Representative:

Pierre Lelong, Permanent Representative to the United Nations

HONDURAS

Representante/Representative:

Gerardo Martínez Blanco, Representante Permanente ante las Naciones Unidas

ITALIA/ITALY

Representante/Representative:

Stefano Cacciaguerra, Counsellor, Permanent Mission to the United Nations.

JAMAICA

Representante/Representative:

Sheila Sealy Monteith, Minister Counsellor, Permanent Mission to the United Nations

MEXICORepresentante/Representative:

Manuel Tello, Representante Permanente ante las Naciones Unidas

Miembros de la delegación/Delegation members:

Gerardo Lozano, Ministro, Misión Permanente ante las Naciones Unidas
 Manuel Fragoso-Diez, Subdirector de Asuntos Hacendarios con América del Sur, Secretaría de Hacienda y Crédito Público
 Norberto Terrazas, Secretario, Misión Permanente ante las Naciones Unidas

NICARAGUARepresentante/Representative:

Javier Williams, Tercer Secretario, Misión Permanente ante las Naciones Unidas

PAISES BAJOS/NETHERLANDSRepresentante/Representative:

Klaas van der Tempel, First Secretary, Royal Netherlands Embassy at Santiago, Chile

Miembros de la delegación/Delegation members:

Agnes Bruls, United Nations Department, United Nations Funds and Economic Affairs Section, Ministry of Foreign Affairs

PANAMARepresentante/Representative:

Ruth Decerega, Representante Permanente Adjunto ante las Naciones Unidas

PARAGUAYRepresentante/Representative:

María Teresa Laterza, Consejera, Misión Permanente ante las Naciones Unidas

PERU

Representante/Representative:

Carlos Pareja. Director de Relaciones Económicas Internacionales, Ministerio de Relaciones Exteriores

Miembros de la delegación/Delegation members:

Italo Acha, Segundo Secretario, Misión Permanente ante las Naciones Unidas

PORTUGAL

Representante/Representative:

Catulina Guerreiro, Counsellor, Permanent Mission to the United Nations

REINO UNIDO/UNITED KINGDOM

Representante/Representative:

David Borland, Head of ECOSOC Reform Section, Foreign and Commonwealth Office

REPUBLICA DOMINICANA/DOMINICAN REPUBLIC

Representante/Representative:

Julia Tavárez de Alvarez, Representante Alterna ante las Naciones Unidas

Miembros de la delegación/Delegation members:

Luis Lithgow, Embajador
José Castillo, Embajador

SAINT KITTS Y NEVIS/SAINT KITTS AND NEVIS

Representante/Representative:

Elise Marthol, Counsellor, Permanent Mission to the United Nations

SANTA LUCIA/SAINT LUCIA

Representante/Representative:

Raymona Leonce-Carryl, Chargé d'Affaires, Permanent Mission to the United Nations

SURINAME

Representante/Representative:

Michael Kerpens, Head of the Division of International Organizations, Ministry of Foreign Affairs

TRINIDAD Y TABAGO/TRINIDAD AND TOBAGO

Representante/Representative:

Annette des Iles, Permanent Representative to the United Nations, New York

Miembros de la delegación/Delegation members:

Margaret King-Rousseau, Deputy Director, Political Affairs Division, Ministry of Foreign Affairs
Roslyn Khan Cummings, First Secretary, Permanent Mission to the United Nations

URUGUAY

Representante/Representative:

Jorge Pérez, Representante Permanente ante las Naciones Unidas

Miembros de la delegación/Delegation members:

Boris E. Svetogorsky Marino, Consejero, Misión Permanente ante las Naciones Unidas

VENEZUELA

Representante/Representative:

Durán Sayed, Tercer Secretario, Misión Permanente ante las Naciones Unidas

**B. Miembros Asociados
Associate Members
Etats membres associés**

ANTILLAS NEERLANDESAS/NETHERLANDS ANTILLES

Representante/Representative:

Aimée Kleinmoedig, Second Secretary at the Royal Netherlands Embassy in Port-of-Spain

ISLAS VIRGENES DE LOS ESTADOS UNIDOS/UNITED STATES VIRGIN ISLANDS

Representante/Representative

Carlyle Corbin, Representative for External Affairs

**C. Secretaría
Secretariat
Secrétariat**

Comisión Económica para América Latina y el Caribe (CEPAL)/Economic Commission for Latin America and the Caribbean (ECLAC)/Commission économique pour l'Amérique latine et les Caraïbes (CEPALC)

Gert Rosenthal, Executive Secretary
Ernesto Ottone, Secretary of the Commission
Rómulo Caballeros, Director, Programme Planning and Operations Division
Isaac Cohen, Director, ECLAC Office in Washington, D.C.
Barbara Boland, Officer-in-Charge, ECLAC subregional headquarters for the Caribbean
Petrus Heins, Chief of the Programme Planning and Evaluation Unit

Regional Commissions' New York Office (RCNYO)

Sulafa Al-Bassam, Chief