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Santiago, 12 August de 2015

PROPOSED STRATEGY AND RESOURCE MANAGEMENT

Preliminary version for consideration by Member States at the twenty-fifth meeting of the Presiding Officers of the Regional Council for Planning.

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INTRODUCTION AND SUMMARY

At its fourteenth meeting, held in Brasilia in November 2013, the Regional Council for Planning (RCP) of the Latin American and Caribbean Institute for Economic and Social Planning (ILPES), the subsidiary body of ECLAC that convenes the national planning authorities of the countries of Latin America and the Caribbean and Spain and guides the work of ILPES, approved a new strategy to strengthen regional cooperation and assist in shaping a long-term vision for the whole region from a development planning perspective.¹ With a view to achieving its strategic objectives, the Council gave ILPES a series of instructions: to draft a proposal for a regional work programme; create a regional repository of development plans; analyse the state of planning in the region and identify challenges in strengthening it and contribute to building a long-term regional vision of development planning.

Following up this business, at its meeting at La Antigua, Guatemala in June 2014, the Presiding Officers of RCP confirmed the agreements it had made, and established guidelines for the programme of work, instructing ILPES to:

- draw up a programme of work incorporating a shared long-term vision for the development of Latin America and the Caribbean;
- draft a publication on the state of and future prospects for development planning in the region; and
- establish the repository of development plans.

ILPES will report on progress in this work at the fifteenth meeting of the Regional Council for Planning, to be held in Ecuador in November 2015.

The work of ILPES, and the way in which it is managed and financed, must reflect the renewed importance and changed nature of planning for development in Latin America and the Caribbean. To enable the Institute to carry out its work, it receives appropriations from the regular budget of the United Nations that are supplemented by voluntary contributions from Member States through the regular system of government financing (RSGF) that has been in place for more than three decades.

This document is submitted to the Presiding Officers of RCP for their consideration, with a view to ensuring a smooth transition towards a new system for contributions that is endorsed by States, and brings sustainability to the strategic proposal agreed at the RCP meeting in Brasilia, with the aim of strengthening planning in Latin America and the Caribbean, promoting cooperation between planners and shaping ILPES in its mission to provide high value added services in order to generate and disseminate knowledge and proposals on the role of the State in development processes and improving planning and public administration for development.

¹ See ECLAC, Planning for Development and Regional Integration. Medium-term strategic proposal for ILPES cooperation with the countries of Latin America and the Caribbean, (LC/L.3690(CRP.14/4)), Santiago, November 2013 ([online] <http://www.cepal.org/crp-ilpes/>).

The document has two parts; part I summarizes the core elements of the medium-term strategic approach, organized in three broad areas:² development planning, public administration and the development of institutional and human capacities in planning agencies and other governmental bodies, civil society, academia and social movements at the national and subnational levels.

Part II concerns the management of the financial resources necessary to implement the strategic proposal, includes an analysis of trends in flows of voluntary contributions from States, which constitute an essential complement to the regular budget that the Institute receives from the United Nations and presents and discusses, for the consideration of member States, possible ways to update the systems. At its fourteenth meeting, at Antigua, Guatemala, the Presiding Officers agreed that the regular system of government financing needed to be updated,³ and therefore recommended setting up a working group within the RCP (made up of Brazil, Colombia, the Dominican Republic, Ecuador, Guatemala, Paraguay and Trinidad and Tobago) to analyse the system of financing. Part II concludes with a proposal for modernization of the system that could serve as a basis for discussion within the working group.

I. OUTLINE OF THE STRATEGIC PROPOSAL⁴

ECLAC currently holds a clear mandate from the countries, which focuses on equality as both the core aspiration of development and a path towards sustained growth. Equality, as a right, is both the objective and a part of the process, which relies on public policies in order to break with trends that have concentrated production, productivity, technological progress, income and wealth, by effecting structural changes in policy, society and the economy. The objective is to bring about a culture of equality in the hope of supplanting the culture of privilege that has prevailed in Latin America and the Caribbean for centuries. The national agendas of the region's countries are devoted to these ends. There are, however, divergences between countries in terms of their ideological, political and economic orientation, the maturity of their development processes, and the type and progression of the reforms implemented.

As the division of ECLAC responsible for coordinating capacity-building, ILPES is aligned with these objectives and promotes improved planning and governance, as essential instruments of public affairs, with a view to fostering an inclusive and sustainable development path towards equality. After having been practically abandoned for three decades, development planning is experiencing a comeback as a public policy instrument in Latin America and the Caribbean. The core areas of modern planning are priorities on the national agendas of the region's governments, and consist in: coordination between different scales, levels and sectors of governance; monitoring and evaluation of the efficiency and effectiveness of public administration; the territorial dimension of government plans; public-private coordination prospective practices and building a concerted long-term vision.

² The full text of the proposal can be accessed at [online] <http://www.cepal.org/crp-ilpes/>. See also ECLAC, *Report of the fourteenth meeting of the Regional Council for Planning of the Latin American and Caribbean Institute for Economic and Social Planning (ILPES)*, Brasilia, 22 November 2013 (LC/L.3782) and *Report of the Twenty-Fourth Meeting of the Presiding Officers of the Regional Council for Planning of the Latin American and Caribbean Institute for Economic and Social Planning (ILPES)*, Antigua, Guatemala, 19-20 June 2014 (LC/L.3940).

³ In accordance with Resolution CRP/XIV/02. See *Report of the fourteenth meeting of the Regional Council for Planning of the Latin American and Caribbean Institute for Economic and Social Planning (ILPES)*, Brasilia, 22 November 2013 (LC/L.3782).

⁴ This section summarizes and updates the proposal submitted at the RCP meeting in Brasilia. See ECLAC, *Planning for Development and Regional Integration. Medium-term strategic proposal for ILPES cooperation with the countries of Latin America and the Caribbean*, (LC/L.3690(CRP.14/4)), Santiago, Chile, November 2013 ([online] <http://www.cepal.org/crp-ilpes/>).

A long-term vision of public policy is essential to the sustainable development agenda. The forthcoming renewal of global commitments for development, following on from an agreement on the Sustainable Development Goals (SDGs), will be an occasion for all of the countries of region to align their long-term development agendas with SDGs, whose deadline will probably be set for 2030. Long-term planning and prospective analysis will be useful tools in implementing SDGs, as they proved to be with the Millennium Development Goals MDGs. An important principle of SDGs is that “nobody should be excluded”, but there are other important new objectives, such as inclusive economic growth, quality employment, governance and institutions and the security of the population.⁵

A. DEVELOPMENT PLANNING

1. Development planning and prospective analysis

A greater capacity for prospective analysis and deeper strategic reflection are essential for there to be better governance in the near future.⁶ To that end, it is necessary to develop and gain familiarity with long-term global scenarios and to anticipate the types and scale of potential future challenges. Possible future scenarios for Latin America and the Caribbean cannot be explored without a global vision; a national perspective is not sufficient. As the pace of change accelerates, there is an ever more pressing need to adopt a long-term view rather than relying on short-term forecasts.

