

No. 27503

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**UNITED NATIONS  
(ECONOMIC COMMISSION  
FOR LATIN AMERICA AND THE CARIBBEAN),  
ARGENTINA and URUGUAY**

**Agreement on technical cooperation (with annexes). Signed at  
Buenos Aires on 14 August 1989**

*Authentic text: Spanish.*

*Registered ex officio on 14 August 1990.*

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**ORGANISATION DES NATIONS UNIES  
(COMMISSION ÉCONOMIQUE  
POUR L'AMÉRIQUE LATINE  
ET LES CARAÏBES),  
ARGENTINE et URUGUAY**

**Accord de coopération technique (avec annexes). Signé à  
Buenos Aires le 14 août 1989**

*Texte authentique : espagnol.*

*Enregistré d'office le 14 août 1990.*

## [TRANSLATION — TRADUCTION]

**AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE ARGENTINE REPUBLIC, THE GOVERNMENT OF THE EASTERN REPUBLIC OF URUGUAY AND THE UNITED NATIONS, THROUGH THE ECONOMIC COMMISSION FOR LATIN AMERICA AND THE CARIBBEAN (ECLAC)**

The Government of the Argentine Republic and the Government of the Eastern Republic of Uruguay, on behalf of the Commission on Cooperation for the Development of Frontier Areas between Argentina and Uruguay (hereinafter referred to as "CODEFRO"), represented by Ambassador Juan Schiaretti and Ambassador Julio César Lupinacci, respectively, and the United Nations, through the Economic Commission for Latin America and the Caribbean (hereinafter referred to as "ECLAC"), represented by Mr. Guillermo A. Macció, Director of the ECLAC Office in Buenos Aires, Argentina, on behalf of Mr. Gert Rosenthal, Executive Secretary of ECLAC, have signed this Agreement on technical cooperation, consisting of the following articles:

*Section I. BACKGROUND INFORMATION*

1.01. The Inter-American Development Bank (IDB), the Government of the Argentine Republic and the Government of the Eastern Republic of Uruguay, on behalf of the Commission on Cooperation for the Development of Frontier Areas between Argentina and Uruguay (CODEFRO), signed, on 14 August 1990, an Agreement on non-refundable technical cooperation, under which IDB granted to CODEFRO a contribution of up to US\$ 150,000 in order to promote the definition of priorities in the area of binational frontier integration, the development of a plan of action in each area to which priority is assigned and the preparation of a request for technical cooperation to support the various activities which CODEFRO wishes to encourage in the region.

1.02. The outcome of these activities will be: (a) the definition and formulation of a programme of frontier integration, to be implemented in stages, in accordance with a series of longer-term estimates; (b) the technical assistance requirements for the first stage of programme implementation.

1.03. CODEFRO has requested ECLAC to cooperate in the development of the programme under the terms set forth below.

*Section II. PURPOSE OF THE AGREEMENT*

2.01. The purpose of this Agreement is to provide for technical cooperation by ECLAC to CODEFRO in the development of the programme, in accordance with the project execution modalities described in section III, in the following areas:

(a) The starting-point for these activities shall be the package of proposals contained in the ECLAC study carried out in the context of Project PNUD/ARG 83-011, with the support of the Ministry of Foreign Affairs of Uruguay, the proposals

<sup>1</sup> Came into force on 14 August 1989 by signature, in accordance with article 11.

being consolidated into four main areas: production sectors, social and institutional aspects, tourism, and environment and infrastructure.

(b) On that basis, the definition and selection of actions to which priority is to be assigned, the ranking of projects and the development of a schedule of activities in the region, incorporating the ideas and proposals of representatives of the region, shall be initiated.

(c) The technical team shall also cooperate with CODEFRO in identifying the means and the instruments which they deem necessary in order to carry out the previously selected activities and actions, and in seeking and identifying other possible sources of international cooperation.

