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Summary

MILLENNIUM DEVELOPMENT GOALS

ACHIEVING THE MILLENNIUM DEVELOPMENT GOALS WITH EQUALITY IN LATIN AMERICA AND THE CARIBBEAN: PROGRESS AND CHALLENGES



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This text is a summary of the document *Achieving the Millennium Development Goals with Equality in Latin America and the Caribbean: progress and challenges* (LC/G.2460), containing the findings of the second comprehensive appraisal of the region's progress towards fulfilment of the Goals, which was produced in close collaboration with 17 other bodies of the United Nations system.

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A. INTRODUCTION

This summary sets out the main findings of a review of the countries' progress towards achievement of the Millennium Development Goals contained in the 2010 inter-agency regional report on the Goals in Latin America and the Caribbean. The main policy messages, analyses and conclusions included in the report, which was coordinated by the Economic Commission for Latin America and the Caribbean, are the outcome of a joint effort by specialized agencies, programmes and funds of the United Nations operating in the region.

This summary does not offer a detailed account of the topics and analyses contained in the different chapters of the report. Rather, it highlights the main outcomes in terms of the region's progress towards each Millennium Development Goal. From these outcomes derive policy messages and general guidelines with respect to both the most urgent problems the countries of the region face today and the more structural problems that have hindered their development.

As so often happens, the review of the region's progress towards the various Millennium Development Goals supports neither an entirely optimistic, nor an entirely pessimistic, conclusion. Positive outcomes have certainly been attained: the region has made considerable progress in meeting some targets, albeit with differences among countries associated largely with the gradual appropriation of the Goals in each country and their adaptation to specific national circumstances.

On the other hand, some elements of the assessment cast doubt on the likelihood that most of the countries of the region will achieve many of the targets. Indeed, at the current rate of progress, some countries will be far from attaining them, and others, despite significant progress, will continue to suffer from significant problems and lags as 2015 approaches. Lastly, until 2008, some of the countries of the region with the lowest per-capita income had progressed more slowly than the relatively more developed countries. This is evident with respect to the targets included

under Goal 1, which are a condition for achieving the full set of Goals: reducing extreme poverty, progressing towards the eradication of hunger and creating productive employment and decent work for all.

The headway made thus far has been the merit of a six-year period of favourable conditions for the region, which was interrupted by the global crisis. This has halted progress towards certain targets and even reversed some positive trends, such as the reduction in the percentage and number of poor, in addition to creating a scenario of uncertainty regarding the coming years. Hence, the region will find it more difficult to meet the commitments and fulfil the rights set forth in the Millennium Declaration.

If the analysis were confined to economic growth projections, it might be concluded that the outlook for the next few years is not so bad, but social indicators are known to recover more slowly than economic growth, and to take longer to return to pre-crisis levels. Suffice to note that the region's employment problems are worsening, the fiscal stance is projected to tighten, which in many cases will make it difficult to finance social policies, and official development assistance is expected to decline. All of this will have adverse consequences for the region overall, but the poorest countries will be the worst affected.

Nonetheless, significant progress was made from 2002 to 2008 and, in certain cases, the rate of progress towards certain targets increased. The review of the region's progress towards achievement of the different Millennium Development Goals shows, however, that it continues to face problems in meeting the all of the targets derived from the Millennium Declaration. These difficulties are associated with the historical impediments to development in the region: the inability to generate productive and decent work for all; the low levels of secondary education coverage and the very poor quality and relevance of education content overall; persistently high levels of inequality, which impede social cohesion; the failure to empower women and to foster their economic and physical autonomy; and the marginalization of population groups owing to the persistence of discrimination based on gender, on racial-ethnic origin and on socio-economic inequities that result from a highly unequal distribution of wealth and income. To these obstacles are added challenges stemming from current production and consumption patterns and the need to halt the loss of biodiversity

and the destruction of ecosystems, by mainstreaming the principles of environmental sustainability in development.

The following two sections provide an overall description of progress the Latin American and Caribbean region has made towards achievement of the Millennium Development Goals and targets, and outline the policy approaches and main messages that arise from each chapter of the Report. Except in certain cases, the review does not give a detailed description of national situations, which can be found in the document from which this summary has been extracted.¹

B. REVIEW OF PROGRESS TOWARDS ACHIEVEMENT OF THE MILLENNIUM DEVELOPMENT GOALS

1. Achievements in poverty reduction: the full and empty halves of the glass

The most appropriate point of departure for a review of the progress made towards the achievement of the Millennium Development Goals in the region is the key element of the aims that shaped the Millennium Declaration and encapsulates much of the progress that may or may not have been made towards achieving the other Goals, namely: the eradication of extreme poverty and hunger.

As of 2008, the region had made 85% of the gains required to meet the target set for extreme poverty—measured on the basis of poverty lines that are comparable among the countries of Latin America—in 72% of the time allotted (18 of 25 years) for halving the level of indigence with regard to 1990, which is target 1A of Goal 1. Between 1990 and 2008 extreme poverty fell from 22.5% to 13.7% of the total population, or from 93 million to 71 million persons, in the twenty countries of Latin America. Until two years ago, Latin America was thus on the way to achieving target 1A.

Most of the poverty reduction between 1990 and 2008 took place at the end of that period, specifically in the six years from 2003 to 2008. In 2002, indigence stood at 19.4% of the population and total poverty

¹ LC/G.2460.

at 44.0% —a mere 3.1 and 4.3 percentage points lower than in the early 1990s. Although economic growth alternated with economic contraction during this period, in the end, extreme poverty declined at a rate of only 0.26 percentage points per year, while total poverty fell at an annual rate of 0.36 percentage points.

By contrast, poverty declined at a much faster rate from 2002 to 2008 than in previous years. Extreme and total poverty were 6.4 and 11 percentage points lower at the end of this period than in 2002, and had thus declined by 1.08 and 1.83 percentage points per year. The expression of these rates in percentage terms makes clear that in the period in question more progress was made towards reducing indigence, which declined by a rate of 6.6% per year, than in reducing poverty, which fell by 4.7% per year. Rapid progress was made towards meeting target 1A during these six years, owing not only to the higher rate of economic growth in the region starting in 2003, but also, in several countries, to an improved income distribution. The fall in the total number of poor and indigent persons (by 21 million and 26 million) in this period also marked a clear break with previous periods, during which the number of poor and indigent persons grew steadily.

The gains in reducing extreme poverty between 1990 and 2008 can be seen both in the percentage of persons in extreme poverty and in the poverty gap index. This indicator provides a more complete vision of poverty conditions as its formulation includes not only the percentage of persons living in poverty but also the gap between the average income of those who are extremely poor and the value of the indigence line (or the cost of the basic food basket). The poverty gap index thus takes into consideration how poor the extremely poor are. In most countries, the percentage reduction of this indicator was as large as or greater than the percentage reduction of the population in extreme poverty, which means that the average income of the extremely poor rose. The income of extremely poor households thus approached the level necessary for the members of these households to meet their food needs.

In sum, significant progress has been made, which is good news for the region. However, this success needs to be qualified and needs to be examined carefully. First, although some countries have made very significant gains or have in fact already achieved target 1A, others—including some of the poorest countries of the region— have seen a

lower rate of decline in extreme poverty than that required for them to reach that target in the coming five years, which makes it nearly certain that they will not do so. In addition, a larger number of countries will still have a very high level of extreme poverty (close to or above 20%) even if they do attain target 1A of Goal 1.

Second, as ECLAC has already noted in various documents, a more appropriate objective—at least for the region's higher per-capita income countries— would be to halve total poverty. The progress towards this objective is much smaller: 63% for Latin America overall.

Third, the global crisis halted and then reversed the poverty-reduction trend seen in the preceding six years, that is, until 2008. This makes it difficult to foresee if all of the countries that were moving towards achieving target 1A would succeed and, therefore, if the region overall would do so. The crisis made it less certain, then, that Latin America would continue to move forward at the same pace as during the six-year period prior to the crisis.

The most likely outlook for the coming five years is one of lower growth and greater difficulties in improving income distribution. Growth and a more equal income distribution were the two main factors that drove the reduction in extreme poverty during the period of growth prior to the crisis. Both factors helped raise the income of the poorest strata through higher employment, a certain improvement in real wages and, equally important in some countries, the monetary transfers of their most important targeted social programmes and other transfers, such as remittances from abroad.

Also of concern is the relatively greater vulnerability of children and women that has been revealed by the drop recorded, in most countries, in extreme poverty levels. Extreme poverty is nearly twice as high among persons aged below 15 than among those above that age, and in by far most countries women, particularly heads of household, have considerably higher poverty rates. Also, the indigence rate is nearly three times as high in rural areas as in urban areas, and in only five countries did the urban-rural gap narrow. Moreover, in terms of ethnic-racial origin, indigenous and Afro-descendent groups continue to have higher poverty rates than the rest of the population.

Regarding the countries of the Caribbean, the lack of information makes it more difficult to provide an overview of the progress towards

reducing poverty in the subregion, and, in fact, evaluating progress towards achievement of Goal 1 is still a major challenge in the Caribbean.

Nevertheless, official data based on the US\$ 1.25 per day and US\$ 2 per day thresholds indicate that five countries (Belize, Guyana, Jamaica, Suriname and Trinidad and Tobago) hold somewhat more than 75% of the Caribbean's population and a large portion of the extremely poor population. Poverty estimates based on national poverty lines indicate that, in the early 2000s, 88% of the extreme poverty and more than 80% of total poverty in the subregion was concentrated in these five countries.

As is the case with the countries of Latin America, the significant differences between the proportion of the population with an income below US\$ 1 per day and the proportion living in extreme poverty as measured by national poverty lines underscore how unsuitable it is for the Caribbean to rely solely on the definition of extreme poverty used in the official indicator for monitoring this target. For example, in Suriname—one of the Caribbean countries with the highest proportion of poor—more than half of the total population was below the indigence line in 1993. Yet in 1999 only 15% of the population was in this situation according to the official indicator of living on an income of less than 1 US\$ per day.

What little background information that exists based on national poverty lines in the five countries in question reveals that the incidence of poverty in all of them, with the exception of Belize, fell, in various periods in which the progress can be examined, after 1990. The changes in poverty in two countries for which comparable data are available over a longer period are presented here. In Jamaica, total poverty reportedly declined significantly (from 28.4% to 12.7%) between 1990 and 2005, which would indicate that by the mid-2000s the country had achieved the target. Nevertheless, data are not available for more recent periods. Meanwhile, in Trinidad and Tobago poverty reportedly dropped from 21% to 16.7% between 1992 and 2005. However, because of the lack of more recent data it is not possible to arrive at a conclusion on whether the country has achieved the target.

The high levels of poverty that can be inferred from national reports do not necessarily translate into wider poverty gaps, to a higher incidence of poverty or to the poorest quintile of the population's accounting for a lower proportion of national consumption. In terms of this latter

indicator, the Caribbean is generally less unequal than most of the countries of Latin America.

Most of the economies of the Caribbean are small, open and consequently highly exposed to external conditions. Together with their high degree of dependence on developed countries for trade, tourism and remittances, these factors contribute to their considerable vulnerability. Added to these problems is their constant exposure to natural disasters. All of this hampers the fight against poverty, especially since the lowest-income population is impacted the most by these circumstances.

Inhabitants of rural areas and children and women make up most of the poor population. Because of the inequality faced by women and the related prevalence of households headed by women, if the countries of the Caribbean are to advance in gender equality, especially in the labour market and the distribution of power, they will also have to make progress in reducing poverty in general and poverty among children and women in particular.

2. The persistence of hunger: the infringement of the right to food

The hunger target derived from the Millennium Declaration is not only part of the Millennium Development Goals; it has also been reiterated in several forums and documents, which have thus enshrined the importance of this issue for the countries and the urgency of solving it. Hunger is the result of food and nutritional insecurity, which is expressed in insufficient food consumption to satisfy energy requirements and in malnutrition. Progress towards eradicating hunger must, then, be measured in terms of both the undernourishment associated with insufficient food detected among the population as a whole and its prevalence among children, expressed as the proportion of children under 5 years of age who are underweight or undersize.