The countries of Latin America have strengthened their democratic systems and institutions, balanced their public finances, efficiently managed the macro economy and formulated inclusive social policies that seek to reduce poverty and inequality. However, they lag behind in their ability to devise a strategic vision. The resultant ignorance of global long-term trends is compounded by the fact that analyses of projects and programmes fail to consider alternative global scenarios or the regional dimension. Policymaking focuses on short-term trends and the market, with little (albeit growing) public participation and disregards structural programmes to increase productivity, equality and participation. This weakness in prospective capacity reduces each country’s ability to react to unexpected events and makes them more vulnerable to the hazards of the future.⁷

Prospective analysis, although it entails looking into the future, takes place at an initial stage in the process of development planning. It is an essential step in that it tests the relevance and feasibility of society’s aspirations for the future and helps identify avenues to explore in this regard. In the past decade, forecasting —what has become known as “future studies”— spread around the world, and in Latin America it has gained ground chiefly within academic institutions and think tanks. ECLAC believes that the time has come for this tool to be adopted by States with a view to closing development gaps and achieving development with equality.

⁵ See United Nations System Task Team on the Post-2015 Development Agenda, *Realizing the Future we want for All*, Report to the Secretary General, 2012; and Report of the High-Level Panel of Eminent Persons on the Post-2015 Development Agenda, *A New Global Partnership: Eradicate Poverty and Transform Economies through Sustainable Development*, United Nations, 2013; United Nations, *The Road to Dignity by 2030: Ending Poverty, Transforming All Lives and Protecting the Planet*, Synthesis Report of the Secretary-General on the Post-2015 Agenda, December 2014 [online] http://www.un.org/disabilities/documents/reports/SG_Synthesis_Report_Road_to_Dignity_by_2030.pdf.

⁶ Sergio Bitar, “Tendencias globales y el futuro de América Latina”, *The World of 2030: Risks and Opportunities for Latin America*, Interamerican Dialogue, July 2013.

⁷ Sergio Bitar, “Tendencias globales y el futuro de América Latina”, *The World of 2030: Risks and Opportunities for Latin America*, Interamerican Dialogue, July 2013.

The interest in using long-term visions to guide public policymaking can be seen in the quantity and variety of future studies exercises in the region, which have been carried out by at least 18 governments in the region in recent years (see table 1). However, what is notably absent is an overview of Latin America and the Caribbean in its entirety. Against this backdrop of interest at national level in long-term visions of development and in the absence of a continent-wide overview, there is a need for the fundamental guidelines we are proposing for the work of ILPES in this field.

Table 1
Latin America and the Caribbean: long-term development plans and national future visions

Country	Long-term development plan or future vision	Year of launch
Argentina	Argentina 2016: Política y Estrategia Nacional de Desarrollo y Ordenamiento Territorial	2004
Belize	Vision for Belize by the year 2030	2010
Cuba	Programa de desarrollo 2030 (under construction)	2012
Bolivia (Plurinational State of)	Visión para el 2025 (Camino hacia el Vivir Bien)	2012
Brazil	Brasil 2022 - Brasil 3 Tempos	2010
Colombia	Visión Colombia II Centenario: 2019	2005
Costa Rica	Proyecto Bicentenario: Objetivos, Metas e Indicadores de Desarrollo para la Costa Rica del 2021	
Dominican Republic	Estrategia Nacional de Desarrollo 2030	2012
Ecuador	Visión 2021 (provided for in the current PNBV plan)	2013
El Salvador	Apuestas estratégicas para el año 2024 (covered in the Four-Year Development Plan 2010-2014)	2009
Guatemala	Plan Nacional de Desarrollo. K'atun: Nuestra Guatemala 2032	2014
Honduras	Visión de País 2010-2038	2010
Jamaica	Vision 2030 Jamaica-National Development Plan	2012
Mexico	Visión México 2030	2007
Panama	Visión Nacional 2020	1999
Peru	Plan Bicentenario: el Perú hacia el 2021	2011
Saint Lucia	Saint Lucia National Vision Plan	2008
Trinidad and Tobago	The New Policy Agenda 2014-2021	2014

Source: Economic Commission for Latin America and the Caribbean (ECLAC), Latin American and Caribbean Institute for Economic and Social Planning (ILPES), on the basis of available information.

The global, continental, national and local contexts are and will continue to be marked by uncertainty. We have not yet found the strategies to lift us out of the crisis, and we can only guess at the forms the post-crisis global economic equilibrium may take. The maturing of the region's democracies will entail political challenges and will continue to create social demands. Although these challenges need to be addressed by society and the economy as a whole, the role played by the State, public policy and the cycle of public administration in doing so should not be overlooked. In their areas of work, ILPES and ECLAC are tackling these issues and attempting to respond adequately to the challenges and opportunities that are emerging out of this new context.

This new context is proof that the institutional mission of ILPES remains valid, but also that some of its working strategies need to be reviewed. At this key turning point, a great contribution to improving the quality of public administration can be made by promoting the use of prospective analysis as a public policy tool to help analyse the complex relationship between the various dimensions of public policy (spatial and time-related elements) and between across sectors, with a view to helping address the challenge of paving the way for multi-level and multidimensional governance of development.

ILPES has worked in collaboration with some of the foremost centres for prospective analysis in the region, which have helped develop its training, technical assistance and research activities. The expansion and consolidation of these networks is vital, as is the coordination with the rest of ECLAC in the development of information, knowledge and capacities relating to prospective practices for development in Latin America and the Caribbean.

The following guidelines have been proposed for the work of ILPES with States on prospective practices:

- to encourage the use of prospective analysis in public policy-making with a view to helping build sustainable socioeconomic development processes;
- to promote a future-orientated overview in the various development issues and problems addressed within the ECLAC system, especially with regard to efforts to close gaps;
- to make use of prospective analysis in cross-sector and multi-level processes that have links to, value and discuss prospective work more narrowly focused on specific issues (land-use, science and technology, population, energy and infrastructure, among others); and
- to strengthen, in parallel and in a balanced manner, research (ascertaining the current state of prospective analysis and incorporating innovations and processes), technical cooperation (incorporating general scientific progress into prospective analysis and its actual use public policy-making) and training activities (enhancing the skills and competencies of institutional, political and social stakeholders with a view to building sustainable futures).

2015 marked the beginning of a process to draw up, in collaboration with the countries, a vision of how we wish the region to be by 2035. Sharing a vision for the future of the region as a whole, on the basis of two key elements: cooperation and integration, would be beneficial for all, because it would develop a shared sense of belonging. The proposal will be submitted at the twenty-fifth meeting of the Presiding Officers, and details of progress in his work will be presented at the Regional Council for Planning meeting in November 2015.

2. Territorial development planning and coordination between levels of government

In Latin America and the Caribbean, areas with advanced levels of economic and social development exist alongside severely underprivileged or environmentally damaged zones. And it is not just that poverty and inequality are “reflected” in geographical terms; the socially unequal distribution of territory curtails possibilities for the development of the countries as a whole. A geographical-relational interpretation of social inequalities makes it easier to understand these development lags as the remnants of specific historical processes of inclusion/exclusion or progress/backwardness affecting the country as a whole. It therefore follows that such lags are not solely attributable to internal factors such territory, but must be seen in relation with the rest of the country, or even from perspectives going beyond the purely national.

