

# Draft Work Programme for the year 2021

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*The Work Programme of the Permanent Secretariat of SELA for the year 2021 (WP 2021) is based on Decision No. 440, adopted at the "XXVIII Regular Meeting of the Latin American Council" (Caracas, 7 to 9 April 2003), which defines the activities of SELA in the following three areas of work: Intra-Regional Relations, Economic and Technical Cooperation and Extra-Regional Relations.*

*This new Work Programme is based on the demands of the circumstances imposed on the region by the COVID-19 pandemic in 2020 and on the purpose of the Permanent Secretariat to help the region overcome the greatest economic crisis it has suffered in decades and meet the new demands and needs of SELA Member States.*

*The activities envisaged in the WP 2021, in the spirit of the Panama Convention, aim to contribute to the decision-making of the organization's member countries, particularly as regards knowledge-generating processes, increased productivity and promotion of digital tools as a key factor for economic growth, trade facilitation and social development in the region. In the technological field, it is worth mentioning the strengthening of the "Latin American and Caribbean Network of Digital and Collaborative Ports (D&C Ports Network)", created and coordinated by the Permanent Secretariat, with the support of CAF-development bank of Latin America, and the creation of a priority logistics and trade network that accompanies regional integration initiatives.*

*As a constant task taken up by the Permanent Secretariat in recent years, and in view of the growing importance of SMEs as a crucial element for the economic development of the region, this Work Programme focuses on strengthening these enterprises through, inter alia, the promotion of appropriate public policies, advanced legislation and the creation of mechanisms that stimulate their growth potential, capacity for innovation and competitiveness. To that end, the Permanent Secretariat is expected to carry out the second issue of the Public Policy Index for MSMEs (IPPALC) and to further develop the Productive Articulation Programme with activities that will contribute to the definition of value chains, the promotion of innovation and risk management.*

*Other two key aspects of the WP 2021 are the expansion of international cooperation and the creation of new extra-regional strategic partnerships that promote better international insertion of Latin America and the Caribbean in the face of new global challenges.*

*In the field of regional integration, the Work Programme envisages the conduction of a face-to-face meeting of the "Technical Support Committee for Regional Integration" with a view to consolidating it as a fundamental source of consultation for Latin American and Caribbean integration mechanisms and articulating its internal authorities for the coordination of strategies and institutional cooperation among its participants.*

*The health problem of migrants, refugees and stateless persons in the region is also considered in this programme. The purpose is to promote the analysis of migration as a positive factor, discuss mechanisms to make migration processes more standardized in the region and facilitate the mobilization from one country to another, so that it becomes an enabler of development, in line with the Sustainable Development Goals.*

*As part of the activities for 2021, the Permanent Secretariat is scheduled to carry out eight studies, of which five will be conducted internally, the continuity and updating of indicators; and organize 24 events, combining the face-to-face format with the virtual one. Of the total events, four correspond to the programme Support to economic and technical cooperation among Latin American and Caribbean countries, seven to Economic and social development, three to the SELA-SMEs Programme and four to the SELA-CAF Productivity Programme. In addition, the Permanent Secretariat will organize five events on the promotion of the integration process and economic growth, two related to trade facilitation issues and two associated with the strengthening of technological information and communications tools.*



## **INTRODUCTION**

Through the activities planned for 2021, the Permanent Secretariat complies with its mandates and maintains its commitment to the development of the region by promoting initiatives that contribute to the decision-making process of the Member States. Emphasis is made on deepening the processes of knowledge generation, increasing productivity and enhancing digital tools that could revitalize a Work Programme focused on strengthening small and medium-sized enterprises as a constant task; even more so in times of crisis in which the coordination of activities conducive to continuity of operations in these companies is perishable.

In addition, the Permanent Secretariat continues to address the expansion of interinstitutional and international cooperation, creating new strategic partnerships that promote a better insertion of our region in the face of new challenges at the global level. The new Work Programme is also based on the recognition of the demands that the current circumstances impose, which call for addressing the emergency to mitigate the consequences of the pandemic experienced during the year 2020. Thus, the objectives of the Permanent Secretariat have been focused on activities that help the region overcome the greatest economic crisis it has experienced in decades and are in line with the new demands and needs of Member States.

As in previous years, the activities contained in the *Work Programme for the year 2021* (WP 2021) were structured on the basis of three main thematic areas, Intra-Regional Relations, Economic and Technical Cooperation and Extra-Regional Relations, as mandated by the Latin American Council through Decision No. 440, "Restructuring SELA" (XXVIII Regular Meeting, Caracas, Bolivarian Republic of Venezuela, 7 to 9 April 2003).

## **INTRA-REGIONAL RELATIONS**

In the Area of Intra-Regional Relations, the Permanent Secretariat of SELA plans to carry out a set of activities related to the assessment of the integration process in Latin America and the Caribbean, the analysis of the productive structures and economic growth of the region, the strengthening of the Latin American and Caribbean Network of Digital and Collaborative Ports (D&C Ports Network), and the promotion of innovation and technological development, as well as the management and coordination of SELA's specialized portals. As regards the assessment of the regional integration process, the Permanent Secretariat proposes a face-to-face meeting of the Technical Support Committee for Regional Integration, with a view to strengthening its consolidation as a fundamental source of consultation for Latin American and Caribbean integration mechanisms and articulating the group's internal authorities for strategy coordination and institutional cooperation among its participants. In addition, the Permanent Secretariat is scheduled to hold a panel discussion on migration challenges in the context of regional integration, with an emphasis on the situation of migrants and their rights to health, as well as the best regional practices in healthcare and the impact of the COVID-19 pandemic on the migrants' health. Moreover, a series of seminars will be held to analyze the regional and subregional institutionality of integration mechanisms as an enhancer of cooperation and coordination in the area of health, the evaluation of contingency and assistance plans in cases of pandemics and epidemics in the region. Finally, the Permanent Secretariat proposes the continuation of the methodological review and updating of the estimates that correspond to the Integration Index and the External Vulnerability Index.

As regards the analysis of productive structures and economic growth in the region, a regional face-to-face forum will be held to discuss the appropriate policy options to address the economic

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challenges facing Latin America and the Caribbean as a result of the new context arising from the pandemic. In addition, the Permanent Secretariat is scheduled to hold a virtual workshop on economic policy instruments based on the behavioural economics, with the aim of gaining knowledge about the conceptual pillars of this area of knowledge and analyzing in a practical way the design and implementation of policies based on these pillars. In the same programme, the trade introversion index and its implementation for other integration mechanisms will be updated.

As regards trade facilitation issues, in particular the strengthening of the Latin American and Caribbean Network of Digital and Collaborative Ports (D&C Ports Network), the Permanent Secretariat plans to hold, in face-to-face format, the VI Latin American and Caribbean Regional Meeting of Port Logistics Communities, which aims to make progress in the creation of a priority logistics and trade network that accompany regional integration initiatives, following existing global best practices and experiences on this subject. Finally, the Permanent Secretariat will conduct a forum on border cooperation in Latin America and the Caribbean, which will be aimed at presenting trade and customs measures to ensure optimal trade logistics at regional borders, identifying border management protocols for people mobility and promoting the adoption of border management standards and practices that minimize the emergence of new COVID-19 focuses.

Regarding the promotion of innovation and technological development, the Permanent Secretariat plans to hold a meeting on innovation systems in digital economy, with the aim of analyzing regional challenges in this area, studying the best mechanisms for institutional articulation in favour of innovative initiatives and processes and recognizing the most successful innovative practices in the region.

### **ECONOMIC AND TECHNICAL COOPERATION**

In the Area of Economic and Technical Cooperation, the Permanent Secretariat has planned a series of activities for the strengthening of economic and technical cooperation in Latin America and the Caribbean, regional economic and social development, promotion of small and medium-sized enterprises and promotion of Latin American and Caribbean productivity. As regards the strengthening of regional economic and technical cooperation, the Permanent Secretariat is scheduled to hold the "XXXII Meeting of International Cooperation Directors for Latin America and the Caribbean" to identify challenges and opportunities and promote an institutional framework for the socio-economic inclusion of migrants in the region and the dissemination of best practices and successful experiences on the inclusion of migrant populations. The Work Programme also includes a face-to-face meeting on public-private partnerships for disaster risk reduction in Latin America and the Caribbean, with the aim of generating agreements between these sectors to improve the responsiveness to natural and health disasters, considering the strategic complementarity between public and private actors and existing best practices in this area. In addition, the "X Annual Meeting of the Working Group on Trade and Competition (GTCC)" is scheduled to be held in face-to-face format and on the basis of the exchange of experiences on priority trade and competition issues among trade authorities of the Member States in the current context of the region. Finally, the Permanent Secretariat plans to hold an online training workshop on free competition in public institutions, in order to train managers of regional public organizations in the mastery of tools and the use of best practices related to the management of free competition in the public sector.

As regards regional economic and social development, the Permanent Secretariat plans to conduct a virtual seminar on impact evaluation of public policies for the health sector, with a view to training participants in the process of designing, implementing and assessing the impact of public policies

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in the sector, disseminating best practices and successful experiences on this issue and promoting technical cooperation among relevant organizations in the region. In addition, training seminars for officials of Foreign Ministries in Latin America and the Caribbean will be held to provide them with negotiating capabilities in cyberspace governance. The Work Programme also offers a set of webinars on the continuity of government operations in disaster situations in Latin America and the Caribbean, which aim to share and systematize information and experiences on governance continuity standards and protocols in catastrophic events. It proposes a face-to-face panel discussion on the management of economic policy for social, resilient and inclusive development, which will be aimed at the dissemination of the advantages and contents of macroprudential policies and the operational and institutional requirements for their implementation. The Permanent Secretariat is scheduled to conduct a face-to-face forum on the prospective vision of the social and economic environment of crises in Latin America and the Caribbean, with the aim of disseminating quantitative tools that help create a vision of future regional trends in this area and raising awareness among attendees about the development of techniques that allow the anticipation of events linked to the most relevant socio-economic variables in the region. Finally, a proposal is made to continue the construction of the database of Multidimensional Development Indicators as supporting variables for public policy formulation.