The pace of hunger reduction has been slow in Latin America and the Caribbean. Undernourishment fell slightly less than expected (by 55% vs. 58%) from 1990 to 1992 and from 2004 to 2006, according to Food and Agriculture Organization estimates. If progress continues at this pace, the region will fall short of the target of halving the proportion of people who suffer from hunger. In 8 of the 30 countries examined

progress was considerably below that needed to achieve the target, and four countries lost ground in this indicator.

In essence, although the amount of food available for human consumption in the region surpasses by 40% that needed to meet the population's basic requirements, 45 million persons (8.6% of the total) lacked access to sufficient food in 2004-2006. This figure is estimated to have risen as a result of the crisis.

One positive development, however, is that several countries of the region have reduced undernourishment and might achieve the target in 2015. Nonetheless, even if they do so, on average, food consumption of one of every six of their inhabitants will remain below the minimum caloric requirements.

Countries will have to step up their efforts to give their entire population access to food in sufficient quantity and quality. This target is attainable given that, as noted above, hunger in the region is a problem not of insufficient food but of the population's very unequal access to it. The lack of policies to eradicate hunger is a clear infringement of the right to food. As far back as 1996 the World Food Summit set eradicating hunger (and not merely of halving it) as a target. The region is only 22% of the way there.

Progress in the region overall towards achieving indicator 1.8 (prevalence of underweight children under 5 years of age) has been somewhat more encouraging. The rate of progress is 20% higher than expected in the elapsed time, and a majority of the countries, including most of those that at the beginning of the last decade were the furthest behind, have made significant gains. In addition, some countries that had initially seen setbacks in this indicator had very low levels of malnutrition by 2010.

Micronutrient malnutrition, also known as hidden hunger, is another indicator of malnutrition in the region. It impedes intellectual development and translates into higher death and morbidity rates. The most frequent result is anaemia, which affects one in three children under the age of 5 and more than 50% of children in several countries of the region. To this is added the growing problem of obesity, especially in medium and medium-high income countries of the region. This issue is of increasing concern because it is precisely the low-income sectors that are the most vulnerable to both hunger and obesity.

There are two additional elements to this situation, which must urgently be addressed. First, according to the new World Health Organization standards, some 9 million boys and girls suffer chronic malnutrition, which is a more accurate indicator of the malnutrition problems that beset the region. And second, despite the progress towards reducing child malnutrition, national averages conceal very marked differences within some countries, in the poorest areas of which average child malnutrition rates are four times higher than in the areas with the lowest rates.

The regions with the highest prevalence of child malnutrition also have indicators associated with high vulnerability, including a high percentage of the population under the poverty line and the extreme poverty line, a higher percentage of rural and indigenous inhabitants and very low levels of education and access to potable water. This underlines the clear interdependence of the issues addressed by the different Millennium Development Goals and the need to design policies that will take account of the synergies among them.

3. Productive and decent work for all: a fundamental development goal

The creation of productive, quality employment is an essential condition to making progress towards reducing poverty, given that labour income, especially wages, is the main source of households' monetary resources. The lack of access to quality employment is a determinant of poverty and of the social inequalities that are reproduced over time and reflected in the persistently high income concentration. This has led to the fundamental consideration that employment is a human right that plays an essential role in promoting social integration, in allowing for a meaningful personal life and in ensuring the existence of opportunities to participate actively in society.

This and other factors led the United Nations to establish the new target (1B) within the framework of the Millennium Development Goals, namely to: "Achieve full and productive employment and decent work for all, including women and young people". This target was established to demonstrate the close relationship between the labour market and the improvement of material aspects of persons' well-being. It would be

commendable, however, to also open a discussion of the importance of employment as a mechanism for triggering progress towards achieving the remaining Goals, which could lead the target to be considered a development goal in its own right.

Although this is clearly a step forward in the recognition of this fundamental right and component of development, quantitative targets were not set, and only four indicators were proposed in an attempt to capture some of the main facets of the purpose of creating productive and decent employment.

Trends for three of the four indicators from 1990 to 2008 were favourable, although the increase in the first —labour productivity— was uneven and slow (an average of 1% per year over the past two decades). During the six-year period prior to the crisis, average output per employed worker rose at a relatively high rate (2.2% per year) in historical and regional terms. Nonetheless, it is equally true that, from a long-term perspective, the productivity gap between the countries of Latin America and the Caribbean, on the one hand, and those of Asia and the Organisation for Economic Co-operation and Development countries, on the other, continued to widen. In sum, the slow arrival of innovation has meant that there has been no clear-cut convergence process. This, in turn, has hindered the incorporation of Latin America and the Caribbean into international value chains and the narrowing of internal productivity gaps. The persistence of wide productivity gaps has helped maintain the structural disparities that have characterized the region for decades and which are the basis for the persistent inequality and large pockets of poverty in the region, making it the most unequal in the world.

The second main indicator —the overall employment rate— grew by close to 4 percentage points between 1990 and 2008, largely because of the increasing number of women who held paid jobs. Nevertheless, when interpreting the increase in the overall employment rate —which indicates progress in an economy's ability to absorb a growing number of persons of working age— two negative trends should be taken into account: the incorporation of a large portion of the newly employed into low-productivity sectors (whereby, in many countries, the percentage of the workforce in the informal sector has remained high), and the persistence of high and, in some cases, rising percentages of workers not covered by social security and protection systems. In fact, an increase in

the overall employment rate is not always a positive sign, given that in some countries, particularly in crisis situations, it may mean that children and young people have temporarily left the school system.

The other indicator suggested for tracking the employment target is the percentage of vulnerable workers, which is calculated on the basis of the percentage of own-account employed workers and unpaid family members. Data indicate that the proportion of vulnerable workers fell from 33% to about 31% in Latin America and from 24% to 21% in the Caribbean, which reflects a modest increase in the proportion of wage employment. While this indicator might be assumed to point to progress, much of the wage employment is concentrated in micro, small and medium-sized enterprises, where wages are often very low and even below legal minimums. Another factor is vulnerability caused by non-contractual labour relations that do not offer sufficient protection.

Lastly, most countries significantly lowered the percentage of poor workers—the fourth official indicator for tracking the employment target. This progress largely goes hand in hand with lower poverty and indigence indices. In the countries of Latin America for which comparable data exist from 1990 to 2008, the proportion of indigent workers declined from 17.8% to 11.3%, while the share of workers living in poor households (including indigent households) fell from about 40% to nearly 26%. These are encouraging numbers, inasmuch as they reflect a decrease, until 2008, of the percentage of workers living in households with extreme needs. Still, they need to be qualified by two considerations outlined below.

First, the figures do not necessarily reflect real wage gains for workers in low-productivity sectors—who for the most part belong to lower-income groups—inasmuch as the average real monthly wages of these workers in urban areas declined by 1% per year from 1990 to 2008 (from US\$ 345 to US\$ 284). Only in the six-year period before the crisis did these workers see a very modest increase in their monthly wages (from US\$ 280 to US\$ 284, in 2000-constant dollars).

What, then, is the reason for the significant drop in the percentage of poor and extremely poor workers? An examination of the factors that likely had the strongest influence in reducing the percentage of poor households and therefore the number of workers living in those households indicates that the improvement resulted from a combination of socio-economic factors that reduced the dependency rate within the

home. And the reason for the fall in dependency was higher employment and a change in the wage structure of the population as a result of the demographic transition. This opened a window of opportunity (the “demographic dividend”) that was utilized partially and only after 2000. In other words, the decline in the number of poor workers was not directly the result of better wages of workers in medium- and low-productivity sectors.

This stands in contrast with the rising income of workers in the medium- and high-productivity sectors, whose average compensation rose from US\$ 380 to US\$ 489 per month from 1990 to 2008. Hence, during this 18-year period, the income gap between the two groups widened, and this has played a key role in the continued high levels of distributive inequality in the region.

It follows, then, that low productivity growth and persistent structural disparities have precluded the emergence of the basic conditions needed for a sustained improvement in real wages and a reduction in income concentration. This could suggest that employment and the proposal of indicators and targets relating to wages and, above all, to minimum wages, should play an even larger role in the pursuit of the Millennium Development Goals.

Second, social protection is a fundamental workers’ right and should also be explicitly taken into consideration within the framework of the Millennium Development Goals. There is clear evidence, that the region’s labour markets have not served as a universal gateway to social protection schemes. Indeed, the available data for the countries of Latin America indicate that only slightly more than half of employed persons are covered by social security. This figure is low, and it masks enormous disparities between workers in the formal sector (76%) and the informal sector (19%) and between urban areas (58%) and rural areas (27%).

The relatively encouraging overall performance of three of the four main employment indicators took place in a period of bonanza, which was interrupted, first, by the food and energy crisis and then by the global crisis that began in early 2008. The most direct effects of the crisis were felt in 2009 in the form of a 1.9% and 2.9% decline in per capita GDP along with a close to 1% increase in open unemployment in the region overall. The crisis means that the outlook for the region in coming years is negative in terms of growth, absorption of unemployment and wage

improvements, all of which have a strong impact on the incomes of households in the poorest deciles. Progress towards the employment target is crucial not only for continued progress towards reducing poverty and hunger, but also for advancing towards the other Goals. The region has, therefore, entered a phase in which certain positive trends have been interrupted, which makes it less likely that most of the countries will achieve the targets by 2015.

The current context makes it much more necessary that decisive progress be made in the coverage provided by labour institutions in Latin America and the Caribbean. This coverage is very limited owing to the size of the informal sector and, albeit to a lesser extent, the informality that characterizes labour relations in the formal sector. The extension of coverage would improve labour conditions and potentially reduce the number of poor workers. Greater coverage might also play a pivotal role in bringing about a virtuous cycle that would lead to higher labour productivity. Moreover, progress towards strengthening institutional frameworks should help correct the asymmetric representation of the various actors in decision-making in labour forums, which would, in turn, strengthen the channels for social dialogue and collective bargaining and thus lead to labour agreements that both raise labour productivity and improve worker protection.

4. Education: a right and a prerequisite for development

Education is not just a basic right, but a link that helps to connect growth, equality and participation in society. Many international commitments to progress in education treat it as a key factor in development. A country's social, economic and cultural situation can be enhanced through education. Higher levels of education among the population are linked to improvements in other key factors for development and well-being such as productivity, social mobility, poverty reduction, building citizenship and social identity and, ultimately, reinforcing social cohesion.

In Latin America and the Caribbean, substantial progress has been made in expanding coverage and access to education. As regards Millennium Development Goal 2, by the early 1990s the region had already almost reached the Goal of universal primary education. By 2007-2008, the vast majority of countries had net enrolment rates of 90% or more,

and almost all had attained gender equality. Despite this achievement, it did not prove easy to raise and maintain this level. Two decades later, the region has made great strides, but there is still no sign that completion of primary education has become universal, even though this is probably the case in certain countries. In fact, the simple average of 18 Latin American countries shows that 89.6% of young people aged 15 to 19 have completed their primary education, a figure that rises to 93.1% for the weighted average, mainly because of high completion rates in Brazil and Mexico. Although in five of the 18 countries between 12% to 38% of children do not complete their primary education, the regional situation of primary education is fairly good, notwithstanding the fact that the pace of progress towards universal primary education between 1990 and 2007-2008 was 83%, less than hoped for if the region is to achieve the goal of universal primary education.

It is nonetheless clear that in Latin America and the Caribbean simply completing primary education is quite insufficient to acquire minimum educational capital and enter the labour market with a good possibility of remaining out of poverty throughout working life. This means expanding the focus to include secondary education.

Even though considerable progress has been made at this level, mainly as regards coverage and equal access, the continuation and completion of secondary education are a priority for the region, and a goal that appears far from being achieved. If secondary completion (lower and higher levels) by 75% of young people is taken as a target, currently only just over half of those aged 20 to 24 have would have met the target in the region and in six countries this percentage does not rise above 38%. Moreover, in many countries, a larger percentage of women than men complete their secondary education because the latter drop out earlier to enter the labour market. Nevertheless, as will be seen below, this advantage for women does not necessarily mean better work opportunities and similar wages to men.

To the heterogeneity among countries must be added an increasingly marked heterogeneity within countries, which produces very wide disparities between urban and rural areas, between poor and better-off students or among different socio-economic categories, between the indigenous and the non-indigenous, not to mention other discriminatory factors. Education is therefore one of the factors —perhaps even the

main factor—in the inter-generational reproduction of inequalities. To sound a positive note, access to secondary education has broadened substantially in the region since the early 1990s, but the information available still shows differences in completion rates for young people from homes where parents' incomes and educational levels differ. Here again, this is another fundamental element if countries are to make progress towards equality.