This perspective forms the basis of new national initiatives in territorial development policy in Latin America and the Caribbean. It is also essential to involve subnational governments and local communities in the drawing-up and implementation of policies. A major new theme in discussions on the post-2015 development agenda is the recognition of the important role played by local authorities in implementing it.⁸ Guidelines for the work of ILPES in planning and territorial policies are set out below.

(a) The post-2015 development agenda at the local level

ILPES intends to facilitate coordination between the various levels of government in respect of the post-2015 development agenda and MDGs, and has outlined the following key areas for future work:

- to draw up a guide for best practices in planning, including recommendations on how to incorporate MDGs into local development plans as well as the goals and indicators agreed by the countries;
- to provide support for and analyse work in Latin America and the Caribbean to monitor SDG indicators and to take a preview of the region's limitations and potential for monitoring indicators and the capacity of governments to implement SDGs;
- to carry out capacity-building and awareness-raising, by means of classroom courses and distance learning, with a view to aligning work with sustainable development goals and development plans; and
- to hold international meetings on regional dialogue on planning focused on SDGs.

(b) Decentralization to improve local capacity for development management

For several decades Latin America and the Caribbean have been trying out ways to implement decentralized public administration and build the administrative capacity of local authorities. The strategies used have been many and varied, in line with the wide range of forms of political and administrative organization in a region which includes both federal and unitary, or centralized, countries. The arguments for decentralization are clear: bringing government closer to citizens, allocating resources and capacities more efficiently and introducing greater competition between jurisdictions, thereby ultimately improving public sector efficiency. In this way, decentralization can be expected to consolidate and deepen democracy. The strategy of ILPES entails:

- drawing up studies to ascertain the right conditions, arrangements and levels of government for the optimal provision of essential public services (such as health, sanitation, education and public safety, among others);
- capacity-building with a view to forging stronger links between land-use planning, the allocation of powers and responsibilities to various levels of government, and the decentralized management of natural resources such as water and land;
- enhancing skills in drawing up and implementing decentralized funding arrangements for local development.

⁸ See Report of the High-Level Panel of Eminent Persons on the Post-2015 Development Agenda, *A New Global Partnership: Eradicate Poverty and Transform Economies through Sustainable Development*, United Nations, 2013, p. 22.

(c) Cross-border development and cooperation

The ever-increasing levels of trade and political and cultural exchanges in border areas and the increasingly close relationships between cities and regions in different countries of the continent are evidence of the need to address challenges as part of efforts to draw up special territorial development policies with a continent-wide focus on Latin American integration, which entail addressing aspects such trust, cooperation between countries, cultural identities and legal and institutional frameworks. Cross-border integration constitutes a key political strategy in economic and social development, democratic governance and reducing disparities, and helps create a level playing field for productive restructuring and embedding border regions in today's global economy.

ILPES provides technical cooperation in such areas as:

- analysis of border areas, on the basis of existing experience of border integration in the region, such as Binational Colombia-Ecuador Border Integration Plan or the Programme to Develop the Border Strips (PDFP) of Brazil; and
- identification of instruments for the design, implementation, monitoring and evaluation of long-term strategies, plans and projects to develop border areas as part of an exercise in micro-regional integration within a wider context of continent-wide regional integration.

Border areas are an interesting social testbed for integration and are fertile ground for the implementation of targeted public policies and initiatives for productive restructuring with social and territorial equality.

(d) Territorial organization, including Land-Use and Physical Planning of the social environment

Territorial organization, land-use and physical planning can be construed as a form of long-term planning whose aims are to manage the use and occupation of the land in the interests of society. Territorial organization is a crucial element in effecting structural change for territorial equality, with a view to bringing about the profound spatial transformations required, both in terms of populations and development- and infrastructure-related factors.

Good territorial organization entails building consensus, achieving objectives and using resources in a manner that benefits society as a whole. It emphasizes the social use of resources in the public interest, such as the social role of land-use, risk management, the design and development of human settlement systems and the management of land-use conflicts.

Territorial organization policies are still hampered by serious shortcomings in terms of instruments, management, and institutional make-up, as evidenced by factors such as their overly legalistic nature and the persistent ambiguities concerning how they govern land use in rural areas. Devising a comprehensive process of territorial planning is thus a major challenge, as many places in Latin America and the Caribbean need to make profound changes to their productive, social, cultural and infrastructure systems. This necessitates closer links between development planning and the practice of territorial organization, which has until now focused almost exclusively on physical aspects and infrastructure.

ILPES proposes focusing its work on territorial organization on the following objectives:

- Building capacities for methodological, theoretical and managerial analysis of territorial development policies using freely available tools such as the territorial organization observatory (as part of the development planning repository) with a view to promoting comparative analysis of the practice of and developments in the design, implementation and assessment of territorial organization policies and plans in the region.

- Fostering horizontal cooperation between countries in training and specialized technical cooperation in areas of current relevance such as risk management, economic-ecological zoning processes, techniques of regionalization and/or territorial impact analysis of major infrastructure projects and strategic environmental assessment of territorial organization plans, among other aspects.
- Promoting cooperation and exchanges on issues concerning territorial organization between territorial organization institutions in the region of Latin America and the Caribbean and beyond.

3. Development Planning Repository

In the context of the reawakening of interest in planning, ILPES systematizes (national, subnational and sectoral) development plans and programmes in a virtual repository so as to make them more readily available and provide analytical tools for planners and other interested parties. ILPES also proposes to add value to this store of information, transforming it into a useful instrument in support of planning and, in particular, with a view to providing a forum for dialogue and consultation between planning authorities in the countries of the region. Its specific aims and functions would be:

- to promote the exchange of development experiences, plans, programmes and projects, and planning legislation and organization;
- to continuously analyse progress made in planning in the region and the obstacles it faces;
- to boost joint planning efforts at the regional and subregional level, and between groups of countries, that may help strengthen the Latin American and Caribbean integration process;
- to identify joint actions that may be incorporated into national development plans and programmes; and
- to promote exchanges of specialists between planning agencies.

The ILPES repository will offer: (i) access, through a single digital portal, to national, subnational and sectoral development agendas, plans and programmes; (ii) systematized and up-to-date information on plans and programmes, presented in a clear and accessible way; and (iii) inputs for carrying out comparative analyses, follow-up and evaluation of plans, identifying good practices and sharing experiences, to support and provide input for ministerial dialogues, and to detect opportunities for South-South and North-South cooperation, as well as to facilitate its implementation.

In line with its objective of strengthening cooperation with a view to improving planning and public administration, ILPES has been working to draft a white paper on planning. The white paper is a tool that gathers and organizes the key elements of good practices in processes of global, sectoral or subnational planning, in accordance with the wishes of the countries, with a view to improving planning. Work on the white paper should include, for example, examining and, where appropriate, promoting mechanisms for mainstreaming SDGs into national planning, such as the one recently put in place by the Government of Colombia.⁹

⁹ See National Department of Planning (DNP) of Colombia, *Bases del Plan Nacional de Desarrollo 2014-2018, Todos por un nuevo país* [online] <https://colaboracion.dnp.gov.co/CDT/Prensa/PND%202014-2018%20Bases%20Final.pdf> and [online] <https://www.dnp.gov.co/Paginas/Conozca-el-Plan-Nacional-de-Desarrollo-2014-2018-.aspx>.