As regards the promotion of small and medium-sized enterprises (SMEs), the Permanent Secretariat will hold a meeting on the *Public Policy Index for MSMEs (IPPALC)* applied to the countries of the Pacific Alliance and South America to exchange experiences and best practices arising from the first stage of the IPPALC in 2019; establish optimal mechanisms for the implementation of the tool; determine the analysis dimensions of the indicator; discuss thematic guidelines for the design of questionnaires; and provide assistance to public policy directors for SMEs. It also proposes webinars on business continuity for SMEs in Latin America and the Caribbean, which will be oriented towards the dissemination of tools that enable these companies to develop their plans and maintain their businesses operative, collect and disseminate reference plans and programmes on business continuity in SMEs and promote private sector initiatives developed by the United Nations Office for Disaster Risk Reduction and the United Nations Office for the Coordination of Humanitarian Affairs. Finally, a virtual meeting on fiscal mechanisms to support SMEs is proposed to analyze the spectrum of regional fiscal policies focused on SMEs; the study of the expected impacts on this sector of the tax measures implemented; the discussion of the financing options available for the implementation of fiscal programmes for regional SMEs; and the impetus to the creation of a working group that promotes the implementation of fiscal policies that have been successful in supporting these companies in the region.

Within the framework of the productivity programme in Latin America and the Caribbean, a set of virtual activities on the competitiveness and internationalization of SMEs is proposed with the aim of identifying potential sectors that facilitate the strengthening of regional productive chains and enable the international connection of SMEs in the region. The Permanent Secretariat also plans to hold a virtual meeting on the promotion of innovation as a strategy to support SMEs, which aims to disseminate best practices on business innovation and the design of a work agenda to monitor strategies that can be developed in the region. The Permanent Secretariat is also scheduled to hold a face-to-face meeting on building risk management capabilities in companies, in order to disseminate and enhance the adoption of tools that minimize the operational risks within SMEs in the region. Finally, a face-to-face seminar on financial education and financing instruments for SMEs in Latin America and the Caribbean will take place with the purpose of promoting the adoption of public policies aimed at increasing financial education for the inclusion and identification of innovative financing mechanisms for SMEs in the region; empowering them through the acquisition

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of skills in business finance management and advocacy as financial consumers; and recognizing successful practices in the design of SME-oriented financing tools and options.

### **EXTRA-REGIONAL RELATIONS**

In the Area of Extra-Regional Relations, the Permanent Secretariat is scheduled to develop a group of activities related to the monitoring and analysis of preferential trade agreements signed by Latin American and Caribbean countries with countries in other regions of the world. In this regard, the Second Seminar on Latin American and Caribbean relations with the Eurasian Economic Union is proposed in face-to-face format. This event will be aimed at following up on what was discussed in the first seminar; structuring a joint work plan to promote economic cooperation between the two regions; and analyzing the new global trends and opportunities resulting from the COVID-19 pandemic. In addition, the Permanent Secretariat plans to hold a forum on extra-regional cooperation and technical support for Latin America and the Caribbean in order to identify existing technical support plans offered by extra-regional cooperation organizations, learn about ongoing technical support programmes and assess regional socio-economic challenges that can be addressed by this modality of international cooperation.

## BACKGROUND: WORK PROGRAMME FOR THE YEAR 2020

In the Permanent Secretary's third year in office, several projects have been conducted and launched in accordance with the Work Programme adopted at the XLV Regular Meeting of the Latin American Council, held on 18 and 19 November 2019. Thus, the Permanent Secretariat has focused on addressing the region's main needs; has reactivated the commitment to serve as a promoter of a consultation and coordination system to reach common positions and strategies, and has joined other institutions in increasing links and ties of cooperation for the benefit of the Member States.

In 2020, the pandemic caused by COVID-19 forced the Permanent Secretariat to re-dimension and carry out its activities virtually, focusing first on investment in digital tools for the development of internal work. Thus, the Permanent Secretariat could continue its work remotely for the duration of mobility restrictions. In addition, in compliance with the mandate of the Latin American Council set forth in the Work Programme for 2020, it adopted platforms for the conduction of virtual seminars and workshops, thus increasing the opportunity to incorporate a greater number of participants in the events, advance remote technical assistance and continue with the activities that have been carried out through the networks created with other regional and international organizations.

According to Decision No. 440 adopted by Latin American Council at its XXVIII Regular Meeting, held in Caracas from 07 to 09 April 2003, the projects and activities were grouped into three major thematic areas: Intra-Regional Relations, Economic and Technical Cooperation and Extra-Regional Relations.

In the area of **intra-regional relations** and, as part of the Programme *Integration process and economic growth in Latin America and the Caribbean*, the Permanent Secretariat, among other activities, conducted the *webinar on Integration gaps in the region: ideas for overcoming the crisis*. It also organized a cycle of virtual seminars on the best practices of port communities in the context of the pandemic, including: *COVID-19: Reality of regional ports and their prospects*, *Challenges for technological innovation in the port sector*, and *Women's leadership in the port sector as a regional trade enhancer*. In the context of this area, the Permanent Secretariat carried out two more activities related to knowledge economy: *Knowledge Economy. Opportunities and challenges for Latin America in the post-pandemic era* and *Knowledge-based services: relevance and opportunities for Mercosur*.

As regards the integration process and migration challenges, the Permanent Secretariat plans, by the end of the year, to publish on its Web site a compendium of the immigration laws of the Member States. For that time, the organization also plans the update of the *Trade Introversion Index (TII)* and the *Vulnerability Index*, as well as the development of a compendium of economic and social measures taken by LAC countries in response to COVID-19 and the organization of an event in which trade and investment promotion agencies will share strategies in progress to mitigate the economic effects of the pandemic. Another event of particular relevance in this intra-regional area was the webinar on the launch, on 8 October, of the portal of the Network of Digital and Collaborative Ports (D&C Ports Network), created by SELA, under the auspices of CAF-development bank of Latin America, and a reference model for the management of community initiatives with prospects for growth in the use of technologies that promote innovative solutions in the port sector.

In the area of **economic and technical cooperation**, within the framework of the Project *Strengthening economic and technical cooperation in Latin America and the Caribbean*, the

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Permanent Secretariat prepared the study *Multidimensional Development Indicators. Database to support public policies (Phase 1)*. The issue of internationalization of SMEs was addressed through the virtual seminar *SMEs and post-pandemic: a scenario to promote potential productive sectors*. The Permanent Secretariat also carried out the webinar *Organizational resilience for SMEs in times of pandemic: Practical recommendations for the protection of enterprises* and the *Distance Course on impact evaluation of public policies in Latin America and the Caribbean: Effective actions for social development*. In the financial field of SMEs, a training activity for regional focal points will be held at the end of the year regarding indicators that assess the effectiveness of financial assistance programmes for SMEs.

As regards the area of **extra-regional relations**, the Permanent Secretariat began 2020 with the face-to-face seminar *Experiences and Opportunities for the Internationalization of Latin American SMEs with India* (Curitiba, Brazil, 23 and 24 January 2020), in which participants analyzed the opportunities for development of economic and cooperation agreements between the large Asian country and Latin America and the Caribbean. For this activity, the Permanent Secretariat prepared the document *Analysis of economic, trade and cooperation relations of Latin America and the Caribbean with India*.

In the field of trade promotion and investment relations among the European Union, Asia and Latin America and the Caribbean, a seminar is planned for the end of the year with the participation of representatives of public institutions and business sectors from the three regions with the aim of creating an international trade promotion network. In addition, three documents are being prepared for this activity, two of which are part of the Cooperation Agreement with the Korean Council on Latin America (KCLAC): *Analysis of economic, trade and cooperation relations of Latin America and the Caribbean with the Republic of Korea*, *The role of the Mercosur–European Union agreement in deepening relations between Europe and Latin America and the Caribbean* and *Impact evaluation of the COVID-19 pandemic in Latin America's health systems and opportunities for cooperation with Korea*.

In order to contribute to the dissemination of information and promote best practices with a view to supporting Member States in their response to COVID-19, the Permanent Secretariat of SELA published a series of articles related to the pandemic. As of the first week of April, it began the publication of the table *COVID-19: Summary of the main measures, actions and policies implemented by SELA Member States*, which has been updated up to issue 22. This document collects the provisions and policies adopted by countries in the region concerning COVID-19 and may be the basis for the formulation of best practices in the region in combating similar epidemics. As of 8 April, it was published weekly, and as of 5 August, it has been updated and published every fortnight. This document is complemented with the COVID-19 infographic: policies, actions and measures implemented by SELA Member States and the sectoral document *D&C Ports Network: Main measures taken to mitigate the spread and effects of COVID-19*.

In 2020, the Permanent Secretariat of SELA organized 19 virtual events, in addition to those already mentioned, referred to or focused on the pandemic, such as: Video-Conference between Korea and SELA: Facing Covid-19; Education in times of a pandemic: Impact of Covid-19 on education systems in Latin America and the Caribbean; Multidimensional development indicators; Indo-Pacific and Pacific Alliance strategy; GDP and remittances; Impact of the crisis caused by COVID-19 on the macroeconomic fundamentals of the region; Fisheries subsidies and their implications for Latin America and the Caribbean; Integration of Latin America and the Caribbean in the post-COVID-19 pandemic; and Recovery of tourism in the post-pandemic.

**AREA I. INTRA-REGIONAL RELATIONS**

**PROGRAMME: INTEGRATION PROCESS AND ECONOMIC GROWTH IN LATIN AMERICA AND THE CARIBBEAN**

**PROJECT I.1. Assessment of the Latin American and Caribbean integration process**

**Activity I.1.1. Technical Support Committee for Regional Integration**

**A. Background and justification**

Information asymmetries among regional technical or financial support organizations and the intangibility of the benefits of integration processes on general well-being require review of regional institutions' programmes. In order to comply with this premise, the Permanent Secretariat has focused its efforts on the coordination of shared and complementary work plans to study the new circumstantial approaches that demand the actions of institutional actors.