(d) The technical assistance requirements shall include:

- A description of the proposed programme activities. The level of specificity and detail in the description of each activity shall be such as to make it possible to determine clearly whether these activities involve prefeasibility or feasibility studies, engineering studies, bid documents, financing proposals, specific forms of binational cooperation, institutional requirements, procurement requests or other types of concrete actions. The binational character of the proposed activities and their contribution to regional development must be explicitly described and documented.
- A description of the functions and terms of reference of the consultants and/or advisers required for the implementation of the above-mentioned activities.
- A description of other activities and initiatives which may be required for the implementation of the above-mentioned activities.
- An execution schedule for the technical assistance envisaged.
- A tentative description of the binational institutions involved, coordination among them and the institutional and organizational mechanism for project execution.
- A preliminary budget, itemized to the extent possible, taking into account such categories as advisory services, travel expenses, training and equipment.
- Possible sources of financing of technical cooperation which are complementary and/or additional to that provided by the Bank.

2.02. The scope of the projects may be adjusted or modified by mutual agreement between CODEFRO and ECLAC with the approval of IDB.

### *Section III. PROJECT EXECUTION*

3.01. The projects which embody the above-mentioned technical cooperation shall be executed at the ECLAC Office in Buenos Aires, Argentina. To this end, ECLAC agrees to designate the expert advisers and consultants at that Office who may be needed in each case. ECLAC shall be responsible for the administration and management of the projects.

3.02. The projects executed by the technical team shall be carried out in accordance with the terms of reference set forth in annex I.

3.03. The programme shall be supported at three levels: at the political level, it shall be incumbent upon CODEFRO to provide general guidelines and supervision for the projects; secondly, the technical team of experts and consultants shall

execute the projects under those guidelines and, lastly, frontier area residents, economic agents and institutions are expected to make a major contribution with regard to the scope, modalities, priorities and timing of the proposed actions and, in general, their relevance to the goals envisaged.

3.04. Discussion and ongoing communication among the three levels mentioned are provided for through working meetings and other contacts. There shall be an initial programme presentation meeting, to which participants in other frontier integration experiments, such as those which are currently being carried out by some countries within the framework of the Cartagena Agreement and by other countries members of IDB, shall be invited. The initial meeting shall be followed by separate meetings for each of the four areas mentioned in paragraph 2.01, at which the grounds for assigning priority to the proposed activities shall be discussed, with a view to eliciting ideas and comments from frontier area residents, economic agents and institutions concerning the priorities and the action modalities which it is proposed to recommend. Likewise, another general meeting is to be held once the draft frontier integration programme has been prepared and the technical assistance needs have been identified, prior to their approval by the Director.

#### *Section IV. EXECUTION PERIOD*

4.01. The execution period shall begin on the date on which this Agreement is signed, and shall continue for six and one half months thereafter, provided that the execution schedule does not suffer any delays attributable to ECLAC during the period prior to the recruitment of the Technical Coordinator; otherwise, the execution period shall be extended accordingly.

4.02. The activities of the advisers and consultants designated in Buenos Aires shall, to the extent possible, begin within a period not exceeding 60 days from the date on which ECLAC receives the corresponding total payment, in accordance with the provisions of paragraphs 5.01 and 5.06 of this Agreement.

4.03. The expert advisers and consultants referred to in paragraph 3.01 above shall perform their functions within the time-limits of this Agreement.

4.04. The execution period of the Agreement may be extended by mutual agreement between CODEFRO and ECLAC, with the approval of IDB.

#### *Section V. COST OF THE AGREEMENT AND FORM OF PAYMENT*

5.01. ECLAC shall, upon the signing of this Agreement on technical cooperation, receive the sum of US\$ 150,000 (one hundred fifty thousand United States dollars), in accordance with the itemized budget estimates set forth in annex III to this Agreement, charged against the funds which IDB shall provide under the terms of the Agreement on non-refundable technical cooperation mentioned in paragraph 1.01 above.

5.02. ECLAC shall establish a special trust fund with the funds which it receives from CODEFRO. The funds shall be administered, supervised and audited in accordance with the Financial Regulations and Rules of the United Nations. The final cost of the Agreement shall be the amount actually required for the performance of the budget estimates, provided that such amount does not exceed the sum specified in paragraph 5.01 above.