The white paper will be stored in the Development Planning Repository, that, it is proposed, will ultimately become a planning repository-laboratory, a versatile vehicle to facilitate ministerial dialogue, support the implementation of tasks the agreed on by RPC, ensure transparency of such work and facilitate follow-up, evaluations and consultations in respect of it.

(a) Ministerial Planning Dialogues

The Development Planning Repository is intended to be a vehicle for promoting cooperation and exchanges of experiences and disseminating knowledge of best practices in planning and public administration. With this in mind, in November 2012, ILPES initiated the Ministerial Planning Dialogues,¹⁰ which are carried out within a general thematic framework that is adapted to each case, according to the priorities, emphasis, maturity and importance of planning in the countries. These dialogues are an opportunity to take stock of current practice in development planning in Latin America and the Caribbean, and this information is used as an input for the strategies and guidelines for the work of ILPES in the medium term. Fifteen countries participated in the first phase of the dialogue process: Argentina, Brazil, Costa Rica, Colombia, Cuba, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Panama, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay.

The Ministerial Planning Dialogues have yielded a detailed knowledge of national cases, and form the basis for the design and implementation of a platform for sharing national experiences in each of the planning functions, as well as in relation to overall visions and projections over time. Studies and research will be carried out simultaneously and will feed into the platform, enabling comparative perspectives and joint interpretations, while encouraging integration and the launch of theoretical and practical innovations. As agreed at the fourteenth meeting of the Presiding Officers, in June 2014, ILPES will make a presentation on progress in the study on the state of the art in planning and the main challenges facing it in the region at the fourteenth meeting of the Regional Planning Committee Ecuador in November 2015.

The results of this first stage also suggest the need to strengthen overall visions of planning, as well as to develop specialized tools, in particular in emerging aspects of prospective analysis, evaluation and coordination. Emphasis on these areas must give rise to course themes and contents and help improve the Institute's capacity to provide technical cooperation to the countries.

B. STRATEGIC PUBLIC MANAGEMENT: TOWARDS OPEN, EFFICIENT AND TRANSPARENT GOVERNMENT

The role of the State in guiding and channelling the aspirations of society and the market towards building the future we want is fundamental. It is up to the State to provide alternative solutions to reshape the dysfunctional equation between the state, society and the market, and that ensure sustainability, inclusion and equality as core aspirations of development. The challenges linked to development require States to strengthen their tools for the formulation and implementation of public policies, especially those that convey confidence and legitimacy to the public in terms of the quality of public spending and government administration as a whole. States focused on development have the capacity to formulate and implement

¹⁰ See Mauricio Cuervo and Jorge Máttar, "Planning for Development in Latin America and the Caribbean: Back to the Future", *First Report on the Ministerial Planning Dialogues*, *Gestión Pública* series, 2014 (LC/L.3838) November 2014.

strategies to achieve economic and social targets, supported by efficient and effective public institutions that minimize bureaucracy and operate with probity, transparency and a high degree of accountability, within the confines of the rule of law. In this context, ILPES works in the following areas.

1. e-Government and open government: information and communications technologies (ICTs) and public administration

The emerging paradigm of open government is gaining ground as a new way to inform the public and ensure transparency and accountability in respect of State action and the effects of government policies, which is dependent on citizen participation and collaboration. It is a structural innovation in public administration that responds to citizens' demands for better public services, integrity and results that can play an active role both in the formulation and implementation of policies. In today's world, forms of planning and governance that did not involve citizen participation would be unthinkable.

ILPES supports the countries in formulating their own open governmental action plans to deliver more and better democracy, by encouraging active collaboration between government agencies and bodies at all levels, and between these agencies and citizens. ILPES works together with public institutions to focus their efforts on people's needs and on their manifestations, structures and processes, thereby responding to the wishes of a public that is eager to participate, but which operates under new rules and time frames. The idea of collaboration through the different tools and channels provided by ICTs is transforming the culture of public administration, which in turn affects the dynamics of public-services management and delivery. Work includes research into this subject area, in which ILPES has been a pioneer,¹¹ technical advisory services, the development of communities of experts and networks to facilitate the exchange of experience and good practices, and the delivery of training courses, such as those that have already been carried out in a number of countries in the region.

2. Public policy follow-up, monitoring and evaluation

Although progress has been made in the monitoring and evaluation systems applied to public programmes in the countries, numerous challenges remain, such as: (i) establishing monitoring and evaluation systems and functions within institutions; (ii) establishing the basic conditions for the smooth implementation and operation of monitoring and evaluation systems; (iii) overcoming the evaluations' technical and administrative shortcomings; and (iv) linking the evaluation process to planning, budgeting and creating public value.

ILPES provides the countries with support in the form of research, the systematization of good practices to establish planning within institutions, and the development of evaluation methodologies and follow-up systems, technical advisory services, the development of communities of experts and networks to facilitate the exchange of experiences and good practices, and the delivery of training courses.

¹¹ Recent publications in this area include *El desafío hacia el gobierno abierto en la hora de la igualdad*, Project Document, No. 465 (LC/W.465), Santiago, Chile, ECLAC, February, 2012 (see [online] <http://repositorio.cepal.org/handle/11362/3969>); Alejandra Naser and Gastón Concha (eds.) *Datos abiertos: un nuevo desafío para los gobiernos de la región*, Gestión Pública Series No. 74, (LC/IP/L.313), ECLAC; 2012; see [online] <http://repositorio.cepal.org/handle/11362/7331>; and Alejandra Naser and Álvaro Ramírez Alujas, *Plan de gobierno abierto*, Gestión Pública Series No. 81; (LC/L.3802), ECLAC 2014 [online] http://repositorio.cepal.org/bitstream/handle/11362/36665/S2014229_es.pdf?sequence=1.

3. Results-based budget management

The aim of a results-based budget (RBB) is for key decision-makers to systematically consider the planned objectives, as well as the outcomes achieved by public policies and programmes over the course of the entire budget cycle. Implementing RBB requires a transition from a budgetary cycle based on the formulation, discussion, implementation and evaluation of budget headings, to one based on levels of goods and services (outputs) that institutions provide to citizens. This change in focus is designed to bring about an increase in the quality of the budget cycle: in principle it is possible to assign resources according to policy priorities and to analyse the impact of increasing or decreasing resources on public goods and services' output levels. The work ILPES carries out to support the countries in this area includes research, technical advisory services, the development of communities of experts and networks to facilitate the exchange of experiences and good practices, and the delivery of training courses.

4. Strategic management of investment projects: national public investment systems

The countries of the region are faced with challenges in implementing their national public investment systems. ILPES offers services such as (i) ongoing professional development for staff in drawing up projects, and in the private and social assessment thereof; (ii) modernizing information systems (project banks); (iii) improving transparency by ensuring the public has access to and is kept informed of the projects and programmes submitted, evaluated, approved and implemented; (iv) improving methodologies for the socioeconomic evaluation of projects and incorporating them into decision-making process on short- and medium-term investment; (v) fully incorporating investments, maintenance costs and operating expenses into budgets by establishing medium-term budgetary frameworks and commitments so as to secure the necessary funding for the completion of projects lasting beyond the financial year; (vi) improving systems for the financial and physical monitoring of projects and investments and incorporating them into integrated systems for comprehensive financial management, and (vii) institutionalizing *ex post* evaluation

C. CAPACITY-BUILDING FOR DEVELOPMENT MANAGEMENT AND PLANNING

Training is one of the Institute's main modalities for delivery in terms of the current high level of demand for its services, the effect it has on people and institutions and the predicted rise in needs in the future in this area. In the current context, and given the challenges of the next two decades, training programmes must simultaneously incorporate new content and new ways of teaching and learning, particularly in disciplines that are not formally taught in the region's universities or technical colleges.¹²

The main objective of the Institute's training courses is to strengthen the capacities, skills and applied knowledge (competencies) of national civil servants in the region. The courses it has delivered in recent years have been revamped, updated and brought into line with the requirements of member countries, and teaching techniques and course content have been improved so as to better position its range of training by incorporating new content and new ways of teaching and learning.