In 2019, the Permanent Secretariat of SELA formed a working group made up of the main technical promoters of regional integration and development banks at the General Secretariat level to assess and monitor subregional integration processes. This committee has met three times to study the progress of the Latin American integration process in its social, political, commercial, financial and digital dimensions, as well as to build a joint work agenda.

The first meeting of this technical group was held during the Seminar: Evaluation of the integration process in Latin America at the headquarters of the Latin American Association for Integration (ALADI). In their sessions, the actors involved determined that the modernization of the methodological approach and research techniques aimed at Latin American regional integration would identify the challenges that impede convergence. Then, during the second meeting, of the group within the framework of the Seminar "Closing Gaps in Latin American integration processes", participants evaluated the nature of these challenges. On that occasion, they identified economic asymmetries and social disparities at the regional level. At the end of the meetings, the participants of this committee structured a shared work plan for 2020 based on the study of the convergence of the regulatory framework and digital transformation.

In 2020, due to the circumstances generated by the COVID-19 pandemic, face-to-face activities had to be suspended and virtual meetings were organized with the monitoring group to keep the lines of work up to date. In this context, a virtual seminar was organized to address integration gaps with the participation of experts that presented ideas for overcoming the crisis. Its participants described the impact that the lack of infrastructure for connectivity has on the operation of the regional digital market and the frontier of possibilities for the development of Information and Communication Technologies (ICT). Challenges to achieve regulatory convergence in Latin America and the Caribbean were also identified. Similarly, obstacles to the full participation of Latin American consumers and businesses in regional markets were also determined.

For 2021, the importance of the cohesion of the members of the technical support committee for integration will be highlighted in the face of the economic consequences of the pandemic generated by COVID-19. The Latin American and Caribbean region is estimated to experience a decline in its

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GDP ranging from -1.8% to -5.5%. In view of this scenario, the adoption of unified and coordinated economic policies from a regional perspective would help control the supply and demand shocks facing the region. Otherwise, the bases of cooperation that promote convergence for investment promotion, the sustainability of regional value chains, the opening of labour markets and migration flows, and regional security could be extinguished. Continuing the conduction of sessions of the working group will allow to study the new circumstantial approaches that demand the action of its participants. Regional integration is the instrument that will expand the resilience capabilities of its Member States in the face of the consequences of the pandemic.

### B. Objectives

1. Assess the magnitude of the economic effects of the pandemic on integration processes.
2. Contrast the availability of coordination mechanisms of macroeconomic stabilization policies in Latin America and the Caribbean compared to other regions of the world.
3. Develop an institutional strategy for the development of regional economic policies to mitigate, in an aggregated form, the consequences of the global crisis and expand recovery capacities.
4. Provide methodological recommendations for quantifying the effects of the pandemic on the dimensions of integration.

### C. Expected results

1. Consolidation of the Technical Support Committee as a source of consultation for integration mechanisms that bring together Latin American States.
2. Articulation of internal authorities for the coordination of strategies and institutional cooperation among participants of the group during the implementation of macroeconomic stabilization and recovery programmes.
3. A strategy for the development of regional economic policies to mitigate the global crisis and expand recovery capacities.
4. Methodological recommendations to quantify the effects of the pandemic on the dimensions of the COVID-19.

These results would help offer shared and complementary technical and financial support programmes for the region.

### D. Format of the activity

Face-to-face

#### **Activity I.1.2. Regional integration and migration challenges: The health rights of migrants, refugees and stateless persons. Emergencies in the Latin American and Caribbean region during the pandemic**

### A. Background and justification

For several years, the Permanent Secretariat of SELA has considered migration as one of the important topics for discussion and analysis, and therefore its work programmes for the years 2017, 2018 and 2019 have included regional meetings related to the analysis and monitoring of migration processes in the region.



The COVID-19 pandemic has tested health systems around the world, in a health emergency that has caused extremely serious economic and social effects and the consequences of which are still incalculable. It has affected the entire population and, to a greater extent, the most vulnerable sectors, so the humanitarian implications of this pandemic are of enormous magnitude. The Secretary-General of the United Nations, António Guterres, in presenting his report *COVID-19 and Human Rights. We are all in this together* (April 2020), emphasized that the "COVID-19 pandemic is a public health emergency, but it is far more. It is an economic crisis. A social crisis. And a human crisis that is fast becoming a human rights crisis."

The current public health emergency has aggravated the situation of migrants, refugees and stateless persons. This unprecedented crisis has exacerbated the exposure of the least protected in societies and, in this regard, migrants, refugees and stateless persons constitute particularly vulnerable populations, because their same status does not allow them access to health systems. As a result, they are denied the fundamental right to health and life. But not only do they not have access to health systems, but also, in the midst of the economic crisis caused by the pandemic, they lose jobs and are excluded from social protection measures taken by host countries; they are exposed to discriminatory treatment and have extreme difficulties in returning to their countries of origin; they are deported and have to remain in retention locations that do not meet the slightest sanitary conditions. Circumstances suggest that, on their return, they are exposed to the stigma of being considered potential carriers of the virus, as well as to the messages of hatred, xenophobia and intolerance that this type of crisis often generates in societies.

This global health crisis has highlighted the shortcomings and lack of investment in health systems in most Latin American and Caribbean countries and in the provision of public services, as well as structural inequalities that hinder access to them. For migrants, refugees and stateless persons, this situation has become a humanitarian crisis: sick people without access to treatment, stranded migrants without opening humanitarian corridors that allow them to return to their countries of origin, deportations and shelter in inappropriate places, discourses of rejection and xenophobia, discriminatory policies of States, among other evils.

At present, governments and societies are focused on containing the crisis caused by the COVID-19 pandemic, which, at some point, will have to move on to the recovery phase of its socio-economic aftermath. It is therefore important, in the overall analysis of the matter, to identify the best practices that have arisen in this health crisis in relation to the treatment of migrants, refugees and stateless persons, such as the following:

- Granting temporary rights so that this population can access the health system.
- Free treatment for the sick, including testing, special care for the most vulnerable, intensive care for patients in need and access to available vaccines.
- Facilities so that they can return to their countries of origin if they wish so.
- Suspension of deportations and repressive measures against this population.
- Avoid discourses that appeal to discrimination and xenophobia.

SELA is an organization whose main objective is to promote the cooperation and integration of the region. To that end, it aims to promote the analysis of migration as a positive factor, discuss mechanisms to make migration processes more standardized within the region and facilitate mobilization from one country to another, so that migration becomes an enabler of development as set out in the Sustainable Development Goals. It also promotes respect for the fundamental rights of migrant and refugee populations. Therefore, the treatment of this issue has been permanently

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among the priorities of the organization's Work Programme, and in this case, the situation of migrants, refugees and stateless persons in the serious context of the COVID-19 pandemic.

### B. Objectives

1. Expound the effects of the COVID-19 pandemic on migrants, refugees and stateless persons.
2. Analyze, by country, the treatment of migrants and refugees during the pandemic and their access to health systems.
3. Identify and share the best practices promoted by countries in the region that facilitated access to health and gave decent treatment to migrants, refugees and stateless persons.
4. Promote solutions to obstacles and problems arising from the situation that occurred during the COVID-19 pandemic.
5. Submit proposals that can be adopted by countries to avoid situations such as those that have taken place during the pandemic and regression in migration policies and practices.

### C. Expected results

1. Determination of the situation of migrants, refugees and stateless persons in LAC in relation to access to health systems during the COVID-19 pandemic.
2. Systematization and survey of best practices promoted by countries in the region that contributed to facilitating and strengthening respect for the right to health and access to health systems by these populations during the pandemic.
3. Determination of the consequences and impact of the pandemic on migration policies in some countries and recommendations to avoid regression in migration practices and policies.

The national authorities of SELA Member States responsible for public health policies, as well as representatives of regional and international organizations, experts and scholars linked to migration and healthcare systems, will participate in the event.

### D. Format of the activity

Face-to-face.

#### **Activity I.1.3. Seminars on regional and subregional institutionality of integration mechanisms: Enhancing cooperation and coordination in health, contingency plans and assistance in the face of pandemics and epidemics in the region**

### A. Background and justification

Within the social dimension of Latin American and Caribbean integration, each of the subregional integration schemes has created institutions specializing in health. Thus, the Andean Community (CAN) created the Andean Health Organization - Hipólito Unanue Convention (OAS-CHU); the Central American Integration System (SICA), the Executive Secretariat of the Council of Ministers of Health of Central America and the Dominican Republic (SE-COMISCA); the Common Market of the South (MERCOSUR), the Meetings of Ministers of Health; and the Caribbean Community (CARICOM), the Caribbean Public Health Agency (CARPHA). These institutions work in collaboration and coordination with the Pan American Health Organization (PAHO) and the World Health Organization (WHO). Their work is based on the implementation of Goal 3 of the *2030 Agenda for Sustainable Development*, which raises the need to "ensure healthy lives and promote

well-being for all at all ages". It is also envisaged as a priority to improve cooperation in this and other areas of action.

COVID-19 has underscored the need for the region to develop greater and better channels of coordination and cooperation in order to act collectively in the face of a pandemic: Public purchases of health products, approval of medical equipment, clinical procedures, university degrees of health professionals, the entry of humanitarian aid, policies and protocols in the treatment of contagions at the border, among many other sensitive issues without which it will be impossible to successfully tackle an upcoming event like this. Although we all hope that it will not be repeated, we already know how likely it is and how vulnerable all countries can be, and therefore it is responsible for any government to prepare and take the appropriate measures.

