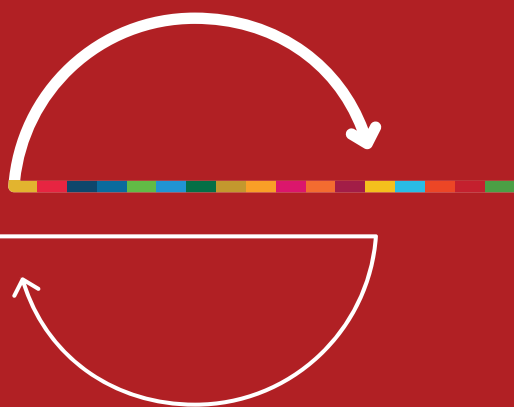


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**2018**

**THIRTY-SEVENTH  
SESSION OF ECLAC**

*Havana  
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**REPORT ON THE TECHNICAL COOPERATION  
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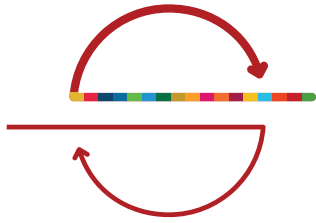


UNITED NATIONS

**ECLAC**



FOR SUSTAINABLE  
DEVELOPMENT WITH EQUALITY



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## REPORT ON THE TECHNICAL COOPERATION ACTIVITIES CARRIED OUT BY THE ECLAC SYSTEM DURING THE 2016-2017 BIENNIUM





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## INTRODUCTION

In the past few years, the Economic Commission for Latin America and the Caribbean (ECLAC) has promoted reflection and discussion on the implementation of the 2030 Agenda for Sustainable Development and the role of international cooperation in ensuring the achievement of the Sustainable Development Goals.

The experience of the past few decades, shaped by the increasing heterogeneity of the developing world, indicates that one effective formula for international cooperation, or a set of standard formulas, is not practical; more imagination and a sense of urgency are needed to address the magnitude and complexity of contemporary challenges.

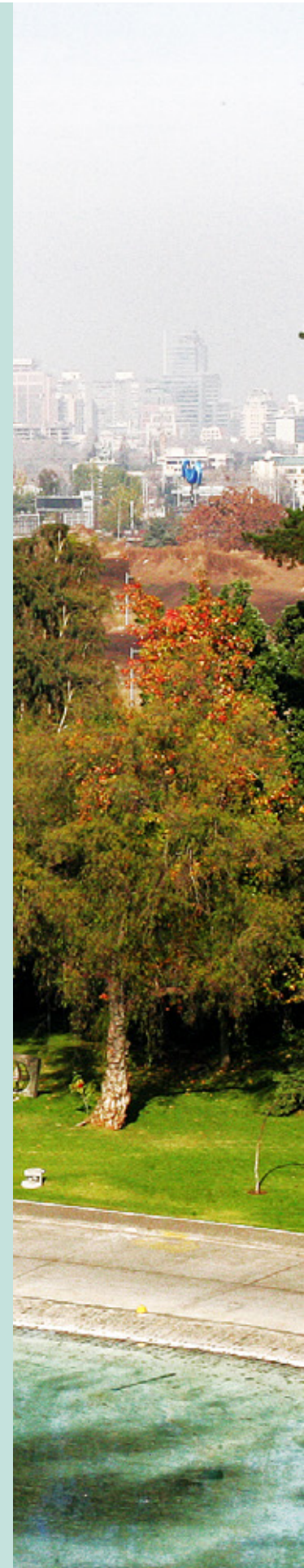
Although economic growth and the policies adopted by the countries in Latin America and the Caribbean have helped to increase well-being and reduce poverty, major economic, social and environmental challenges remain, and are reflected in inequalities throughout the life cycle, inequalities based on gender, ethnicity and race, and considerable territorial disparities. As a result, millions of people who have exited poverty in the past few decades are now highly vulnerable owing to their limited access to good-quality public services and a lack of sustainable growth, which stems from structural problems such as persistently low productivity and weak diversification of the region's economies, and their precarious integration into global value chains.

Nonetheless, the traditional system of international cooperation, in which per capita income is considered representative of development, has been increasingly excluding middle-income countries, such as those in Latin America and the Caribbean. According to the World Bank's 2018 rankings, the region had 7 high-income countries, including 5 in the Caribbean and 2 in South America; 25 middle-income countries, 20 of which were classified as upper-middle income, including 10 Caribbean countries; and just one low-income country.

Although countries access international financial markets more easily as their per capita income increases, their access to concessional funding—specifically that targeting development—is also restricted, despite the remaining challenges in this area. Moreover, while the potential to mobilize domestic resources grows with income, transforming this potential into reality requires institutional development, for example with respect to taxes, which does not advance at the same pace as income growth.

The countries of the region simultaneously face these vulnerabilities and global risks such as climate change and financial volatility, which call for multilateral approaches. Several countries in the region facing this situation have been dynamic participants in the international discussion on development and, moreover, play a crucial role in building regional and global public goods.

However, it sometimes appears that for the developed world, the Latin American and Caribbean region no longer requires cooperation or differentiated treatment in trade and access to financial flows. This is incorrect. In fact, cooperation needs



have changed because the region has changed. The international cooperation system must seek a comprehensive and broad response to the development problem which, in addition to including low-income countries, considers the highly diverse needs and vulnerabilities of middle-income countries.

The new context calls for an international cooperation system that better defines and measures development, takes into account the interdependence of policies at the global level, and lays the foundations for the uninterrupted exchange of knowledge, technology and good practices between countries at different levels of development. This renewed development cooperation system must include the active participation of middle-income countries, as their exclusion would represent a loss for the international community as a whole.

This new reality calls for a more sophisticated analytical framework to better understand the problems facing countries achieving higher levels of relative development, to ensure a more informed discussion of the specific challenges they must overcome to implement the 2030 Agenda for Sustainable Development.

In keeping with its traditional role as a source of sustainable development ideas and practices, ECLAC has contributed to this discussion, on one hand, by providing alternative analytical proposals to effectively determine the requirements of international development cooperation for middle-income countries, and on the other hand, by participating actively in innovative forms of international cooperation.

As an active participant in channelling cooperation for development, in the 2016-2017 biennium ECLAC mobilized resources in addition to its regular budget amounting to US\$ 20.64 million, and at the same time implemented technical cooperation projects amounting to US\$ 29.57 million on a wide range of subjects linked to the region's sustainable development, a summary of which is presented in this report. This amount includes activities funded by the regular programme of technical cooperation (Sec. 23) and by the Development Account, as well as by extrabudgetary funds from donors.

In the analytical field, ECLAC has developed a structural gap approach according to which development is a multifaceted process that must not only improve living standards, but also achieve sustainable and inclusive growth to address the social inequality and the heterogeneous production structure that are defining features of middle-income countries. Achieving development means overcoming a series of traditional obstacles —or structural gaps— that hinder dynamic and sustained economic growth and limit the possibilities of establishing more inclusive economies and societies.

The structural gap approach is a response to the request by the countries of the region for ECLAC to propose a broad set of indicators that reflect the reality of each country and identify the main needs of each one, to ensure that the middle-income criterion is not an a priori obstacle to receiving official development assistance (ODA). Twelve indicators are proposed in addition to per capita income, relating to inequality and poverty, proportion of debt, investment and savings, productivity and innovation, infrastructure, education, health, taxation, gender and the environment.

The premise is that there cannot be one classification or criterion applicable to all countries, and that different gaps produce dissimilar classifications. Classifying countries according to per capita income and other gaps may not produce the same results. This confirms that higher income cannot be equated to stronger development; thus, narrowing the income gap will not necessarily lead to an improvement in remaining gaps. The order of the countries changes according to the gap examined. The relevance of each gap varies in every country; in other words, it may be stronger in one country and less so in another, and vice versa.

The structural gap approach, which is already being implemented in Costa Rica, could be the basis of an inclusive and egalitarian cooperation agenda, and help to enrich dialogue at the global, regional and national levels. At the global level, policy discussions should aim to define the framework for an inclusive development agenda and expand multilateral dialogue on development financing, especially in terms of sources of financing and allocation criteria. At the regional level, there is a need for deeper integration and greater involvement in global governance. At the national level, gaps must be prioritized and inclusive dialogue must be maintained with civil society and the private sector.

ECLAC continues to collaborate actively with other actors —both regional and global— in the international cooperation system, to deepen the analysis of shifting challenges for the international community that stem from the constant evolution of development in Latin American and Caribbean countries.

One example of a concrete instrument to increase development financing is the ECLAC proposal of a public debt relief strategy for the Caribbean, designed to expand fiscal space and to generate much-needed economic growth in the subregion, and at the same time to address climate change effects.

In 2013, five Caribbean countries were among the 20 most indebted countries in the world based on the public debt-to-GDP ratio, and the total combined debt of the Caribbean amounted to US\$ 46 billion, which is equivalent to 71% of the subregion's GDP. Although the seriousness of this situation varies from one country to the next, a common feature is that the problem does not stem from public policy missteps. On the contrary, it is rooted in a series of external shocks, compounded by structural weaknesses and vulnerabilities of small island developing States (SIDS) deriving from their exposure to natural disasters and the impacts of climate change.

In light of this situation, the ECLAC proposal includes a set of options to address the debt problem, including the gradual amortization of up to 100% of the multilateral concessional debt balance, the establishment of a resilience fund for the Caribbean (which will be used mainly to finance climate change adaptation and mitigation), and a private debt buyback plan for countries with high percentages of external public debt with private creditors. The countries of the subregion would commit to structural reform to address short- and medium-term challenges, including sustainable fiscal consolidation programmes. The proposal was welcomed by the heads of State of the subregion and a working group was established to define the steps to be taken for implementation.<sup>1</sup>

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<sup>1</sup> See Economic Commission for Latin America and the Caribbean (ECLAC), "ECLAC establishes task force for Caribbean's Debt Swap Initiative" [online] <https://www.cepal.org/en/news/eclac-establishes-task-force-caribbeans-debt-swap-initiative>.

A notable aspect of the changes in the past few years in the international cooperation system has been the increasing relevance of South-South and triangular cooperation. This is reflected in a shift from a vertical relationship between donor and recipient to a horizontal relationship, in which all sides face the common challenges of development, at both the regional and global levels, together. This type of cooperation, already established in Latin America and the Caribbean, makes the most of each partner's comparative advantages deriving from their specific characteristics, generates shared benefits, fosters the replicability of cooperation projects and at the same time contributes to the achievement of the Sustainable Development Goals.

The region must strive to link South-South and triangular cooperation—which remains concentrated in a few donor and recipient countries—with a broader, multifaceted concept of development focused on improving living standards and on achieving sustainable and inclusive growth that addresses the social and productive inequality that are characteristic of Latin American and Caribbean countries.

ECLAC has offered its institutional capacity as well as its capacity for outreach beyond the region as part of the effort to ensure a comprehensive response to shared needs by strengthening horizontal partnerships with a view to capitalizing on regional and global synergies. Upon the request of the Ministry of Foreign Affairs of the Republic of Korea, in its capacity as temporary co-chair of the Forum for East Asia-Latin America Cooperation (FEALAC), which includes 20 Latin American and 16 East Asian countries, ECLAC, along with its sister institution, the Economic and Social Commission for Asia and the Pacific (ESCAP), worked together in the first half of 2017 with the FEALAC Cyber Secretariat to design a trust fund to support projects promoting interregional cooperation, especially in trade and investment; science, technology and innovation; infrastructure and transport; public policies and public-private partnerships for sustainable growth; and public policies to reduce inequality and improve social cohesion.

This fund, officially established at the FEALAC Foreign Ministers' meeting held in Busan (Republic of Korea) on 31 August 2017, is managed jointly by ECLAC and ESCAP, and up to January 2018 it had received voluntary contributions from the Lao People's Democratic Republic, Mexico, Peru, the Republic of Korea and Thailand, while several countries, including Costa Rica and Guatemala, officially expressed their desire to make voluntary contributions. At the first meeting of the Steering Committee of the FEALAC Trust Fund (held in Seoul in January 2018), the first two interregional projects were adopted: "Reducing inequality in FEALAC member countries: innovative policymaking that leaves no one behind" (headed by ESCAP) and "Value chain development for deeper integration of East Asia and Latin America" (headed by ECLAC), which will be implemented between 2018 and 2020.

ECLAC will continue to serve as a forum for policy dialogue in which Latin American and Caribbean countries and their development partners analyse this new reality together, with the aim of finding partnership methods and suitable



instruments to overcome obstacles to sustainable development in a region of middle-income countries. And in light of the increasingly restricted regular budget of the United Nations, ECLAC will also redouble its efforts to mobilize extrabudgetary resources to develop its technical cooperation programme, which will allow it to not only provide technical assistance and help to strengthen national capacity in the region's countries, but also to validate the practical application of concepts and new instruments emerging from the discussion on the international cooperation for development agenda.

We would like to thank all our donors, who over the years have placed their trust in ECLAC to effectively and efficiently channel their contributions to the development of Latin America and the Caribbean. We highlight the contributions of the countries of the region, of traditional donors outside the region, such as Germany, Spain, the Republic of Korea, Norway and France, of our sister institutions within the United Nations development system and of the European Commission, as well as the contributions of the non-governmental organizations and foundations that support us.









## ECLAC COOPERATION PROGRAMMES AND PROJECTS

According to its institutional mandate, the Economic Commission for Latin America and the Caribbean (ECLAC) develops a technical cooperation programme through which it provides advisory services to the Governments of the region through the implementation of projects of national, subregional and regional scope. These projects are focused, inter alia, on providing technical assistance, strengthening national capacities, promoting knowledge creation and management, facilitating the sharing of experiences and good practices, and establishing professional networks that promote technical and policy dialogue, which offers opportunities to identify South-South cooperation initiatives.

The technical cooperation activities of ECLAC, many of which are planned and executed jointly with national and subregional institutions, are an essential complement to the activities of applied research, generation of knowledge and specialized data, and formulation of public policy proposals, developed through the Commission's regular programme of work. They allow collaboration with the countries of the region in the identification of emerging public policy areas and development of pioneering initiatives, which can be reproduced on a larger scale if supported by outcomes, and generate valuable feedback from research activities and the application of their outcomes in the field, which validates the objectives and relevance of these activities and allows them to be fine-tuned.

This includes the implementation of projects that are generally regional or subregional in scope, or that may also benefit a predetermined number of countries. Furthermore, many of these projects address issues whose characteristics make them regional public goods; that is, their benefits or costs affect a particular group of countries and fall into an intermediate position between the national and global spheres.

Thanks to the substantive and financial support of various cooperation entities, for example member countries or others interested in collaborating with the Commission, United Nations agencies, multilateral organizations, academic centres, foundations and non-governmental organizations, the ECLAC secretariat can increase its response capacity to provide technical assistance to member States with the resources available through its regular budget.

In the 2016-2017 biennium, ECLAC mobilized extrabudgetary resources amounting to US\$ 20.64 million, which were fairly balanced between bilateral sources (54.6%) and multilateral sources (45.4%). The largest share stemmed from countries outside the region (41.3% of the total), followed by the European Commission, including projects in which ECLAC participated as a member of a consortium (33.8%), Latin American and Caribbean countries (12.6%), the United Nations system (6.25%), other international organizations (3%) and development banks (2.4%).





**[ TABLE I.1 ]**  
**MOBILIZATION OF EXTRABUDGETARY RESOURCES,**  
**BY TYPE OF FINANCING, BIENNIUM 2016-2017**

(Millions of dollars)

<b>BILATERAL PROJECTS</b>	<b>2016-2017</b>
Governments of Latin America and the Caribbean	2.60
Governments outside the region	8.51
Non-governmental organizations outside the region	0.16
<b>Total bilateral resources</b>	<b>11.27</b>
<b>MULTILATERAL PROJECTS</b>	<b>2016-2017</b>
Agencies of the United Nations system	1.29
Development banks <sup>a</sup>	0.49
European Commission	6.98
Intergovernmental organizations and others <sup>b</sup>	0.61
<b>Total multilateral resources</b>	<b>9.36</b>
<b>Total mobilized resources</b>	<b>20.64</b>

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

<sup>a</sup> For example, World Bank, Inter-American Development Bank (IDB) and CAF-Development Bank of Latin America.