¹² The many requests for training that the Institute receives commonly refer to such issues as results-based management techniques and tools, analytical and methodological frameworks for administrative capacity-building, systems and methods for evaluating public policies and programmes and monitoring the impact and outcomes thereof, incorporating prospective techniques and analysis, establishing and strengthening national systems for planning and building shared visions, strategic management of local and regional development and territorial planning and organization

1. Areas and methods of training

ILPES courses involve dynamic training with active student participation and make use of e-learning resources tailored to meet specific needs and to suit the specific features of the region, institutions and different contexts as a means of improving the performance of States and its levels of government. ILPES strives to make the most of the resources and educational opportunities offered by new technology, but also works to change the way knowledge is acquired by optimizing teaching and knowledge management.

Its programme of face-to-face training and distance learning, which focuses on capacity-building and skills development in public administration and development planning in the region, is a key element of the strategy of ILPES for the coming years. Current thinking on development planning is also alive to progress in planning in other areas. Recent trends stress highly participatory strategic concepts and formulas in every stage of the planning process, both in defining objectives and drawing up plans to achieve them and at every step of the implementation process.

The training that ILPES delivers has left behind the outmoded idea that planning should take place according to a single, unchanging model that merely estimates economic variables while paying scant regard to social concerns and the groups of interest influencing the processes of formulating and implementing policies, and ignoring the options offered by the market. The courses reflect a concept of planning that is enriched by citizen participation and the democratic process, which has moved on from traditional regulation-based, imperative or indicative planning.

2. Proposal for medium-term training courses

ILPES hereby submits a proposal of topics and areas of training to form the basis of its range of training services for the medium term. Some courses have been under way for some time and have been in great demand, others have been run a few times and have also proved successful and a few new courses have been added in line with the Institute's reading of specific requests for capacity-building it has received from countries. One noteworthy aspect is the objective of ILPES of widening its target audience, which includes social movements, civil society, trade unionists, politicians and leading stakeholders, in the world of training. The proposed subjects for courses are set out below:¹³

- (i) training of planners at the regional level;
- (ii) prospective analysis for change: long-term visions and use of the scenarios technique;
- (iii) planning and policies for sustainable post-2015 development;
- (iv) integrated course on planning for civil servants;
- (v) high-level governance and public administration;
- (vi) government, public administration modernization and citizen participation;
- (vii) techniques for evaluating programmes and policies;
- (viii) development paradigms and models of capitalism in the twenty-first century;
- (ix) leadership and management for development.

¹³ For further information, see "Capacitación para el fortalecimiento de la gestión pública y la planificación en América Latina y el Caribe", *Propuesta de cursos 2014-2015* (DSC/1), Santiago, Chile, November 2013.

II. RESOURCES AND MANAGEMENT FOR A NEW STRATEGY

As noted in Section I, at its fourteenth meeting, at Brasilia in November 2013, the Regional Council for Planning (RCP) approved a new strategy to strengthen regional cooperation and assist in shaping a long-term vision for the whole region from a development planning perspective. With a view to achieving its strategic objectives, the Council gave ILPES a series of instructions, which included:

- drafting a proposal for a regional work programme;
- creating a regional repository of development plans;
- analysing the current state of planning in the region and identifying the challenges involved in strengthening it;
- helping construct a long-term regional vision for development planning.

To be in a position to undertake these initiatives, develop the products and attain the proposed goals, the Institute needs to be properly resourced. Accordingly, the RCP approved resolution CRP/XIV/02 recommending the creation of a working group to analyse the Institute's system of financing and propose measures to modernize the regular system of government contributions (RSGC) to submit for the consideration of member countries at the next meeting of the Presiding Officers of the Council.¹⁴ At their twenty-fourth meeting, held at La Antigua, Guatemala, in June 2014, pursuant to resolution CRP/XIV/02, the Presiding Officers of the Council established the working group, and asked the secretariat to prepare a proposal, which ECLAC hereby presents for the consideration of said working group.¹⁵

In response to that request, this section concerns long-term developments in financial contributions from the member States to the Institute. The analysis suggests a widening gap between the resources available and those that are required in light of its renewed mandate and the new strategic objectives. The purpose here is to facilitate discussion and decision-making with a view to closing the funding gap and, over time, enhancing the resource base of ILPES so as to strengthen the advisory, training and research services it provides for the countries of the region.

A. BACKGROUND: THE DEVELOPMENT, RETREAT AND RESURGENCE OF THE REGIONAL POLITICAL SPACE FOR PLANNING AUTHORITIES IN LATIN AMERICA AND THE CARIBBEAN

1. The ILPES project and its Governing Council, 1962-1974

ILPES was established in 1962 under the auspices of ECLAC to create, strengthen and develop development planning and programming capabilities in the region's countries. Through its technical assistance programme, the Institute was instrumental in designing the institutional architecture of the planning ministries, secretariats and institutes that emerged in the 1960s, while its training programme was the main centre for the instruction of human resources specializing in development planning in the region.¹⁶

¹⁴ See ECLAC (2014), Report of the fourteenth meeting of the Regional Council for Planning of the Latin American and Caribbean Institute for Economic and Social Planning (ILPES), Brasilia, 22 November 2013, (LC/L.3782).

¹⁵ The member countries of the working group are Brazil, Colombia, the Dominican Republic, Ecuador, Guatemala, Paraguay and Trinidad and Tobago.

¹⁶ For an overview of the origins and substance of planning in Latin America and the Caribbean, see, for example, Jorge Máttar and Ricardo Martner (comps., 2012), *Los fundamentos de la planificación del desarrollo en*

ILPES was financed by the United Nations Special Fund, the precursor of the United Nations Development Programme (UNDP), and by the Inter-American Development Bank (IDB) as part of a project agreed with ECLAC. The project also received voluntary contributions from member countries and signed cooperation agreements with other United Nations bodies and international cooperation agencies.

The ILPES project had a Governing Council to set general rules, devise the plan of work and report regularly to ECLAC on its activities. The Council had 11 members; eight were experts from eight different Latin American countries elected to act in a personal capacity by the member countries at the ECLAC session. The remaining three were appointed as representatives of ECLAC, the Inter-American Development Bank (IDB) and the Organization of American States (OAS). The Council approved an initial operating plan for the five-years from 1962 to 1967, with a budget of just over US\$ 4 million plus contributions in kind, with activities centred on research, training and technical assistance.