The Permanent Secretariat of SELA has worked on health issues under the mandates adopted by the Latin American Council concerning the social dimension of integration. To that end, it has promoted meetings to address health cooperation and telemedicine, among others. More recently, in 2019, it organized jointly with the Inter-American Conference on Social Security (CISS), the "Seminar on universal health coverage as a mechanism to facilitate regional integration", a topic pending within the regional agenda and a priority of the 2030 Agenda and the Sustainable Development Goals (SDGs). This Seminar aimed to contribute to reflection on the subject, promote spaces for cooperation and synergy among health actors in LAC, as well as establish agreements so that no one in the region is left behind in the access to equitable, timely and quality health systems.

In view of the actions that countries are taking to control and manage the COVID-19 pandemic, the Permanent Secretariat has considered it appropriate to initiate a discussion between experts and specialized institutions, both in Latin America and the Caribbean and other regions, to assess actions and policies adopted and best practices that can be identified in this short experience and determine how to improve our mechanisms and procedures for cooperation and exchange of information. To that end, it is scheduled to carry out webinars to provide a space for this debate.

## **B. Objectives**

1. Schedule webinars with experts or senior representatives of institutions specializing in health to analyze mechanisms that improve cooperation and coordination in the area, specifically in cases of pandemics and epidemics in Latin America and the Caribbean.
2. Develop, with the help of experts and representatives of subregional institutions specializing in health, a list of key topics to consider and a roadmap with the actions to be taken in future pandemic or epidemic scenarios.

## **C. Expected results**

Conduction of webinars with regional and international experts and senior representatives of subregional institutions specializing in health in Latin America and the Caribbean, extra-regional organizations specializing in health, research centres and scholars to analyze mechanisms that improve cooperation and coordination in health, specifically in cases of pandemics and epidemics in the region.

## **D. Format of the activity**

Virtual, with technological resources of the Permanent Secretariat.

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## Activity I.1.4. Follow-up report on regional integration

### A. Background and justification

Regional integration is a matter of paramount interest to Latin America and the Caribbean. From 1960 to date, at least seven economic integration projects have been launched, mainly focused on deepening intra-regional trade relations. In addition, several supranational organizations have been created with the purpose of offering spaces for coordination and cooperation among the countries in the region. In this context, regional integration is expected to continue to play an important role on the public agenda both inside and outside the region.

Despite the efforts made by various regional organizations to understand the integration process in Latin America and the Caribbean, today's challenges stress the need for a regular and rigorous analysis of the regional economic and social dynamics. In this connection, frequent monitoring of the evolution of integration in Latin America and the Caribbean makes it possible to orient the formulation and implementation of action strategies, both jointly and individually, by the countries in the region, by providing a detailed knowledge of trends and the context of intra-regional economic and social relations.

The new report on the regional integration process in Latin America and the Caribbean provides a detailed technical view on the annual changes at the regional level in terms of business inter-relations, movements of capital and labour, coordination of economic policies, development of common regional institutions, among other issues related to regional integration.

The Member States of SELA and the general public will count on a regular consultation document, prepared according to the leading methodological practices in this area and on the basis of updated statistical information and documents that are relevant to the countries in the region.

The inputs for this analysis will be information from the official institutions of each country and will be supplemented, in a timely manner, with information provided by institutions specializing in the collection of socio-economic data at the regional level, such as ECLAC, WB and IMF. In addition, for 2021, the indicators created by the Permanent Secretariat will be incorporated into this analysis.

### B. Objectives

1. Develop annual reports on the analysis of the situation of key economic variables in the context of subregional integration mechanisms;
2. Build a database made up of these economic monitoring variables;
3. Provide the Member States of SELA with useful and up-to-date information for decision-making in the field of extra-regional and intra-regional economic and social relations in Latin America and the Caribbean;
4. Submit for consideration of the Member States of SELA possible lines of action for making progress in the regional integration process and achieving an optimal development of the economies in the region; and
5. Strengthen SELA as a leading organization in the analysis, coordination and cooperation related to the integration of its Member States in particular, and of Latin America and the Caribbean, in general.

### **C. Expected results**

A technical report on the changes that have occurred in Latin America and the Caribbean over the last year in terms of business inter-relations, movements of capital and labour, coordination of economic policies, development of common regional institutions, among other topics related to regional integration.

#### **Activity I.1.5. Integration Index of Latin America and the Caribbean**

##### **A. Background and justification**

In 2016, the Permanent Secretariat began to develop an indicator whose main objective is to quantify the degree of integration among the various integration mechanisms of the region, namely: the Pacific Alliance (PA), the Common Market of the South (MERCOSUR), the Central American Integration System (SICA), the Andean Community (CAN), and the Caribbean Community (CARICOM). This study (*Integration Index for Latin America and the Caribbean (IINTALC)* (SP/RRIIALC- DT N° 2-16) served as the basis for the exchange of opinions and discussion at the “Regional Meeting on the Integration Index for Latin America and the Caribbean”, which was held in Guatemala on 11 October 2016 at the headquarters of the Secretariat for Central American Economic Integration (SIECA). On that occasion, the Permanent Secretariat of SELA presented the proposed methodology for the construction of said indicator, which facilitates the measurement of the stage of integration at which each subregional mechanism is located and quantifies the behaviour at the different stages of integration identified in economic theory and the evolution over time.

In 2017, the indicator was updated, but the methodological structure developed in 2016 was maintained and some improvements were incorporated into the method for rescaling it, in order to improve the reading of the indicator for public policymakers.

In 2018, the Permanent Secretariat made the methodological revision of the indicator, based on three cornerstones: 1) Reduction in the number of indicators used as input for the calculation of the index, as well as the replacement of some indicators for those that collect more efficiently the behaviour of the integration mechanisms in the established dimensions; 2) use of new statistical techniques for the calculation of the index; and 3) implementation of different methods for the graphic representation of the results, in order to facilitate the reading of the index.

These methodological changes or improvements point to the optimization in the calculation process, adding robustness to the index. The evaluation and follow-up of each dimension making up the index (political, social, economic, environmental and cultural) will pave the way for the development of public policies aimed at guiding policy-makers on the control variables they can use and should incorporate with a view to using the instruments that will help them achieve the objectives, which in this case is greater regional integration.

For 2021, the indicator will continue to be updated according to the availability of statistical information and the discussion will take place at the expert level, in order to continue improving and authenticating the index.

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### B. Objectives

1. Update the IINTALC to the last year with available statistical information; and
2. Provide public policymakers with a useful tool that contributes to the improvement of subregional integration processes.

### C. Expected results

A document that explains the methodological changes and the statistical update of the IINTALC of Latin America and the Caribbean.

#### Activity I.1.6. Vulnerability index. Update and evaluation of results for Latin America

### A. Background and justification

The Work Programme of the Permanent Secretariat for the year 2017 included the creation of an indicator that allows timely identification of episodes of high speculative pressure that could lead to the occurrence of a crisis in the countries of the region. As a result, it published the study *Early Warning Indicators for Central America: A tool for times of crisis*. Then, among the activities of the Work Programme for 2018 was the update of indicators used for creating the External Vulnerability Index (EVI) and the assessment of the behaviour of this indicator, whose main purpose is to optimize the time available for each country to forecast the occurrence of a crisis or episodes of high speculative pressure.

For 2021, given the relevance for the countries in the region to rely on tools that allow them to predict external shocks that can compromise compliance with debt obligations and hamper their economic performance, the Permanent Secretariat proposes to continue the work of updating this indicator. Even though the study presented in 2017 was applied to Central American countries, this update of indicators includes the incorporation of the member countries of the Pacific Alliance (PA).

At present, it is particularly important to have alternatives for measuring external shocks and their consequences to contribute to the creation of coordinated policies that help mitigate crises and their effects on economies. It should be noted that one of the fundamental functions of the EVI is to identify the moment when a crisis could break out, in order to take measures on time to prevent it or minimize its impact.

### B. Objectives

1. Update the indicators used for the construction of the External Vulnerability Index (EVI) for Central America and the countries of the PA;
2. Estimate the future behaviour of the External Vulnerability Index (EVI) for the countries that were analyzed; and
3. Update and produce aggregate indicators that allow countries to identify a profile of potential external challenges with the purpose of contributing to the progress of regional integration processes.

### **C. Expected results**

Update of the External Vulnerability Index (EVI) for Central America and the countries of the PA.

#### **PROJECT I.2. Analysis of productive structures and economic growth in the region**

##### **Activity I.2.1. Trade Introversion Index (TII). Update and follow-up of trade linkages in Latin America**

#### **A. Background and justification**

Intra-regional trade in Latin America and the Caribbean has reported a progressive decline since 2008. Figures published by the IMF show a loss of dynamism in trade in the region since that year, from 20.3% in 2008 to 16.4% in 2016. Despite the efforts made in the region to increase intra-regional trade, the commercial link among them seems to grow at lower than expected rates, with this slowdown exacerbating over time. In addition, many indicators used for calculating trade integration tend to yield wrong results and misinterpretation due to the biases inherent in the calculation method.

In this context, the Permanent Secretariat proposed the creation of an indicator that relies on the intrinsic characteristics of regional data and produces a measurement of commercial links between Latin America and its partners inside and outside the region. Thus, in 2018, according to the methodology proposed by Iapadre (2004), the Permanent Secretariat created the Trade Introversion Index (TII), which has the property to mitigate the limitations or biases showed by traditional indicators that quantify trade links between countries and regional blocs. The calculation results seem to indicate that there are different levels of commercial links in the integration mechanisms evaluated: The Pacific Alliance (PA), the Andean Community (CAN), the Common Market of the South (MERCOSUR), and the Central American Integration System (SICA).

In 2021, the Permanent Secretariat will continue to update the TII in order to assess the current situation of intra-regional trade and monitor progress, both in aggregated and disaggregated terms, of the main exporting products by country. Thus, the organization could give impetus to actions that stimulate the exchange of those products that encourage the development of productive capacities and more complex activities that promote the productive articulation of the region.