<sup>b</sup> For example, Union of South American Nations (UNASUR), Caribbean Catastrophe Risk Insurance Facility (CCRIF), Financial Fund for the Development of the River Plate Basin (FONPLATA), International Institute for Democracy and Electoral Assistance (IDEA) and International Youth Organization for Ibero-America.

## A. ACTIVITIES FUNDED BY BILATERAL SOURCES

As shown in table I.2, in the 2016-2017 biennium ECLAC implemented cooperation activities amounting to US\$ 29.57 million, representing an increase of almost 9% compared with the previous biennium. Despite the overall upward trend in resources allocated to cooperation activities, funding from bilateral sources, which came to US\$ 11.36 million, fell by slightly more than 9% compared with the previous biennium. Resources from Latin American and Caribbean countries fell by 9.12%, which was partly offset by an 8.4% increase in resources from countries outside the region, which amounted to US\$ 6.85 million. The decline in resources for activities funded by Latin American and Caribbean countries was in line with the drop in the region's economic activity, and the fact that the corresponding amount seen in the 2014-2015 biennium was the highest since 2008.

As regards the other bilateral donors, although the number of countries that have contributed to the ECLAC technical cooperation programme has decreased in the past few years, from 11 in biennium 2012-2013 to 6 in biennium 2016-2017, the Commission has consolidated its relationships with several developed countries that have maintained significant levels of financial support for the programme, such as France, Germany, Norway, the Republic of Korea, and Spain. ECLAC has established multi-year programmes with most of these partners, providing a greater level of certainty about the availability of resources and facilitating the creation of synergies between the different bilateral programmes, thus allowing greater continuity of work in the field.

[ TABLE I.2 ]

**EXPENDITURE ON ECLAC TECHNICAL COOPERATION FINANCED BY BILATERAL SOURCES,  
BIENNIUMS 2012-2013, 2014-2015 AND 2016-2017***(Millions of dollars and percentages of total spending on technical cooperation)*

SOURCE OF FINANCING	2012-2013	2014-2015	2016-2017	2012-2013	2014-2015	2016-2017
	<i>(millions of dollars)</i>			<i>(percentages)</i>		
Governments of Latin America and the Caribbean	3.30	5.53	3.93	8.19	20.33	13.29
Governments of other countries	8.98	6.32	6.85	27.00	23.21	23.16
Germany	3.23	2.98	3.96	9.70	10.95	13.40
Australia	0.91	-	-	2.73	-	-
Canada	0.67	0.20	-	2.01	0.74	-
Denmark	0.37	-	-	0.92	-	-
Spain	2.63	0.94	1.52	7.90	3.45	5.14
France	0.43	0.26	0.22	1.29	0.96	0.76
Italy	0.06	-	-	0.15	0.02	-
Japan	0.05	0.01	-	0.12	0.03	-
Luxembourg	-	0.12	0.06	-	0.46	0.20
Mozambique	-	0.05	-	-	0.19	-
Norway	0.19	0.96	0.45	0.47	3.52	1.52
United Kingdom	0.16	-	-	0.40	-	-
Republic of Korea	0.28	0.78	0.63	0.69	2.88	2.13
Sweden	-	-	-	-	-	-
Non-governmental organizations	0.61	0.57	0.55	1.59	2.09	1.86
EU-LAC Foundation	-	0.01	-	-	0.04	-
Ford Foundation	0.17	0.41	0.10	0.42	1.49	0.34
International Development Research Centre (IDRC)	0.03	-	0.29	0.07	-	0.98
Fundación Santa María (Spain)	0.05	-	0.02	0.12	-	0.07
Costa Rica-United States Foundation for Cooperation (CRUSA)	0.16	0.09	0.14	0.40	0.32	0.47
International and Ibero-American Foundation of Public Administration and Policies (FIIAPP)	0.06	0.05	-	0.15	0.19	-
Other	0.14	0.01	-	0.42	0.04	-
Academic organizations	0.04	0.07	0.03	-	0.30	0.10
<b>Total financing from bilateral sources</b>	<b>13.07</b>	<b>12.50</b>	<b>11.36</b>	<b>37.20</b>	<b>45.92</b>	<b>38.41</b>
<b>Total expenditure on technical cooperation (financing from bilateral and multilateral sources)</b>	<b>40.30</b>	<b>27.22</b>	<b>29.57</b>	<b>100</b>	<b>100</b>	<b>100</b>

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



## ACTIVITIES WITH MAIN BILATERAL DONORS IN THE 2016-2017 BIENNIUM



german  
cooperation  
DEUTSCHE ZUSAMMENARBEIT

In the last biennium, the Government of Germany and ECLAC continued to strengthen their strategic relationship. Within the framework of the cooperation programme with the Federal Ministry for Economic Cooperation and Development (BMZ), implemented through the German Agency for International Cooperation (GIZ), the implementation of the 2030 Agenda for Sustainable Development in Latin America and the Caribbean has had a strong impact on issues relating to planning, the design of environmental indicators for the follow-up of the 2030 Agenda, closure of gender gaps and strengthening of institutions for universal and sustainable social protection; decarbonization of the region's economy through energy efficiency and the promotion of renewable energy use; inclusive and sustainable industrialization; and the design of public policies for climate change adaptation and mitigation. Initiatives were also developed to contribute to more sustainable management of mining resources from an economic, social and environmental perspective, and to promote the water-energy-food nexus. Plans were also developed to improve risk management at the local level.



cooperación  
española

In the 2016-2017 biennium, the Government of Spain focused its collaboration with ECLAC on support for the Gender Equality Observatory for Latin America and the Caribbean, and strengthening countries' capacity to implement gender equality policies within the framework of the 2030 Agenda for Sustainable Development and the Montevideo Consensus on Population and Development. Support was also offered in fiscal policy and strengthening public administration through capacity-building courses in e-government, leadership, public planning and prospective analysis.



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In the 2016-2017 biennium, the Commission and the Government of France collaborated within the framework of the 2030 Agenda for Sustainable Development, particularly on the implementation of activities relating to

sustainable agriculture, bioeconomics, climate change and the preparation and follow-up of the United Nations Conference on Housing and Sustainable Urban Development (Habitat III). They also worked together on the promotion of the energy transition through an initiative on energy complementarity and sustainable development in South America (ECOSUD), led by ECLAC, which proposes examining the technical, economic, regulatory and political challenges of the transition to a sustainable model in South America, in which energy complementarity between the countries of the region and between renewable energies could play a key role.



In the last biennium, ECLAC and the Republic of Korea collaborated on strengthening the capacity of Latin American and Caribbean countries to increase public and private investment in order to achieve strong and sustainable economic growth, and on reinforcing planning for development in the long term, taking into account local specificities and the region's increasing involvement in global trade. High-level authorities in the region were provided with methodological instruments and information on best practices to design planning policies, including the sharing of experiences between the Republic of Korea and the region. Work also continued in the study of trade relations between Asia and Latin America and the Caribbean, and policies to support the internationalization of SMEs.



In the 2016-2017 biennium, the Government of Norway and ECLAC continued to work together on the implementation of a regional programme focused on technical and vocational education and training for greater equality in Latin America and the Caribbean. Through the programme, they aim to strengthen the link between technical and vocational education and training and the job market, and to promote dialogue and fiscal, social and labour compacts to ensure that this theme is a strategic pillar in the agenda for social and productive inclusion in Latin America and the Caribbean.

## MAIN COOPERATION ACTIVITIES FUNDED BY RESOURCES FROM NON-GOVERNMENTAL FOUNDATIONS AND ORGANIZATIONS IN THE 2016-2017 BIENNIUM



In the 2016-2017 biennium, ECLAC and the Costa Rica-United States Foundation for Cooperation (CRUSA) promoted sustainable development in Costa Rica with a project to strengthen value chains with considerable linkage potential for SMEs in the Central Pacific region of Costa Rica. The selected chains were the production of papaya and bee products. Under this project, ECLAC and CRUSA worked closely with the Ministry of Economic Affairs, Industry and Commerce of Costa Rica and strengthened the capacities of that entity to work with the value chain methodology.



In the 2016-2017 biennium, ECLAC and the Ford Foundation continued to collaborate on a regional study aimed at providing an overview of historical, social and political processes relating to Afrodescendants in the region, which has helped to verify the presence of people of African descent in all the countries and addresses areas of development that represent the pillars of their well-being, within the framework of the 2030 Agenda for Sustainable Development, the programme of activities of the International Decade for People of African Descent and other existing human rights standards.



In the 2016-2017 biennium, ECLAC and the International Development Research Centre (IDRC) of Canada worked together in three major areas. The first is the promotion of policies that facilitate the incorporation of green processes, capacities and technologies at the corporate level, particularly in small and medium businesses in Latin America and the Caribbean. The second area of cooperation is that of strengthening the accountability and legitimacy of public institutions to improve public services and drive economic growth in the region; work was done on research and innovation in relation to open data initiatives, and on sharing knowledge and research on the demand for and use of open data for development with a view to improving policy dialogue in Latin America and the Caribbean. The third area of collaboration is the use of socioeconomic risk management tools to improve decision-making relating to water resources, to facilitate climate change adaptation.



## B. ACTIVITIES FUNDED BY MULTILATERAL SOURCES

Following a considerable reduction in the 2014-2015 biennium, contributions from multilateral sources to the ECLAC technical cooperation programme regained momentum, growing from US\$ 14.73 million in that period to US\$ 18.21 million in the 2016-2017 biennium, and once again representing 61.6% of total spending on technical cooperation activities (see table I.3).

**[ TABLE I.3 ]**  
**EXPENDITURE ON ECLAC TECHNICAL COOPERATION FINANCED BY MULTILATERAL SOURCES,**  
**BIENNIUMS 2012-2013, 2014-2015 AND 2016-2017**

(Millions of dollars and percentages of total spending on technical cooperation)

SOURCE OF FINANCING	2012-2013	2014-2015	2016-2017	2012-2013	2014-2015	2016-2017
	(millions of dollars)			(percentages)		
ECLAC system	3.16	2.18	2.32	9.49	8.00	7.83
Voluntary contributions to ILPES	2.70	2.41	2.26	7.23	5.29	7.65
Various contributions	0.75	0.74	0.05	2.25	2.71	0.18
United Nations system	12.20	11.59	13.58	34.79	36.23	45.93
Regular programme of technical cooperation (Sec. 23)	5.88	5.59	6.72	17.65	20.53	22.73
Regular programme on population and development (UNFPA)	1.10	0.51	0.33	3.31	1.88	1.11
Development Account (Reality of Aid (RoA) Fund)	3.29	3.29	4.78	9.88	12.08	16.18
Agreements with United Nations agencies and programmes	1.32	1.40	1.75	3.96	5.14	5.91
Other multilateral sources	5.65	1.76	2.32	16.95	6.47	7.84
European Commission	4.00	1.40	1.96	12.00	5.14	6.61
Development banks (Inter-American Development Bank (IDB), CAF-Development Bank of Latin America, World Bank, International Fund for Agricultural Development (IFAD))	0.98	0.13	0.24	2.94	0.47	0.81
Ibero-American Secretariat (SEGIB)	0.03	-	-	0.09	-	-
Union of South American Nations (UNASUR)	-	-	0.09	-	-	0.32
Other multilateral agencies	0.64	0.23	0.03	1.92	0.86	0.09
<b>Total financing from multilateral sources</b>	<b>20.40</b>	<b>14.73</b>	<b>18.21</b>	<b>61.23</b>	<b>50.70</b>	<b>61.59</b>
<b>Total expenditure on technical cooperation (financing from bilateral and multilateral sources)</b>	<b>33.31</b>	<b>27.22</b>	<b>29.57</b>	<b>100</b>	<b>100</b>	<b>100</b>

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

One of the main contributing factors of this trend is the spending funded by the United Nations system, especially through the United Nations Development Account, which grew from US\$ 3.29 million in the 2014-2015 biennium to US\$ 4.78 million in the 2016-2017 biennium, representing an increase of 45%. This rise is particularly notable as the allocation of resources from the Development Account tends to favour entities that perform well in project implementation. Another positive item is spending financed by contributions deriving from agreements with other United Nations agencies and programmes, which grew from US\$ 1.40 million in the 2014-2015 biennium to US\$ 1.75 million in 2016-2017, pointing to an increase of 25%, reflecting stronger collaboration within the United Nations and the avoidance of duplication. The financing of activities through the regular programme of technical cooperation also grew by 20% between biennium 2014-2015 and biennium 2016-2017, from US\$ 5.59 million to US\$ 6.72 million, indicating the General Assembly's recognition of the relevance of the technical cooperation activities carried out by ECLAC.

Outside the United Nations system, the European Union is undoubtedly the largest strategic partner of ECLAC, although cooperation focused on a smaller number of activities than in the previous biennium but with a higher level of resources

#### ACTIVITIES WITH MAIN BILATERAL DONORS IN THE 2016-2017 BIENNIUM



During the 2016-2017 biennium, the European Commission and ECLAC continued to strengthen their collaboration on production and sustainable development. ECLAC is one of the implementing partners of the second phase of the EUROCLIMA project, designed to build governments' capacities to develop climate change adaptation and mitigation measures with additional benefits. In the framework of the AL-INVEST 5.0 programme, an initiative was launched to improve public policies for micro, small and medium-sized enterprises in Latin America, to promote the creation of quality employment, improve production processes and facilitate access to markets. ECLAC notably participated in the development of the Leaders Activating Research Networks (LEARN) project, executed along with four other global institutions (University College London, University of Barcelona (Spain), the Association of European Research Libraries (LIBER) and the University of Vienna), with the objective to implement a road map and a set of good practices at the global level for research data management.



Joint activities by ECLAC and the Food and Agriculture Organization of the United Nations (FAO) contributed to the development of capacity at the regional level to plan for climate change adaptation and mitigation in agriculture. The goals of this collaboration include: providing support for institutions in the region's agricultural sector to reduce forced migration in Mesoamerica and Mexico; and collaborating in the development of maps and characterization of territories with a greater concentration of hunger, poverty and vulnerability to climate change, and in agricultural transformation. Joint work was carried out to support Caribbean countries in measuring the impacts of climate change on the subregion's agricultural sector.



During the biennium, the International Fund for Agricultural Development (IFAD) and ECLAC worked together on two projects: one on inclusive growth, rural industrial policy and participatory value chains in Latin America and the Caribbean, which aimed to increase the participation of small producers, businesses and organizations in rural value chains in Latin America and the Caribbean; and another on information management for policies and projects relating to rural and agricultural development and food security in Central America, which sought to improve the design, implementation and evaluation of public policies and projects on rural development with a view to achieving a sustainable reduction in poverty.



The collaboration between the International Labour Organization (ILO) and ECLAC focused on child labour, poverty and inequality in the region. In particular, it aimed to generate knowledge that would help to improve decision-making relating to policies for the prevention and reduction of labour by boys, girls and adolescents in Latin America and the Caribbean, in line with target





8.7 of the Sustainable Development Goals. For this purpose, a set of indicators of the risk of child labour was prepared and a regional study on child labour, poverty and inequity was carried out.



During the 2016-2017 biennium, the programme of work of ECLAC and the Union of South American Nations (UNASUR) focused on trade and regional integration. The two entities jointly developed a study on the availability of intraregional export guarantees and the commercial aspects of production integration projects in the region. They also carried out another study on value chains and production complementarity in UNASUR countries, for which they prepared an assessment based on input-output models.