Lastly, the region continues to face other challenges in the sphere of education that are no less important and no less difficult to overcome. These include the low coverage of pre-school education, the poor pay and inadequate recognition of the teaching profession, the gaps in introducing and using ICT and, to a large degree as a result of the foregoing, the failure to link secondary and post-secondary education with the labour market, which is made worse by the slow growth in the supply of productive and high-quality jobs.

In its present formulation, Millennium Development Goal 2 therefore falls far short of encompassing the problems currently faced in the region as far as the capacity to guarantee the right to education is concerned.

5. Gender equality: women's participation, autonomy and empowerment

Gender equality is a means and an end in itself: it is an objective *per se*, and anything done to progress towards achieving it promotes other objectives, especially poverty eradication. As a horizontal theme, gender equality has important implications for the socio-economic situation in the region and for governments' public policies.

In analysing Millennium Development Goal 3 (Promote gender equality and empower women), the standpoint adopted by the agencies and especially by ECLAC in the 2010 report on progress towards achievement of the Millennium Development Goals in Latin America and the Caribbean is that gender equality is anchored in the notion that women's autonomy in private and public life is essential to guarantee the exercise of their human rights. From this perspective, the three pillars of gender equality and equal citizenship are the capacity to generate one's own income and to control assets and resources (economic independence), control over one's own body (physical independence),

and full participation in decisions affecting one's life and community, in other words, independent decision-making.

Consequently, examining the progress made towards women's autonomy and empowerment means analysing gender differences in relation to some of the Millennium Goals and indicators that form part of the three abovementioned dimensions.

Concerning women's economic independence, the first aspect to consider is poverty. If women have no economic independence and are highly vulnerable to poverty, it will be impossible to make any sustained progress towards Goal 1. Despite the progress made in reducing extreme poverty overall in the region, there was a deterioration between 1990 and 2008 inasmuch as today more women than men lack the resources to meet their basic needs. Whereas in 1990, there were 118 women for every 100 men living in indigent households, in 2008 this figure had risen and 130 women were indigent for every 100 men. This was also the case in poor households, so that alongside the lower average indicators there are now more women than men among the poor and indigent and this ratio continues to increase.

Among the factors which exacerbate women's poverty is the lack of separate income, which is indicative of the lack of economic independence, failure to participate in the labour market or working without pay. The latest estimates indicate that some 44% of women aged 15 or over living in rural areas do not have their own income, together with 32% in the cities, underlining the lack of economic independence and their greater economic vulnerability to poverty. The percentage of men in the same situation, on the other hand, is 10% in urban areas and around 14% in rural areas and the lack of an income tends to be due to unemployment. There was some progress in this respect between 1994 and 2008, however, and the proportion of women without an income fell by 11 percentage points as a result of their gradual incorporation into economic activities, which shows that devotion to domestic work and economic dependence are becoming less common among women.

Nevertheless, the percentage of households headed by women has continued to rise, particularly among the extremely poor. The evidence shows that poverty gaps and extreme poverty are also higher (13.4%) in female-headed households than in those headed by men (10.7%). The greater extent of poverty in female-headed households is not only

because women heads of household generally earn less than their male counterparts, but also because women have to deal with domestic tasks and responsibilities and care for children. The information available for certain countries, based on time-use surveys, continues to show that women work longer hours than men; they have long working days without pay and they have to reconcile paid and domestic work without help.

The data for indicator 3.2 on the share of women in wage employment in the non-agricultural sector tends to confirm that progress towards economic independence has been slow in all Latin American and Caribbean countries, and in some the percentage of women employed has remained the same or even fallen slightly.

One necessary condition if women are to achieve economic autonomy is more access to better education at the primary, secondary and higher levels. An examination of indicator 3.1 shows that, unlike other developing regions, Latin America and the Caribbean had already achieved gender parity in primary education in the early 1990s and currently more women than men have access to secondary and higher education, especially in those countries that have promoted mass enrolment at these levels. Nevertheless, not only has women's entry into the labour market been fairly slow, but wage disparities and existence of discrimination and segregation persist. Household survey data show that if the current trend persists, discrimination in labour income will not be resolved by 2015. By 2015 women are projected to earn 73% of the amount earned by men, whereas women wage-earners will be closer to gender parity.

The complex facets of physical independence, as lack of it is evident in various spheres, is examined in part in the chapter on health, in relation to target 5B on achieving universal access to reproductive health. Physical violence, certainly including sexual, economic and psychological violence against women, is a matter of great concern at the global level and the sanctions provided under legislation in Latin American and Caribbean countries reflects its social relevance. During the 1990s, legislation was adopted to prevent, eradicate and punish domestic violence, but it has not always been successfully enforced. As regards physical violence by a partner or sexual violence by a close relative, in a small number of countries there is conclusive evidence that these occur in a large sector of society, even though there are slightly fewer cases among the upper levels, to judge by the lower number of occurrences among women with

higher education credentials. This tends to confirm that, in many cases, women are subject to violence because of their economic dependence.

Although there has been some progress in promoting awareness of the seriousness of the problem, there are noticeable shortcomings regarding the capacity to deal satisfactorily with complaints and this has to do, among other things, with flaws in the legislation, in police training and in action by officials and in the judicial system in general.

As to the empowerment of women, one central aspect is their political participation and access to decision-making. Considerable progress has been made in this respect. The data in the official indicator measuring women's participation in the lower houses of parliament are satisfactory when compared with previous years.

Official indicator 3.3 shows progress since 1990. The number of women in national parliaments has risen by 10 percentage points in Latin American countries and by 7 percentage points in the Caribbean. In both cases, the region is above the global average, particularly in the Caribbean. The application of laws providing for quotas has helped in achieving these results. In any event, estimates show that the average percentage of women in national parliaments is expected to be 21% in 2015 but only 42% in 2050, so the objective of parity will not be reached.

Of even more importance for the empowerment of women are the cultural changes that reflect their increased access to decision-making at the highest level, as evidence by female presidents in several countries in the region.

Overall, women account for only 16% of parliamentarians in Latin America, a figure that is still insufficient to give the female population due representation. It is therefore a regional and global challenge to promote positive steps to include women in this key area of decision-making.

6. Priority tasks for guaranteeing the right to health

Health is a social right whose legal bases are rooted in the various obligations that States must meet in accordance with the conventions, protocols and declarations that they have signed and that establish health as a right. In Latin America and the Caribbean much of the failure to fulfill the right to health stems from the inequities in health systems in the region, in other words, from differences that are not only unnecessary and

unfair, but also avoidable. The distance between equality under law and social equality, that is, between formal rights and the effective guarantee of those rights through public policy, is possibly greater in the area of health, than in other realms.

The transversal nature of the health Goals derived from the United Nations Millennium Declaration demonstrates how these reflect the most basic expressions of the exercise of the right to health. Guaranteeing this right touches on several aspects of well-being, however, as the enjoyment of good health depends on the enjoyment of the right to adequate nutrition, access to sanitation, water and housing, and to a generally healthy environment, and is therefore closely related to the other Millennium Development Goals. Health goes beyond the absence of illness or disease: by definition health is a state of physical, mental and social well-being.

Health and the quality of life that makes it possible depend on diverse factors linked to families, communities and the market, as well as the policies that are needed to oversee this interdependence and ensure equality and non-discrimination. The three health-related Millennium Development Goals do not address the fulfilment of the right to health in all its complexity, but do, therefore establish targets in three fundamental areas: the reduction of child mortality and maternal mortality; universal access to reproductive health; and progress in the fight against HIV/AIDS, malaria and other diseases.

(i) With regard to target 1, reduce by two-thirds, between 1990 and 2015, the under-five mortality rate, the analysis focuses on the mortality rate during the first year of life (infant mortality) because 80% of total deaths among the under-fives occurs during this period, and the infant mortality rate is therefore analogous for the age group as a whole.

Infant mortality is a strong indicator of social development and of the availability, use and accessibility of health systems, especially among children, as well as of their nutritional status. It reflects to what extent the most fundamental human right, the right to life, and the associated right to health are exercised in a society.

Almost 11 million children are born each year in Latin America and the Caribbean, and of these, 237,000 die in the first year and 304,000 die before their fifth birthday, mostly from avoidable causes. All the countries of Latin America and the Caribbean have substantially reduced child

mortality rates thanks to combination of several simultaneous processes, including: improvements in high-impact and low-cost primary health care (such as mass vaccination programmes, oral rehydration therapy and well-child check-ups); expanded coverage for basic services, especially potable water and sanitation; increased education levels in the population; and reduced fertility.

In order to meet target 4A of achieving a 66% reduction in child mortality by 2015, and assuming a linear progression towards that target, the countries should have reduced child mortality by half between 1990 and 2009, the point at which three quarters of the time to the deadline had passed. Countries that record drop in child mortality of well below 50% can be considered to have fallen behind. The evidence suggests that, if current trends continue, only one third of the countries and territories in the region will meet the target, and most therefore need to redouble their efforts in this area. Brazil and Mexico have made notable progress in reducing child mortality and are among those that are on target. The figures for the region as a whole therefore suggest it is on track for meeting target 4A.

The regional averages conceal, however, huge discrepancies among countries. In 2009, six countries had infant mortality rates of less than 15 deaths per thousand live births, but in three countries, the figure was above 30 per thousand live births.

In the Caribbean, only a 37% reduction in child mortality has been achieved overall, and the results are also very uneven across the subregion. Many Caribbean countries had low infant mortality rates in 1990 and now have rates that are better than the regional average of 20.4 deaths per thousand live births: the subregional average for the Caribbean in 2009 was 17.2 per thousand.

Not only the child mortality rates, but also the progress made in lowering them, vary considerably from country to country. The improvements recorded between 1990 and 2009 do not bear a close relation to the child mortality rate recorded in 1990. This indicates that countries with very high rates have managed to reduce them significantly and are probably on target, while others with equally high child mortality have advanced far less. It is to be hoped, therefore, that progress can still be made in the countries that are lagging behind. This will require, however, policies to end the persistent social inequalities that result in different levels of antenatal care and of health care in general, including

primary care, which have a negative impact on indigenous peoples in particular. These inequalities are reflected in the distribution of the main cases of death among the under-fives, especially of the neonatal and perinatal causes, which account for almost two fifths of all deaths in this age group.

Moreover, several child mortality risk factors, especially during the perinatal and neonatal periods, are directly related to the sexual and reproductive health of mothers. Children who are higher up in the order of births, who are born to adolescents (especially those under 18) or women over 40, or whose birth follows on soon after that of a sibling, have fewer probabilities of surviving. These risk factors are more common when fertility is high or access to family planning services is scarce. Expanding the coverage of sexual and reproductive health services therefore contributes to the fulfilment not only of the agreements established under the Programme of Action of the International Conference on Population and Development approved in Cairo in 1994, but also of the Millennium Development Goals. This relationship between child health and mothers' reproductive health is one the reasons that target 5B on universal access to reproductive health services was incorporated into the Goals.

(ii) Goal 5 (improve maternal health) has two targets: reduce by three quarters, between 1990 and 2015, the maternal mortality ratio; and achieve, by 2015, universal access to reproductive health. The maternal mortality ratio is defined as the number of women dying each year from causes related to pregnancy, childbirth and postpartum complications, for every 100,000 live births.

Maternal mortality and the mortality associated with its determining factors are serious public health problems that stem from some of the deepest inequalities in living conditions in the region. They reflect the health of women of child-bearing age and the state of the health services and quality of the care to which they have access, such as contraception, antenatal care, attendance of skilled health personnel during delivery and emergency obstetric services. The absence of this medical attention and these services causes damages to health that could be avoided through the provision of adequate care during before, during and after delivery and appropriate attention to postpartum complications. In addition to raising mortality, poor maternal health has other consequences, including,

according to the World Health Organization, the high incidence of morbidity and disability arising from the inadequate control of, and attention to, pregnancies and deliveries, including infertility, sexually transmitted diseases or, in other stages of the life cycle, genital prolapse and urinary incontinence.