#### **B. Objectives**

1. Update the introversion index for the countries of the PA, CAN, MERCOSUR and SICA;
2. Calculate commercial links by industrial sectors and products; and
3. Provide inputs to the methodology for identifying productive niches at the regional level.

#### **C. Expected results**

An update of the Trade Introversion Index (TII) for the countries making up the various integration mechanisms: PA, CAN, MERCOSUR and SICA. In addition, the index will include new calculations by industrial sectors and products.

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## **Activity I.2.2. Regional Forum: Economic challenges of Latin America and the Caribbean in a new global context**

### **A. Background and justification**

The global economy faces an unprecedented recession in modern history. The radical measures imposed to stop the spread of COVID-19 resulted in the paralysis of national and international production lines, the stagnation of investment and the overflow of levels of unemployment, poverty and inequality. According to the IMF's most recent forecast, the global economy is estimated to fall by - 3% in 2020, but in 2021 growth will recover with a rebound of 5.8%. For Latin America and the Caribbean, IMF figures point to a severe drop of -5.2% in 2020 and a smaller recovery of 3.4% in 2021, opening the door to the configuration of a new "lost decade" due to stagnant GDP per capita.

The nature of this recession is different from that of other crises experienced. Although its origin stems from a transitional supply shock as a result of collective quarantine measures, there has been a simultaneous demand shock caused by a breakdown in payment flows, and there is a threat that the situation will become a long-term structural break. In addition to the impact of the pandemic, some of the pre-existing problems in the region have been exacerbated by the new economic context. The balance of payments has deteriorated sharply in the face of massive capital outflows in search of high-quality assets, the collapse of remittance flows, and the fall in commodity prices at levels never seen before. Added to this are the challenges of low productivity, social conflict and indebtedness that severely condition countries' capacities.

In this situation, countries in the region should design and implement strategies initially aimed at containing the health emergency, but subsequently at stimulating economic performance with measures for the reconfiguration of the productive structure and implementation of harmonized macroeconomic policies. In the face of these challenges, regional integration could play a leading role in generating spaces for coordination and collective learning that contribute to the recovery of countries. To that end, the contribution of the various sectors, the renewal of coordination and cooperation formulas and the technical and financial accompaniment of international bodies will be necessary. While the severity of the crisis raises the urgency of establishing mechanisms to successfully manage the recession, this could be an opportunity for the formulation of strategies and commitments that transcend the emergency and enable the creation of regional mechanisms to act efficiently in the midst of these crises in the future.

### **B. Objectives**

1. Promote the development of a detailed diagnosis of the economic challenges that Latin America and the Caribbean will face in the new international context.
2. Discuss the region's policy options for dealing with the economic crisis.
3. Boost a regional roadmap for the implementation and monitoring of economic stimulus proposals.

### **C. Expected results**

Conduction of a forum to discuss the economic challenges that Latin America and the Caribbean faces in the context of the current recession and, consequently, establish the mechanisms to promote the productive revival of the region.



**D. Format of the activity**

Face-to-face.

**Activity I.2.3. Workshop on economic policy instruments based on the behavioural economics****A. Background and justification**

Behavioural economics is an area of economics that studies resource management for well-being and extends the conventional economic theory of human behaviour by drawing on psychology, sociology and neuroscience<sup>1</sup>. In this regard, this approach focuses on analyzing behavioural factors that encourage individuals to make decisions that seem irrational, according to conventional economic theory, but are actually consistent with how people think and relate to each other in their day-to-day lives. To that end, behavioural economics uses existing knowledge in other scientific areas that study human behaviour and focuses research efforts on the empirical study of economic decisions using experimental or quasi-experimental methods<sup>2</sup>.

Research in behavioural economics has provided results with interesting implications for public policies in general. First, this approach points to new policy tools, such as the change of pre-set options or rethinking of incentives in terms of losses, that can be used to encourage individuals to make certain decisions that lead to an improvement in their well-being. Second, in incorporating people's real behavioural traits, behavioural economics provides better forecasts about the impact of any type of policies that governments are pursuing. Finally, this perspective highlights new implications for social welfare in identifying utility gaps resulting from certain typical biases in people's behaviour<sup>3</sup>.

As a result, behavioural economics has gained ground in the design and implementation of public policies. Examples include experiments to increase participation in retirement plans, in which interventions based on the definition of pre-set options have been used, such as automatic enrolment in a defined contribution pension plan<sup>4</sup> or in an incremental contribution plan over time<sup>5</sup>. The effectiveness achieved by these trials has led to the creation of offices within some governments, such as Britain's Behavioural Insights Team, which have focused their work on building solutions to various public problems based on behavioural economics. All this has resulted in the incorporation of this approach in Latin America and the Caribbean through organizations such as the Inter-American Development Bank (IDB), the MineduLAB of the Ministry of Education of Peru and the Mexican Institute of Behavioural Economics (IMEC)<sup>6</sup>.

<sup>1</sup> McDonald, Ian M (June 2008) "Behavioural Economics". In: *Australian Economic Review* 41, n.º 2: 222-28, <https://doi.org/10.1111/j.1467-8462.2008.00503.x>.

<sup>2</sup> Wilkinson, Nick and Klaes, Mathias (2012). *An Introduction to Behavioral Economics*, 2.<sup>a</sup> ed. Londres: Palgrave Macmillan. Available at: <https://www.macmillanihe.com/page/detail/An-Introduction-to-Behavioral-Economics/?K=9781137524126>

<sup>3</sup> Chetty, Raj (May 2015) "Behavioral Economics and Public Policy: A Pragmatic Perspective". In: *American Economic Review* 105, n.º 5: 1-33, <https://doi.org/10.1257/aer.p20151108>.

<sup>4</sup>Madrian, Brigitte C. and Shea, Dennis F. (November 2001) "The power of suggestion: inertia in 401(k) participation and savings behavior". In: *Quarterly Journal of Economics* 116, n.º 4: 1149-87, <https://doi.org/10.1162/003355301753265543>.

<sup>5</sup>Thaler, Richard H. and Benartzi, Shlomo (2 February 2004). "Save More Tomorrow™: Using Behavioral Economics to Increase Employee Saving". In: *Journal of Political Economy* 112, n.º 1: S164-87, <https://doi.org/10.1086/380085>

<sup>6</sup> Scartascini, Carlos (17 de diciembre de 2016). "Economía del comportamiento para mejores políticas públicas", *Ideas que Cuentan* (blog), <https://blogs.iadb.org/ideas-que-cuentan/es/economia-del-comportamiento-para-mejores-politicas-publicas/>

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SELA is implicitly mandated to contribute to existing efforts in training and disseminating behavioural economics to promote the design of better public policies in Latin America and the Caribbean. For this reason, it plans the organization of a training workshop in this area that focuses on the concepts and instruments necessary to carry out better economic policies in the region.

### **B. Objectives**

1. Know the conceptual fundamentals for behavioural economics.
2. Analyze the design of economic policies based on behavioural economics.
3. Provide for the implementation of economic policies based on behavioural economics.

### **C. Expected results**

Organization of a workshop that will provide directors, managers and officials of the ministries of economy, finance and trade of the region with knowledge based heavily on practice that will enable them to start in the design and implementation of economic policies based on behavioural economics. To that end, the workshop will be based on a mixed teaching strategy that considers both conceptual lessons and the resolution of case studies taken from real experiences.

### **D. Format of the activity**

Virtual, with technological resources of the Permanent Secretariat.

## **Activity I.2.4. Ecotourism and its role in the promotion of sustainable development**

### **A. Background and justification**

Among the goals and objectives outlined in the 2030 Agenda, which has been agreed upon by the heads of State and senior representatives of the nations of the world within the United Nations Organization (UN), is the promotion of productive transformation of the economies in the region towards sustainable and inclusive growth. This promotes poverty reduction, the support to the economy of subsistence concerning primary goods and the incorporation of small States to the use of the most modern technological tools

In this context, tourism is one of the activities that are constantly being subject to evaluation, due to the impact that it can have on the environment. This activity, according to the World Tourism Organization (UN WTO, 2016), generates more than 8.7% of the employment in Latin America and represents 9.3% of global GDP.

In addition to encouraging greater promotion to tourist destinations as an important activity for these countries, a mechanism of preservation and conservation of the environment must be encouraged. Thus, ecotourism emerges as a new way of developing tourist activities as a source of resources, while raising awareness about the need and importance of preserving the environment for future generations.

The International Ecotourism Society defines this new form of tourism as a responsible way to enjoy natural areas, which seeks to preserve the environment and improve well-being of residents through the prevention and mitigation of the environmental impact of tourist activities and the promotion of environment awareness and culture.

Ecotourism points to sustainable growth, as it is aligned with the 2030 Agenda, particularly in terms of its objectives, including: i) Ensure sustainable consumption and production patterns; ii) take urgent measures to combat climate change; iii) preserve and use oceans, seas and marine resources in a sustainable manner; and iv) promote the sustainable use of terrestrial ecosystems.

There are successful experiences in the development of this type of activities. Such is the case of the initiative of the Spanish Ministry of Industry, Energy and Tourism, which in 2012 decided to carry out the transformation of the tourism model based on the concepts of technological innovation, sustainability and accessibility, in order to preserve the tourist capacity of this nation. It should be noted that Spain is the second country in tourism expenditure and the third one in the number of tourists received annually at the global level.

Within the region, several countries have worked to promote this form of tourism and implement best practices in environmental conservation.

With this initiative, the Permanent Secretariat of SELA aims to open a space for the generation of debates and discussions on ecotourism and sustainable development, in order to expand links with other regions that are more advanced in this field and share experiences and best practices. Thus, this is a contribution towards the achievement of the goals of the 2030 Agenda through the promotion of tourism and the increase of well-being of communities.