During the 2016-2017 biennium, ECLAC and the United Nations Population Fund (UNFPA) continued their collaboration, focusing on the need to prioritize development policies and programmes targeting adolescents, particularly through the increase in availability of comprehensive education on sexuality and sexual and reproductive health. Outside the region, support was provided to the National Statistical Office of Bhutan to develop capacity to disseminate microdata online using the retrieval of data for small areas by microcomputer (REDATAM) software developed by the Latin American and Caribbean Demographic Centre (CELADE)-Population Division of ECLAC.



ECLAC and the World Bank maintained their collaboration on international price comparisons in the region. Work was carried out on statistical capacity-building at the regional and national levels, focusing on the greater harmonization of domestic price data with international standards. One of the activities developed as part of this collaboration was providing support to determine household consumption levels and providing technical support to gather price data in areas such as construction, machinery and equipment.



During the 2016-2017 biennium, ECLAC and the World Food Programme (WFP) continued to work together within and outside the region. ECLAC and the WFP regional office for Latin America and the Caribbean in Panama developed a pilot study to measure the social and economic impacts of the double burden of malnutrition, in other words, undernutrition in children on one hand, and overweight and obesity in adults, on the other.

With the WFP regional office for Africa, the Commission designed and carried out studies on the cost of hunger on that continent. This new stage of the project focused on Botswana, Cameroon, Chad, Egypt, Kenya, Lesotho, Madagascar, Mozambique, Nigeria and South Africa.









## [ II ]

### MAJOR ACHIEVEMENTS

#### A. TECHNICAL COOPERATION MISSIONS

During the 2016-2017 biennium, ECLAC carried out 1,453 technical cooperation missions,<sup>2</sup> financed by the regular programme of technical cooperation (Sec. 23), the Development Account and by extrabudgetary funds. Of the total, 610 were knowledge-dissemination activities, 275 were focused on strengthening countries' technical capacities and 266 corresponded to technical advisory services. There was a considerable increase in the number of missions linked to the application of the Damage and Loss Assessment (DaLA) methodology, which rose from 8 in the previous biennium to 22 in 2016-2017; 17 of these missions provided training in this methodology to government officials of the region. Another 280 of the missions involved participation in technical meetings.

Although most missions, as in previous bienniums, addressed economic development (37%), in 2016-2017 there was a considerable increase in those focused on social and sustainable development, resulting in a fairly balanced distribution of 35% and 29% of total missions, respectively, as shown in table II.1. Table II.2 shows the breakdown of missions by type and thematic area, in percentages.

With respect to the relative weight of each area in the different types of mission, 47% of technical assistance missions and 44% of technical meetings focused on economic development, while 40% of capacity-building missions corresponded to social development and 64% of disaster-assessment missions focused on sustainable development, reflecting the need to prepare for the effects of climate change and natural disasters.

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<sup>2</sup> The total number of technical cooperation missions rose from 798 in the 2014-2015 biennium to 1,453 in the 2016-2017 biennium, owing partly to a methodological change to include the technical meeting category.



**[ TABLE II.1 ]**  
**BREAKDOWN OF ECLAC TECHNICAL COOPERATION MISSIONS BY**  
**THEMATIC AREA, BIENNIUMS 2014-2015 AND 2016-2017**  
*(Percentages)*

THEMATIC AREA	2014-2015	2016-2017
Economic development	54	37
Social development	27	35
Sustainable Development	19	29

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

**[ TABLE II.2 ]**  
**BREAKDOWN OF ECLAC TECHNICAL COOPERATION MISSIONS BY TYPE**  
**OF MISSION AND THEMATIC AREA, BIENNIUM 2016-2017**  
*(Percentages)*

TYPE OF MISSION	ECONOMIC DEVELOPMENT	SOCIAL DEVELOPMENT	SUSTAINABLE DEVELOPMENT	TOTAL
Capacity-building activities	30	40	30	100
Disaster assessment	13	23	64	100
Dissemination of knowledge	33	37	30	100
Technical cooperation and advisory services	47	31	22	100
Technical meetings	44	30	26	100

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

[ MAP II.1 ]  
**ECLAC TECHNICAL COOPERATION MISSIONS, BY TYPE OF MISSION,  
 BIENNIUM 2016-2017**

Total: 1,453 technical cooperation missions



Source: Economic Commission for Latin America and the Caribbean (ECLAC).  
 Note: The boundaries and names shown on this map do not imply official endorsement or acceptance by the United Nations.

[ MAP II.2 ]  
**ECLAC TECHNICAL COOPERATION MISSIONS, BY THEMATIC AREA,  
 BIENNIUM 2016-2017**

Total: 1,453 technical cooperation missions



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC).  
**Note:** The boundaries and names shown on this map do not imply official endorsement or acceptance by the United Nations.

[ MAP II.3 ]  
**ECLAC TECHNICAL COOPERATION MISSIONS ON ECONOMIC DEVELOPMENT,  
 BIENNIUM 2016-2017**

Total: 533 technical cooperation missions





[ MAP II.4 ]  
**ECLAC TECHNICAL COOPERATION MISSIONS ON SOCIAL DEVELOPMENT,  
 BIENNIUM 2016-2017**

Total: 504 technical cooperation missions



Source: Economic Commission for Latin America and the Caribbean (ECLAC).  
 Note: The boundaries and names shown on this map do not imply official endorsement or acceptance by the United Nations.

[ MAP II.5 ]

**ECLAC TECHNICAL COOPERATION MISSIONS ON SUSTAINABLE DEVELOPMENT,  
BIENNIUM 2016-2017**

Total: 416 technical cooperation missions



Source: Economic Commission for Latin America and the Caribbean (ECLAC).  
Note: The boundaries and names shown on this map do not imply official endorsement or acceptance by the United Nations.

## B. TECHNICAL COOPERATION PROGRAMMES AND PROJECTS

Table II.3 depicts the number of framework agreements signed during the 2016-2017 biennium, in other words, those with governmental and non-governmental agencies and institutions which aim to establish a working relationship not involving the transfer of financial resources. Amendments and extensions which do not involve additional costs are also included. Most of the cooperation agreements (77.6%) are bilateral. Roughly 53.6% of the total corresponds to agreements signed with the governments of Latin American and Caribbean countries. Agreements signed with multilateral organizations represented 22.6% of the total, while agreements with United Nations agencies accounted for 9.2%.

[ TABLE II.3 ]  
ECLAC TECHNICAL COOPERATION AGREEMENTS SIGNED,  
BIENNIUM 2016-2017

<b>BILATERAL AGREEMENTS</b>	
Governments of Latin America and the Caribbean	52
Governments of countries outside the region	10
Non-governmental organizations in the region	2
Non-governmental organizations outside the region	4
Academic institutions in the region	4
Academic institutions outside the region	3
<b>Total bilateral agreements</b>	<b>75</b>
<b>MULTILATERAL AGREEMENTS</b>	
Agencies of the United Nations system	9
Development banks <sup>a</sup>	3
European Commission	3
Intergovernmental organizations and others <sup>b</sup>	7
<b>Total multilateral agreements</b>	<b>22</b>
<b>Total framework agreements in force</b>	<b>97</b>

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC).

<sup>a</sup> For example, World Bank, Inter-American Development Bank (IDB) and CAF-Development Bank of Latin America.

<sup>b</sup> For example, Union of South American Nations (UNASUR), Caribbean Catastrophe Risk Insurance Facility (CCRIF), Financial Fund for the Development of the River Plate Basin (FONPLATA), International Institute for Democracy and Electoral Assistance (IDEA) and International Youth Organization for Ibero-America.

Table II.4 shows the number of technical cooperation projects carried out during the biennium and involving the transfer of funding between signatory institutions. ECLAC had 151 technical cooperation projects that were either implemented or in place during the period. This is lower than the number seen in 2014-2015 (163 projects), owing to a change in cooperation modalities to focus on fewer, but larger, initiatives. In other words, although there were fewer projects, the amount of resources allocated was very similar to that of the previous period.

**[ TABLE II.4 ]**  
**ECLAC TECHNICAL COOPERATION PROJECTS IN FORCE,**  
**BIENNIUM 2016-2017**

<b>BILATERAL PROJECTS</b>	
Governments of Latin America and the Caribbean	57
Governments of countries outside the region	48
Non-governmental organizations in the region	4
Non-governmental organizations outside the region	1
Academic institutions in the region	3
Academic institutions outside the region	1
<b>Total bilateral projects</b>	<b>114</b>
<b>MULTILATERAL PROJECTS</b>	
Agencies of the United Nations system	22
Development banks <sup>a</sup>	6
European Commission <sup>b</sup>	5
Intergovernmental organizations and others <sup>c</sup>	4
<b>Total multilateral projects</b>	<b>37</b>
<b>Total projects in place</b>	<b>151</b>

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC).

<sup>a</sup> For example, World Bank, Inter-American Development Bank (IDB) and CAF-Development Bank of Latin America.

<sup>b</sup> Includes projects funded by the European Commission in which ECLAC is part of a consortium (Technical University of Dortmund, University College London).

<sup>c</sup> For example, Union of South American Nations (UNASUR), Caribbean Catastrophe Risk Insurance Facility (CCRIF), Financial Fund for the Development of the River Plate Basin (FONPLATA), International Institute for Democracy and Electoral Assistance (IDEA) and International Youth Organization for Ibero-America.

During the 2016-2017 biennium, there was a considerable increase in the percentage of social development projects (58) from 22% of the total in the previous biennium to 38.4%, while economic projects (65) and environmental projects (28) accounted for 43% and 18%, respectively.

Projects financed by Latin American and Caribbean countries, essentially technical cooperation projects funded by the recipient countries themselves, represented more than one third of the total (38%), while those funded by countries outside the region, which targeted the creation of regional public goods, accounted for 31.8% of the total.

As in the previous biennium, there were three times as many projects financed by bilateral sources as those funded by multilateral sources, including the United Nations system.

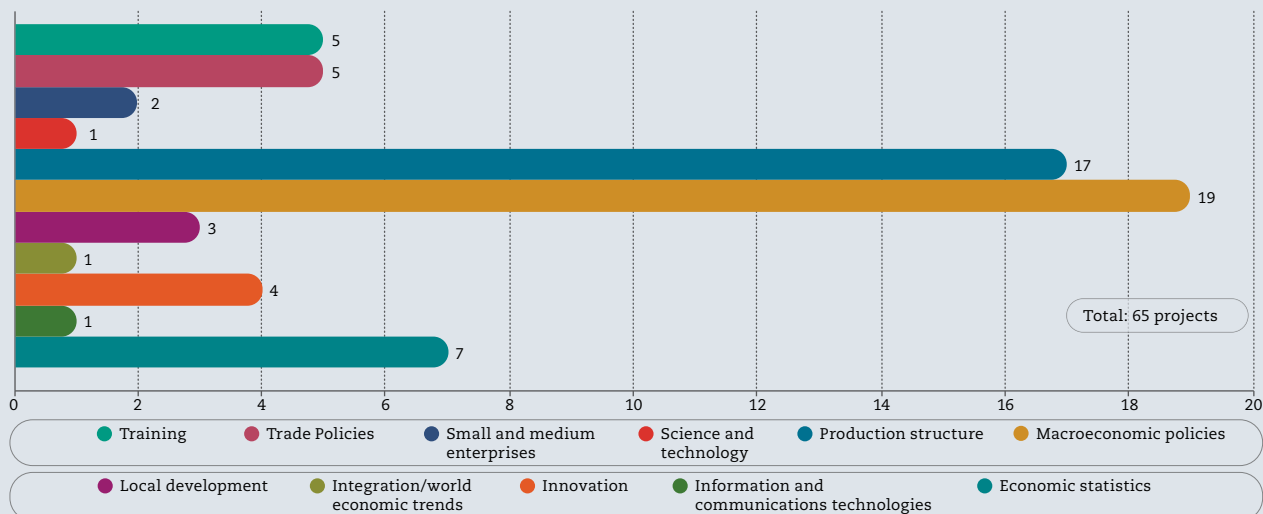
Project activities targeting economic development focused on science and innovation, production structure, macroeconomic policies and SMEs (see figure II.1A), while social development activities focused on public policies to increase equality and on population issues (see figure II.1B). Most environmental activities concentrated on climate change, sustainable energy and natural resource governance (see figure II.1C).



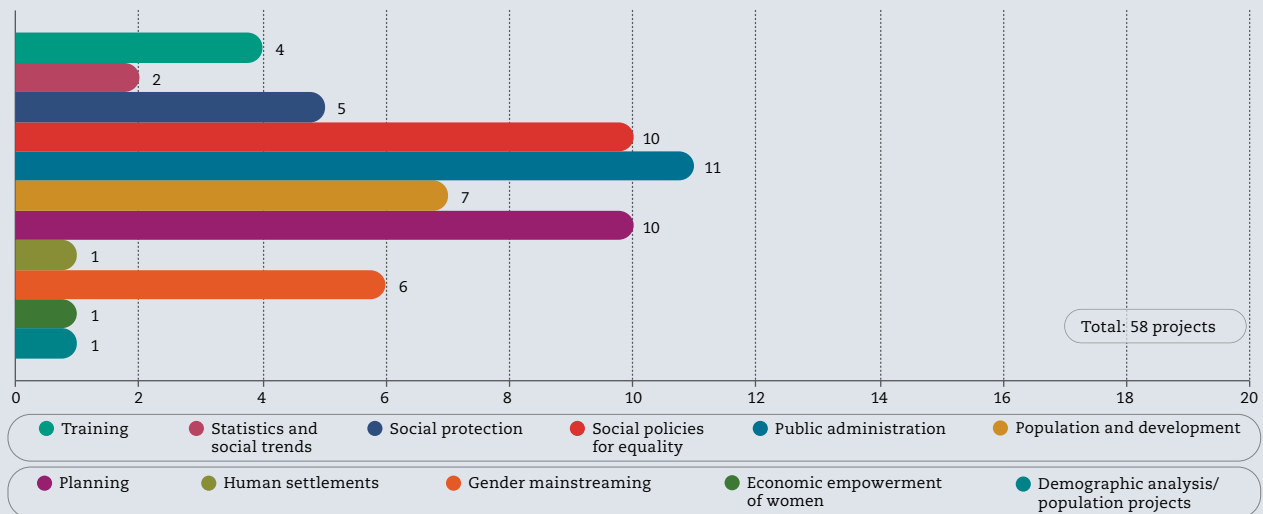
[ FIGURE II.1 ]

**NUMBER OF ECLAC TECHNICAL COOPERATION PROJECTS, BY THEMATIC AREA AND SUBAREA, BIENNIUM 2016-2017**

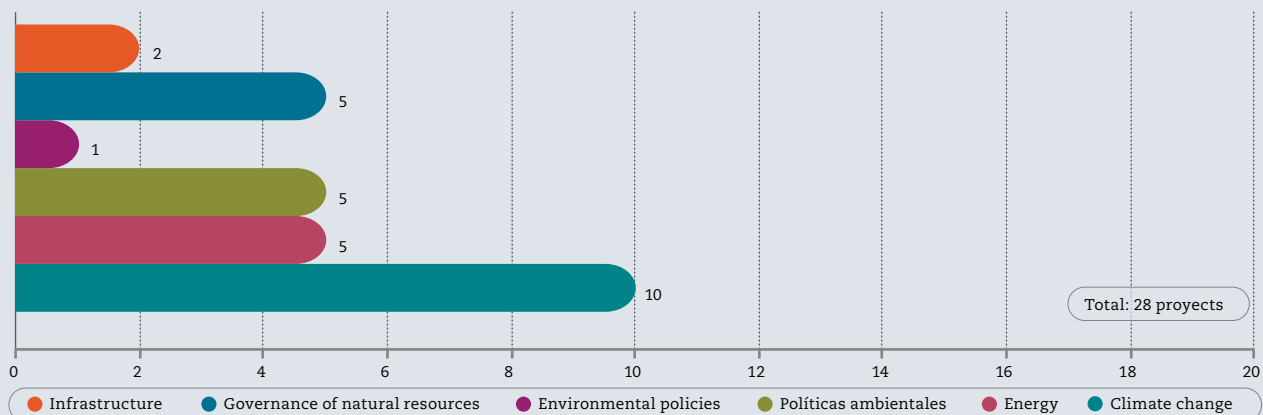
**A. Economic projects**



**B. Social projects**



**C. Sustainable development projects**



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

## C. PUBLICATIONS AND WORKING DOCUMENTS FINANCED BY EXTRABUDGETARY FUNDS

ECLAC publications and working documents of the 2016-2017 biennium contributed to dialogue, encouraged applied research, enabled the systematization of experiences and initiatives to formulate and implement public policies that can be replicated elsewhere, and supported cooperation processes.