Progress towards the attainment of target 5A is difficult to measure due to the poor reliability of the indicator and the inadequate detection and recording of maternal mortality cases. Many go unreported, especially among poor women and vulnerable populations that are discriminated against on account of their race or ethnicity, or because the deaths are associated with practices such as abortions that are clandestine in most of the region's countries because they are illegal.

Maternal mortality rates fell in Latin America and the Caribbean between 1997 and 2005. The virtual stagnation of the ratio and the number of maternal deaths in the last decade, however, is cause for concern, as the region is not moving clearly towards the target of reducing, by three quarters, the maternal mortality ratio by 2015. An additional effort will be needed.

Figures are only available for 11 countries, yet the three trends under way in the maternal mortality ratio between 2001 and 2008 clearly indicate that progress has been insufficient and that it is highly probable that the region will not reach the target. In 6 of the 11 countries, indicator 5.1 has remained stable or trended upward, and in the other 5 in which it has trended downward, the decreases since 2000 have been far smaller than those required to attain the target.

One of the factors most closely and universally related to declines in maternal morbidity and mortality is the presence of skilled health personnel during delivery which helps prevent complications. The analysis of this indicator makes it possible to identify areas and countries in which more far-reaching measures need to be introduced. Of the 36 countries for which information is available (see the statistical appendix), 27 have reached the threshold of 90% of births with professional attention, which was established as the target for 2015 by the United Nations General Assembly.

A certain minimum proportion of births attended by health workers does not guarantee that maternal mortality will decline, however, as the effectiveness and quality of health-care services, as well as other socio-

economic, cultural and environmental factors also come into play. Care should be taken to not overlook what occurs postpartum during the 40 days immediately after delivery. Delays in seeking medical attention in this period can result in death even when the delivery has been attended by skilled health personnel. Postpartum care to diagnose the risk of postpartum haemorrhaging or infection is therefore also important to maternal and child health.

The inequality in the access to, and the use of, reproductive health services is notable, especially for rural and indigenous women whose maternal mortality rate is very high. This is related to the lack of emergency, and especially obstetric, services and care or to their high cost. One way to make progress towards reaching the target would therefore be to expand access and reduce inequalities in reproductive health services.

It is generally agreed that most of the targets associated with the Millennium Development Goals, including target 5B (achieve universal access to reproductive health) will not be attained unless improvements are recorded in the sexual and reproductive health of the population. Four indicators were proposed for monitoring progress towards this target: the contraceptive prevalence rate; the adolescent birth rate; antenatal care coverage; and unmet need for family planning.

The coverage rates for antenatal care (proportion of births preceded by at least one and at least four antenatal visits) are high in Latin America and the Caribbean. Data for 2002-2008 on 11 countries show that the percentage of women who had at least four antenatal care visits was over 70% in 8 countries and no less than 50% in the other 3. Paradoxically, there are countries in which high antenatal visit rates coexist with high levels of morbidity and maternal and child mortality.

One of the most pressing problems in the region is the adolescent fertility rate, which is far too high and has not dropped as fast as in other developing regions, with the exception of sub-Saharan Africa. Adolescent pregnancies are both a major cause and result of socio-economic, ethnic, generational and sexual inequalities. Most adolescent mothers live on the margins of society, and their children are highly likely to continue living in that condition and thus to perpetuate the transmission of poverty from one generation to the next. It is important to point out that preventing unwanted pregnancies could, in itself, prevent approximately one quarter of maternal deaths, including those caused by clandestine abortions.

Tackling adolescent pregnancy is essential for improving sexual and reproductive health in Latin America and the Caribbean and one of the main challenges for meeting the target for universal access to contraception.

Another key aspect of maternal mortality, child mortality and the physical autonomy of women is the lack of access to contraceptives, which results in unwanted and high-risk pregnancies. In some countries, the use of contraceptives among women of child-bearing age (15 to 49 years) is still low, and the differences by level of education and between rural and urban areas are notable even though the gap between rural and urban women has narrowed in all the countries for which data are available. Closing the gap between supply and demand for contraceptives, especially modern ones, remains an unmet challenge in the region.

The unmet need for family planning is the indicator of universal access to reproductive health that is most in tune with a rights-based vision, inasmuch as it takes into consideration the reproductive preferences and intentions of women. Indeed, it is difficult to measure the use of contraceptives as an indicator of access to reproductive health services without taking into account the unmet demand for family planning because little usage of contraceptives can also reflect a lack of access to them.

The vast majority of countries in the region have reduced the unmet demand for family planning. They are also narrowing the gap between different social sectors both in terms of place of residence and the level of education of women living in unions. Given the close link with access to contraceptives, however, the social gaps in unmet demand for family planning are still there.

The deadline established by the Millennium Development Goals is only five years away and there is still a gap between supply and demand for contraceptives. Narrowing that gap is a pending task and forms part of a greater challenge that needs addressing: closing the gap in the exercise of reproductive rights and access to sexual and reproductive health, particularly in access to modern contraceptives and sex education, and in the reduction of the adolescent pregnancy rate and maternal mortality. This, as mentioned earlier, is a fundamental aspect of women's physical autonomy.

Several tasks remain pending as far as progress in reproductive rights and sexual and reproductive health is concerned, and there have even

been setbacks in some cases. Maternal mortality rates fell between 1997 and 2005, but the absolute number of deaths has remained unchanged, which is both a cause for concern and evidence of the need for additional measures. Many of these deaths are attacks on the human rights of women as they could be avoided through the application of measures that are well known and widely agreed upon among Governments, the agencies of the United Nations system and civil society. It is unacceptable that Latin American and Caribbean women still put their lives and health at risk when they give birth. One particularly important issue, and one which needs urgent attention in Latin America and the Caribbean, is reproductive health during adolescence.

Average indicators mask significant differences between and within countries, and in many countries and for many people, a situation in which the sexual and reproductive health targets have been met is still a long way off. Even the regional and national averages for maternal mortality and adolescent pregnancy are much higher than expected given the levels of fertility and mortality in the region. Moreover, in the period under consideration, no conclusive downward trends were detected in maternal mortality, and in many cases, adolescent fertility was clearly on the rise.

Finally, despite the difficulties posed by the lack of reliable information in relation to this target, some initial conclusions can be drawn. First, the high coverage of antenatal care recorded in the region does not necessarily translate into low levels of maternal and child morbidity and mortality. Second, the high (and in some countries, climbing) adolescent pregnancy rates have a negative impact, particularly on poorer women, and are clear evidence of the lack of access to reproductive health services and of the physical autonomy of women. This contributes to the perpetuation of poverty from one generation to the next, which blocks progress towards Millennium Development Goal 1. Third, the lack of access to information, contraceptives (especially modern ones) and health services, which is more apparent among less-educated women and indigenous populations, is yet another expression of the inequalities that characterize the region.

Finally, target 5B of the Goals, achieve universal access, by 2015, to reproductive health, needs greater promotion, and action must be directed towards strengthening its legal, institutional, sectoral and financial bases in the countries. Therein lies the main challenge for the next few years.

The target can be considered met only once every person in the region has timely access to sexual and reproductive health services of acceptable quality and can freely exercise their reproductive rights.

(iii) Goal 6 (combat HIV/AIDS, malaria and other diseases) contains two targets relating to HIV/AIDS (6A and 6B). The first is to have halted by 2015 and begun to reverse the spread of HIV/AIDS, while the second is to achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it.

The prevalence of HIV has been stabilizing in Latin America and if this trend continues, most of the countries in the region may be expected to achieve target 6A, that is to halt and reverse the spread of HIV/AIDS, and the region could become the first to achieve the target of universal access to antiretroviral treatment, since rapid strides are being made in this direction. However, estimates point to a steady increase in new infections, so the region cannot afford to let down its guard. Furthermore, progress must be made towards achieving equality in the region, since treatment is not distributed equally among those who need it, or between the countries in the region; as a result the achievement of the target is feasible only for some of these countries.

In the Caribbean, the reality with respect to HIV/AIDS reveals positive as well as negative features: on the one hand, the latest data show a reduction in new infections as well as progress in the coverage of antiretroviral treatment, currently estimated at 51% (clearly, this figure shows that the target for universal access to treatment of HIV/AIDS has been met for only half and not all of those who need it). On the other hand, while there have been advances towards reducing new infections, the Caribbean is still the subregion in the world with one of the highest incidences of HIV among adults, second only to Sub-Saharan Africa.

In this subregion, AIDS is one of the leading causes of death among adults aged between 15 and 44. Haiti and the Dominican Republic, the countries worst affected by this disease, account for over 70% of the estimated number of HIV infections in the Caribbean. These two countries have, nevertheless, made huge efforts, resulting in a stabilization of the epidemic in Haiti and a reduction in the prevalence of HIV in the Dominican Republic.

Data and research on this disease have revealed changes in the trend relating to new infections. There is even talk of a “new epidemic”,

characterized by the spread of HIV across all segments of the population and a clear increase in the number of women and young persons infected.

This new epidemic has struck the Caribbean with a vengeance. The incidence of HIV has increased among women, who now account for approximately half of all infections, with the virus prevalent especially among adolescent girls and young women.

In Latin America, men account for a greater number of infections, the ratio being 3 to 1. However, as already mentioned, the number of new infections has increased among women.

In terms of HIV transmission in Latin America, the leading channel of infection is between practising homosexual men. In the Caribbean, however, most cases of HIV/AIDS transmission occur through heterosexual contact.

The course that this disease has taken and the new trends observed are attributable to various factors. Lack of proper education on sex and reproduction for all is a crucial factor in the spread of new infections among young people since young people do not have a thorough understanding of this disease or of how to prevent it.

Moreover, in both Latin America and the Caribbean, the spread of infection among young people and women is exacerbated by gender roles. Social pressures on boys often encourage them to flaunt their masculinity by indulging in risky behaviour, including having sexual relations at an early age, having multiple partners, avoiding the use of condoms and drinking to excess. As a result, women often see their rights infringed and are more likely to contract the virus: the risk of contracting HIV is three to six times as high for young women aged 15 to 19 as for young men of the same age group.

Education on sex and reproduction may be an efficient way of preventing this disease. Such education, which should be provided through youth councils, must be of high quality and equal for all and must take into consideration issues such as the importance of using condoms.

Similarly, a good education will also help to reduce levels of contagion insofar as it can eradicate forms of discrimination and exclusion that arise from the social stigma attached to this disease. Indeed, this stigma is so strong that those who suffer from, or who may have contracted, the disease avoid taking the HIV test through fear of being rejected by society, and, thus, their current or future sexual partners become potential

sources of infection. This situation points to the need for an appropriate legal and human-rights-based environment that fosters recognition of, and support for, sexual diversity.

Greater amounts of resources must be poured into HIV/AIDS prevention, although it is important to ensure that the highest outlays continue to be allocated for the care and treatment of patients. Nevertheless, more resources must be provided for the highest-risk populations (practising homosexual males, sex workers and intravenous drug-users), since, in some Latin American countries, the investment is still insufficient in relation to the prevalence of this disease in each of these populations.

As regards malaria, the incidence of this disease in Latin America and the Caribbean is much lower than in the worst affected regions in the world. However, in 21 of the 35 countries and territories that are members of the Pan American Health Organization/World Health Organization (PAHO/WHO), there are areas in which this disease is spreading. Significant progress has, however, been made: between 2000 and 2008, the number of persons contracting the disease diminished by 53%, while the number of deaths caused by it fell by 75%.

Of the 21 countries where the disease is endemic, 18 saw a decline in its incidence between 2000 and 2008: seven of them recorded a fall in excess of 75%, thus reaching the proposed target of halting and starting to reduce the incidence of malaria by 2015; five other countries reported drops of between 50% and 75% and six others reductions of less than 50%. This promising trend is, however, not shared by countries such as Belize, Haiti, Paraguay and Suriname, which recorded a rise in the number of cases over the same period. In the case of Haiti, the absence of an effective control programme, together with the recent earthquake in January 2010, which devastated its inhabitants, hampers and restricts even more the chances of halting and reducing this disease —and many others— making it difficult to assess with any degree of accuracy the problems that this disaster has generated in terms of health.

The achievements to date at the regional level correspond to the strategy that has been carried out to combat this disease, which comprises five components, namely: prevention; monitoring and early detection and control of epidemics; integrated vector management, diagnosis and treatment; an environment conducive to prevention and control of the disease; and strengthening health systems.