## **B. Objectives**

1. Disseminate regional and extra-regional experiences and initiatives on smart tourist destinations and ecotourism, highlighting the barriers that have been faced in implementing these activities, from the institutional standpoint, and the various ways to overcome them through public-private partnerships;
2. Identify the benefits of ecotourism in terms of environmental, economic, cultural and social matters, while considering the objectives of the 2030 Agenda; and
3. Provide a meeting space for cooperation between public and private organizations with the purpose of promoting ecotourism initiatives and Smart Tourist Destinations in the region, through the collection and dissemination of statistical data (Open Data) for designing and implementing the most suitable public policies.

## **C. Expected results**

1. Holding a Regional Meeting that convenes tourist focal points of the Member States of SELA, with the purpose of promoting ecotourism in Latin America and the Caribbean as an engine for sustainable growth; and
2. Establishing working groups between public and private organizations, which addresses the recommendations stemming from that forum

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### **PROGRAMME: TRADE FACILITATION**

#### **PROJECT I.3. Programme for strengthening the Latin American and Caribbean Network of Digital and Collaborative Ports**

##### **Activity I.3.1. VI Latin American and Caribbean Regional Meeting of Port Logistics Communities**

#### **A. Background and justification**

The Permanent Secretariat of SELA, in continuous cooperation with CAF-development bank of Latin America and its CAF-LOGRA Programme, launched in 2014 the "Programme for the Creation of the Latin American and Caribbean Network of Digital and Collaborative Ports: towards strengthening port logistic communities, service standards and technological innovation for a globalized, logistically competitive and sustainable foreign trade" (hereinafter referred to as D&C Ports Network Programme), with the aim of proposing to the region a new interinstitutional collaboration and specialized technical cooperation system that promotes the strengthening of public policies for the national port sector and encourages the implementation of technical recommendations at the local level, in each port system, so as to increase the competitiveness and sustainability of the port logistics chain.

One of the port modernization mechanisms promoted by the D&C Ports Network Programme is the effective and permanent implementation of the public-private and academic partnerships called Port Logistics Communities. Through a new approach to strategic thinking and long-term common vision among the stakeholders of a port zone, they emerge as a tool for management and coordination among the various actors that interact in the processes of export and import of goods, alluding to the public-private collaborative work along the port logistics chain. As a challenge, these port logistics communities have to become industrial clusters that not only are focused on their value chain, but also on the strengthening of their links with local productive linkages, science and technology, and healthy development in harmony with the environment.

The Programme consists of 28 port systems belonging to 13 countries: Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, Guatemala, Jamaica, Mexico, Panama, Peru, Trinidad and Tobago and Uruguay.

In March 2017, the D&C Ports Network established its own governance together with its collaborating members, which will enable it to carry out a work programme in the scientific and technological fields, management and sustainability of port logistics communities and public policies related to transport and trade for port development and logistics.

Different technical cooperation actions and internal work have been carried out in collaboration with the various stakeholders of each port logistics community, and four meetings and scientific research colloquies have been held to update the subject each year.

In 2020, as part of the efforts to implement the *Work Programme for the year 2020* and due to the difficulties in conducting the "V Latin American and Caribbean Regional Meeting of Port Logistics Communities", the Permanent Secretariat organized a cycle of virtual activities that enabled participants to gain knowledge about the best practices and experiences of port communities in the context of the pandemic affecting the world economy. In this connection, it organized a cycle of webinars related to the port sector, which focused on very specific and interesting topics about

the port reality and its perspectives, the challenges of technological innovation and women's leadership in the port sector as a regional trade enhancer.

In addition, as part of the activities scheduled for 2020, the new portal of the Network of Digital and Collaborative Ports (D&C Ports Network), a new tool that promotes technological innovation for the collaborative work of its members, was presented virtually. This will also help disseminate the work done by port logistics communities in the region, increase communication among its members, and stimulate the search for integrative solutions that enhance future logistics chains, which is particularly important in the emergency situation posed by the adverse scenario caused by the COVID-19 pandemic.

For 2021, this programme is expected to be strengthened with the incorporation of new logistical communities; the technological and information improvements that will be made through the specialized portal, both for the members of the Network and for the general public; the implementation of a training agenda for its members, and the conduction of the VI Latin American and Caribbean Regional Meeting of Port Logistics Communities.

## **B. Objectives**

1. Convene the meeting with representatives of each logistics community participating in the Network, which includes national and local authorities, as well as experts from multilateral institutions and scholars participating in the Methodological Support Groups;
2. Propose the integration of logistics and port services by commercial blocs, with the incorporation of the Pacific Alliance (AP), Common Market of the South (MERCOSUR), the Secretariat for Central American Economic Integration (SIECA) and the Caribbean Community (CARICOM);
3. Continue the discussion in port communities, including medium- and long-term strategic definitions, special treatment of project design for continuity of work with multidisciplinary teams, according to crisis priorities, for sustainability and subsequent recovery;
4. Present the results of SELA's work as a Technical Secretariat; and
5. Formulate, after the meeting of the steering committee, new proposals on the future work of the Network.

## **C. Expected results**

Conduction of the "VI Latin American and Caribbean Regional Meeting on Port Logistics Communities", as part of the strategies of cohesion and dissemination of the work advanced during the implementation of a new phase of this Programme. The VI Meeting provides for the participation of representatives of port systems making up the D&C Ports Network, as well as ministerial authorities related to this issue, organizations and experts interested in contributing to the collaborative work in this context.

## **D. Format of the activity**

Face-to-face.

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### **Activity I.3.2. Border cooperation in Latin America and the Caribbean: Solutions for asymmetric territories**

#### **A. Background and justification**

The design of health containment measures is a political process that the region had not faced. Selecting the best combination of measures becomes a complex task in the face of uncertainty about the permanence of the pandemic in the region and the absence of data to estimate its consequences on the population. Regional migration authorities face sudden and significant flows due to the vulnerability of migrant, refugee and displaced populations to the consequences of the pandemic on their employment and income. Providing healthcare to this population is difficult in countries with limited hospital capacity and a high risk of overflow of the health system. The main recipient countries of intra-regional migration flows have requested support to cover the financing of insertion processes and maintain protection projects aimed at this population.

Since the outbreak of the COVID-19 pandemic and the consequent decision of many regional governments to close partially or completely borders, it is necessary to organize a seminar that addresses the new challenges of border management. In this context, it is strategic to consider measures that promote an orderly, controlled and progressive opening of borders, and that take into account the public health situation as the first risk factor, but also the normalization of economic and exchange relations among countries.

#### **B. Objectives**

1. Propose trade and customs measures that support border trade logistics to ensure the supply and structure of regional value chains.
2. Identify border management protocols that promote citizen transit through the adoption of common standards among neighbouring countries.
3. Promote the adoption of regulations that curb the emergence of new COVID-19 expansion focuses in the exercise of border mobility.
4. Promote the development of border management prototypes in twin cities in the face of COVID-19 health control.

#### **C. Expected results**

A portfolio of public policies that ensure the restoration and continuity of the mobility of factors at border crossings and that promote regional coordination for the establishment of guidelines and regulations to overcome the consequences of the economic crisis. In creating the portfolio, particular attention will be paid to the network of twin cities that characterize the region as a territorial laboratory for the design of innovative border management policies, which can then be extended to other border spaces.

#### **D. Format of the activity**

Face-to-face.

**PROGRAMME: INFORMATION AND COMMUNICATION TECHNOLOGIES AND KNOWLEDGE SOCIETY****PROJECT I.4. Promotion of innovation and technological development****Activity I.4.1. Strategies to promote business digitization and innovation in Latin America and the Caribbean****A. Background and justification**

Digitization is defined as the intensive use of digital technologies and data for the development of new products, promotion of efficiency of business processes (production, distribution, marketing and sales), facilitation and acceleration of interconnection with consumers and related businesses. Its use is no longer an option and has become a necessity, to the point that International Data Corporation states that the level of growth of companies will be determined by their degree of digital transformation.

The changes generated by digitization have permeated all spheres of society and resulted in the Fourth Industrial Revolution (Revolution 4.0). Technological trends, such as the Internet of Things (IoT), cognitive automation, artificial intelligence, robotics and the analysis of large volumes of data, have been disruptive agents in the traditional conception of communications, business models and industrial processes.

In Latin America and the Caribbean, there are some individual success stories, but business digitization strategies remain incipient and have a smaller-than-expected impact on productivity. In fact, the benefits of new technologies are not linear and require some initial conditions, such as a minimum threshold for digital knowledge, organizational capabilities and specific competencies of human capital, which much of the business sector lacks.

These shortcomings in the adoption of digital technologies are key determinants in the stagnation of regional productivity vis-à-vis the most advanced countries, and largely explain the performance gaps between smaller production units and large companies.

Thus, in order to achieve sustained economic growth and successful integration into international markets in a competitive global economic context, the region must deepen its digital transformation processes with strong progress at the institutional level, involving representatives of the public, private and academic sectors and implementing public policies aligned with international best practices.

As part of the challenges faced, ECLAC (2019) has identified three areas into which policy interventions can be broken down. First, factors of the business environment, such as institutional frameworks, telecommunications infrastructure, support for education systems; then, factors that are inherent to investment and maintenance of technologies; and, finally, factors associated with the company which include the internal capabilities and characteristics of the industry in which it carries out its activities.

Specific actions, such as the establishment of advisory services for entrepreneurs and MSMEs on the existence and use of digital technologies, the implementation of incentives for investment in new

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technologies, the strengthening of innovation systems and the Spillover effect, are part of the strategies that countries in the region could undertake to capitalize on the benefits of digitization.

### **B. Objectives**

- 1- Survey regional efforts to promote business digitization and innovation;
- 2- Analyze and evaluate the main challenges and opportunities provided by business digitization programmes in Latin America and the Caribbean;
- 3- Encourage the exchange of regional and international best practices in the implementation of a reform agenda that promotes business digitization and innovation; and
- 4- Promote the creation of a continuous network of work for the exchange of information and experiences in this thematic area.

### **C. Expected results**

Conduction of a regional meeting that serves as a space for synergy and exchange of regional and international best practices, guiding and supporting reform processes aimed at promoting business digitization in an economic context of increased competitiveness and integration of economic circuits.