5.03. The stipulated cost per each short-term consultant/month shall cover only the consultants' fees and travel expenses.

5.04. The total estimated cost of this Agreement shall include an allowance of 13 per cent for administrative support costs.

5.05. It is likewise agreed that ECLAC shall retain 1 per cent of the net remuneration of the advisers and consultants recruited by it to cover any claim for service-incurred death, injury or illness, in accordance with the provisions of the United Nations Staff Rules, appendix D.

5.06. The payment shall be made in United States dollars and shall be deposited by CODEFRO, or by IDB, to the following account:

ECLAC TRUST FUND ACCOUNT  
No. 015-001784  
Chemical Bank  
United Nations Branch  
New York, N.Y. 10017

5.07. ECLAC agrees to provide CODEFRO with a quarterly statement of the expenditures charged against the funds mentioned in this section V, and with a final financial statement prepared in accordance with United Nations accounting and reporting procedures.

5.08. Where, for the purposes of providing balances and summary tables of expenditures, it is necessary to use United States dollar equivalents or vice versa, the United Nations operational exchange rate in effect during each month in which expenditures were incurred shall, in every instance, be used.

#### *Section VI. SUBMISSION OF REPORTS*

6.01. ECLAC shall prepare the final document and shall submit it to CODEFRO within the time-limits of this Agreement and in accordance with the established schedule (annex II).

6.02. CODEFRO agrees to provide ECLAC with the personal history of the counterpart technical staff and with such assistance as the preparation of the reports may require.

6.03. ECLAC shall prepare any additional report which CODEFRO or IDB may reasonably request of it in connection with the execution of the projects.

6.04. The report referred to in paragraph 6.01 above shall be reviewed by CODEFRO, which shall convey its approval or its observations to ECLAC within a period of 30 days following the delivery of the report. If CODEFRO or IDB make any observations, ECLAC shall duly consider them and shall, within a period of 30 days from the date on which it receives such observations, incorporate into the report any additions or amendments which may be appropriate.

#### *Section VII. RECRUITMENT OF THE EXPERT CONSULTANTS AND ADVISERS*

7.01. ECLAC shall recruit and shall administer the contracts of the personnel assigned to this project in accordance with the Staff Regulations and Rules of the United Nations. The consultants and advisers shall be covered by the provisions of the Convention on the Privileges and Immunities of the United Nations,<sup>1</sup> as stipulated in the agreements on technical cooperation signed by the Governments of Argentina and Uruguay, respectively.

<sup>1</sup> United Nations, *Treaty Series*, vol. 1, p. 15 and vol. 90, p. 327 (corrigendum to vol. 1, p. 18).

7.02. For the purposes of implementing the activities envisaged in this project, ECLAC shall recruit consultants and advisers as follows: (i) a Technical Coordinator with broad experience in the preparation of development and investment programmes, project evaluation and finance proposals; (ii) four main consultants in the areas of production sectors, social sectors, tourism and environment and infrastructure; and (iii) two regional economic advisers with backgrounds in integration issues.

7.03. The candidates proposed for the consultant posts shall be chosen by mutual agreement between ECLAC and CODEFRO on the basis of their curricula vitae and any other non-confidential information which may be of interest. CODEFRO shall consult IDB with regard to the proposed candidates, and those who are eventually selected shall be recruited by ECLAC.

7.04. ECLAC shall select the short-term consultants and shall report thereon to CODEFRO, which shall transmit such information to IDB.

7.05. The list of candidates shall be provided to CODEFRO at least 30 days prior to the date on which the advisers and consultants are to begin providing their services, in accordance with the anticipated course of the project activities. Likewise, CODEFRO shall take a decision on the proposed candidates within a period not to exceed 30 days.

7.06. If, for any reason properly explained to ECLAC, CODEFRO finds the performance of any of the short-term consultants and advisers to be unsatisfactory, ECLAC shall arrange for their replacement as soon as possible.

#### *Section VIII. OTHER RESPONSIBILITIES OF CODEFRO*

8.01. CODEFRO shall, in due course, appoint the professional staff who are to be the counterparts to the technical secretaries, and shall provide ECLAC with any contacts which may be required for the execution of the projects.