As in the case of malaria, the incidence of tuberculosis has diminished (in this case, since the 1980s), and this trend is expected to continue up to 2015. This decline is attributable to effective control actions: thanks to the successful application of the strategy for the directly observed treatment short (DOTS) course, from 1996 onwards there has been success in accelerating the downward trend in the incidence of this disease.

According to estimates from the World Health Organization's Global Plan to Stop Tuberculosis, the region of the Americas succeeded in 2008 in reducing the prevalence of this disease, as well as the death rates associated with it, by half compared with the 1990 level. In this regard, the region may be said to have complied with target 6C, which calls for halting and beginning to reverse the incidence of tuberculosis.

However, the inequality characteristic of this region also shows up in the fulfilment of this target, demonstrating that not all countries have the same success. Indeed, while some had already met this target in 2008, others will have to undertake activities designed specifically to control the disease and, to this end, will need to make a firm political commitment, underpinned by sustainable sources of the necessary financing. Owing to the HIV/AIDS epidemic in Belize, Haiti, Jamaica and Suriname, the incidence and prevalence of tuberculosis and the death rate associated with it have increased steadily.

Thus, one of the challenges for the region is to control the co-infection of tuberculosis and HIV/AIDS, in particular in marginal populations and those that are difficult to reach. The population carrying HIV/AIDS has increased vulnerability to tuberculosis; yet in 2008 only about one half of those infected with both of these diseases received antiretroviral treatment. Detainees, indigenous populations and those living in marginal neighbourhoods in large cities are the main groups of potential infection and, as such, require greater preventive and therapeutic care.

Lastly, it should be noted that action at the sectoral level is vital for reducing inequality in access to health care. A number of challenges are still pending with respect to issues such as comprehensive policies; consideration for cultural diversity; the proper implementation of specific programmes, relating in particular to sexual and reproductive health; and the control of infectious diseases. Work must be carried out simultaneously in the areas of management, finance, insurance and the provision of services.

The benefits provided by the health systems in the region are deeply segmented, reflecting discriminatory practices, and subsystems are fragmented. In general, the population that is not affiliated to contributory systems and/or that is unable to pay only has coverage to the extent of public-sector benefits, so that in the absence of a public-sector health system that is sound and of good quality, paradoxically, it is the most vulnerable sectors that bear the brunt of any institutional deficiencies. Thus, public health policies are necessary to achieve an effective improvement in the coverage of health services for the whole population and these must include expanding primary health care and ensuring proper coordination of decentralized services, especially in terms of making up for gaps between regions.

7. Ensuring environmental sustainability

Social development in the region goes hand in hand with economic development. As such, it depends on the satisfaction of basic needs which, in turn, are sustained by ecosystems and the goods and services they produce. The economic development of the Latin American and Caribbean countries depends, now more than ever, on issues that are directly linked to the environment, because the region's prevailing production activities are natural-resource intensive and, as a result, suffer from ecosystem and biodiversity degradation, particularly in the absence of sound management practices.

What is more, not only is demand for natural resources and energy growing, but their supply is increasingly uncertain, mainly because of climate change. Power generation is thus a key theme both for development and for the environment. Fossil fuels, which are widely used in the region, are often a cause of environmental problems and contribute —albeit marginally compared with the situation in other regions— to climate change.

The sustainability of development has thus ceased to be merely a noble aspiration to aspire to at some future point, once basic needs have been met. Today development must, without question, be based on the paradigm of sustainable development, through public policies, private production and consumption initiatives, regulatory instruments, and so forth. In this connection, environmental sustainability was included in the

Millennium Declaration not only in recognition of the intrinsic value of the environment, but also because of its importance in reducing poverty and promoting health, gender equality and the other components of human well-being.

In this framework, Goal 7 of the Millennium Development Goals seeks to “ensure environmental sustainability”. Environmental sustainability is inseparable, though distinguishable, from sustainable development, which means meeting human needs today without destroying the environment’s capacity to meet those needs in the long term.

As noted earlier, all the Millennium Development Goals are highly dependent on each other and on socio-economic development overall, and environmental sustainability is no exception. In particular, environmental degradation and poverty are closely associated with one another: the poor suffer most from environmental degradation as a result of air and water pollution, the degradation of forests and fisheries and the effects of climate change. Gains in reducing poverty (Goal 1) and other aspects of human development depend heavily on the achievements in environmental aspects.

Goal 7 captures this complexity by including diverse dimensions of environmental sustainability, which are expressed in four targets (7A to 7D) and 10 main indicators. The region’s progress in environmental sustainability has been summarized by describing the regional trend in relation to each of the indicators, the factors hindering or facilitating progress towards the target and the feasibility of meeting it.

Under Goal 7, seven indicators were developed for follow-up to target 7A (Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources) and target 7B (Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss).

In relation to indicator 7.1 (Proportion of land area covered by forest), the information indicates that the land area covered by forest continues to decrease and that Latin America and the Caribbean has the highest rate of deforestation in the world. One of the reasons for this situation is the scant economic incentive to keep forests standing. In addition, no mechanisms have yet been consolidated whereby agents internalize either the costs of destroying forests or the benefits of conserving them (their ecosystem services). Accordingly, certain economic

activities that cause deforestation are more profitable than activities that are compatible with forest preservation.

The region is thus moving away from the target. In recent years, some progress has been made in halting illegal deforestation (for example, by increasing its costs by enforcing the corresponding legislation). The trend cannot be significantly reversed, however, unless these advances are consolidated and expanded and unless mechanisms are put in place to ensure that economic agents internalize the value of forest ecosystem services—and the social and environmental cost of destroying them.

Indicator 7.2 (CO₂ emissions) is perhaps the one that has received the most attention. It is proposed to examine this indicator in terms of total emissions by the countries, emissions per capita and emissions per US\$1 of GDP (in purchasing power parity). Carbon dioxide emissions from the burning of fossil fuels and cement production (which is included in official statistics) have increased steadily and this trend will continue in the region, which is growing both demographically and economically. The region has registered a slight drop in emissions in relation to GDP. They have remained quite stable in per capita terms, at levels that are low compared to other regions. There are no official data series for emissions from land use changes, which are associated with deforestation processes. Estimates suggest, however, that this source accounts for a considerable proportion of the region's total emissions, since the Latin American and Caribbean region generates over 48% of global land-use-change emissions.

At the regional level, the trend is contrary to a reduction in total CO₂ emissions. In order to reverse the trend of increasing emissions from fossil fuel burning by 2015, investments are needed in energy efficiency and in the development of renewable energy sources. Advances in energy efficiency and in the development of renewable energy sources contribute, among other benefits, to reducing the rate of increase of emissions. In this, technological and financial support from the international community is essential.

Indicator 7.3 refers specifically to the consumption of ozone-depleting substances. The information shows that emissions of these substances have decreased steadily. These good results reflect the efforts made in the framework of the Montreal Protocol, which include successful collaboration between the public and private sectors, international

cooperation and technological progress. The current trend indicates that, providing the measures taken are sustained, it will be possible to eliminate the consumption of chlorofluorocarbons. The challenge here is to ensure that the change is a lasting one.

Indicator 7.4 (Proportion of fish stocks within safe biological limits) could be considered to reflect progress or deterioration with regard to target 7A, as well as measuring progress towards target 7B on reducing biodiversity loss. There are no statistics, however, to properly measure this indicator. Studies carried out have found that the growth of industrial fishing and aquaculture, changes in habitats and increasing pollution are placing heavy pressure on hydrobiological resources, and this is exacerbated by climate change, which could lead to biodiversity loss.

Sustainable management principles have been incorporated into management practices for some species, but have yet to be applied universally or on a scale that could lessen the pressure on resources, and no solution to these problems is visible for the short and medium terms. The main obstacle to appraising progress in relation to the protection of fish stocks is the lack of systemic data compilation.

Three indicators were proposed in relation to target 7B (biodiversity loss). The trends with respect to these are examined below.

The first (indicator 7.5) refers to the proportion of total water resources used. Estimates of the use coefficient (fresh water extraction) indicate that South America and Central America together use around 1% of the water available. In the Caribbean, the use coefficient is around 14%, compared to the world average of 9%.

Progress in this area is hindered by a number of factors associated with highly unequal distribution of water and pressures on water resources, including excessive extraction by agriculture and mining, the depletion of aquifers, increasing water pollution, deforestation and the destruction of catchment basins and replenishment areas.

Although the region is abundantly endowed with water resources, it is exposed to significant risks associated with water quality and availability over time and space. Climate change and rising demand will worsen water availability problems. In the face of these challenges, progress towards the target requires effective management of water resources without delay.

Some progress is visible in relation to indicator 7.6 (proportion of terrestrial and marine areas protected), inasmuch as the total area protected

has increased steadily in the past decade. As it is worded, however, the indicator does not fully reflect the problem, since the area protected must be representative of the biomes and ecosystems that exist if it is to be effective as a mechanism for preserving biodiversity.

There is evidence in the region of habitat loss as a result of deforestation and coral bleaching, among other causes, often associated with large-scale economic activities, the introduction of non-native species and climate change. As well as protecting specific areas, other conservation techniques must be employed and changes made to national and international financial and regulatory structures in order to ensure that agents internalize the social and environmental cost of biodiversity loss or the benefits of conservation.

One of the most direct manifestations of biodiversity loss is the rising proportion of species threatened with extinction (indicator 7.7).

In this area, information about species threatened with extinction is still precarious and the lack of comparable, harmonized data prevents the construction of historical series. In the past 100 years, for example, it is estimated that the region has lost 75% of its genetic diversity of agricultural crops. This is particularly serious, especially since much of the international trade of the countries of the region is based on the export of agricultural crops, which also form part of the population's diet.

Despite the lack of historical data series, there is evidence of biodiversity loss and the reversal of this loss depends on the consolidation of mechanisms for internalizing the benefits of biodiversity preservation, including different conservation techniques (including protected areas) and an equitable regime for participation in the benefits of exploitation.

Targets 7C (Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation) and 7D (By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers) are closely related to the precariousness of living conditions and poverty and, therefore, to Millennium Development Goal 1. These targets are treated as part of the objective of sustainable development because of the linkages and interdependence between urbanization and the environment.

Indicators 7.8 (Proportion of population using an improved drinking water source) and 7.9 (Proportion of population using an improved sanitation facility), used to follow up target 7C, show that the region

has made significant progress in expanding the coverage of these two services, particularly in urban areas. The situation as regards sanitation is less promising and more uneven, however.

The differences shown by the countries in relation to the target to halve the proportion of people without sustainable access to safe drinking water and basic sanitation arise with respect to coverage between rural and urban areas, and between different cities, provinces, states, regions and municipalities, as well as between different income groups.

At the regional level, the drinking water target has been met in urban areas. However, improvements are needed in the quality of service (especially in relation to water quality and disinfection, reduction of service interruption and level of losses), and the sustainability of service provision needs to be ensured in light of climate change and increasing contamination. In addition, there is a link between this service and the level of income households need to meet their basic needs, inasmuch as drinking water is provided by the private sector in many countries and there is evidence that costs have risen substantially, which tends to push up the cost of meeting the set of basic needs.

In aggregate terms, the region is close to meeting the target regarding access to an improved sanitation facility. By 2006 coverage had increased by 78% and the target for 2015 is 84%. Progress is also needed in relation to the quality of service and the treatment of urban wastewater.

The upgrading and expansion of drinking water services require progress in financing mechanisms and regulation, as well as integration of policies that involve the management of water resources. Climate change imposes new challenges for the provision of drinking water and sanitation services and makes it more urgent to improve their coverage and quality. It is crucial that the State be involved in overseeing, regulating and inspecting the provision of these services.

Target 7D (By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers) has been described as conservative in relation to the number of slum dwellers in the region and to the commitments assumed internationally by the countries in terms of ensuring the right to housing. The region's share of this target would imply achieving a substantial improvement in the living conditions of a relative percentage of those 100 million. This percentage corresponds to 13.8 million people, which represents less than 11% of the population

living in slums in 1990. According to the definitions adopted by the United Nations Human Settlements Programme (UN-HABITAT), slums would be interpreted as adjacent, precarious settlements in which housing and services are inadequate, and which are often not recognized or treated as part of the city by public authorities. According to these definitions, although the number of people living in slums and the percentage of the urban population they represent in the region decreased in the period under consideration, over 100 million people still live in unacceptable conditions in Latin America and the Caribbean. So, although the region may have met the target under the terms of the official formulation, just over one sixth of its population still lacks safe living conditions and decent basic services. What is more, the current economic crisis could set the region back in terms of progress towards this target.