### **D. Format of the activity**

Face-to-face.

## **PROJECT I.5. Management and coordination of specialized portals**

### **Activity I.5.1. Management and coordination of specialized portals**

#### **A. Background and justification**

In line with SELA's policy of updating the information offer to the public, with particular reference to public officials, private managers, teachers and public and private researchers, the Permanent Secretariat has planned for the year 2021 the permanent review and updating of the various specialized portals as part of the process of renewing all the contents incorporated in its Web site ([www.sela.org](http://www.sela.org)).

The updating of the specialized portals aims to gather the most important topics that make up the work agenda provided for in this *Work Programme for 2021*. Although the review of all portals are scheduled, particular emphasis will be placed on the portal of the "Latin American and Caribbean Regional Programme for Small and Medium-sized Enterprises" (SELA-SMEs Programme), through which the Permanent Secretariat supports, in terms of information, the cooperation actions for the creation and strengthening of micro, medium and small-sized enterprises (SMEs) in Latin America and the Caribbean. In view of the particular relevance that the Permanent Secretariat plans to give to this programme in the coming year, an in-depth review of the respective portal is envisaged.

To that end, the number of documents registered in the databases of legal instruments and public policies will be increased and the search engine for each will be optimized. In addition, a thorough review of the links offered will be made.



The other specialized portals are: "South-South Cooperation", "Disaster Risk Reduction in Latin America and the Caribbean", "Community of Latin American and Caribbean States (CELAC)", "Free Trade Zones" and "Directory of Latin American and Caribbean Intergovernmental Agencies, Institutions and Organizations". The "Portal of the Network of Digital and Collaborative Ports (D&C)", the release of which was postponed to 2020, was published in October after being renewed from its original conception. In addition, it is expected to eventually have its own domain. This portal is part of the process of designing, building, commissioning and institutionalizing the Network of Digital and Collaborative Ports (D&C Ports Network), created and coordinated by SELA, with the support of CAF-development bank of Latin America. The ultimate goal is to capture, systematize, disseminate, and share the knowledge and information generated under the "Programme for the Creation of the Network of Digital and Collaborative Ports" and in other related instances, for the benefit, in essence, of ports and port logistics communities in Latin America and the Caribbean and as a contribution of SELA to the facilitation of foreign trade in the region.

#### **B. Objective**

Strengthen the offer of information that the Permanent Secretariat makes to the Member States through the various specialized portals making up its Web site, optimizing its access and consultation.

#### **C. Expected results**

Optimized specialized portals, which include information relevant to the topics explicitly or implicitly dealt with in the Panama Convention, to support the studies and actions of the organization according to the development and integration processes of Latin America and the Caribbean.

#### **D. Format of the activity**

Face-to-face.

## **AREA II. ECONOMIC AND TECHNICAL COOPERATION**

**PROGRAMME: SUPPORT TO ECONOMIC AND TECHNICAL COOPERATION AMONG LATIN AMERICAN AND CARIBBEAN COUNTRIES**

**PROJECT II.1. Strengthening economic and technical cooperation in Latin America and the Caribbean**

**Activity II.1.1. XXXII Meeting of International Cooperation Directors for Latin America and the Caribbean: Cooperation mechanisms for the socio-economic inclusion of migrants in host countries**

#### **A. Background and justification**

Since 2015, the 2030 Agenda for Sustainable Development has been proposed as a global transformative agenda, integrating the social, economic and environmental dimensions of development as fundamental pillars. To materialize it, it is necessary to comply with the 17

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Sustainable Development Goals. As the substantial core of the 2030 Agenda, signatories call for respect for the principles of *leaving no one behind* and *shared responsibility*, which give international cooperation a privileged position, along with the vision of reducing inequalities and expanding opportunities for all people, regardless of origin, sex, religion or social and economic status.

In the current context, in which multilateralism and globalization have given rise to growing inequality among countries that has weakened democracies, migrations and their new patterns exert significant pressure and can be the source of serious new crises, with migrants being one of the most vulnerable sectors of societies. This is a global situation in which the phenomenon of migration is exacerbated by socio-economic, environmental, political, religious, demographic and internal conflict causes, and governments and non-State actors have no choice but to invest sufficient financial and human resources to ensure that States, societies and migrants can reap the fruits of the full potential of migration in the future, if the migration policies adopted are adequate to promote development.

Migration can be a powerful driving force for sustainable development. According to the Global Migration Data Portal, the total number of international migrants for 2019 was 271.6 million, representing approximately 3.5% of the world's population and accounting for more than 9% of GDP. Of that total, 15.5% come from Latin America and the Caribbean. In addition, this is not a temporary phenomenon, but, on the contrary, it increases every year and is exacerbated by internal conflicts, natural disasters, and economic crises that produce a sudden and numerous migratory flow.

In this scenario, SELA, as an organization that promotes intra-regional cooperation to accelerate the economic and social development of the region, will undertake the necessary efforts to make international cooperation (North-South, South-South and Triangular) more efficient and effective, as well as respond to the challenges posed in the new international context, particularly after the devastating consequences of the COVID-19 pandemic, reflected in the 2030 Agenda for Sustainable Development. SELA will also support the achievement of the targets agreed upon in the 17 Sustainable Development Goals, with particular reference to targets 3, 5, 7, 8, and 10 of Goal 8 (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all) set out below:

*8.3: Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro, small and medium-sized enterprises, including through access to financial services.*

*8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.*

*8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.*

*8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.*

*8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.*

The countries of Latin America and the Caribbean have shown that, despite their heterogeneity and the challenges they face, they have many experiences to share for sustainable development and universal implementation of the 2030 Agenda. The issue of migration and cooperation to achieve a migration governance that allows migrants access to labour markets can be an initiative of the greatest importance in this context.

The aim is to find cooperation mechanisms that help explore paths for a migration governance that includes the discussion of strategic programmes with a view to addressing the challenges posed by the inclusion of migrant populations in the labour markets of host societies.

Employment policies and strategic partnerships are required to seek effective and sustainable solutions. The International Labour Organization (ILO) argues that partnerships of governments, academics, mass media, local authorities and migrants with representatives of working life and business and trade unions are fundamental to public perceptions. To that end, it promotes social dialogue based on the formulation and implementation of labour migration policies that bring sustainability and legitimacy to development programmes that support decent work. This approach to cooperation that proposes the search for mechanisms to address the problem will help identify best practices and achievements in the management of labour migration in the region.

#### **B. Objectives**

1. Identify the main opportunities and challenges of international, triangular and South-South cooperation in the search for socio-economic inclusion of migrants in host countries.
2. Promote an institutional framework and guiding principles that contribute to the design of migration policies governing human mobility and its insertion into labour markets, as set out in the Sustainable Development Objectives (SDGs), specifically Goals 8 and 10.
3. Disseminate successful governance best practices related to immigration procedures that have enabled the development of regular pathways and sustainable integration measures.
4. Learn about successful work promotion experiences for migration contingents in our region.

#### **C. Expected results**

1. Evaluation of public policies implemented to date in order to identify, improve and strengthen mechanisms for the socio-economic insertion of migrants into recipient countries.
2. Identification of the main programmes and projects that the various regional and subregional cooperation schemes in Latin America and the Caribbean have implemented on the situation of migrants in the labour markets of recipient countries.
3. Design of proposals and mechanisms to move towards migration governance, in accordance with Goals 8 and 10 of the 2030 Agenda for Sustainable Development.
4. Survey of information on best practices in this field.
5. Systematization of experiences for the promotion of the labour insertion of migrants in our region.

#### **D. Format of the activity**

Face-to-face.

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### **Activity II.1.2. Meeting on Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean: Coordination to improve disaster responsiveness. The case of epidemics and pandemics**

#### **A. Background and justification**

Since 2010, the promotion of public-private partnerships for disaster risk management has been a priority for the Permanent Secretariat. Special attention has been given to the implementation and monitoring of public policies with the support of the private sector, as well as to the continuity of business and operations in the face of disaster situations. This behaviour is supported by Memoranda of Understanding signed with the United Nations Office for Disaster Risk Reduction (UNDRR) to promote cooperation and coordination in the area of disaster risk reduction in Latin America and the Caribbean. Their fundamental basis are the mandates emanating from the Latin American Council.

By 2021, disaster risk management will focus on coordinating Member States' efforts to deal with epidemic and pandemic situations.

The COVID-19 Pandemic has been one of the worst challenges humanity has ever faced. The situation generated by the virus exceeded any forecasts, analyses or responsiveness by countries in general, including the region. This reality brought about a necessary reaccommodation of priorities, policies, measures and action plans. SELA, as a regional body, cares a lot about this scenario, and in reviewing its work programmes, it decided to redirect its efforts to those areas where Member States require more support. Accordingly, the Permanent Secretariat has considered it relevant to include a study on improved responsiveness of countries to disaster situations, specifically in the case of epidemics and pandemics. Based on this approach, the Permanent Secretariat will work on public-private partnerships (PPPs) for disaster risk reduction in Latin America and the Caribbean, with particular emphasis on the great impact they have on health systems and the socio-economic area.

With this perspective in mind, the Meeting on PPPs will aim to review and monitor public policies adopted by government authorities in situations of pandemics and epidemics. The COVID-19 emergency has shown the vulnerability and fragility of many governments to scenarios like this. However, the efforts made by many of them in containing the virus were included in the public policies implemented, although some of the latter have been considered drastic at the beginning.

This meeting is designed for public and private authorities, with the support of relevant regional and international organizations, to share information and experiences that facilitate the analysis of government contingency and continuity plans in disaster situations, with the ultimate goal of identifying and exchanging best practices once capacity-building needs have been identified. It also aims to lay the foundations for coordinating a regional response in crisis situations and establishing a common resource mobilization strategy.