The first operating plan was followed by a second, to run for four years (1967-1971) with a US\$ 4.2 million contribution from the newly created United Nations Development Programme (UNDP) and two non-reimbursable loans from IDB totalling US\$ 1.2 million. At the end of the second period, UNDP approved a third operating plan with a three-year horizon (1971-1974). At the same time, the Governing Council was expanded to 14 members, with two experts being added from hitherto unrepresented countries and one representative from UNDP.

By 1974, after three successive periods and 12 years of UNDP funding for ILPES, development planning had been institutionalized in almost all the region's countries. UNDP had reached the end of a cycle and decided to set up the regional programme for Latin America, seeking new forms of cooperation. All this meant that a new funding strategy for ILPES was needed.

2. The incorporation of ILPES into the budget of the United Nations Secretariat and the transformation of the Governing Council into a Technical Committee, 1974-1980

The countries represented on the ILPES Governing Council reaffirmed that the Institute had to be a permanent body. In 1974, the Committee of the Whole of ECLAC decided to incorporate ILPES into the Commission.¹⁷ In consequence, the ILPES Governing Council was turned into an intergovernmental subsidiary body of ECLAC, henceforth known as the Technical Committee, and its composition was changed ex officio to ministers and planning authorities. Thus incorporated into the working programme and budget of the United Nations Secretariat as part of ECLAC, ILPES was consolidated and renewed its collaboration with UNDP under its Regional Programme for Latin America, with biennial operating plans that continued until the early 1990s.

The national planning authorities of the region's countries met for the first time as such at the first meeting of the ILPES Technical Committee at Port of Spain in 1975. They decided to formalize a ministerial-level annual meeting "to exchange experiences on the subject in order to assist efforts to promote development and at the same time, enhance the services that ILPES offers the countries."¹⁸

América Latina y el Caribe, Textos seleccionados del ILPES (1962-1972), Libros de la CEPAL, No. 116 (LC/G.2552), Santiago, Chile, ECLAC, 2012; and Jorge Leiva, Santiago, Chile, LC/G.2552, and Jorge Leiva, "Instituciones e Instrumentos para el Planeamiento Gubernamental en América Latina", *A Reinvenção do Planejamento Governamental no Brasil*, Institute of Applied Economic Research (IPEA), Brasília.

¹⁷ Resolution 340 (AC.66).

¹⁸ *Report of the First Meeting of the Technical Committee of ILPES*, Port of Spain, 7 May 1975.

The annual ministerial meeting came to be called the Conference of Ministers and Heads of Planning of Latin America, and was held for the first time in Caracas in April 1977. As part of the event, the ILPES Technical Committee met to look at the Institute's programme issues. The conference agreed to set up the System of Cooperation and Coordination among Planning Bodies of Latin America and the Caribbean (SCCOPALC), whose intended functions included encouraging the sharing of experiences and fostering joint programming efforts at the regional and subregional level.

The conference also established a financing strategy for ILPES.¹⁹ The strategy consisted in consolidating the contributions of the United Nations regular budget through ECLAC, re-emphasizing the importance of contributions from member Governments, maintaining UNDP financing and seeking funding from other international development cooperation agencies outside the United Nations system. The idea of developing technical assistance projects financed directly by the requesting body was also discussed.

3. The formalization of the regular system of government financing and the creation of the Regional Council for Planning, 1981-1990

In the early 1980s, a decline in financing from UNDP and IDB meant that the search for other funding sources was stepped up. Allocation of resources from the regular budget of the United Nations Secretariat through ECLAC became a fundamental pillar of ILPES funding, supplemented by the voluntary resources that the Governments of Latin America and the Caribbean arranged to provide by consolidating the Regular System of Government Financing (RSGF), agreed at the meeting of the Technical Committee held in Buenos Aires in 1983.

In the period between 1983 and 1989, RSGF was gradually formalized at successive meetings of the Technical Subcommittee, now the Presiding Officers of RCP. The countries indicated the amount of their voluntary financial contributions in relation to triannual programmes of work.

In the late 1980s, the Technical Committee changed its name to the Regional Council for Planning. In 1989, the Council met in Madrid and accepted Spain as the first and so far only member country from outside the region. The voluntary contribution by the Government of Spain to ILPES made up for the lack of contributions from the Caribbean countries; with the exceptions of Jamaica, Barbados and Trinidad and Tobago, the Institute has not received or sought contributions from the English- and Dutch-speaking Caribbean countries. The structure of contributions by country has not altered significantly since 1989, and the annual amount agreed has remained at US\$ 1.575 million. Actual contributions made in recent years are below the figure agreed, as will be shown below.

4. The shrinking of a regional political space, 1990-2005

The external debt crisis in the 1980s paralysed the development strategy based on prescriptive central planning, import substitution and tariff protection of domestic markets. In the early 1990s, a development strategy based on the market as a resource allocation mechanism and on private investment as a driver of development was therefore adopted in the region. Trade opening and export promotion were key elements of this process. The national planning institutions created in earlier decades were dismantled or reduced to a minimum, or else changed their missions profoundly.

¹⁹ *Report of the Second Meeting of the Technical Committee of ILPES, Caracas, 15 April 1977.*

The composition of the Regional Council for Planning gradually adapted to the institutional changes in the countries and often included representatives of ministries of the economy and finance, which had absorbed certain planning functions and were required, for example, to prepare and monitor the national budget.

ILPES progressively adapted to changes in Latin American planning practices and prioritized work on public investment budgeting and planning and on local development planning. The design of projects using the logical framework methodology continued to be an area in which ILPES manuals and training courses were in great demand. The subject of results-based public management was introduced as an area of expertise and technical assistance in the Institute. Its regional development work gained a following and its strategic planning methodology for local development received widespread acceptance.

The meetings of the Regional Council for Planning and its Presiding Officers began to become less frequent and its convening authority began to tail off in the mid-1990s. After the 1977 and 1978 meetings, the Conference of Ministers and Heads of Planning of Latin America and the Caribbean was held every two years. At the tenth meeting, in 1994, the decision was taken to reduce the frequency to once every four years. Meetings were held under this format in 1998, 2002 and 2007. The Presiding Officers of RCP held no meetings between 2005 and 2014, after having met biannually from 1975, and even annually in some periods (1982-1984, 1990-1993 and 1995-1997).

5. The resurgence of planning and the Regional Council for Planning, 2006 to the present day

At the initiative of the Ministry of Planning, Budget and Management of Brazil, the fourteenth meeting of the Regional Council for Planning was convened in Brasilia in November 2013. The representatives of 22 member countries of the Institute welcomed the proposal of structural change for equality presented by the Executive Secretary of ECLAC, confirmed the resurgence of development planning in the region and noted the ILPES medium-term strategic proposal. The proposal emphasizes the potential of the Council to enhance cooperation between planning institutions in the region and to foster the regional perspective in development planning and strengthen prospective practices to construct national visions of the region. The Council instructed ILPES to create a repository of development plans and extend its training activities to include developing the ability of civil society stakeholders to participate in development planning processes.

The countries elected Ecuador and Guatemala to co-chair the Presiding Officers of RCP over the 2013-2017 period. The Council decided to hold its next plenary meeting in November 2015 in Ecuador and to convene a meeting of the Presiding Officers of the Council in the first half of 2014. Eleven countries expressed a willingness to serve as Presiding Officers.