In the biennium, ECLAC published 203 documents financed by extrabudgetary resources (including the Development Account), some of which are highlighted below.

*Evasión tributaria en América Latina: nuevos y antiguos desafíos en la cuantificación del fenómeno en los países de la región (LC/L.4155)*

Tax evasion has been and continues to be one of the main obstacles for the public finances of Latin American countries. Although the domestic tax situation was the focus until a few years ago, the increase in large multinational companies' global operations has forced countries to adopt a broader and more sophisticated approach to the problem that goes beyond countries' geographical borders. Within this framework, the fundamental aim of this document is to provide an overview of the tax evasion phenomenon from both perspectives.

*Envejecimiento e institucionalidad pública en América Latina y el Caribe: conceptos, metodologías y casos prácticos (LC/L.4175)*

This document presents the outcomes of a comparative study of public institutions and ageing in Latin America and the Caribbean. First, it provides an overview of the institutions focused on older persons in the region, and proposes a methodology to study the characteristics of these entities and the institutionalization of issues affecting this social group in the State apparatus. Next, it examines four case studies: the National Institute for Older Adults (INMAYORES) of Uruguay, the Institute for the Care of Older Adults in Mexico City, the National Directorate of Policies for Older Adults in Argentina, and the National Service for Older Adults (SENAMA) in Chile. The book also examines the National Institute of Social Services for Retirees and Pensioners of Argentina, which is an agency specializing in social and health care for older persons in that country. The analysis of these institutions identifies the opportunities and challenges involved in the incorporation of issues affecting the older adult population into the State apparatus, the contribution of the international agenda to the institutionalization of ageing issues, and the lessons on improving the functioning of public institutions catering to older persons in the region.





*Niñas y adolescentes en América Latina y el Caribe: deudas de igualdad (LC/L.4173)*

This study provides an overview of the inequalities facing girls and adolescent girls in the region and aims to contribute to the discussion of policies seeking to eliminate all forms of discrimination against them. It focuses on the specific vulnerabilities of girls and adolescent girls, recognizing the diversity of their identities and determining the barriers that must be removed. This is imperative, on one hand, for them to exercise their rights, acquire assets and access opportunities, and to build their autonomy and citizenship, and on the other hand, for the social and economic development of countries in the present and future, given that inequalities suffered from childhood are not only a source of injustice at that stage of life, but also last and expand into adulthood. The information presented aims to contribute to the formulation of relevant and effective public policies to guarantee the rights of girls and adolescent girls with a view to strengthening development with equality in the region, even more so in the context of the 2030 Agenda for Sustainable Development.

*Desafíos de la seguridad hídrica en América Latina y el Caribe (LC/L.4169/Rev.1)*

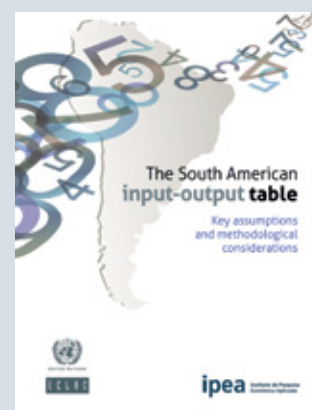
This study identifies the challenges of water management in the region to ensure water security. These challenges are linked to the rapid social, economic and political changes in Latin American and Caribbean societies.

*The South American input-output table: Key assumptions and methodological considerations (LC/W.722)*

This document was prepared as a result of the joint project of ECLAC and the Institute of Applied Economic Research (IPEA) of Brazil to prepare an interconnected input-output table for the countries of South America, which will be useful for the analysis of value chains in the region.

*Ecoinnovación y producción verde: una revisión sobre las políticas de América Latina y el Caribe (LC/TS.2017/3)*

This document presents an analysis of the determinants of eco-innovation in Latin American companies, and of the main policies and instruments to foster eco-innovation within the framework of green production. Bearing in mind the drastic environmental changes in the past few years, the concepts of green growth, green economy and green industry —within the framework of sustainable development— have become more relevant, highlighting the importance of changing consumption and production patterns to drive economic growth and environmental sustainability. In this context, the way in which the production sector and businesses operate and produce is a key determinant of the possibility to innovate, improve productivity and compete on the international market.







*La economía del cambio climático en América Latina y el Caribe: una visión gráfica (LC/TS.2017/84/Rev.1)*

Climate change is one of the biggest challenges of the twenty-first century owing to its causes and global consequences and to the magnitude of simultaneous efforts needed to soften its negative impacts, adapt to new climate conditions and implement processes to mitigate greenhouse gas emissions. The main aim of this publication is to provide a summarized and graphic presentation of the basic assumptions and figures relating to the economics of climate change in Latin America and the Caribbean. Through the presentation of a set of stylized facts, the publication aims to contribute to better design, instrumentation and evaluation of public policies relating to climate change, so that they foster the transformation of the current style of development and the transition to sustainable development. This work examines nine theses and seven challenges that define climate change in Latin America and the Caribbean.



*Protection and training: institutions for improving workforce integration in Latin America and Asia (LC/G.2687-P)*

The world of work is experiencing major transformations that have a strong impact on labour markets and pose new challenges for the latter's institutions, including those relating to protection against unemployment and to vocational education and training, which are key to the creation of full and productive employment and decent work for all. On one hand, highly volatile labour markets and the increasing heterogeneity of labour relations pose major challenges for the design of instruments for protection against unemployment. On the other hand, a suitably skilled labour force is fundamental to any development strategy that aims to focus economic growth on innovation and knowledge. This implies a major challenge for national vocational education and training systems, which face increasingly diverse demands from the production sector and individuals seeking decent work. Through an analysis of recent experiences in Latin American and Asian countries relating to systems for protection against unemployment and vocational education and training, and of the challenges faced in these areas, this book aims to contribute to the discussion on fine-tuning labour institutions that promote sustainable development in a changing world of work.



*Desarrollo sostenible, urbanización y desigualdad en América Latina y el Caribe: dinámicas y desafíos para el cambio estructural (LC/PUB.2017/19)*

One of the most notable characteristics of development in Latin America and the Caribbean in the past century was the transition from production, distribution and consumption patterns linked to rural and agricultural life to patterns related to industrial development and services. This led to the consolidation of the region's urban character. Urban centres foster stronger productivity of capital and labour, through greater economic and production

specialization and diversification. They generate the largest economies of scale and of agglomeration, which are crucial to sustainable growth and development in the region's countries. However, they are also fertile ground for the negative externalities of the urbanization process: inequality, poverty and deficiencies in general. Cities condense forms of unequal growth that are manifested in segregation, segmentation and social exclusion. They also signify greater environmental vulnerability and risky conditions. This worsens inequality and exclusion, and the costs of these impacts are unevenly distributed.

Within the context of the implementation of the New Urban Agenda in Latin America and the Caribbean, this publication seeks to highlight a structuralist analysis for an urban-territorial proposal for inclusive and sustainable development.

*Políticas industriales y tecnológicas en América Latina (LC/TS.2017/91)*

The global economy is undergoing a period of profound imbalances that threaten continued growth and create intense political tensions in developed and developing countries. These patterns must be changed and a new environmentally sustainable and socially inclusive model that promotes productivity must be adopted, as a matter of urgency.

The aim is a great leap forward in productivity and technological capacity to escape the trap of low growth and low learning. This requires coordinated investment in several areas, which overcomes the coordination problems that restrain diversification and technology absorption. The push for investment must lay the groundwork for economies to transition to low-carbon growth paths. The challenge of technological change in Latin America and the Caribbean is especially crucial. The region failed to use the boom in commodity prices to develop a strategic vision targeting science, technology and innovation as the key development drivers. A transformation of this scale must have industrial policy at its centre. Thus, these policies require a bolder reinterpretation than in the past.

This document aims to contribute to the discussion and design of a new generation of policies needed in the countries of the region, in two ways: first, at the conceptual level, through a new discussion of theories that explain the role of industrial policy in development in an age of technological revolution; and second, through an assessment of the progress made in the region in this field and the identification of successes and failures.



## **D. SUCCESSFUL EXPERIENCES**

The Commission's programme of work for 2016-2017 focused on analytical work, technical advisory services and the building and strengthening of national and local capacities to achieve objectives.

Technical assistance concentrated on public policymaking and facilitating the implementation and evaluation of policies by providing applied research, direct assistance and training services, encouraging the exchange of experiences at the regional and interregional levels and promoting regional integration.

The successful experiences presented below allow a better understanding of the joint work between ECLAC and sectoral, local, academic and civil society institutions of member countries, and the outcomes that can be achieved with the right combination of technical expertise, human and financial resources, political will and national capacity-building.

### **CREATION AND OPERATION OF A LABOUR AND BUSINESS DYNAMICS LABORATORY IN ECUADOR**

ECLAC and the National Institute of Statistics and Censuses (INEC) of Ecuador collaborated on a project in 2016 and 2017 to create and operate the Labour and Business Dynamics Laboratory, which was funded by INEC. With the support of ECLAC, INEC created a data system to help design and monitor labour and production development policies, and to provide specialized human resource training to gather and analyse data. This system is based on a novel approach in Latin America and a pioneering move for INEC, to generate statistical data from administrative records. Achievements included the creation of a micro database of 86,000 companies and the continuous follow-up of the situation of three million workers registered in the social security system.

Thanks to the efforts of a team comprising ECLAC officials and INEC experts, the laboratory reached a level of maturity and capacity that allowed it to provide technical assistance to the Government of Ecuador to design production development policies, which was the main objective. The team was also able to carry out research on business demographics and labour market dynamics and to publish an annual report entitled *Panorama Laboral y Empresarial del Ecuador* in the past three years, as well as to develop an instrument to present the main indicators of the production sector, the Visualizador de Estadísticas Productivas, which makes data on the performance of the country's production sector available to the public via the INEC website.

INEC has recognized the importance of the support provided by ECLAC and recently expressed its desire and willingness to continue this cooperation, particularly with a view to including new areas of policy analysis and design, such as the promotion of SMEs.

## **INVESTCHILE AND ECLAC JOIN FORCES TO PROMOTE INVESTMENT IN THE EXPORTABLE TECHNOLOGICAL SERVICE SECTOR**

In 2014, the Government of Chile launched the Agenda for Productivity, Innovation and Economic Growth, which emerged as a coordinated effort to address the challenges of productivity in the country, and which aims to promote the transformation of production through greater diversification of growth sources and new sources of innovation.

Chile's foreign investment promotion agency, InvestChile, has played a key role in this effort to foster productivity by attracting foreign investment in strategic sectors with strong growth potential and which provide Chile with competitive advantages. The aim is to attract foreign companies that can transfer technology and knowledge while forming productive relationships with local businesses, creating ecosystems of virtuous growth.

In this context, InvestChile and ECLAC signed a cooperation agreement, extending from December 2016 to December 2017, on the development of a strategy to attract investment in the exportable technological service sector, with a view to repositioning the country as an investment destination. The strategy focused on attracting investment and highlighting the opportunities offered by Chile as an investment destination in that sector.

The two institutions jointly developed an analytical framework for the identification of relevant trends in the global services industry; the identification of crucial factors for the implementation of an investment promotion strategy in the exportable technological service sector; and lastly, the strengthening of InvestChile's institutional capacity to design and implement policies to promote investment in the same sector.

As a result, Chile is in a better position to promote key strategic sectors with high levels of productivity and which are innovation-intensive.

## **ECLAC SUPPORTS THE DESIGN AND IMPLEMENTATION OF THE STRATEGIC PROGRAMMES OF INTELLIGENT SPECIALIZATION OF THE PRODUCTION DEVELOPMENT CORPORATION (CORFO) OF CHILE**

The strategic programmes of intelligent specialization, now known as Transforma, aim to promote the diversification of Chile's production structure through the development of new production sectors or the incorporation of new knowledge into existing sectors. The programmes are based on the formulation of specific strategies through a participatory consensus-based process involving public-private steering committees which define the main objectives and the workplan for each of the prioritized sectors.

With a view to supporting the design and implementation of these programmes, which are a central component of Chile's Agenda for Productivity, Innovation and Economic Growth, the Production Development Corporation (CORFO), which is tasked with execution, signed a technical cooperation agreement with ECLAC.

In 2016-2017, the work of ECLAC under this agreement was divided into two main stages: first, it analysed and commented on the plans prepared by the steering committees of 14 of the main production chains prioritized by CORFO. ECLAC experts met with the steering committees to discuss the proposals and suggested changes, which helped to increase effectiveness.

Second, CORFO prioritized six specialization programmes, selecting those which would have the greatest impact on the country's production transformation: solar energy, sustainable construction, healthy foods, intelligent manufacturing, aquaculture and mining. For each of these, the ECLAC team developed a follow-up strategy of the implementation of the respective workplans. CORFO received three types of input; first, suggested improvements to the management of the different initiatives; second, suggested elements to develop programme follow-up modalities; and lastly, with the support of international experts, advice on technological development centres which were identified as potential pillars of support to continue and consolidate these initiatives.

### **PROMOTION OF REGIONAL DIALOGUE BETWEEN THE AGRICULTURAL AND FORESTRY SECTORS IN THE FRAMEWORK OF GLOBAL CLIMATE CHANGE NEGOTIATIONS**

The Governments of Chile, Costa Rica and Uruguay sought the support of ECLAC to develop policy dialogue between the agricultural and forestry sectors, in the context of the United Nations Framework Convention on Climate Change (UNFCCC). Their aim was the establishment of a regional forum in which countries' negotiators and agricultural and forestry experts involved in negotiations could share their views and positions on the elements of the Convention's agenda relating to these sectors, outside the sphere of formal negotiations. The discussion of an agreement on agriculture was particularly important to the representatives of the agricultural sector.

ECLAC responded favourably to the request and, along with the International Centre for Tropical Agriculture (CIAT) of Colombia, organized three meetings convened by the three countries, through the Ministry of Agriculture of Chile, the Ministry of Environment and Energy and the Ministry of Agriculture and Livestock of Costa Rica, and the Ministry of Livestock, Agriculture and Fisheries of Uruguay:

- (i) The first meeting was held in Cali, Colombia, from 11-12 November 2015, with the financial support of the French Development Agency and the Research Program on Climate Change, Agriculture and Food Security (CCAFS) of the Consultative Group on International Agricultural Research (CGIAR), coordinated by CIAT. This meeting focused on the discussion of themes of interest to the countries, ahead of the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 21) in Paris.
- (ii) The second meeting took place in Santiago, Chile, from 26-27 April 2016, at ECLAC headquarters, with the financial support of the Climate, Energy and Tenure Division of the Food and Agriculture Organization of the United



Nations (FAO), of the CCAFS Research Program and the French Development Agency. Participants in this meeting discussed the outcomes of the Paris Agreement, particularly its relevance for the agricultural and forestry sectors, as well as themes of interest to the countries relating to both sectors.

- (iii) The third meeting was held in San José, Costa Rica, in September 2016, with the financial support of the French Development Agency, the CCFAS Research Program and the FAO Regional Office for Latin America and the Caribbean.