8.02. CODEFRO shall make available to ECLAC all specific information and knowledge concerning programmes and projects which may be of interest for the proper execution of the projects.

8.03. A Coordination Committee shall be established, consisting of the CODEFRO technical secretaries and the Technical Coordinator. The purpose of this Committee, which shall be presided over by the technical secretaries, in rotation, shall be to provide guidelines, coordination and follow-up for the activities. The Committee shall hold periodic meetings to assess the progress of the work and to approve future work programmes. The regional advisers may be invited to these meetings.

#### *Section IX. AMENDMENTS TO AND TERMINATION OF THE AGREEMENT*

9.01. Any extension, addition, amendment or follow-up to the projects for unforeseen or technical reasons may be made, provided that its cost does not exceed 30 per cent of the cost of this Agreement, subject to the written agreement of the Parties and the approval of IDB.

9.02. This Agreement may, subject to consultation with IDB, be terminated early, in whole or in part, in any of the following cases:

(a) The failure of one of the Parties to fulfil any of the obligations entered into in this instrument;

(b) At the request of one of the Parties, upon the provision of at least 90 days' advance notice in writing; or

(c) A decision adopted by mutual agreement of the Parties.

9.03. Upon the termination of the Agreement, whether early or not, ECLAC shall refund to CODEFRO any balance which may remain after the funds received are reconciled with the expenditures charged, and CODEFRO agrees to compensate ECLAC for any resulting deficit, within the limits stipulated in paragraph 5.01 above. The expenditures charged shall also include those which may arise from the settlement of any legal liability incurred by ECLAC *vis-à-vis* the consultants and/or advisers engaged, owing to the early termination of the Agreement. Likewise, CODEFRO shall refund to IDB any balance which may remain from the funds contributed by it, as specified in annex III.

#### Section X. GENERAL PROVISIONS

10.01. The views expressed by ECLAC in its reports are not necessarily binding on either CODEFRO or IDB, and both institutions reserve the right to make any observations on the subject which they may deem reasonable.

10.02. The rules and regulations of the United Nations referred to in this Agreement shall be deemed to be an integral part thereof.

#### Section XI. ENTRY INTO FORCE

This Agreement together with its annexes, shall enter into force on the date on which it is signed, or on a date which the Parties shall designate by mutual agreement through an exchange of letters. In witness whereof, the undersigned, having been duly authorized, have signed this document in four identical and equally authentic copies, on 14 August 1989, in Buenos Aires, Argentina.

For the Government  
of the Argentine Republic:

[Signed]

Ambassador JUAN SCHIARETTI

For the Government  
of the Eastern Republic  
of Uruguay:

[Signed]

Ambassador JULIO CÉSAR LUPINACCI

For the Economic Commission  
for Latin America and the Caribbean (ECLAC):

[Signed]

GUILLERMO A. MACCÍO

## ANNEX I

## TERMS OF REFERENCE OF THE TECHNICAL TEAM

A. *Technical Coordinator*

The Technical Coordinator shall be responsible for the management, the technical guidelines and the operational and administrative coordination of the projects and, in general, the supervision of the work, and shall assist CODEFRO as technical adviser. Likewise, he shall be responsible for the draft final report, including the frontier integration programme, a statement of the means for its implementation and its submission to IDB. To that end, he shall be responsible for:

(i) Making proposals to CODEFRO concerning the recruitment of regional advisers, area consultants and, where necessary, experts in specific fields, as well as the detailed terms of reference of all these participants.

(ii) Making proposals to CODEFRO concerning the agenda, the participants and the format of the working meetings referred to in paragraph 3.18 of the Letter of Agreement between the Governments and IDB, and organizing them jointly with the regional advisers and the area consultants.

(iii) Setting guidelines for and coordinating the activities of the area consultants (production sectors, social and institutional aspects, tourism and environment and infrastructure) and any experts who may have been recruited to work in these areas.