Lastly, reducing slum settlements is not an automatic result of poverty reduction, but requires specific policies. It also forms part of a broader set of challenges related to the sustainability of cities, on a continent whose urbanization rates are the highest in the world. For all these reasons, the governments of the region must intensify their efforts to achieve the target set for 2020.

8. Latin America and the Caribbean in the global partnership for development

The first four targets of Millennium Development Goal 8 (Develop a global partnership for development) are structured around three dimensions: official development assistance (ODA), market access and debt sustainability. This summary deals mainly with the first two, starting with achievements in terms of market access. An overview of this subject is given first, followed by a more detailed account of trends in relation to the indicators used to follow up the targets.

(a) Market access

Latin America and the Caribbean saw some major progress in international market positioning in the period 2005-2009. The region's exports expanded between 2003 and the first half of 2008, thanks largely to favourable external conditions driven by high commodity prices. These prices began to slow in the second semester of 2008, however, and fell

sharply in 2009 as a result of the global economic crisis, in keeping with the contraction of trade worldwide.

The most recent figures available indicate that almost 95% of the region's exports to developed countries (by value) enter those markets tariff-free. This is a much higher percentage than for the developing countries overall, and even higher than that for the least developed countries. The developed countries maintain high levels of tariff protection in sectors that are of particular interest for the region's exports, however, particularly agricultural products. Non-tariff barriers, such as rules of origin and stringent sanitary and technical standards, can often prevent the countries of the region from benefiting fully from the tariff preferences available.

The support given by developed countries to their agricultural sectors decreased from 2% of GDP in 2000 to 0.8% in 2008, but remains high both in absolute terms and in relation to the amounts these countries allocate to ODA. These subsidies continue to distort competition in international markets in a sector that is especially important for the developing countries in general and for the region in particular. It is, therefore, imperative to secure binding commitments for reducing and eliminating agricultural export subsidies. A rapid conclusion to the Doha Round of trade talks under the World Trade Organization (WTO) is essential for achieving this and for containing the protectionist pressures that have arisen in the aftermath of the economic crisis.

Although the Latin American and Caribbean region has secured considerable improvements in access to the main markets through trade agreements, it still faces considerable internal restrictions that prevent more advantageous participation in international trade flows. These include the lack of information on trade opportunities, excessive red tape for exporting and importing, poor financing for SMEs and logistical and infrastructure problems. The Aid for Trade initiative, which arose in 2005 in the framework of WTO, is aimed at overcoming these restrictions.

The region's share in global Aid for Trade flows increased from an average of 7.1% in 2002-2005 to 8% in 2007, but is still far smaller than that of other developing regions. The countries of the region should attempt to remedy this situation by making Aid for Trade a key component of their international cooperation requests, linking it with trade facilitation by presenting projects that would bring about progress in this area.

Despite the slump caused in 2009 by the crisis, in the medium and long terms international trade will continue to be a source of opportunities for economic growth and sustainable development for the region, especially if ways can be found to improve its international position. And, notwithstanding the progress made in market access, the region still needs to make the shift from a pattern dominated by inter-industry trade based on exports of little-processed natural resources to a pattern of intra-industry integration into global value chains. The main challenge as regards that transition is still to diversify production and exports, by strengthening the links between export and production development and building more knowledge and technology into exports. The Latin American and Caribbean region also needs to be much more proactive and coordinated in developing links with Asia, where much of world growth will be concentrated in the next few decades. Lastly, there is an urgent need to mainstream the concept of environmental sustainability, including climate change, in national and regional agendas for growth, competitiveness and innovation.

With respect to indicator 8.6 (Proportion of total developed country imports (by value and excluding arms) from developing countries and least developed countries, admitted free of duty), in 2007 93% of imports by value, excluding arms and oil, from Latin American and Caribbean developing countries were admitted duty-free (100% for Haiti, the region's only least developed country). The high figure for the region is attributable to a combination of factors: (i) the fact that region's exports to industrialized countries are mainly raw materials or natural-resource-based manufactures, which are usually subject to low (or zero) tariffs in those markets; (ii) the various unilateral preference schemes existing in industrialized countries that benefit the region's countries; and (iii) more recently, the entry into force of free trade agreements between countries of the region and industrialized partners. The figure of 93% represents a substantial increase over the 70% registered in 1996.

Indicator 8.7 (Average tariffs imposed by developed countries on agricultural products and textiles and clothing from developing countries) shows that the high percentages of total developed country imports from developing countries, least developed countries (LDCs) and, especially, from Latin America and the Caribbean, that enter duty-free conceal pockets of protection in sectors that are of special export interest. This is the case for agricultural products, textiles and clothing.

The progress seen in the past decade in access for the region's exports to developed country markets does not include a substantial increase in the range of agricultural products exported to those markets. The Latin American and Caribbean region still relies on a small group of products as a stable source of export income. The region thus faces the challenge of building a long-term strategy to diversify its export basket and export markets, in order to reduce dependence on certain products and the vulnerability of trade-related revenues.

The situation described is evidence that the preferential tariffs applied by developed countries to exports from developing countries and LDCs largely reflect the developed countries' own trade interests. In the case of agricultural products, the export profile of LDCs corresponds mainly to tropical products, which in general do not compete strongly with the developed countries' agricultural outputs. This explains their low most favoured nation (MFN) and preferential tariff levels. Conversely, the export profile of Latin America and the Caribbean corresponds more to temperate climate agriculture, which competes directly with the production of the industrialized countries. This accounts for the higher tariffs (both MFN and preferential) faced by the region in those markets.

As noted earlier, in relation to indicator 8.8 (Agricultural support estimate for OECD countries as a percentage of their gross domestic product), between 2000 and 2008 agricultural support fell considerably (from 8% of GDP to 2%). OECD has found, however, that much of the reduction in agricultural support by developed countries has resulted from food price rises, not changes in agricultural policies. Accordingly, if food prices fall, demand for agricultural support could intensify again in those countries. The decline in agricultural support might not, therefore, represent steady progress in this regard. As noted in the 2009 report of the Millennium Development Goals Gap Task Force, there is still room for fresh reforms in the agricultural policies of industrialized countries, aimed at enhancing efficiency and creating more equitable conditions for developing country producers to compete. In this connection, as noted above, the conclusion of the Doha Round is extremely important.

The final indicator on market access is indicator 8.9, which refers to the proportion of official development assistance provided to help build trade capacity. The region's share in global Aid for Trade flows (measured as new commitments) increased from an average of 7.1% in 2002-2005 to

8% in 2007, but is still far smaller than that of other developing regions, contrasting with 42% in Asia and 37% in Africa for the same year. This reflects a number of factors, such as the relatively higher levels of per capita income and access to international private capital markets, as well as its smaller population in relation to those other regions.

One main conclusion is that there is room for the Latin America and Caribbean region to increase its share in Aid for Trade flows. For this to occur, the countries of the region should define priorities and identify and present relevant projects that can help to consolidate new resource flows, reflecting the principles of additionality, sustainability, and effectiveness of assistance. They should also give preference to efforts to attract funds for projects such as the Initiative for Regional Infrastructure Integration in South America (IIRSA) and the Mesoamerica Project, which involve several countries and have a clear trade facilitation component.

The recent financial and economic crisis, which started in the United States and other developed countries, was transmitted to the real economy in Latin America and the Caribbean through a number of channels. One of the main channels was international trade: in late 2008 and the first semester of 2009 the value of the region's exports fell at an annualized rate of approximately 25%, mainly owing to drops in commodity export prices. However, in 2009 the effect of the crisis was mitigated in part by an upturn in the prices of several commodities, such as copper, zinc, oil, wheat and soybean, thanks chiefly to recovering demand from China and other Asia-Pacific countries.

But these effects were not the only ones. The crisis prompted many countries —developed and developing alike— to take trade-restricting measures, which produced a spike in protectionist signals. The trade-restricting measures most used in the region since the outbreak of the economic crisis are non-automatic import licenses, minimum customs values and antidumping duties —this last category directed especially towards manufactured goods from Asia, especially China.

In sum, the increase in protectionist pressure since late 2008 suggests that the crisis has widened the gap between the reality and the goal of creating a predictable, non-discriminatory, standards-based international trading system. This gap could continue to widen in the coming months, despite the incipient recovery in the global economy, given that unemployment rates remain high in the industrialized countries which,

in turn, are taking punitive unilateral trade measures in order to deal with the competitiveness problems associated with efforts to combat climate change. All this is likely to be highly prejudicial for developing countries, including those in Latin America and the Caribbean. A rapid conclusion to the Doha Round would represent a major step towards redressing this negative trend.

(b) Official development assistance (ODA)

Official development assistance (ODA) is a flow of financing in the form of grants or soft loans, which are aimed at helping to deal with problems and meet the needs of developing countries, thereby reducing global disparities and inequities.

As early as 1970, a United Nations General Assembly resolution proposed to devote 0.7% of the gross national income (GNI) of donor countries to ODA. This commitment has been ratified on several occasions, notably at the International Conference on Financing for Development held in Monterrey, Mexico, in 2002.

Despite the slight upturn generated by the momentum from Monterrey, the necessary financial resources have yet to be mobilized and the level of ODA remains well below the agreed target. In 2008, net ODA from the countries of the Development Assistance Committee (DAC) stood at just 0.31% of GNI on average. As well as falling far short of the 0.7% target, this level is even below the level of 1990, when net ODA represented 0.34% of the GNI of donor countries. Of the 22 countries that comprise DAC, only five—Denmark, the Netherlands, Luxembourg, Norway and Sweden—surpassed the target of 0.7% of GNI in 2008.

In absolute terms too, volumes of ODA have been disappointing in the last two decades, with the exception of a few years in which they surged for particular reasons. Despite reaching a record level of US\$ 128.6 billion in 2008, with growth of 14% in real terms that year, average growth for the period 1991-2008 was just 2.2%.

The rationale underlying the allocation of ODA by donor countries and by multilateral institutions in the past two decades has been to channel a higher proportion of assistance to economies classified as low-income (including LDCs), to the detriment of middle-income countries. This trend became more marked towards the end of the 1990s. Accordingly, the relative share of the Latin American and Caribbean region in total

ODA fell from 9% in 1990 to 7% in 2008. Between 2000 and 2008 the low-income countries (including LDCs) absorbed almost 60% of total ODA flows, while the middle-income countries received the remaining 40%. Within this group, the low-middle-income countries received three quarters of flows.

The volume of ODA received by the Latin American and Caribbean region decreased from 0.5% of the region's GNI in 1990 to 0.22% in 2008. The region's low and falling share in total ODA flows to the developing world is due precisely to the fact that most of the countries are classified in the high-middle-income group and receive very small volumes of ODA. But it is also due to the fact that not even the relatively lower-income countries of the region figure among the largest receivers of ODA at the global level. In fact, in the average for 2000-2008, no Latin American and Caribbean country appeared among the top 10 recipients of ODA as a percentage of their GNI.

In light of these considerations, countries' per capita income should not constitute the sole criterion for allocating ODA. If ODA were to be allocated as a function of the relative and absolute magnitude of the population suffering extreme deprivation, and if it were to be directed towards production investment and not only welfare assistance, then many countries of the region would receive a much larger share of flows. For example, countries classified in the low-middle-income category show poverty rates that vary from 15% to 35%, and even some high-middle-income countries have poverty rates of almost 20%.

Not only the volume, but also the form, of ODA is important. For example, the group of low-middle-income countries of the region that have received larger volumes of ODA in relative terms includes some which are also classified as heavily indebted poor countries (HIPC): Guyana, Honduras, Nicaragua, the Plurinational State of Bolivia and, more recently, Haiti. This means that in some cases much of ODA has been received in the form of actions pertaining to external debt, such as debt forgiveness, not in the form of "fresh" funds directed towards other sectors. External debt forgiveness accounted for 25% of total ODA funds committed between 2002 and 2007 for the Plurinational State of Bolivia, 27% for Nicaragua and almost 30% for Honduras. The other side of this coin is the smaller proportion of ODA in the form of funding for social services and social infrastructure. In these

three countries, the share of these sectors in ODA varied from 32% and 39% in 2002-2007, well below the figure for the Latin American and Caribbean region overall.