At the twenty-third session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 23), held in Bonn (Germany) in November 2017, decision 4/CP.23,<sup>3</sup> “Koronivia joint work on agriculture”, was adopted, with the leadership of Uruguay, part of the Group of 77, and the support of Chile and Costa Rica, part of the negotiating bloc known as the Independent Association for Latin America and the Caribbean (AILAC), playing a fundamental role.

In its decision, the Conference of the Parties called for workshops and meetings of experts to review a wide range of themes relating to agriculture, reflecting the proposals made by Chile, Costa Rica and Uruguay, especially in discussions in 2016, and particularly the importance of overcoming the dichotomy between mitigation (main concern of developed countries) and adaptation (main concern of developing countries).

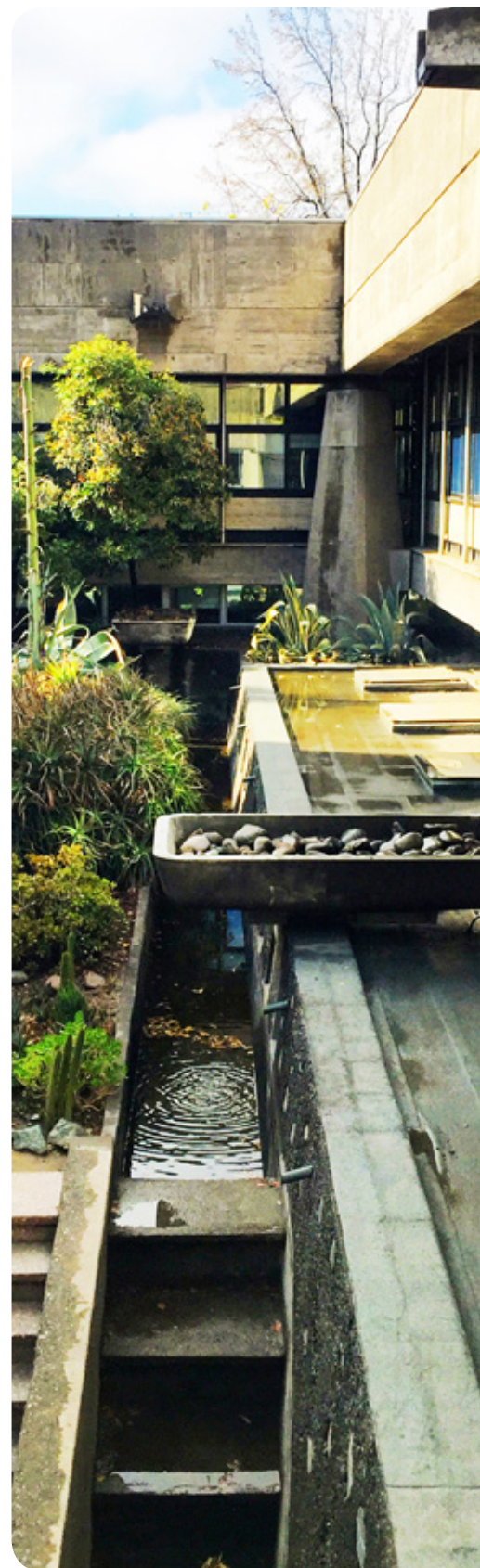
The three countries recognized the importance of the support provided by ECLAC, together with the CCAFS Research Program of CGIAR/CIAT and FAO, in the regional discussion. In particular, they highlighted the importance of considering technical cooperation a process —and not a series of one-off support efforts— of which the outcomes, as shown in this case, are not always immediate, but may emerge in the medium or long term.

### **ECLAC PROMOTES THE IMPLEMENTATION OF THE SUSTAINABLE DEVELOPMENT GOALS IN THE CARIBBEAN**

ECLAC has contributed to raising awareness about the 2030 Agenda for Sustainable Development and prompted actions from governments on the implementation of the Sustainable Development Goals (SDGs) in the Caribbean. This has been largely facilitated by an ongoing project entitled “Support for implementing the 2030 Agenda for Sustainable Development in Latin America and the Caribbean”, funded by the Federal Ministry for Economic Cooperation and Development of Germany (BMZ) and the German Agency for International Cooperation (GIZ).

To enhance the pace of SDG implementation in the Caribbean, ECLAC organized the Caribbean symposium on mainstreaming the Sustainable Development Goals in national development planning from 14-16 February 2017 in Kingston, Jamaica. The symposium was attended by representatives from 22 Caribbean countries and provided the first opportunity for a subregional dialogue in the

<sup>3</sup> See United Nations, *Report of the Conference of the Parties on its twenty-third session, held in Bonn from 6 to 18 November 2017. Addendum: Part two: Action taken by the Conference of the Parties at its twenty-third session (FCCC/CP/2017/11/Add.1)*, 8 February 2018.





Caribbean on the important issues of sustainable development planning and the integration of the SDGs and the SIDS Accelerated Modalities of Action (SAMOA) Pathway into national development plans and strategies. This symposium resulted in the identification of gaps in the institutional frameworks for SDG implementation and helped to sensitize policymakers to the importance of national ownership in successfully delivering on the 2030 Agenda.

Building on the success of the symposium, a follow-up workshop to accelerate SDG implementation in the Caribbean was organized on 18 May 2017 in Port of Spain, Trinidad and Tobago, with participants from 16 Caribbean countries. The workshop focused on identifying a model institutional framework for SDG implementation in the Caribbean.

Following the subregional symposium and workshop, Aruba, the Bahamas, British Virgin Islands, Grenada, Guyana, and Saint Kitts and Nevis were selected as pilot countries to receive technical assistance from ECLAC in designing and implementing an institutional framework for mainstreaming the SDGs in national development planning and in addressing the institutional and capacity needs of their national statistical systems to produce data for the SDG indicators and to support evidence-based policy planning.

Aruba already established a SDG commission under the Office of the Prime Minister and has embarked on its SDG mainstreaming activities. As part of these activities, ECLAC performed an assessment of the state of data and statistics for SDG implementation and monitoring in the country and work is ongoing to assist the SDG Commission and the Central Bureau of Statistics in addressing the identified gaps in data and the national statistical system.

In the Bahamas, the Economic Development and Planning Unit in the Office of the Prime Minister is finalizing the drafting of the Vision 2040 — National Development Plan of the Bahamas. Significant efforts have been devoted to aligning the SDGs with identified national development priorities in the draft plan and ECLAC is providing technical assistance to the Bahamas in ensuring that the monitoring and evaluation framework for the Vision 2040 plan is evidence-based, data-driven, and would allow, simultaneously, for the follow-up and review of the SDGs.

### **STRENGTHENING VALUE CHAINS IN CENTRAL AMERICA**

Between 2014 and 2016, ECLAC —through its subregional headquarters in Mexico— provided technical assistance to five countries in the subregion to strengthen value chains. The participatory methodology for strengthening value chains that has been developed by ECLAC is a useful tool for moving towards a new State-market-society equation in relation to specific products and locations. Technical assistance was provided within the framework of the project entitled “Crecimiento inclusivo, política industrial rural y cadenas de valor participativas en América Latina y el Caribe “, with the financial support of the International Fund for Agricultural Development (IFAD).

The ECLAC methodology supports ongoing production transformation in the region. First, it takes a microeconomic approach focusing on the agents that

make up the various segments of the value chain and their interrelationships, which makes it possible to identify bottlenecks and devise targeted strategies. Second, this methodology entails an analysis of the public institutions and organizations that regulate and provide support for the value chain which then serves as a basis for the coordination of the various instruments employed to strengthen that chain in various areas, such as human resources development, the promotion of innovation, marketing and access to new markets, and environmental protection. Third, the central pillar of this methodology is close involvement of the public sector, the agents in the chain and support agencies (employers' associations, universities and specialized service providers, among others) at every stage of the process in round-table discussions, focus groups and the actual work involved in implementing the project.

Technical assistance was provided for the following value chains:

- El Salvador: tomatoes and green sweet peppers, rural tourism in La Libertad and healthy dried fruit snacks.
- Dominican Republic: dairy products and tourism in Pedernales.
- Mexico: pork sausages and other cured pork products.
- Costa Rica: vacuum-fried chips.
- Guatemala: rural tourism in Sacatepéquez.

The main outcomes of the process may be summed up in three areas:<sup>4</sup>

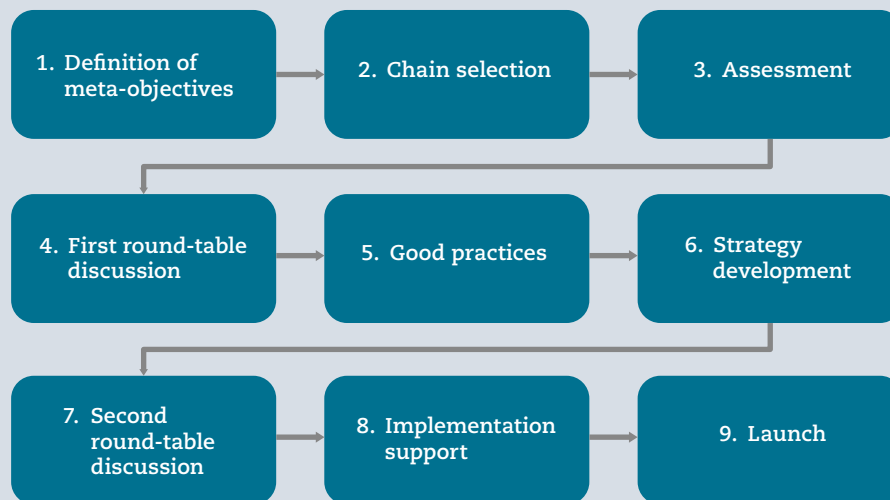
- (i) Design of participatory strategies for chain strengthening. Strategy design is based on an assessment of the value chain (with a focus on bottlenecks), and on the identification of international good practices. These components are validated by the public bodies acting as counterparties, as well as by participants in the chains, through round-table discussions and direct observations regarding the documents.
- (ii) Methodological appropriation and replicability. The ECLAC methodology has been adopted by public bodies in the subregion. For example, El Salvador's Ministry of Economic Affairs officially incorporated it into the 2014-2019 production transformation plan. It was adopted, too, by the round table on production chain development of Mexico's business council for economic growth, in light of the experience with the value chain of pork sausages and other cured pork products. The ECLAC support strategy includes knowledge transfer and capability-building for public officials.
- (iii) Improvement of public-public, private-private and public-private dialogue. The methodology is focused on enriching public-private dialogue as a key element in the development of an industrial policy. When the public and private sectors work together, they can increase the capacity to resolve the bottlenecks that hinder economic and social upgrading. The methodology also stimulates dialogue between the public organizations that regulate and

<sup>4</sup> For more details, see Ramón Padilla Pérez (ed.), *Rural industrial policy and strengthening value chains*, ECLAC Books, No. 145, Santiago, Economic Commission for Latin America and the Caribbean/International Fund for Agricultural Development (ECLAC/IFAD), 2017 [online] [http://repositorio.cepal.org/bitstream/handle/11362/42074/S1700274\\_en.pdf](http://repositorio.cepal.org/bitstream/handle/11362/42074/S1700274_en.pdf).

support the chain. The round tables provide a detailed understanding of the activities of each organization, as well as the challenges they face. The process allows for the creation of specific public commissions to address bottlenecks in the chain. Lastly, it also promotes collaboration between the diverse links of the chain and within each link.<sup>5</sup>



**[ DIAGRAM III.1 ]**  
**METHODOLOGY FOR STRENGTHENING VALUE CHAINS**



**Source:** R. Padilla Pérez and N. Oddone, *Strengthening Value Chains: A Toolkit (LC/MEX/L.1218)*, Mexico City, Economic Commission for Latin America and the Caribbean and International Fund for Agricultural Development (ECLAC/IFAD), 2016 [online] [https://repositorio.cepal.org/bitstream/handle/11362/40911/S1700023\\_en.pdf?sequence=1&isAllowed=y](https://repositorio.cepal.org/bitstream/handle/11362/40911/S1700023_en.pdf?sequence=1&isAllowed=y).

<sup>5</sup> Ibid.

## STRENGTHENING OF CENTRAL AMERICAN INTEGRATION

During the biennium, ECLAC —through its subregional headquarters in Mexico— supported different institutions in the Central American integration system, especially the Secretariat for Central American Economic Integration (SIECA), to strengthen production integration in the subregion.

Together with SIECA, the Central American Bank for Economic Integration (CABEI), the Centre for the Promotion of Micro and Small Enterprises in Central America (CENPROMYPE) and the Central American Tourism Integration Secretariat (SITCA), ECLAC agreed to implement various initiatives to identify value chains with a large regional impact, whose strengthening would lead to deeper regional production integration.

SIECA organized a meeting in September 2016 on the methodology developed by ECLAC for chain selection —initially with the support of the Federal Ministry for Economic Cooperation and Development of Germany (BMZ) and the German Agency for International Cooperation (GIZ), and later updated and improved with support from IFAD and the Costa Rica-United States Foundation for Cooperation (CRUSA)— at which ECLAC and SIECA presented their methodological proposal. There were 22 participants in the chain selection workshop, with representatives from SIECA, ECLAC, SITCA, the Central American Agricultural Council (CAC), the Spain-SICA Fund, CENPROMYPE and government representatives from Belize, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras and Panama. Participants successfully selected a group of important value chains which would be the focus of efforts to strengthen regional chains, and thus to influence production integration in the region.

SIECA, CABEI and ECLAC held a regional seminar on regional value chains, on 3 November 2016. There were roughly 150 participants, including Javier Gutiérrez, Executive Director of SIECA, and Alberto Cortés, President of the Board of Directors on Strategy and Programming of CABEI.



Rubén Nájera, Coordinator of the SIECA regional programme to support the quality and application of sanitary and phytosanitary measures in Central America (PRACAMS); Jorge Mario Martínez, staff member of the ECLAC subregional headquarters in Mexico; Eduardo Espinoza, Director of the SIECA Economic Integration Institute (CEIE); and Olaf de Groot (staff member of the ECLAC subregional headquarters in Mexico).

In addition to strengthening the production integration of Central America, ECLAC and SIECA have collaborated to strengthen regional value chains. ECLAC contributes experience and a value-chain-strengthening methodology that has been applied successfully at the national level, and will now also be applied at the regional level. This will help to identify bottlenecks that hinder the deepening of the integration process and thus will contribute to the design of public policies to resolve this type of problem.

In a pilot study, ECLAC researched the regional value chain in the dairy sector in collaboration with the Central American Agricultural Council (CAC) and the Federation of Dairy Cooperatives (FECOLAC), resulting in a complete assessment of this regional chain and the identification of some significant bottlenecks for the sector, which serve as the basis for the design of a regional production policy.

### **ENVIRONMENTAL PERFORMANCE REVIEW OF PERU**

ECLAC and the Organization for Economic Cooperation and Development (OECD) presented the highlights and recommendations of the environmental performance review of Peru. The review, with the financial support of GIZ in Peru and the United Nations Development Account, and which included participants from the Governments of Chile, Germany and Spain, was completed in 2017.

On the basis of the review, the Government of Peru issued a Supreme Decree to form the working group of the Multisectoral Environmental Commission, responsible for analysing the recommendations of the ECLAC and OECD review. The working group must inform the Multisectoral Environmental Commission and the Multisectoral Permanent Commission of the results of the analysis, prepare a plan of action to implement the recommendations, and communicate on the progress made in implementation. The group comprises 33 high-level staff, including 21 Vice-Ministers, the President of the Executive Board of the Environmental Assessment and Enforcement Agency (OEFA) and the Presidents of the National Assembly of Regional Governments (ANGR) and of the Association of Municipalities of Peru (AMPE), among others.