(iv) Organizing, together with the regional advisers, the initial contacts with the public and private entities, the institutions and the residents of the frontier areas for the purpose of considering and, where appropriate, incorporating their ideas and proposals, in accordance with the provisions of paragraphs 3.18 and 3.21 (b) of the Letter of Agreement between the Governments and IDB and of paragraphs 3.03 and 3.04 above.

(v) Collecting the reports of the integration area consultants and making them uniform, establishing an order of priorities among the recommended activities and identifying the means of implementing them. The guidelines and the standards embodied in paragraphs 3.10 and 3.12 of the Letter of Agreement between the Governments and IDB should be taken into account in considering the inclusion of the recommended actions in the programme and in establishing an order of priorities among them.

(vi) Making proposals to CODEFRO concerning a programme to duplicate and issue reports and, in general, to disseminate the results of these projects. Participating in the Coordination Committee and having responsibility for the projects described above.

B. *Regional Advisers*

Under the supervision of the Technical Coordinator, the regional advisers would be responsible for:

(i) Supporting the work of the Technical Coordinator and the area consultants, particularly in their relations with the national, provincial, regional and local authorities and with other relevant public and private entities.

(ii) Collaborating closely with the area consultants in the various technical aspects of the programme to be developed, contributing guidance, information and, in general, "inputs" from the region to promote a better design of the proposed activities.

(iii) Collaborating with the Technical Coordinator and the area consultants in the organization of the working meetings referred to in paragraph 3.18 of the Letter of Agreement between the Governments and IDB.

(iv) Collaborating with the Technical Coordinator in the preparation of the final report.

(v) Participating, as required, in the periodic meetings of the Coordination Committee.



C. *Integration area consultants* (Production sectors, social and institutional aspects, tourism and environment and infrastructure)

Under the supervision of the Technical Coordinator, and through ongoing contact with the regional advisers, each consultant shall formulate a proposed plan of action for the area assigned to him and shall determine the technical cooperation required for its implementation.

The starting-point for the development of such plans of action shall be the set of proposals identified in the above-mentioned ECLAC study. The incorporation of additional proposals and the reformulation or the elimination of existing ones shall be properly explained and shall, in all cases, be approved by the Technical Coordinator. To that end, the area consultant shall:

(i) Formulate a general description of the integration area and a detailed description of the proposed activities. He shall begin with a brief summary of the background of the project in both countries and the qualitative and quantitative elements which enable a subsequent assessment to be made of the national and regional impact of the proposed activities.

Secondly, he shall identify the objectives of the integration area and the aims of each proposed activity. Emphasis shall, in particular, be given to the aspects which promote regional development (regional rationale) and binational actions.

(ii) Describe the content (actions, studies, meetings, etc.) of each proposed activity, including:

(a) A comprehensive list of the actions and tasks which are to be undertaken in order to achieve the envisaged goals, and details of the anticipated outcomes. The activities proposed, in particular, for the production sectors, while not necessarily limited to that area, shall be supported by a preliminary economic rationale, in order to provide a basis for subsequent analyses in greater detail and depth, in accordance with the provisions of paragraph 3.11, second subparagraph, of the Letter of Agreement between the Governments and IDB. Likewise, an order of priorities among these activities shall be established in accordance with the guidelines and the standards embodied in paragraph 3.10 of that document.

(b) A survey of the private and public institutions which could perhaps participate as counterparts or could receive the study, implement actions, etc.

(c) An outline of the plan of action for each proposal, identifying the requirements with regard to advisory services and technical and economic studies, training requirements, institutional arrangements, working group meetings, equipment and other requirements for carrying out the activity.

(d) A tentative schedule for the plan of action.

(e) Terms of reference of the additional advisers/consultants required in order to carry out the various actions envisaged in the plan and its schedule. Such terms of reference shall make mention of the restrictions which could impede the achievement of the envisaged goals.

(iii) Provide a global analysis of the factors, the conditions and, in general, the "climate" which would, in his view, encourage private investment in the sector for which he is responsible, while also mentioning any restrictions which he may have been able to identify.

(iv) Collaborate with the Technical Coordinator and the regional advisers in organizing the working meetings referred to in paragraph 3.18 of the Letter of Agreement between the Governments and IDB and in paragraph 3.04 above.