For these reasons, it would seem logical to allocate ODA according to a specific needs rationale (both for high-middle-income and low-middle-income countries) and, within countries, to the most needy sectors. Donor countries should reassess their allocation rationale taking into account the middle-income countries in the division of ODA flows, since this group is very heterogeneous and includes sectors with high levels of economic and social vulnerability.

Certain features of the allocation of ODA by donor countries and by multilateral institutions warrant examination. First, there has been a tendency to increase the proportion of ODA flows to social services and social infrastructure. Within ODA for social sectors, the resources allocated to basic social services in the region, specifically those included under indicator 8.2 of the Millennium Development Goals (basic education, primary health care, nutrition, safe water and sanitation) have risen from 23% in 2002 to 30% in 2007.

Although, naturally, ODA for social sectors and for those linked to the Millennium Development Goals is essential for achieving those Goals, the production sectors and those with a greater capacity for job creation should not be disregarded. As well as going to social sectors, ODA resources should be allocated on the basis of a strategy aimed at building up sectors that can generate a greater multiplier effect. In this regard, ODA for trade —Aid for Trade— is aimed precisely at boosting the countries' capacities to make the most of the funds available and at making an impact in the medium and long terms, not just the short term.

Second, grants continue to be prioritized over loans within total ODA, in keeping with the provisions of the Millennium Development Goals. ODA in grant form offers the clear advantage of providing resources which the beneficiary countries do not have to reimburse. The disadvantage that is not always evident, however, is that grants are provided with more conditionalities regarding their use than are loans, which can often be used more freely. Ideally, ODA resources should be allocated in accordance with a clear strategy defined jointly by beneficiary and donor countries, and not simply under conditions imposed by the latter.

Now that global availability of financial flows has declined following the crisis that broke out in 2008, it is imperative to meet the Monterrey target of 0.7% in order to prevent the loss of ground already gained as regards the Millennium Development Goals. Nevertheless, ODA levels remain far short of this target. Progress towards meeting the Goals requires not only more resources, but more efficient and effective allocation. This means balancing the assignation of ODA between production and social sectors and preparing institutions to coordinate efforts and interests, if the aims of the development agenda are to be fulfilled.

(c) Access to new information and communication technologies (ICT)

Access to the benefits of the new information and communication technologies (ICT) are another of the targets (target 8F) envisaged in the framework of Millennium Development Goal 8. Here it is necessary to assess the particular conditions in which the countries are moving towards the information society: the progress, difficulties and challenges involved in the process of fully joining this society based on the dissemination of the production and social benefits associated with access to and use of the technological features of the digital revolution. A country's level of development of ICT infrastructure conditions its ability to engage in all activities involving the exchange and management of information, from those needed for production to more social objectives of improving the living conditions of the population and building human capital. ICT has a powerful impact on the production sector and on education and health, among others, so access to and use of these technologies can provide not only new employment opportunities but also a source of interaction and social integration. Accordingly, ICT is called upon to help further the economic and social development of the countries of the region, by contributing transversally to the achievement of the Millennium Development Goals and the reduction of poverty and inequalities.

Given inequitable access to ICT and the increasing relevance of these technologies to the actions of societies, a new form of social exclusion is emerging: the digital divide. The digital divide must be reduced because access to ICT infrastructure is a basic condition for the use of the information and innovations available in contemporary society, and

uneven and unequal access leads to inequities within and between societies and reduces their possibilities of equitable development. In sum, the digital divide not only expresses economic, territorial, social and cultural inequalities, but also worsens them.

In order to disseminate the economic and social benefits associated with ICT effectively, the population must first have access to them (access gaps). Also, the quality of access must be equitable (quality gaps) and efficient use must be made of technologies, mainstreaming them into both production and social activities, for example, in the framework of public policy management (usage gaps). The multidimensional nature of the digital divide is highly significant, inasmuch as the divide is continuously shifting and thus forms a “moving target”: those who already have access to a technology are the first to reach the next innovation, constantly moving the edge of the gap forward.

The three indicators used (8.14, 8.15 and 8.16) to examine access to ICT (telephone lines, cellular subscribers and internet users per 100 inhabitants) capture only the first of the three dimensions mentioned above. Despite the progress made in the coverage of ICT in the past two decades, Latin America and the Caribbean is not only lagging behind other world regions, but also shows major inequalities between countries. The figures for the three indicators of target 8F are below the level of the developed countries. Gaps in fixed and mobile telephony have closed, mainly thanks to rapid progress in cellular telephony, but there is growing divergence in the numbers of Internet users between the Latin American and Caribbean region and the developed countries.

The information available in most of the countries suggests that more appropriate indicators could be used to measure the digital divide. The quality dimension could be captured by considering access to more rapid information transmission, and the usage dimension by looking at the extent of ICT use in the public apparatus, particularly with a view to the speed and transparency of public administration.

This is particularly important for the Latin American and Caribbean countries, because although they have narrowed with gap with respect to the developed countries in the past few decades in terms of access to telephone lines, mobile telephony and Internet connectivity, the gap in terms of new technologies with better transmission quality, such as broadband Internet, has widened.

With regard to policies on ICT, the Latin American and Caribbean countries have been conducting policies for the information society for over five years now. Such policies emphasize the contribution ICT makes to economic and social development and to efforts to reduce poverty and inequality. In 2008, the governments of the region adopted the San Salvador Commitment and the Plan of Action for the Information Society in Latin America and the Caribbean (eLAC2010), which sets goals and priorities for the development of the information society in the region. This may be seen as a major advance in facilitating the mainstreaming of ICT in public policy. The degree of integration of ICT in the countries of the region may be appreciated by looking at the mainstreaming of digital applications in public policy management in such areas as health and education, and the use of e-government in areas such as tax collection, public procurements or national security.

Education is a priority area as regards the introduction of ICT. Use of ICT in education is a necessity, first because it enables students to develop skills that they will need in the labour market, which also contributes to building more competitive economies and, second, because it opens up the opportunities of the information society to students from all social sectors and gives them the skills they need to become integrated into it, which today is crucial for reducing social inequality. In addition, ICT in the education system also contributes to improving and modernizing teaching practices and learning processes, shifting them towards more constructive models.

Lastly, progress in ICT use in areas such as education and health, although strategic for development, still shows major shortfalls in the region. Promising progress has been made in incorporating e-government applications in the past few years, but the overall progress masks large differences in levels of development between and within countries. For example, more sparsely populated municipalities tend to register lower e-mail penetration rates.

C. MAIN POLICY CHALLENGES AND APPROACHES

This section briefly describes some of the main policy challenges and approaches that emerge from the trends outlined and which are closely linked to the structural problems confronting the region in advancing towards a more integrated society. The main gaps and setbacks have to be overcome if there is to be progress towards equality. Such a challenge implies compliance with the rights set out in the Millennium Development Goals that derived from the Millennium Declaration adopted by 189 Member States of the United Nations in September 2000.

These policy challenges and approaches are based on five main pillars, which reflect the scope of problems that are closely inter-related, just as the Millennium Development Goals are also inter-related and cross-cutting. The aforementioned five pillars are:

- (i) The special features of the region and the challenges raised by the Millennium Development Goal 8 —develop a global partnership for development— which, according to the 2010 regional report, is a problem that affects and is of concern to all countries and not simply the least developed.
- (ii) The second concerns the challenges posed today by the incorporation of sustainable development principles in the policies and new overall approaches to development in the region, which need to be resolved urgently.
- (iii) The third relates to the definition of the principal well-being gaps and factors that determine inequities, which not only prevent the full observance of rights but also perpetuate the inter-generational transmission of inequality.
- (iv) The fourth pillar is the need to generate productive and decent jobs, which is a central because of its close links to the other Goals especially those associated with poverty reduction, and the challenges of expanding and improving education systems and creating social protection schemes that guarantee minimum levels of security and protection.
- (v) The fifth concerns the policies and measures needed to expedite progress towards achieving the principal targets of the Millennium Development Goals over the next five years, which should aim at dealing comprehensively with situations of extreme poverty and hunger.

(1) The Millennium Development Goals can be achieved only if there is cooperation between developed and least developed countries and, in Latin America's case in particular, South-South cooperation. This requires rapid progress towards fulfilment of ODA commitments made by developed countries and towards a trading system based on predictable and non-discriminatory rules with fair and balanced market access (Goal 8).

- (i) The first challenge continues to be the necessary diversification of production and exports in Latin American and Caribbean economies to allow them to integrate into a world of global value chains—what has been termed “decommodifying” exports. Although the region has seen great improvements in access to third markets, its exports still focus largely on commodities and manufactures with low technological content. Progress is essential in this area, particularly among small and open economies, not only to ensure higher export earnings but also to lessen volatility in earnings when there are abrupt cyclical fluctuations in prices or external demand. This raises a number of challenges: (a) increasing the intangibles component in exports (patentability, traceability, corporate social responsibility, and so forth); (b) incorporating more know-how in exports, including natural-resource exports, investing in research and utilization of technological advances (for example, in biotechnology); (c) creating new, know-how-intensive service niches; and (d) improving infrastructure, connectivity and trade facilitation.
- (ii) Meeting the first challenge will be highly problematic unless industrialized countries take decisive steps to reduce agricultural subsidies. For this, utmost joint efforts are needed to promote and ensure the prompt conclusion of the Doha Round. This is even more important today because the crisis has caused protectionist pressures to re-emerge in developed countries.
- (iii) Trade integration in the region requires most countries to make greater efforts to build closer partnerships with China, and Asia in general, recognizing that over the next few years higher demand for exports will be driven by those countries.
- (iv) As far as resources are concerned, the region should aim to secure a greater share of those provided under the Aid for Trade initiative

that began in 2005. This means enhancing capacity to submit attractive, and ideally plurinational, projects that have an impact on trade facilitation.

- (v) Although the basic responsibility for financing development lies with the developing countries themselves—in accordance with the principle of common but differentiated responsibilities—developed countries should also take concrete steps to fulfil the agreement adopted at Monterrey and achieve the target of 0.7% of their GDP. Efforts must be made to prevent the constraints that have emerged in the wake of the crisis from continuing to cause cuts in ODA. At the same time, the Latin American and Caribbean region should regain its previous share in ODA flows and even increase it on the basis of new criteria.
 - (vi) It is also essential to review the operational definition of middle-income as a criterion for allocating ODA, since most of the region's high-middle-income and low-middle-income countries are excluded from ODA even though they have high poverty levels.
 - (vii) Efforts must also be made to shift the allocation of ODA resources so that they go not only to social assistance but also to properly evaluated economic projects. This would help to strengthen not only social sectors but also those sectors that have a greater multiplier effect.
 - (viii) Lastly, some general recommendations made in the 2005 regional report continue to be valid, including the proposal that innovative sources of additional financing for development be identified, for example, taxes on financial transactions and on the inward and outward transactions of tax havens, and corporate social responsibility contributions.
- (2) The region should incorporate sustainable development principles in its national policies and programmes and stem the loss of environmental resources. This means taking steps which, ultimately, call for changes in production and consumption patterns so as gradually to move towards a green economy. Although the issue of climate change is extremely important in such policies, especially in Latin America and the Caribbean, the core factor in the environmental sustainability of development is the loss of biodiversity, as it underpins the region's major economic activities.