Moreover, the process facilitated the signing of a triangular cooperation agreement between Chile, Germany and Peru, which aims to establish a learning and experience-sharing platform, and to implement the recommendations of the ECLAC and OECD review relating to environmental management.

### **PROMOTION OF SOUTH-SOUTH COOPERATION WITHIN THE FRAMEWORK OF EUROCLIMA**

In the 2016-2017 biennium, ECLAC, along with 18 Latin American countries, implemented the Peer to Peer programme through the EUROCLIMA project funded by the European Union, to allow countries to share successful experiences and to foster South-South cooperation.

Within the framework of this programme, ECLAC promoted in Latin American countries the inclusion of the challenges posed by climate change in the design and implementation of public investment policies. In response to a request by the Governments of Chile, Colombia, Costa Rica, El Salvador, Mexico, Panama and Uruguay, ECLAC organized a horizontal cooperation workshop on public policies that focused on Peruvian innovation in the incorporation of climate



risks into public investment projects. Over two days, civil servants from the Ministry of Economic Affairs and Finance and the Ministry of the Environment of Peru shared with their peers from interested countries: the general context of Peruvian institutional mechanisms for public investment and how they function, risk management and climate change in public investment, and the incorporation of climate change adaptation into the National System for Public Investment, with an emphasis on successful experiences as well as the difficulties encountered. The participants from the countries learning about the Peruvian experience shared their main challenges in this area. Each theme was discussed in forums in which participants aimed to reach conclusions and make recommendations that would allow the governments of their countries to make progress in the inclusion of climate and risks associated with climate change in public investment projects. The workshop also included forums to discuss doubts and reflect on the implementation of what had been learned, and applying these lessons to the respective national realities.







Likewise, within the framework of the Peer to Peer programme, the Ministry of Housing, Regional Planning and Environment of Uruguay, through the Climate Change Division, requested the support of ECLAC to organize a regional workshop to discuss and share experiences that would help to build the country's national climate change policy. In response to this request, ECLAC organized a three-day workshop on development models and climate change in May 2016, in which representatives of the Ministries of Planning, the Environment, Energy, Transport and Finance of eight Latin American countries, along with members of the academic sector and ECLAC experts, shared their experiences in priority themes for the Government of Uruguay, such as development patterns, sustainable and climate-change-resilient cities, efficient low-carbon transport and climate finance. The representatives of the participating countries made contributions and provided guidelines for developing the national climate change policy of Uruguay on the basis of the successful experiences and difficulties encountered in formulating climate change policy in their own countries.



**SUPPORT FOR THE DOMINICAN REPUBLIC IN THE PREPARATION OF ITS INTENDED NATIONALLY DETERMINED CONTRIBUTIONS (INDCS)**

In the biennium, ECLAC provided technical assistance to different countries of the region to design and implement environmental and climate policy instruments, within the framework of the programme carried out with the support of the Federal Ministry for Economic Cooperation and Development (BMZ), through the German Agency for International Cooperation (GIZ).

At the nineteenth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, held in November 2013 in Warsaw, it was decided that each country would present its national climate action plan, formally known as intended nationally determined contributions (INDCs), which would establish voluntary adaptation and mitigation targets. More than 90% of countries submitted their INDCs to the United Nations Framework Convention on Climate Change (UNFCCC), which served as a catalyst for the signing and subsequent ratification of the Paris Agreement.

In this context, ECLAC supported the Government of the Dominican Republic, represented by the National Council on Climate Change and the Clean Development Mechanism, in the preparation and discussion of targets to be included in the INDCs. In particular, technical surveys were carried out to calculate the baselines of emissions and structural models to discuss the macroeconomic and distributive effects of climate change mitigation policies. These inputs were presented, discussed and adjusted in national workshops involving participants from the Ministries of Finance, Environment and Natural Resources, Economic Affairs, Planning and Development, among other institutions. The Government of the Dominican Republic submitted its INDCs and also prepared a road map for achievement which includes inputs stemming from the technical assistance received.



### EXPANSION OF THE USE OF A NEW METHODOLOGY TO ASSESS THE IMPACT OF CLIMATE CHANGE ON COASTAL AREAS

According to some economic estimates of Latin American and Caribbean countries' climate change adaptation needs, adaptation of coastal areas requires the highest amount of financing. Bearing in mind the importance in the region of human settlements and economic assets in coastal areas, as well as the key role of port infrastructure given the region's export profile, the effects of climate change on these areas must be known in order to make the best adaptation decisions.

In response to this challenge, ECLAC—together with the Ministry of Agriculture, Food and Environment of Spain and the Environmental Hydraulics Institute of the University of Cantabria—has been developing a methodology since 2012 to assess the impact of climate change on coastal areas of Latin America and the Caribbean. The methodology incorporates the analysis of relevant variables involving coastal dynamics, which allows countries to build different scenarios to measure the potential effects of rising sea levels on the region's coasts and to take the necessary adaptation decisions.

The first initiative focused on the coasts of Latin America, and identified the areas at highest risk which required higher-resolution studies and the proposal

of adaptation measures. Subsequently, higher-resolution studies were carried out in the State of Santa Catarina together with the Government of Brazil, at the regional and local levels, to develop historical databases and projections of climate change. In this case, neither vulnerability nor risk were analysed.

At present, high-resolution studies are under way at the local level in selected coastal areas in Cuba. This project includes several different aspects, for example, the fact that it is being carried out in an area subject to extreme phenomena such as hurricanes and tropical storms. It also incorporates methodologies that include the assessment of ecological services focused on the protection of coastal ecosystems, such as mangroves and coral, which will promote ecosystem-based adaptation proposals. Lastly, in addition to reinforcing Cuban institutions' coastal risk management capacities, the project also aims to strengthen and expand the support that Cuban experts are already providing to other countries in the subregion with respect to coastal risks, as part of South-South cooperation efforts. Thus, it is possible to expand the use of this instrument so that decision makers in Latin America and the Caribbean can implement better adaptation measures.

### **THE NEW URBAN AGENDA IN LATIN AMERICA AND THE CARIBBEAN**

The first Cities Conference was held at ECLAC headquarters in Santiago from 2-6 October 2017. The central aim of this event was to provide a strategic platform for dialogue to contribute to the implementation of the New Urban Agenda in Latin America and the Caribbean, and to the fulfilment of the SDGs, particularly SDG 11. It brought together actors involved in city planning and management and in urban and territorial development, to discuss the benefits and requirements of implementing and monitoring the Regional Action Plan for the implementation of the New Urban Agenda in Latin America and the Caribbean 2016-2036, and the New Urban Agenda in the region.

The conference included a presentation of the Regional Action Plan for the implementation of the New Urban Agenda and a forum for discussion of the monitoring and follow-up of the plan in addition to the development of the Latin American and Caribbean Urban and Cities Platform. Thanks to the collaboration of many technical support agencies and institutions, the conference included sessions on governance, financing and monitoring of the Regional Action Plan and the Latin American and Caribbean Urban and Cities Platform in the areas of urban resilience, public-private cooperation and urban mobility, to contribute to the discussions and reflections on the implementation and monitoring of the New Urban Agenda and the transition to sustainable urban development.

Within the framework of the Global Initiative on Disaster Risk Management, financed by BMZ and implemented by ECLAC with the support of GIZ in Angra dos Reis (Brazil), Barranquilla (Colombia) and Chacabuco (Chile), a seminar was organized to promote dialogue between public and private urban actors on sustainable urban development and building urban resilience in various contexts in Latin America and the Caribbean, and to identify synergies with the Regional Plan of Action and other regional and global initiatives and agendas. The event concluded with a dialogue supported by the International

Development Research Centre (IDRC) on how to reduce barriers and gaps in access to financing in order to build resilient cities in Latin America and the Caribbean in the context of climate change.

The Government of France collaborated in the organization of a seminar to foster dialogue on sustainable urban development among actors from the public and private sectors. Participants in these sessions sought to bring a new perspective to achieving the SDGs, particularly SDG 11, in Latin American and Caribbean cities.

A seminar on urban mobility issues was held with the support of World Bank, Inter-American Development Bank (IDB), CAF-Development of Latin America and GIZ, within the framework of the Transformative Urban Mobility Initiative (TUMI) of BMZ/GIZ and the Partnership on Sustainable, Low Carbon Transport (SLoCaT). This space promoted dialogue between public and private urban stakeholders on urban mobility in the context of strengthening sustainable and resilient cities, against the backdrop of the rich urban diversity of Latin American and Caribbean countries.

The support of strategic technical cooperation partners was fundamental to the success of the conference, as it broadened the scope of discussions and encouraged the participation of a wider variety of sectors. The conclusions of the conference will serve as a road map to continue the regional discussion on the implementation of the New Urban Agenda and will guide the support provided by ECLAC to Latin American and Caribbean countries for this purpose.


#### **ECLAC PLACES THE FIGHT AGAINST TAX EVASION AND ILLICIT FINANCIAL FLOWS AT THE CENTRE OF REGIONAL DISCUSSIONS**

ECLAC has helped to place the fight against tax evasion and illicit financial flows at the centre of regional discussions. Within the framework of the project financed by the Spanish Agency for International Development Cooperation (AECID) entitled “Fiscal policy for economic growth and social cohesion”, various studies were carried out which, along with the *Fiscal Panorama of Latin America and the Caribbean, 2016* (L.C.L.4140) were discussed during the twenty-eighth regional seminar on fiscal policy for high-level authorities of the region’s countries, regional and international experts and representatives of civil society.

As a result of this discussion and exchange, the region increased its awareness of the losses stemming from tax evasion and stakeholders analysed possible remedial measures. For example, in September 2016, the Mexican Congress began examining a measure proposed in the *Fiscal Panorama of Latin America and the Caribbean, 2016* to strengthen the production and publication of tax evasion estimates for the country.

Likewise, in compliance with the mandate of the Addis Ababa Action Agenda, ECLAC produced estimates of illicit financial flows from the region, which included Latin America and the Caribbean in the international discussion on tax evasion by major multinational companies. The publication of these novel estimates led to intense discussion in several countries. One notable example is Mexico, where national discussions on tax evasion by big multinational companies resulted in the tax administration service announcing its intention to strengthen taxation of these companies.





In addition to support from AECID, a project entitled “Illicit financial flows, tax evasion and the extractive sector” run by GIZ and financed by BMZ made it possible for ECLAC to carry out a detailed analysis of illicit financial flows from the mining sector in four of the region’s countries: Colombia, Ecuador, Peru and the Plurinational State of Bolivia. The publication of the analysis and several regional expert meetings on the subject helped to deepen the regional discussion and strengthen the knowledge of the national authorities involved in designing public policies to address this subject.

### **PROMOTION OF THE USE OF TAX RECORDS TO MEASURE INEQUALITY AND IMPROVE THE DISTRIBUTIVE IMPACT OF THE TAX SYSTEM**

In the 2016-2017 biennium, ECLAC, with the support of AECID, carried out a series of analyses to prove the importance of the use of tax records to calculate inequality indicators and to improve the distributive impact of tax systems. This type of study, focused on the analysis of population segments with the greatest purchasing power, is very useful as it complements the conventional measurements of inequality and better reflects the concentration of income. Although globally there has been notable progress in analysing the participation of high incomes in the distribution of taxes, there is still much work to be done, particularly in Latin America and the Caribbean, where this methodology is recent and has been implemented in few countries.

Already in the previous biennium, ECLAC carried out a pilot study on this subject together with the Centre for Fiscal Studies and the tax administration department of Uruguay, the final result of which was the book *Desigualdad, concentración del ingreso y tributación sobre las altas rentas en América Latina* (LC/G.2638-P). Owing to the success of this initiative, at the request of the Internal Revenue Service of the Centre for Fiscal Studies of Ecuador, a series of training workshops was organized within the framework of an ECLAC technical assistance programme to help Ecuador to recalculate its inequality indicators on the basis of the tax data from sworn income tax statements.

As a result, in 2016 *Cálculo de la concentración de los altos ingresos sobre la base de los datos impositivos: un análisis para el Ecuador* (LC/L.4278) was published. This document shows that although inequality decreases over time, it is higher than the levels indicated by the conventional measurements which are generally based on household survey data. The results of this analysis were presented at the twenty-ninth regional seminar on fiscal policy and triggered a broad regional discussion of this subject.

Other Latin American and Caribbean countries, such as Argentina, are now evaluating the possibility of implementing this type of analysis with the cooperation of ECLAC, to facilitate the design of public policies based on new ways of measuring inequality.

### **EXPLORING COOPERATION BETWEEN THE REPUBLIC OF KOREA AND THE COMMUNITY OF LATIN AMERICAN AND CARIBBEAN STATES (CELAC) IN THE AREAS OF INNOVATION AND SME INTERNATIONALIZATION STRATEGIES**

ECLAC has been supporting the efforts made by the Community of Latin American and Caribbean States (CELAC) and the Republic of Korea to strengthen economic ties. In April 2016, ECLAC hosted a tripartite academic seminar aimed at exploring



strategies to boost economic cooperation between CELAC and the Republic of Korea. As a follow-up, ECLAC published a document entitled *Exploring cooperation between the Republic of Korea and CELAC in the areas of innovation and SME internationalization strategies*. Subsequently, CELAC and the Republic of Korea held two capacity-building workshops on the internationalization of SMEs, on 9 December 2016 in Santiago, Chile, and on 8 December 2017 in San Salvador, El Salvador, focusing on digital inclusion and on internationalization and paperless trade, respectively.

These workshops and documents have led the Republic of Korea and CELAC members to adopt a common view that the internationalization of SMEs accelerates their productivity growth and development. As SMEs represent the largest share of firms and employment both in CELAC and in the Republic of Korea, their performance has a direct effect on economic and social progress as defined in various Sustainable Development Goals of the 2030 Agenda. Through direct and indirect exports, their performance may improve in terms of formalization, quality of products and processes, access to credit, investment in machinery, and work conditions.

In order to further develop their partnership, both parties have requested that ECLAC develop a medium-term action plan aimed at strengthening the capacities of policymakers and related government agencies in CELAC member countries to promote the internationalization of SMEs through more intensive use of information and communications technologies (including paperless trade) and export innovation. ECLAC will present the proposed action plan at the seventh meeting of the Ministers of Foreign Affairs of CELAC and Republic of Korea in September 2018.

### **INPUT-OUTPUT MODEL OF SOUTH AMERICA**

ECLAC, together with the Institute of Applied Economic Research (IPEA) of Brazil, and with the financial support of the Industry Federation of the State of Sao Paulo (FIESP), CAF, IDB and the Brazilian Industrial Development Agency (ABDI), developed an input-output model of South America, which it presented to the public in June 2016. This project supported a group of national technical teams from 10 countries in the region: Argentina, the Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay.

This technical instrument coordinates information from the production sectors of the 10 participating countries on production and on foreign trade (exports and imports). Owing to its broad disaggregation (4 primary sectors, 29 manufacturing sectors and 7 service sectors) the input-output model of South America allows the analysis of production value chains at the national, regional and international levels.

Since the launch, in June 2016, of the technical manual, the input-output model of South America and national models, various dissemination activities have been carried out in eight countries of the region (Argentina, Brazil, Colombia, Costa Rica, Ecuador, Mexico, Peru and Uruguay). Overall, more than 1,800 people participated in all the related events (training workshops, seminars, business forums and technical meetings). One notable factor was the participation of representatives of central banks, statistical institutes, ministries of trade and industry and export promotion agencies, as well as a group of important universities in the region and beyond.

Training workshops and activities relating to the input-output model were carried out in three countries (Argentina, Ecuador and Uruguay), with the participation of representatives of different government institutions and the academic sector. Activities were also carried out with the participation of the private sector, mainly exporter organizations and chambers of commerce.