(v) Inform the Technical Coordinator periodically of the progress of the tasks for which he is responsible.

## ANNEX II

Execution Schedule	Months							
	0	1	2	3	4	5	6	7
Signing of IDB/CODEFRO Agreement	xxxxx							
Signing of CODEFRO/ECLAC Letter of Agreement	xx							
Technical secretaries — performance of functions		xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xx
Recruitment of <i>Technical Coordinator</i>		xxxxx						
Technical Coordinator — performance of functions		xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xx
Development of detailed terms of reference — regional advisers and area consultants			xx					
Recruitment of regional advisers <i>Regional advisers</i> — performance of functions			xx	xxxxx	xxxxx	xxxxx	xxxxx	
Recruitment of area consultants <i>Area consultants</i> — performance of functions (among initial functions, preparation of terms of reference of experts in specific fields)			xx	xxxxx	xxxxx	xxxxx		
Recruitment of experts in specific fields <i>Experts in specific fields</i> — performance of functions				xx	xxx	xxxxx	xxxxx	
Initial general meeting				xx				
Under the supervision of the Technical Coordinator, preparation of technical studies by area consultants and experts in specific fields, and meetings by area				xxxxx	xxxxx	xxxxx		
Final general meeting						xx		
Preparation of draft final report by Coordinator						xx	xxxxx	
Adoption of final report by CODEFRO and transmittal to IDB for approval								xxxxx

## ANNEX III

Itemized budget  
(US\$)<sup>1</sup>

	Contribution		
	IDB	CODEFRO	Total
1. Specialized agency .....	118,750	—	118,750
1.1 Fees .....	94,000	—	94,000
(i) Technical Coordinator (5.5 months at US\$ 4,000/month) .....	22,000	—	22,000
(ii) Regional advisers (2) (2 × 4 months at US\$ 1,250/month) .....	10,000	—	10,000
(iii) Production sectors area consultant (4 months at US\$ 2,000/month) .....	8,000	—	8,000
(iv) Social sectors area consultant (3 months at US\$ 2,000/month) .....	6,000	—	6,000
(v) Tourism area consultant (3 months at US\$ 2,000/month) .....	6,000	—	6,000
(vi) Environment and infrastructure area consultant (3 months at US\$ 2,000/month) .....	6,000	—	6,000
(vii) Short-term experts (24 months at US\$ 1,500/month) .....	36,000	—	36,000
1.2 Official travel .....	24,750	—	24,750
(i) International 2 visits by Technical Coordinator to IDB headquarters (travel US\$ 1,873, daily subsistence allowance, 7 days × US\$ 176 = US\$ 1,232) .....	6,210	—	6,210
(ii) Local 45 visits by technical team at US\$ 310 each (travel, US\$ 100; daily subsistence allowance, 3 days × US\$ 70) <sup>2</sup> = US\$ 210 .....	13,950	—	13,950
(iii) Participation in meetings of technical secretaries and technical team 27 visits at US\$ 170 (travel US\$ 100; daily subsistence allowance, US\$ 70, 1 day) .....	4,590	—	4,590
2. Overhead costs IDB, 13% per 1.1 and 1.2 .....	15,440	—	15,440
6. General support .....	—	22,550	22,550
6.1 Local .....	—	9,550	9,550
6.2 Furnishings and utilities .....	—	7,000	7,000
6.6 Secretarial services .....	—	4,000	4,000
6.8 Communications .....	—	2,000	2,000
7. Publications .....	—	3,000	3,000
8. Overhead costs CODEFRO, 13% per 6 and 7 .....	—	3,920	3,920
9. Contingencies .....	15,810	1,130	16,940
TOTAL	150,000	30,000	180,000

<sup>1</sup> As indicated in paragraph 3.21 of the IDB/CODEFRO Operating Plan, provision has been made for the part-time participation of the CODEFRO technical secretaries during the preparation of the programme. With the exception of their attendance at the meetings envisaged in paragraph 3.18 of that document, their participation should not have any budgetary implications.

<sup>2</sup> Average daily subsistence allowances, Argentina (others) and Uruguay.