Four elements which should serve to achieve the objective of guaranteeing environmental sustainability can clearly be identified:

- (i) Acknowledgement by the State and civil society that this challenge is an urgent one and that its solution calls for far-reaching changes in the region's production and consumption patterns. This cannot be achieved without reducing the pressure currently exerted on energy resources, water, forests, protected areas and endangered species, by imposing appropriate taxes and regulations which take into account the negative externalities of this pressure, especially on non-renewable resources.
 - (ii) There can be no progress towards environmental sustainability unless efforts are made to internalize the costs of biodiversity loss, the destruction of ecosystems, deforestation, and emissions of carbon dioxide and ozone-depleting substances. Achieving this objective means, ultimately, a State that is pro-active and is able to incorporate sustainable development principles into its legislation and its national policies and programmes so as to prevent the loss of environmental resources.
 - (iii) This depends, in turn, on awareness and determination on the part of public and private actors, implying social covenants that allow more resources —both human and financial— to be used to improve management practices and to guarantee unfettered compliance with countries' international commitments.
 - (iv) Lastly, better monitoring and evaluation mechanisms are needed in this area and efforts to upgrade information systems are essential to achieve this objective.
- (3) It is urgent to close the principal well-being gaps and to move towards more egalitarian societies because rapid progress in achieving the Millennium Development Goals will provide the conditions for democracy with effective participation by citizens. This means gender equality, integration based on respect for ethnic and racial diversity, and public policies that are specifically aimed at preventing the inter-generational transmission of socio-economic inequality. Development policies will have to be formulated in at least the following spheres:

Education

- (i) Expand access to pre-school education and reinforce early-years learning as a necessary condition for moving up to subsequent levels of education.

- (ii) Review and adapt curriculums, the content and approach in education, ensuring better life-long learning.
- (iii) Enhance the teaching profession through ongoing training for teachers, raising the status of the profession and increasing pay subject to performance appraisal.
- (iv) Adapt education programmes to incorporate multicultural and intercultural aspects and introduce into the programmes essential subjects such as education for democracy and peace, education for active citizenship, education for responsible sexuality, and on healthy lifestyle habits, particularly with regard to nutrition.
- (v) Introduce new ICT into schools so as rapidly to narrow the digital divide and reduce computer illiteracy, an aspect that plays an increasingly important role in inequalities among different social classes.
- (vi) Improve access to and completion of both levels of secondary education and ensure better linkages between secondary and higher education and the labour market, together with reinforcement of technical vocational and university education.
- (vii) Reinforce conditional cash transfer programmes linked to school attendance among lower-income sectors.

Health

- (i) In order to achieve Millennium Development Goals 4 and as part of an integrated care strategy, health and community action must lay greater emphasis on neonatal and child health, focusing more on promoting effective policies and programmes, on intervention based on proven data, and on improving monitoring systems that pay special attention to poor and marginalized sectors of the population.
- (ii) Expand the basic level of primary health care in accordance with equity criteria and by integrating vertical approaches, closer intersectoral collaboration and social participation in the area of health. These are not particularly complex, but as progress is made in health care the tasks become ever more challenging, for example, dealing with perinatal diseases or treating chronic AIDS sufferers.
- (iii) Even though pneumonia is not one of the principal causes of child mortality in the region, initiatives such as the WHO-UNICEF vaccination programme against pneumococcal infections can prevent a large number of deaths. These are relatively inexpensive programmes,

especially in countries where the majority of the population is covered by the vaccines prescribed during a baby's first year and for young children, and this is conducive to fulfilment of the right to life, lessening the number of deaths from avoidable causes.

- (iv) Ensure that supplies of iodine, vitamin A and zinc are widely available as they reduce infant mortality or widespread serious diseases, or both.
- (v) Experience in recent years has shown that investment in infrastructure is needed to deal with the various risks caused by natural disasters.
- (vi) As far as HIV/AIDS is concerned, investment is needed to identify and treat those infected with anti-retroviral drugs. This is particularly important in Caribbean countries, where there is evidence that the number of infections has risen, particularly among women. Sexual and reproductive education can therefore be an efficient way of preventing this disease. It is also essential to avoid any form of discrimination in access to health checks and early detection of the disease within health services.
- (vii) Regarding essential (generic) medicines, government policies need to be formulated on their distribution to low-income sectors of the population and access to them has to be properly regulated. Sustainable financing of medicines at affordable prices should cover the regulation of procurement and distribution, the definition of patents policies and the enforcement of intellectual property rights in accordance with international rules.

Gender

- (i) Gender-based inequity is a major dimension of inequality. Policies in this area should be aimed at moving towards women's effective economic and physical autonomy and their empowerment in decision-making.
- (ii) Regarding economic autonomy, legislation should ensure non-discrimination in employment, which means not only better legislation but also strengthening of those public bodies responsible for ensuring compliance (ministries and labour departments).
- (iii) One key factor is women's physical autonomy, and this is closely linked to progress towards the new target 5B of the Millennium Development Goals. Relevant policies should focus on overcoming gaps in unmet family planning needs, paying special attention in the

public sphere to access to modern contraceptives; making decisive improvements in the coverage of pre- and post-natal care in order to protect maternal and child health; drawing up a comprehensive policy to reverse rising adolescent fertility rates through education campaigns; providing access to contraceptives are noted above and ensuring that adolescent maternity does not interrupt education.

- (iv) Progress towards physical and economic autonomy depends on women's greater empowerment, and this means enhancing capacity for effective participation in decision-making spheres. Quota laws should continue to be enforced as one way of increasing women's participation in national parliaments. It is also important to open up channels for participation in intermediate levels of society, where participation is often more effective.

(4) In terms of employment and income, policies are required in the areas of production and technology in order to close productivity gaps between different sectors and strata of the economy and to ensure the provision of social security and social protection that contemplate benefits and insurance against sudden fluctuations in household income due to loss of employment and other eventualities. In addition, institution-building is required through promotion of social dialogue and the guarantee of respect for workers' rights, so as to ensure the effective fulfilment of agreements signed by countries.

- (i) Closing productivity gaps between sectors and companies of different sizes calls for productive development policies that will improve conditions for access to credit, to new technologies, capacity-building mechanisms, market information, marketing channels, partnership arrangements, among others, all of which are indispensable for improving the productivity of these units of production, hence a climate for job creation and for improving the quality of existing jobs. Increasing the average productivity of the economies of the region is a prerequisite for generating decent, productive employment. This calls for a development strategy based on the continuous and increasing incorporation of innovations and knowledge.
- (ii) Experience shows that own-account work does not always imply unfavourable working conditions. Indeed, the conditions are often superior to those obtained with wage employment, especially in micro-enterprises. Therefore, policies for the creation of enterprises,

including fostering individual independent employment may be a positive instrument for advancing towards fulfilment of target 1B of the Millennium Development Goals.

- (iii) As regards labour income policies, tripartite agreements must be established for the application of minimum wage policies which set a wage floor that benefits the lowest-paid workers in both the formal and the informal sector without acting as a disincentive to job creation.
- (iv) The award of subsidies for hiring of individuals belonging to population groups that have special difficulties in obtaining a job is another mechanism that can facilitate entry into the labour market. This mechanism not only has a positive distributional impact through job creation for persons who typically belong to low-income households, but also has beneficial effects when complemented by training programmes that improve worker productivity.
- (v) The employability of young people can be enhanced by working out appropriate arrangements for combining work and study. These arrangements can be even more productive if the prospective employers actually take part in designing them.
- (vi) The inequalities that make it difficult for women with low levels of education to gain access to the labour market may be overcome by reinforcing the mechanisms that help to reconcile work and family life, compensating for inequalities through participation in networks that promote job access, providing women with skills and knowledge training that may open up new employment opportunities and which effectively address cultural prejudices that are a barrier to the hiring of women for certain jobs.
- (vii) One of the prerequisites for reconciling work and family life is access to community, commercial or neighbourhood childcare facilities. Other measures include the legal option and specific agreements on working hours, flexitime and distance working with the corresponding labour rights, emergency leave, the encouragement and facilitation of a larger role for men in caregiving and the inclusion of the issue in collective bargaining processes with a view to finding suitable solutions for particular sectors or businesses.
- (viii) Unemployment insurance and non-contributory systems of protection are forms of protection that are underdeveloped in the

region and which may be applied to national situations on the basis of the experience of other countries. Unemployment insurance must be linked with active labour-market policies and integrated with other protection mechanisms, such as compensation and non-contributory systems that provide support to low-income households.

- (ix) Labour-market income policies should include non-contributory protection systems (family allowances and basic household income schemes), which can have an impact on the labour market for various reasons. Apart from supplementing the income of the poorest households, such schemes can also facilitate the search for employment.
- (x) Since the informal sector accounts for a high percentage of total employment, strategies are needed in order to improve the coverage of labour institutions. A policy should be developed so that small informal-sector enterprises can gradually be incorporated into the formal sector in order to improve institutional coverage and at the same time raise productivity and integrate these enterprises into broader production chains and systems, affording them access to financing, technologies and existing infrastructure for marketing their production abroad, where appropriate.
- (xi) Creating a forum for social dialogue among stakeholders in the working world is vital both from the perspective of worker protection and in terms of productivity gains. This may not be easy to achieve inasmuch as trust has to be developed gradually among the stakeholders as the basis for forging agreements that are sustainable over time and complying with international agreements concerning freedom to join a union and collective bargaining rights. Nevertheless, it is an effective mechanism for increasing labour-market efficiency without reducing social protection and, moreover, can generate benefits also for workers. In this respect, it is important for countries to adopt the basic guidelines of the Global Jobs Pact of the International Labour Organization, which is geared to promoting an upturn in production in the post-crisis context centred on job creation, the expansion of social protection and respect for labour standards. Promoting social dialogue has a fundamental role to play in this scenario.

(5) The most extreme situations of poverty, hunger and lack of basic services must be addressed as a matter of urgency and in a comprehensive, effective and efficient manner, in the light of successful experiences in applying policies and programmes. The cross-cutting nature of the goals and the synergies that exist between the targets must be a central element in the design of such policies. Moreover, this is an imperative in the rights perspective that has been adopted in this report as a prerequisite for progressing towards more egalitarian and integrated societies.

- (i) In order to address the most urgent needs of the poorest strata of society and speed up progress towards the achievement of Goal 1 of the Millennium Development Goals during the years leading to 2015, the programmes currently applied in the countries, and which have gradually come to be referred to as conditional transfer programmes, must be strengthened. These programmes are designed in the short term to relieve the poverty of families by providing material support (cash transfers) in order to protect basic consumption levels; and in the long term to build the human capital, assets and capacities of families in order to break the intergenerational cycle of poverty.
- (ii) Second, in the next few years, as the post-crisis unfolds, emphasis must be placed on the transfer of resources without overlooking the different types of conditionalities governing the delivery of these monetary benefits. The most successful experiments with the implementation of these programmes must be the basis for improving the programmes already existing in some countries and, possibly, for designing mechanisms for addressing the basic needs of the most underprivileged populations.
- (iii) In order for these programmes to contribute to achieving the target, the resources allocated to them must be raised significantly with the triple aim of augmenting their coverage, increasing the transfer amounts and strengthening the public institutions responsible for the implementation and on-going evaluation of these programmes.
- (iv) In order to achieve their objectives, the programmes must simultaneously cover the areas of education, health and nutrition (food). Thus, on the basis of these programmes, the following minimum goals must be attained: provide an additional source of resources to the poorest families and thereby help to reduce existing poverty levels; increase the human capital endowment through

assistance with the education of children in the most vulnerable sectors of the society; reduce child labour by fostering attendance during the school cycle; contribute to better control of the health of the populations with the most needs and thereby reduce their risks of disease; and serve as a social protection network to the community, so as to increase their degree of cooperation and their sense of cohesion.

(6) The achievement of food security and eradication of child undernutrition requires specific policies that contemplate a series of short-, medium- and longer-term measures. In the short term, the following measures could help to speed up progress towards eradication of hunger:

- (i) Promoting breastfeeding.
- (ii) Creating and/or improving emergency food protection systems.
- (iii) Boosting investment in drinking water and sanitation in marginal areas.
- (iv) Strengthening systems for evaluating and monitoring food programmes and food and nutrition security.
- (v) Providing a food supplement to pregnant women, wet nurses, infants and preschool children.
- (vi) Strengthening health control systems to ensure food safety, and maintain and improve programmes for strengthening these systems.
- (vii) Implementing school food programmes and expanding the coverage of existing programmes.
- (viii) Expanding the coverage of mass campaigns and educational programmes designed to promote healthy nutrition.
- (ix) Facilitating access of the most vulnerable families to productive assets such as land, equipment and financing.

“Economic uncertainty cannot be an excuse to slow down our development efforts. It is a reason to speed them up. By investing in the MDGs, we invest in global economic growth. By focusing on the needs of the most vulnerable, we lay the foundation for a more sustainable and prosperous tomorrow.”

Ban Ki-moon

Secretary-General of the United Nations