Several recent initiatives have focused on the analysis of value chains in the region, both at the national level and through country comparisons. A notable example is the joint effort of ECLAC and the International Labour Organization (ILO) to analyse value chains in South America and their link with employment, as well as the inclusion of this subject on the agenda of the region's integration authorities. Of particular note are the Andean Community (CAN), the Union of South American Nations (UNASUR), the Secretariat for Central American Economic Integration (SIECA), the Southern Common Market (MERCOSUR) and the Pacific Alliance. The last two groups of countries are driving an agenda of convergence that includes the promotion of regional value chains.

ECLAC is currently working to develop a new more up-to-date model that includes Mexico and Central American countries, for which it is receiving financial support from UNASUR, among others. Hence, in 2018 all the countries of the region should have a suitable instrument to analyse the potential for production integration at their disposal. Similarly, efforts are being made to include the region in global projects that incorporate production integration with intraregional partners.

#### **INTERNATIONALIZATION OF MICRO, SMALL AND MEDIUM-SIZED ENTERPRISES OF CENTRAL AMERICA AND THE CARIBBEAN THROUGH EXPORT INNOVATION**

In the 2016-2017 biennium, ECLAC developed a methodological instrument to analyse innovation gaps and to promote the internationalization of SMEs through export innovation.

The focus on export innovation aims to overcome the low levels of internationalization of Latin American SMEs and the difficulties in innovating production processes. Companies' capacity to compete on international markets depends to a large extent on their ability to adapt to the requirements of external demand, and not just on the incorporation of technologies into their processes and the increase in their productivity. Export innovation is a response to the demands of international markets and helps to overcome the gaps in three critical areas: (i) fulfilment and certification of standards, (ii) product adaptation, and (iii) expansion of marketing channels.

With a view to conveying this methodology and promoting its incorporation into the work of assistance centres for micro, small and medium-sized enterprise (MSMEs), a workshop was held on export innovation for the internationalization of these types of business, from 28-29 March 2017 in Tegucigalpa, Honduras, with the financial support of the Government of the Republic of Korea, among others. The workshop was organized in collaboration with the Centre for the Promotion of Micro and Small Enterprises in Central America (CENPROMYPE), which is part of the Central American Integration System (SICA) and is focused

on strengthening the capacity of governments and business owners to promote micro, small and medium-sized enterprises. The member countries of SICA are Belize, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

Government representatives as well as professionals from MSME assistance centres in the eight countries participated in the workshop. Activities included presentations and practical exercises to apply the methodology, in which ECLAC consultants and CENPROMYPE professionals participated. The workshop generated a considerable multiplier effect for the work of ECLAC, as the export innovation methodology was conveyed to the entities working directly with micro, small and medium-sized enterprises in Central America and the Caribbean. In December 2017, CENPROMYPE reported that the methodology is currently being applied in MSME assistance centres in the region.

### **UP-TO-DATE INFORMATION ON THE LIVING CONDITIONS OF PEOPLE OF AFRICAN DESCENT**

Since the start of this century ECLAC has made a systematic effort to focus on population groups which, historically, have faced exclusion and discrimination; these include Afrodescendants, who have been present in the region for more than five centuries, since the beginning of the dishonourable enslavement of African people. The United Nations declared 2015-2024 as the International Decade for People of African Descent, as a corollary of the long struggle for recognition, justice and development of these groups. The Network of Afro-Latin American, Afro-Caribbean and Diaspora Women requested that ECLAC support the implementation of the programme of activities of the initiative, particularly with respect to producing updated information on the living conditions of this population.

Hence, the Commission, through the Latin American and Caribbean Demographic Centre (CELADE)-Population Division of ECLAC, with the support of the Ford Foundation, prepared a regional study based on new empirical evidence, which provides an overview of the historical, social and political processes relating to Afrodescendants in the region, verifies the presence of these population groups in all the countries, and addresses the areas of development that are the pillars of their well-being, such as health, education and employment, within the framework of existing human rights standards.

The document entitled *Situación de las personas afrodescendientes en América Latina y desafíos de políticas para la garantía de sus derechos* is a fundamental input for the International Decade for People of African Descent, as it contributes to the visibility and recognition of this population, while providing a series of policy recommendations to close the gaps between normative frameworks and the daily lives of Afrodescendants.<sup>6</sup> With respect to the methodological strategy used, the study was prepared by experts from the Network of Afro-Latin American, Afro-Caribbean and Diaspora Women, as well as other experts and members of the Afrodescendent movement, and made a considerable contribution to the discussion and exchange of knowledge, with outcomes that addressed specific demands, particularly those of Afrodescendent women.

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<sup>6</sup> LC/TS.2017/121, Santiago, 2017.

An abridged version of the study was included in *Social Panorama of Latin America, 2016*,<sup>7</sup> marking the first time that a specific chapter was dedicated to issues affecting Afrodescendent people in this ECLAC flagship publication, one of the most consulted in the region and beyond. The complete document was published in December 2017 and its large-scale dissemination will continue in 2018. This document will undoubtedly serve as a crucial input for the coordination of initiatives to achieve the goals of the 2030 Agenda for Sustainable Development, the programme of activities of the International Decade for People of African Descent, and other regional agreements seeking equality in diversity.

### **A STUDY OF THE RELATIONSHIP BETWEEN TERRITORY, INFRASTRUCTURE AND PRODUCTION DEVELOPMENT IN ARGENTINA**

Based on the premise that knowledge of the relationship between production and territory is fundamental to public investment planning, ECLAC, through its office in Buenos Aires, carried out an analysis of the restrictions to growth in various production clusters in Argentina, within the framework of a project financed by CAF-Development Bank of Latin America to provide technical assistance to that country's Undersecretariat for Territorial Planning of Public Investment in the Ministry of the Interior, Public Works and Housing.

The aim was to generate accurate and updated knowledge of the production structure in Argentina through the identification, systematization and characterization of the main obstacles to the expansion of goods and services production in production clusters, from a regional perspective.

For this purpose, 41 studies were carried out on the obstacles to growth for 18 production clusters in five macroregions into which the country was divided. The obstacles analysed covered a wide range of dimensions, from environmental issues and infrastructure weaknesses, to the adaptation of human resources and access to financing, which helped to measure the relative importance of each dimension in the different regions and sectors examined.

The results, which were systematized and published by ECLAC in the document entitled *Territorio, infraestructura y economía en la Argentina: restricciones al crecimiento de distintos complejos productivos*,<sup>8</sup> add to the knowledge of little-explored areas of the country's economic landscape, thus highlighting and helping to evaluate and spatially compare the restrictions to growth in selected production clusters. The up-to-date and robust evidence presented is expected to contribute to planning, implementing and strengthening public and private initiatives to promote territorial development in Argentina.

<sup>7</sup> See Economic Commission for Latin America and the Caribbean (ECLAC), "Peoples of African descent: broadening the scope of inequality to make progress in guaranteeing their rights", *Social Panorama of Latin America, 2016* (LC/PUB.2017/12-P), Santiago, 2017.

<sup>8</sup> LC/TS.2017/63-LC/BUE/TS.2017/3, Santiago, 2017.



## **STRENGTHENING OF CAPACITY TO PRODUCE STATISTICS WITH A GENDER PERSPECTIVE**

On the basis of the experience over 40 years building the Regional Gender Agenda, the Division for Gender Affairs of ECLAC, with the support of the German Agency for International Cooperation (GIZ), worked with the countries of the region to lay the groundwork for the implementation of the 2030 Agenda for Sustainable Development, focusing on mainstreaming the gender perspective and on the measures needed to achieve the Sustainable Development Goals, as well as initiatives to strengthen the production of gender statistics and indicators for follow-up.

The Division worked with authorities and technical staff of the region's governments —through technical assistance, specialized workshops and the encouragement of cooperation between countries— to convey the aims of the 2030 Agenda, and to define how the Goals are adapted to needs and to close the gender gaps specific to each country. Moreover, in coordination with the efforts and progress made by the Working Group on Gender Statistics of the Statistical Conference of the Americas of ECLAC, countries' production of statistics with a gender perspective was assessed according to the information requests relating to the targets and indicators of the 2030 Agenda.



In particular, the project ensured continuity in the technical assistance provided to the region's countries for the production of statistics on time use and unpaid work, which are directly linked to target 5.4 of Goal 5. Within the framework of the project with GIZ, the Division for Gender Affairs provided technical assistance to civil servants in national statistical offices —in coordination with mechanisms for the advancement of women— to collect, analyse and use data on time use in Chile, Costa Rica, Cuba, the Dominican Republic, El Salvador, Guatemala and Paraguay. This dynamic played a key role in strengthening the link between data producers and users, and in ensuring that these data were translated into political decisions.

Thanks to these efforts, 19 countries in the region now have the capacity to calculate indicator 5.4.1 of Goal 5 (“proportion of time spent on unpaid domestic and care work, by sex, age group and location”), even though at the global level it is classified within the group of Sustainable Development Goal indicators that are not regularly produced by countries.

**FIGURE II.4**  
**LATIN AMERICA (17 COUNTRIES): TIME SPENT ON UNPAID DOMESTIC AND CARE WORK, BY SEX (SUSTAINABLE DEVELOPMENT GOAL INDICATOR 5.4.1)**  
 (Percentages)



**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations from time-use surveys conducted in the respective countries and the United Nations Statistics Division, “SDG Indicators Metadata Repository” [online] <https://unstats.un.org/sdgs/metadata/files/Metadata-05-04-01.pdf> [reference date: 3 August 2017].

**Note:** Figures take into account time spent on domestic and care work in one’s own household, in other households, in the community and volunteer work, except in the case of Brazil, where the survey only asks one question relating to domestic work in one’s own household, and of Honduras, which only includes information on care of members of one’s own household. The data correspond to the national total except for Costa Rica (Greater Metropolitan Area) and Cuba (Old Havana). The population examined was 15 years and older, except in Argentina (18 years and older) and Nicaragua (6 years and older).

### SHARING OF EXPERIENCES IN EDUCATION FINANCING

The regional seminar on fiscal policy has become an unavoidable reference in the discussion of the latest economic and fiscal issues affecting the region, and is attended by authorities on fiscal policy, staff members of international organizations and academics from various countries. The twenty-ninth edition of the seminar (23-24 March 2017) was sponsored by the Government of Norway within the framework of the project on technical and vocational education and training for greater equality in Latin America and the Caribbean. The event was attended by seven ministers and vice-ministers of finance from the region (Argentina, Brazil, Chile, Costa Rica, Honduras, Plurinational State of Bolivia and Uruguay), as well as the Ambassador of Norway in Chile, Beate Stirø. In addition to providing a space for countries, notably the Dominican Republic and Mexico,

to share their experiences in education financing, the seminar served as a forum for the dissemination of the initial outcomes of the regional studies carried out as part of the project. This event played a central role in strengthening the regional network coordinated by ECLAC in fiscal policy and raising awareness among economic authorities (in finance and economic affairs) about the importance of efficient and equitable financing for technical and vocational education and training.

### **PROACTIVE REFLECTION ON THE CHALLENGES FACED WITH RESPECT TO GENDER EQUALITY IN TECHNICAL AND VOCATIONAL EDUCATION IN THE REGION**

Within the framework of the cooperation project between ECLAC and the Government of Norway on technical and vocational education and training for greater equality in Latin America and the Caribbean, a meeting of experts was held in August 2016. It focused on the theme of technical and vocational education and science and technology as keys to women's economic autonomy, and contributed to exchanges and proactive reflection on the challenges faced by the region with respect to public policies for gender equality in this type of education. The meeting provided an opportunity to present the subject, share the main findings of the studies carried out and stir participants' interest. Participants focused on highlighting the potential of technical and vocational education to contribute to gender equality, improve participation in the labour market and narrow the wage gap; shedding light on gender bias in technical and vocational education and labour trajectories; analysing the role of the family in reproducing gender stereotypes and the impact on career choice; identifying education reform processes as opportunities to mainstream the gender perspective; and suggesting ways to revitalize, value and improve the quality of technical and vocational education. The main outcome was the progress made in positioning technical and vocational education as one aspect of the regional agenda that offers opportunities to eliminate the structural causes of inequality through public policies facilitating progressive structural change.

### **IDENTIFICATION OF EDUCATION REQUIREMENTS FOR THE PRODUCTION SECTOR**

Assistance was provided to the Ministry of Economic Affairs, Planning and Development of the Dominican Republic for the institutionalization of a permanent mechanism to identify and anticipate education and training needs in the country. Support provided to the Ministry of Labour of Colombia focused on the implementation and validation of a complex conceptual standardization process to unify criteria and obtain an agreement between the different education and training institutions in the country. Discussions with the countries also revealed the need for the sharing of South-South experiences in designing business surveys to identify labour requirements, and the need for mechanisms to disseminate the information collected in these surveys. ECLAC has promoted this dialogue by organizing virtual meetings on business surveys with representatives from Chile, Costa Rica and Ecuador, and by preparing an analysis of the situation in national and regional labour observatories, with the support of the Ministries of Labour of Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Paraguay, Peru and Uruguay.

### **IDENTIFICATION OF TERRITORIES WITH A HIGH RISK OF CHILD LABOUR IN THE COUNTRIES OF THE REGION**

ECLAC and the Regional Office for Latin America and the Caribbean of the ILO have developed a statistical instrument called the Child Labour Risk Identification Model, which uses countries' existing databases (surveys, censuses, administrative records) to classify territories according to the probability of child labour and to identify the main factors associated with this phenomenon in each country. This instrument provides countries, at both the national and subnational levels, with reliable data to develop focused and coordinated pre-emptive initiatives to break the trajectory of child labour and improve the performance and effectiveness of public policies, with the aim of reducing the indicator, achieving national targets and meeting global commitments relating to this subject.

The pilot study to test the instrument was launched between April and August 2017 in a group of countries that had expressed interest in participating. The participation of Argentina, Brazil, Colombia, Costa Rica, Jamaica, Mexico and Peru was officially confirmed. These countries implemented the tool through a process which was adapted to their specific political and institutional contexts, with customized technical assistance tools and procedures, and which involved various levels of interinstitutional dialogue and coordination.

The instrument was then presented at the fourth Global Conference on the Sustained Eradication of Child Labour, held in Buenos Aires from 14-16 November 2017. The Conference was attended by more than 3,800 people, including 45 ministers of State. The instrument generated considerable interest among participants, from the region and beyond, owing to its potential to guide child labour eradication initiatives targeting specific territories.

### **DEVELOPMENT OF ENVIRONMENTAL INDICATORS FOR THE FOLLOW-UP OF THE SUSTAINABLE DEVELOPMENT GOALS (SDGS) THROUGH THE ENVIRONMENTAL STATISTICS PROJECT**

The Statistics Division of ECLAC strengthened the development of environmental statistics with a view to building new environmental indicators to follow up the SDGs in the countries of the region, through a cooperation programme between ECLAC, the Federal Ministry for Economic Cooperation and Development (BMZ) of Germany and the German Agency for International Cooperation (GIZ). The project also promoted the exchange of technical knowledge between experts in the field of environmental statistics and SDG environmental indicators, to improve the production of statistics and to strengthen South-South cooperation in the region.

An important milestone in this area was the creation of a regional network on environmental statistics for Latin America and the Caribbean. This network was launched in December 2017, within the framework of a regional seminar-workshop on developing and strengthening environmental statistics and indicators in Latin American countries, and the shared path of the SDGs and the Latin American and Caribbean Initiative for Sustainable Development (ILAC), which was held in Rio de Janeiro. The meeting, which was hosted by Brazil through the Brazilian Geographical and Statistical Institute (IBGE) and the Ministry of the Environment, also helped to strengthen specialized national teams.