The Presiding Officers met in Antigua, Guatemala, in June 2014, with 10 countries participating, and agreed to ask ILPES to prepare a programme of work for the countries of the region in the area of planning, on the basis of the concept note presented by the Institute.²⁰ The programme of work must be oriented towards strengthening the role of the Council as a permanent forum for dialogue, consultation and exchanges among the planning authorities of Latin America and the Caribbean.

²⁰ See ECLAC, *Towards a regional planning agenda that takes into account the prospective post-2015 development agenda* (LC/L.3834(MDCRP.24/3), Santiago, Chile, 18 June 2014 [online] http://www.cepal.org/ilpes/noticias/paginas/6/53066/14-20091-MDCRP.24-Nota_conceptual.pdf.

The Presiding Officers decided to hold a further meeting, in the second half of 2014, to review a draft working plan contained in an initial version of the document that ILPES will prepare on the state and prospects of development planning in the region, to be presented at the RCP meeting in November 2015.²¹

The Presiding Officers also instructed ILPES to prepare a proposal for a review of its financing strategy, to be analysed by a working group comprising representatives of five countries and revised by the Presiding Officers at a later date.

B. OVERVIEW OF CURRENT ILPES RESOURCES

The Institute has a staff of 24 and occupies an area of offices and lecture rooms in the ECLAC building in Santiago, Chile. Its regular budget (based on funds received periodically and permanently) comes from two different sources: the regular budget of the United Nations Secretariat, and contributions from member countries via RSGF.

1. Ordinary budget of ECLAC

The allocation to ILPES of the United Nations regular budget is associated with the “Planning of public administration” subprogramme, which is part of the “Economic and social development in Latin America and the Caribbean” programme implemented by ECLAC on the instructions of the General Assembly. Programming is biennial and the most recent plan of work, for the 2016-2017 period, was adopted by the Commission at its thirty-fifth session, held in Lima in May 2014. ILPES resources from the regular budget of the United Nations finance the cost of four international and eight local officials, plus a small budget for missions and for consulting and temporary assistance work. Over the past five years (2010-2014) these resources amounted to approximately US\$ 1.253 million. The meetings of the Regional Council for Planning and its Presiding Officers are financed out of the ECLAC budget for meetings of its subsidiary bodies.

2. Contributions from member States

The RSGF was originally designed with a triennial programming of activities approved by the Presiding Officers of the Regional Council for Planning. The programming exercises were consolidated over time and resources from the regular system of government financing are a vital supplement to those from the ECLAC budget in implementing the biennial plan of work approved for ILPES by the Commission and the higher authorities of the General Assembly. Contributions fell between 2010 and 2014, averaging US\$ 725,000. The resources it receives from the regular budget of ECLAC and contributions from governments cover the Institute’s general staffing costs (90% of total expenditure) and its technical assistance missions, meetings and seminars.

In short, the regular resources of ILPES have averaged almost US \$ 2 million over the past five years. Sixty-three per cent was provided from the regular budget of the United Nations and 37% from government contributions, which are thus an essential complement to resources from the regular budget of ECLAC. In the period under review, operating expenses (payroll, missions and consultancy fees) averaged about US\$ 2.5 million per year, meaning that there was an annual funding shortfall of around US\$ 500,000, which was covered using balances from previous years.

²¹ The meeting was postponed. It is scheduled to be held in the first half of 2015.

3. Training and technical cooperation agreements

The Institute also mobilizes earmarked resources by recovering costs for training and technical assistance services. The amounts of resources are agreed in specific agreements signed by ECLAC with organizations in the Member States, aid agencies and multilateral organizations, chiefly to meet emerging demands for training and consultancy services. The Institute recovers direct costs for training activities by charging course participants an enrolment fee. Over the past five years it has received an average of US\$ 1.14 million (one million, one hundred and forty thousand United States dollars) from training agreements and courses. The Institute uses these resources to cover specific costs related to the provision of training and technical assistance services, such as consultants' fees and travel expenses. The Institute does not charge fees for services it provides to countries.

This overview of the resources of ILPES would not be complete without mentioning the infrastructure, logistics and administration costs covered by ECLAC. The Institute makes use of office space, classrooms and meeting rooms as well as office equipment, security, publishing and conferencing services, telecommunications resources and the library, periodicals and cafeteria of ECLAC, among many other services. Assigning a value to these services, all provided by ECLAC and covered by budgets approved by the General Assembly, would be going beyond the scope and purpose of this document.

Table 2 shows voluntary contributions from member States over the period from 2008 to 2014: the figures show a downward trend until 2012, with the Institute's actual expenses and cash balance both falling. This trend reversed in 2013, largely as a result of efforts to restore the regularity of contributions, but the total amount received remains a long way from the total theoretical amount. In 2014, contributions to the tune of a little more than a quarter of the expected amount were received, and the cash balance therefore fell below US\$ 1 million for the first time in the period under review.

Table 2
Latin American and Caribbean Institute for Economic and Social Planning (ILPES): voluntary contributions planned for and received from member States, shortfall and cash balance, 2008-2014
(Dollars)

	2008	2009	2010	2011	2012	2013	2014
1. Planned government contributions ^a	2 448 243	1 566 300	985 102	667 322	471 236	1 101 580	422 820
2. Planned government contributions	1 575 000	1 575 000	1 575 000	1 575 000	1 575 000	1 575 000	1 575 000
3. Shortfall (1-2)	873 243	-8 700	-589 898	-907 678	-1 103 764	-473 420	-1 152 180
4. Cash balance ^b	3 545 878	3 948 838	3 336 742	2 779 265	1 807 819	1 508 941	890 363

Source: Economic Commission for Latin America and the Caribbean (ECLAC)-Latin American and Caribbean Institute for Economic and Social Planning (ILPES).

^a In 2008 a sum greater than the planned contributions was received, as a country made an extraordinary payment for overdue contributions.

^b The balance in year t corresponds to the balance in t-1 plus the shortfall in t.

The structural deficit, or the shortfall between the resources ILPES actually received in recent years and amount needed to maintain its level of operations, is approximately US\$ 1 million per year, as the balance for the period in Table 1 shows. This cash balance is only sufficient to cover the structural deficit until the end of 2015. If the current trend is not reversed, the Institute will have to adjust its staffing levels and operational capacity downwards for the 2016-2017 biennium.

ILPES, like the rest of ECLAC, mobilizes ad hoc, earmarked resources to finance specific operational activities, in response to collective or individual needs of the member countries, in the framework of the strategic objectives laid down in the Commission's programme of work. In the recent past, ILPES has shown a notable capacity to mobilize third-party resources. In the past six years, the Institute has collaborated with dozens of donors on almost 100 specific projects. A specific example of this is its training courses, for which it charges an enrolment fee to participants or sponsors for the sole purpose of recovering expenditure incurred from direct costs of the course. As noted above, the Institute does not charge any fees for professional services provided by its staff.

In the case of specific agreements, the resources are used to execute the activities established in the work plan for each project agreement (to cover aspects such as consultants' fees, missions, or the organization of meetings), while the training expenses recovered are chiefly the costs of educational material, transportation for ECLAC staff and trainers, the hiring of associate professors and cafeteria services. Resources received under agreements have also fallen over the period, mainly owing to the completion of two major programmes with funding from the United Nations Development Account and the World Bank.