For the first time there was a joint meeting, which was highly successful, that combined the agendas and resources of the Regional Office for Latin America and the Caribbean of the United Nations Environment Programme (UNEP) and the Statistics Division of ECLAC, with the aim of discussing the progress and challenges in measuring environmental indicators of the SDGs and of ILAC. The meeting was attended by about 70 specialists belonging to 22 teams from Latin American countries, including environmental statistics specialists from national statistical institutes and environmental data and statistics specialists from the ministries of the environment. This interinstitutional cooperation is crucial in the field of environmental statistics given its cross-cutting nature, which requires a well-coordinated national system. In addition to country representatives, participants included specialists from the United Nations system, at both the regional level and from Brazil, along with some agencies specializing in earth research and observation.

The launch of the regional network on environmental statistics for Latin America and the Caribbean was a notable achievement, and the network is expected to include all producers and users of environmental statistics, indicators and accounts. It was conceived as an informal space for communication, for sharing regional knowledge, experiences and methodological adaptations, and for mutual support, and aims to accelerate the process of developing and strengthening the production of environmental statistics, indicators and accounts in the region. The regional network also offers its members an interactive space that reinforces the sense of belonging to a group of peers and serves as a “window” to information, contacts and specialized tools relating to environmental statistics, which will help to build up the region’s environmental statistics assets.

## **TECHNICAL ASSISTANCE TO THE GOVERNMENT OF URUGUAY**

The ECLAC office in Montevideo carried out several initiatives to provide technical assistance to the Government of Uruguay, two of which are described below.

### **(a) Services export estimates**

Within the framework of the agreement between ECLAC and the Ministry of Economic Affairs and Finance of Uruguay, the ECLAC office in Montevideo provided advice to improve estimates of the country’s services exports, particularly of non-conventional services. The work involved the compilation and analysis of several alternative sources of information and a discussion of the application to Uruguay of the criteria used by national statistical offices of countries where the impact of globalization had challenged the traditional measurement of economic activity, particularly, the balance of payments. In September 2017, the economic statistics division of the Central Bank of Uruguay incorporated into its measurement of the balance of payments the recommendations of the sixth edition of the Balance of Payments Manual of the International Monetary Fund (IMF).<sup>9</sup> The new estimation is significantly different from the previous one and helps to paint a much clearer picture of current phenomena. One of the inputs used was the document prepared by the ECLAC office in Montevideo within the framework of the agreement mentioned.

<sup>9</sup> International Monetary Fund (IMF), Balance of Payments and International Investment Position Manual. Sixth edition (BPM6), Washington, D.C., 2009.

### (b) Uruguay 2050: a long-term vision of the national care system

Within the framework of the technical cooperation agreement between ECLAC and the Government of Uruguay, and upon the request of the country's Department of Planning of the Office of Planning and the Budget, the ECLAC office in Montevideo supported the assessment relating to the preparation process for the national development strategy, Uruguay 2050. This strategy aims to lay the foundations for the country to achieve sustainable development in the long term, establishes an agreed vision for the country and defines the strategic actions to achieve it. Two key pillars for development were defined: demographic change and its consequences, and the transformation of the production model.

Technical cooperation was focused on the first pillar. It was based on a previous joint effort by ECLAC and the World Bank, entitled *Cambio demográfico y desafíos económicos y sociales en el Uruguay del siglo XXI*.<sup>10</sup> This document was used to develop five dissemination workshops with experts on each of the themes addressed, followed by a discussion of the elements which required further development to complete the analysis. The ECLAC office in Montevideo prepared the publication *El cuidado de la población uruguaya y la creación del Sistema Nacional Integrado de Cuidados: una mirada de largo plazo*,<sup>11</sup> and the working document "Proyección de tasas de actividad bajo diferentes escenarios de niveles educativos".<sup>12</sup> The preparation of these works was supported by a constant exchange of ideas and information between the authorities and technical experts of the Department of Planning and the ECLAC office in Montevideo, to adjust inputs to the requirements of the prospective exercises developed by the Department. Both documents were presented at various seminars and workshops organized by the Department of Planning, and the first was discussed in depth with the National Care Secretariat of the Ministry of Social Development, for which this work was an interesting input for policymaking.

### TERRITORIALIZATION OF THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT AND THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)

In 2017, the province of Tucumán, Argentina took up the challenge of updating the strategic guidelines of its regional development plan, for which ECLAC, through the Latin American and Caribbean Institute of Economic and Social Planning (ILPES), provided technical assistance over a period of roughly two months, and which involved two sets of meetings with different actors.

At the first event, 50 public, technical and policy officers received theoretical and practical training over the course of four days on regional development, territorial disparities, the 2030 Agenda for Sustainable Development, strategic planning and agents of development. One of the most relevant outcomes of the meeting was the intersectoral discussion to define the type of development desired for the province.

<sup>10</sup> Rofman, R., V. Amarante and I. Apella (eds.), *Cambio demográfico y desafíos económicos y sociales en el Uruguay del siglo XXI* (LC/L.4121), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC), 2016.

<sup>11</sup> M. Colacce and P. Manzi, "El cuidado de la población uruguaya y la creación del Sistema Nacional Integrado de Cuidados: una mirada de largo plazo", Studies and Perspectives series-ECLAC office in Montevideo, No. 27 (LC/TS.2017/43-LC/MVD/TS.2017/2), Santiago, Economic Commission for Latin America and the Caribbean (CEPAL), 2017.

<sup>12</sup> Economic Commission for Latin America and the Caribbean (ECLAC), 2017, unpublished.

The second meeting included 150 participants, representing social organizations, businesses, and the academic and public sectors. The aim of this two-day workshop event was to discuss the province's strategic guidelines, update assessments and propose new guidelines, as well as to strengthen existing guidelines in full force. The meeting helped to formulate a set of coherent proposals based on the diverse perspectives of the meaning of territorial development.

These two events facilitated the preparation of a report including the inputs for the provincial government to update the provincial development plan.

For ILPES, this experience is an example of how to create capacity in the territory to ensure sustainable planning and public management practices. This implies creating and implementing:

- Collective reflection processes that lead to concrete steps.
- Forums for intersectoral government reflection.
- Public-private discussion spaces.
- Areas in which territory is designed and objectified by its own agents.
- A culture of planning, follow-up, evaluation and accountability that gradually facilitates excellent public management.

### REDATAM: 33 YEARS STRENGTHENING THE TECHNICAL CAPACITY OF NATIONAL STATISTICAL SYSTEMS

For more than three decades now, ECLAC has provided support to national statistical institutes and other data producers in Latin America and the Caribbean and other regions in the processing, analysis and dissemination of statistics and censuses, through the Retrieval of data for small areas by microcomputer (REDATAM) programme.

In the 2016-2017 biennium, with support mainly from the United Nations Population Fund (UNFPA), ECLAC provided technical assistance to national statistical institutes in planning, conducting, processing and analysing population and housing censuses, to ensure the availability of good-quality, inclusive, timely data with the highest level of disaggregation.

Traditionally, in previous census rounds, REDATAM was used only for data processing and dissemination; now it is also being used in preliminary stages, for example in the pre-census process (Chile and Guatemala) and in the analysis of consistency and validation (Chile and Peru).

With the support of UNFPA, technical advice was also provided to Bhutan in the dissemination of population and housing census results.

In the 2016-2017 biennium, 16 courses and internships on the use of REDATAM were carried out in the region, with 228 participants from all the countries of Latin America and the Caribbean. These training activities, which were financed mainly by UNFPA country offices, sought to transfer knowledge and build the capacities of national statistical and planning offices and other institutions that are part of national statistical systems, in order to build sociodemographic databases and indicators, to process and analyse data, and to use censuses to calculate SDG indicators and their disaggregations.



Lastly, in 2017, ECLAC and the Ministry of Women's Affairs and Gender Equity of Chile signed a cooperation and technical assistance agreement for the development, implementation and dissemination of a system of indicators of violence against women, which was developed using the REDATAM Webserver platform.

This represents the pioneering use of REDATAM to help quantify and characterize violence against women in Chile through an open-access information technology platform. The system comprises aggregated and disaggregated indicators at the regional, national, and communal levels deriving from various information sources, such as the national youth survey, the national survey on victimization through domestic violence and sexual offences, population projections and records from the National Public Prosecutor's Office.

### **ECLAC POSITIONS ITSELF AS A CENTRE OF EXCELLENCE IN RESEARCH DATA MANAGEMENT**

Present-day society is experiencing a “data deluge” with technology allowing the storage and sharing of petabytes of data. The exchange of large quantities of data is revolutionizing scientific research, as it facilitates scientific collaboration at the regional and global levels, and has the potential to reduce costly duplication in data generation and collection.

Within the framework of the LEARN project, which is funded by the European Commission, ECLAC—one of the project participants—played a pioneering role in the region in determining the state of research data management. As part of the project, ECLAC shared good practices and promoted the implementation of research data management policies in the region's research institutions.

As part of the project, the Hernán Santa Cruz Library of ECLAC—along with four European institutions—organized the fourth LEARN Workshop on Research Data Management entitled “Implementation of policies and strategies in Latin America and the Caribbean”. There were about 90 participants from eight countries of the region and from Europe, who highlighted the value of data as a strategic asset for scientific institutions, and analysed institutional policies and strategies of research data management.

ECLAC also dedicated considerable efforts to creating a regional network of roughly 600 actors involved in research data management, to share good practices. This regional network mainly involves actors linked to research work in knowledge centres across Latin America and the Caribbean, including universities, research centres and libraries, as well as research project financing bodies (national science and technology boards). The network members range from researchers, data scientists, information technology engineers and librarians to administrators, authorities and policymakers in the academic and scientific research sectors.

With the LEARN project, the Hernán Santa Cruz Library was able to incorporate research data management into the regional agenda, and capitalized on this potential by organizing six workshops. The Library also prepared the very



first learning guide in Spanish on research data management,<sup>13</sup> which has already become a regional reference and which will be used to design future training courses.

ECLAC also created a toolkit that covers the most relevant aspects of research data management in scientific institutions, such as the definition of roles and responsibilities; (re)training of staff; preservation, protection and reuse of data; and lastly, technologies and involved costs. This toolkit included five case studies as practical examples.

The evaluation of the project highlighted the ability of ECLAC to create networks and to secure a high level of commitment and involvement from the various project participants.

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<sup>13</sup> See [online] <http://biblioguias.cepal.org/gestion-de-datos-de-investigacion>.





### [ III ]

## CONCLUSIONS

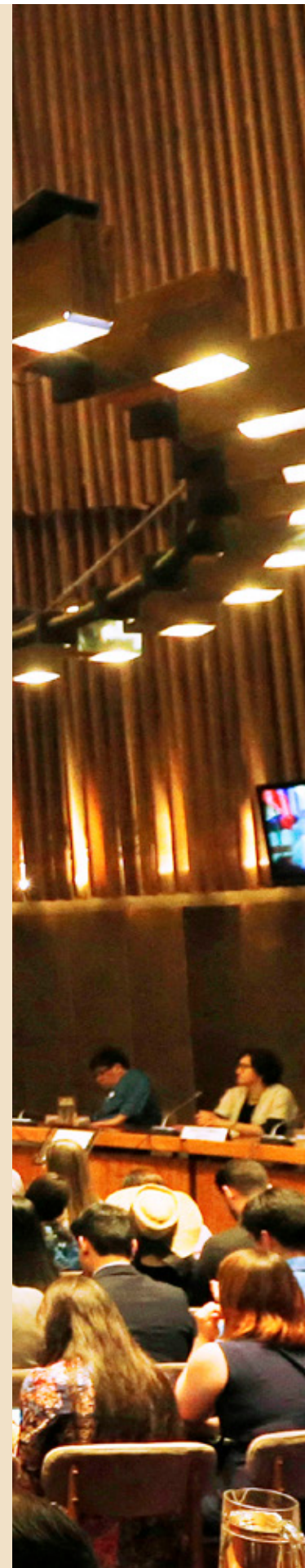
In the 2016-2017 biennium, the work of ECLAC in general and its technical cooperation activities in particular focused on laying the foundations for the implementation of the 2030 Agenda for Sustainable Development in the region. That Agenda offers a road map and a suitable framework to propose and implement a new generation of public policies that will allow Latin America and the Caribbean to progress towards a new development model based on a virtuous circle of growth, equality and sustainability for present and future generations. This new model should focus on three key lines of action in the region: macroeconomics for development, a welfare State based on rights and productivity growth, and decarbonization of the economy and society.

With a view to contributing to this collective effort, ECLAC has strengthened its role as an intergovernmental platform, generator of ideas, innovation and proposals, and provider of technical assistance and training in the region, through its technical cooperation activities. Although some of the means of implementation of the 2030 Agenda are coordinated at the national level, many operate on a global and regional scale, including trade, financing and technology. Thus, the regional dimension and response play a crucial role in addressing the challenges, complexity and interdependence of the current global order, and in promoting a shared path towards sustainable development with equality.

In the past two years —despite the gradual shift towards the graduation of countries of the region from eligibility for official development assistance (ODA) and the resulting difficulty in the mobilization of and access to these funds— financial resources for technical cooperation activities from the governments of countries outside the region and from multilateral sources have not only been maintained, but have increased, even to rates of around 25% in the case of the latter. ECLAC continues to be considered a preferential partner and reference for the international community as a whole in these initial stages of implementation of the 2030 Agenda in Latin America and the Caribbean.

Similarly, of the total number of new technical cooperation agreements signed in 2016 and 2017, the percentage corresponding to the governments of the region's countries stood at 53%, while the level seen in the previous biennium was 39%. Also, the percentage of the total number of technical cooperation projects implemented in 2016 and 2017 which were financed by the governments of Latin American and Caribbean countries increased slightly, to 38% of the total. Hence, the countries of the region, as well as the international community, consider ECLAC a key ally to face the various challenges raised by the 2030 Agenda with respect to designing and implementing public policies.

ECLAC missions to the countries of the region to provide technical assistance and participate in technical meetings continue to focus on economic issues

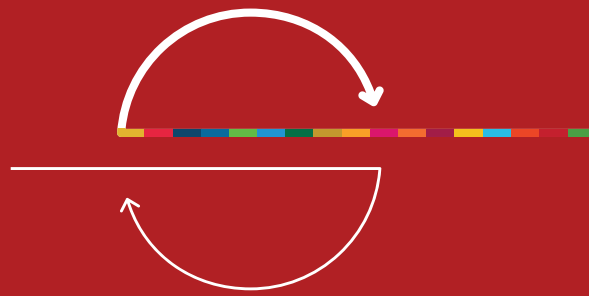


(almost 50%), owing mainly to the historical role played by the Commission in Latin America and the Caribbean as a think tank and centre of innovation for the development of public policies in the field of economics. Social development accounts for the highest percentage of capacity-building missions, representing 40% of the total. This means that the countries of the region are turning increasingly to ECLAC for technical training in social affairs, which reflects greater interest in building the national capacity needed to strengthen the social agenda and to design public policies for social inclusion. Lastly, the link between climate change and major disasters is already evident, as indicated by the fact that 64% of ECLAC disaster-assessment missions are directly related to sustainable development.

In sum, the 2030 Agenda for Sustainable Development has outlined the path that Latin American and Caribbean countries must follow in the next few years to improve living standards and consolidate sustainable and inclusive development models that address the high levels of inequality and the heterogeneity of production structures in the region. In the regional scenario, this path must be adapted to the specific needs and challenges facing middle-income countries, meaning almost all the countries in the region. It must also be adaptable to a complex and dynamic international scenario which is strongly influenced by high levels of macroeconomic uncertainty, the emergence of new actors on the geopolitical scene, the technological revolution and the worsening of the environmental crisis, among other factors. This path must be followed at a determined and consistent pace, and must clearly seek effective multilateralism, the resolution of global problems through collective efforts and the political and technical cooperation of the public and private sectors and civil society.

The successful implementation of the 2030 Agenda for Sustainable Development in Latin America and the Caribbean will ultimately depend on countries following the right path at the right pace. To that end, ECLAC, through its technical cooperation activities, will continue to work with the countries of the region and with the international community to propose innovative ideas and provide practical solutions, as it has been doing for the past 70 years.





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