Table 3 shows expenditure from resources from voluntary contributions, agreements and training courses. Resources from voluntary contributions are used to pay for technical and administrative staff, hire consultants, conduct technical assistance, training and research missions and organize forums, seminars and meetings in the region, based on the work plan and requests by the member governments. Staffing costs, which account for 90% of operating expenditures, remained relatively constant over the period since this category largely corresponds to permanent and fixed-term contracts. There were, however, some job reductions between 2012 and 2014, leading to a reduction of almost 6% in operating expenses.

Agreements and training courses are an earmarked item, so actual expenditure corresponds strictly to the activities in question (chiefly advisory services and capacity-building). The budget is established on the principle of recovery of costs incurred, excluding any operating surplus. As indicated above, cost estimates include direct expenses, mainly incurred as a result of missions, materials and consultancy fees.

The current state of the resources of ILPES reflects a complex situation brought about by institutional changes in planning in Latin America and the Caribbean, the Institute's inertia, strategies and initiatives over the years in a changing context in respect of the resources available to achieve the common objectives of RCP and the Commission of improving planning and public administration in the region.

Strengthening RCP and the services provided by the ILPES calls for greater resources to complement this picture. The regular budget and contributions from RSGF are chiefly used to cover fixed costs, such as payroll. The costs of meetings, publications, technical assistance and training are mostly covered by resources provided under agreements or other specific arrangements. The Institute's funding strategy needs to be reviewed to increase and stabilize the availability of resources and to ensure that its action is consistent and aligned with the mandate of the Commission and the objectives of the Regional Planning Council.

Table 3

Latin American and Caribbean Institute for Economic and Social Planning (ILPES): costs covered with contributions from member States, agreements and enrolment fees, 2008-2014

	2008	2009	2010	2011	2012	2013	2014
	<i>(Current dollars)</i>						
Operating expenses	1 385 302	1 316 634	1 839 697	1 419 633	1 439 353	1 322 175	1 029 595
Staff	1 163 567	1 169 202	1 696 647	1 268 515	1 266 318	1 208 751	817 524
Consultants	135 189	70 274	16 963	28 190	14 809	14 250	86 744
Missions	27 646	36 171	82 087	73 874	70 652	41 943	50 106
Meetings and seminars	12 710	6 705	25 865	11 460	56 147	15 567	20 735
Miscellaneous	46 191	34 281	18 135	37 594	31 426	41 664	52 160
Furnishings, equipment and supplies	2 215	29 010	1 660	3 739	1 273	4 341	2 327
Project and training course expenditure	1 443 029	1 821 270	1 748 491	1 723 646	997 877	1 100 426	999 453
Agreements	1 194 793	1 565 456	1 608 939	1 555 177	654 348	762 439	702 708
Training courses (cost- recovery)	248 236	255 814	139 553	168 469	343 529	337 987	296 746

Source: Economic Commission for Latin America and the Caribbean (ECLAC), Latin American and Caribbean Institute for Economic and Social Planning (ILPES), on the basis of information from flows from the Regular System of Government Financing, institutional technical cooperation agreements, fees and income and expense statements.

C. TOWARDS A PROPOSAL FOR AN INSTITUTIONAL FINANCING STRATEGY

1. The regular budget is the cornerstone

The ECLAC regular budget allows ILPES to engage human resources on long-term contracts and to rely on an operational equipment and office services infrastructure. Although there are also regular budget allocations to recruit consultants and temporary staff, hold meetings and carry out missions in the region, additional resources are needed to finance this kind of operating expenses.

Financing for the development activities of the United Nations Secretariat, which includes the regular budget that ILPES benefits from, is a subject of debate at the General Assembly. In the current international economic climate, and given the short- and medium-term forecasts for it, it is not realistic to expect any increase in resources for these activities. The regular budget has the great merit of providing ILPES with stability over a medium- and long-term horizon, enabling it to achieve the outcomes set out in the biennial plan of work. For the plan of work to be aligned with the goals and priorities of the RCP, the dynamic of RCP meetings needs to be coordinated with that of ECLAC work programming.

Specifically, this means that Council meetings should return to being held every two years instead of every four years, and that they should take place far enough in advance of ECLAC sessions. The RCP meeting scheduled for November 2015 in Ecuador is well timed for the recommendations of the Council to affect the preparation of the draft programme of work for the biennium 2018-2019 and the fine-tuning of priorities for 2016-2017, whose programme of work has already been approved by the General Assembly of the United Nations. The Presiding Officers, for their part, should meet in the second half of even-numbered years to be able to monitor the plan of work of the current biennium, such the 2014-2015 plan being implemented by ILPES.

2. The regular system of government financing, an essential complement

The RSGF has been vital to the workings of ILPES over the last three decades and is a source of funding that helps it to meet the objectives agreed by RCP. Given that the management of financial resources is subject to United Nations regulations, the work and services provided by ILPES require the periodic planning of its activities and the allocation of the necessary resources.

Under this new scheme, the Regional Council for Planning would adopt new regulations for the RSGF consistent with United Nations rules and regulations on the management of voluntary contributions, taking into account the role they play in complementing the regular budget. Programming of activities must be based on the biennial work plans of ECLAC and ILPES, which must be implemented in accordance with the guidelines and priorities set by the Member States at RCP.

For example, at the thirty-fifth session of ECLAC, in May 2014, the member States approved the 2016-2017 programme of work. At their twenty-fourth meeting, the Presiding Officers agreed on priorities and emphases, as well as complementary activities for the programme. The Regional Council for Planning will be apprised at its twenty-fifth meeting, to be held in November 2015, of progress of the work and discuss and agree on new priorities or emphases for ILPES services, especially in light of the new Sustainable Development Goals agenda, to be published in late September. RCP will also approve the regulations for RSGF at this event, thus paving the way for a strengthened and updated system as of 2016.

CONCLUSIONS

The regular system of government financing was set up in a regional context which is no longer valid. The conditions under which it was established in the 1980s have changed. Regular resources from the United Nations bring stability to the Institute's day-to-day operations, but they are insufficient and will certainly not increase in the future. The shortfall must be made up by means of a renewed system of voluntary contributions that is stable and institutionalized in each country, as the current situation is characterized by volatility and a long-established downward trend in voluntary contributions.

The system of contributions must now respond to a very different model of planning to that which prevailed in the 1980s; countries are updating, modernizing and adapting their planning systems to the objectives of the inclusive, sustainable development grounded in equality that citizens demand, together with their participation and cooperation in the planning processes of the twenty-first century. Today is the opportunity to align this planning with the Sustainable Development Goals and to give substance and essence to planning instruments —prospective analysis, coordination and evaluation— and ECLAC, through ILPES, is committed to doing just that, as the first section of this proposal makes clear.

ECLAC hopes that this note will be a valuable input for the work of the special working group established pursuant to resolution CRP/XIV/02 and, ultimately, will help the Regional Planning Council set specific regulations for voluntary contributions from Member States at its fifteenth meeting, in the context of the programme of work of ILPES, which will report on progress at the event. It is therefore to be hoped that voluntary contributions, as an essential ingredient of the Institute's work, will continue, and thus help it achieve its stated strategic aims.