The Permanent Secretariat considers of paramount importance the contribution of tools that develop preparedness and response capacities in managing crises linked to cases of epidemiology. For this capacity building, consideration shall be given to the recommendations of regional organizations specializing in health and risk management, multilateral institutions such as the World Health Organization and the Pan American Health Organization (WHO/PAHO), the United Nations Office for Disaster Risk Reduction (UNDRR), the United Nations Office for Humanitarian Affairs

(OCHA), among others, as well as private entities called to alleviate adverse conditions resulting from such disaster situations.

The developments arising from the COVID-19 pandemic highlighted the need for the international community to achieve greater cooperation and coordination from organizations specializing in the subject that can provide assistance. Public-private partnerships established in Latin America and the Caribbean may be the necessary vehicle to achieve this synergy, creating spaces that allow greater burden-sharing; avoiding duplication of efforts, time and resources; and focusing efforts on the common goal of reducing disaster risks in the event of epidemics and pandemics.

Within this field of action, the Permanent Secretariat aims to address issues that contribute to debates in search of better solutions, with technical assistance and support for national risk management systems being at the heart of national risk management systems through the strengthening of national disaster preparedness and response capacities.

It is important to design strategies to deal with the various scenarios created in cases of pandemics and epidemics, such as the confinement of the population and its aftermath; their healthcare and treatment; mandatory medical isolation protocols; the stagnation of the production apparatus and the consequent economic losses; the vulnerability of older adults, self-employed workers and small and medium-sized enterprises, among others. It is a challenge to find solutions that help significantly reduce the effects caused by this new kind of disaster. In particular, countries should develop the expertise needed to deal with, manage, and withstand this extraordinary kind of disaster.

In view of the above, the Permanent Secretariat of SELA, in conjunction with WHO/PAHO, UNDRR and OCHA, will organize the " Meeting on Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean: Coordination to improve disaster responsiveness. The case of epidemics and pandemics" to address issues that are defined as priorities by Member States' national authorities responsible for disaster risk reduction.

## **B. Objectives**

1. Promote the construction of public-private partnerships to improve responsiveness to disaster risk situations, in particular epidemics and pandemics, with the help of government and private focal points in the region and the implementation of actions in this matter, in conjunction with the United Nations Office for Disaster Risk Reduction (UNDRR).
2. Boost complementarity between the public and private sectors in disaster situations, in cases of pandemics and epidemics, through the exchange of knowledge and experiences among the different stakeholders in risk management.
3. Identify best practices in public policies to deal with disaster situations in the event of pandemics and epidemics.

## **C. Expected results**

Conduction of the "Meeting on Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean: Coordination to improve disaster responsiveness. The case of epidemics and pandemics".

## **D. Format of the activity**

Face-to-face

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### **Activity II.1.3. X Meeting of the Working Group on Trade and Competition. Joint UNCTAD-SELA project**

#### **A. Background and justification**

The Latin American Council of SELA, through Decision N° 519 (2010), supported the establishment of the Working Group on Trade and Competition (WGTC) with the purpose of achieving the institutional strengthening of the countries in the region in the field of trade and competition by facilitating the exchange of knowledge and experiences, promoting regional consultation and looking for economic and technical cooperation from both the region and the relevant international organizations in the matter.

In addition, through Decision N° 530 (2011), the Council instructed the Permanent Secretariat of SELA to provide technical support for the organization and development of activities related to trade and competition determined by said Working Group, which operates in cooperation with UNCTAD. In coordination with the Permanent Secretariat of SELA and the General Secretariat of UNCTAD, acting as its Executive Secretariat and Technical Secretariat, respectively, the GTCC has held the following meetings:

The First Meeting of the WGTC was carried out in Bogota, Colombia, on 4 and 5 July 2011, with the purpose of confirming and strengthening the Working Group as a unique regional forum of authorities in charge of trade and competition for cooperation, consultation and coordination in that field at the regional level.

The II Meeting was held in Lima, Peru, on 28 and 29 June 2012, with the purpose of carry out the discussion of the terms of competition contained in regional agreements on trade integration, government procurement and its relationship with competition, as well as the challenges posed by cross-border anti-competitive practices for the countries of Latin America and the Caribbean.

The III Meeting, held in Buenos Aires, Argentina, on 24 and 25 September 2013, focused on trade and competition in the energy and hydrocarbons market, institutional capacity-building, competition policy in the sector of telecommunications, the benefits from the competition policy in the provision of goods and services, the promotion of small and medium-sized enterprises (SMEs), inter-institutional cooperation, and recent legislative reforms in the areas of trade and competition in the countries of Latin America and the Caribbean.

The IV Meeting took place in Punta Cana, Dominican Republic, on 5 and 6 November 2014. The issues discussed were as follows: Litigations of Latin American and Caribbean countries in the WTO and the underlying issues regarding competition policy, trade and competition in the foodstuff market, collusion and transparency in government procurement, air transport and communication means as strategic tools for the promotion of competition, competition policy and trade facilitation measures, as well as a space devoted to the discussion on the future of the WGTC.

The V Reunion, held in Manta, Ecuador, on 2 to 4 December 2015, addressed for the first time the interaction between trade and competition policy within the framework of the integration of Latin America and the Caribbean, with the participation of representatives of regional and subregional integration schemes.

The VI Annual Meeting of the WGTC was conducted from 2 to 4 November 2017 on the island of Roatán, Honduras. Participants analyzed the harmonization of regulatory frameworks in the field of trade and competition in subregional integration mechanisms in Latin America and the Caribbean and the treatment of dumping in trade and competition laws.

The VII Annual Meeting of the Working Group took place in San Salvador, El Salvador, on 12 and 13 October 2017. It dealt with issues related to the digital economy and the treatment of non-tariff barriers and their impact on competition in the countries of Latin America and the Caribbean.

The VIII Annual Meeting of the Working Group was held in Brasilia, Brazil, on 10 and 11 October 2018, with the purpose of analyzing the importance and impact of maritime transport, infrastructure and port services on trade and competition in Latin America and the Caribbean.

The IX Meeting took place in Asunción, Paraguay, on October 3 and 4, 2019, to analyze the interaction between trade and competition policies in order to promote technological innovation and productive transformation in Latin America and the Caribbean.

## **B. Objectives**

1. Exchange experiences with authorities in charge of trade and competition in the Member States concerning priority issues on the regional agenda arising from discussion among trade and competition authorities in the region, with the support of specialists in the field who represent the private and academic sector.
2. Develop an analytical study on the subject that, by consensus, shall be determined by trade and competition authorities in the region.

## **C. Expected results**

1. Conduction of the "X Meeting of the Working Group on Trade and Competition. Joint UNCTAD-SELA project".
2. Analytical study on the current trade and competition situation in Latin America and the Caribbean.

## **D. Format of the activity**

Face-to-face.

### **Activity II.1.4. Training workshop: "Free competition in public organizations. Compliance and management tools"**

#### **A. Background and justification**

In the exercise of their public powers, state administration bodies are subject to the free competition laws of countries. While the actions of public institutions that are expressly governed by law do not constitute anti-competitive practices per se, they are not exempt from legal scrutiny in situations where they exceed their powers by taking decisions that may affect free competition in markets. In turn, in the exercise of their functions, public services have a constant and important

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interaction with economic operators, so many of their decisions can have an impact on competition in the markets in which those actors participate.

In addition, public institutions should ensure that their actions (rules or administrative acts) do not affect free competition and their decisions are based on criteria of free competition, as well as adopt sufficient preventive measures to understand and manage the risks of free competition in the public sector. Thus, it is vitally important to discuss the reasonableness of the elements that underpin the decisions of public bodies, as well as the potential effects that they may have on the good performance of the competitive process.

Thus, the need arises to train public bodies whose decisions have a direct impact on markets of paramount importance to society (e.g., telecommunications, health, public infrastructure). To that end, online training is proposed to managers of public bodies throughout Latin America.

The proposed workshop will be developed in conjunction with the Free Competition Programme of the Pontifical Catholic University of Chile, a reference in academic research, training of students and professionals in free competition and related areas: Compliance and free competition; corporate governance and free competition; economic regulation, regulated industries and free competition; public policies, public sector and free competition; intellectual and industrial property and free competition; consumer rights and free competition; unfair competition and free competition.

### **B. Objectives**

1. Train managers of public bodies in SELA member countries in the best preventive practices of free competition.
2. Provide them with tools for a greater understanding of the subject matter and its application through the public sector.

### **C. Expected results**

Conduction of the workshop "Free competition in public organizations. Compliance and management tools", aimed at managers of public bodies in Latin America and the Caribbean. They will be instructed on the main aspects of free competition for the public sector and the necessary tools for the preventive management of legal risks in the exercise of legal powers of public bodies.

### **D. Format of the activity**

Virtual, with technological resources of the Permanent Secretariat.

## **PROJECT II.2. ECONOMIC AND SOCIAL DEVELOPMENT**

### **Activity II.2.1. Seminar on impact evaluation of public policies for the health sector in Latin America and the Caribbean**

#### **A. Background and justification**

The assessment of public management requires the analysis and evaluation of policies that underpin it. Through this process, it is possible to identify the causes of the deficiencies detected in the breach of the objectives set, which are related to weaknesses in the design, execution and



evaluation of defined results, plans and programmes. The formulation and implementation of policies of the executed programmes should be improved. The aim is to achieve a systematic assessment of the design, implementation and, in particular, the results and impact on the policies adopted, with a view to developing better optimization plans for public management

Citizen participation in public policy-making processes is a fundamental element and a condition that not only promotes democratic governance, but provides it with legitimacy and empowers citizens. Modern democratic societies need the active integration of their citizens into the definition of problems and solutions and their involvement in the public sphere and collective affairs.

Since 2017, the Permanent Secretariat of SELA has worked on the monitoring of public policies. That year, it organized the "Regional Seminar: Introduction to the Evaluation of the Impact of Public Policies and Programmes", whose premise was the certainty that only on the basis of impact assessment it is possible to determine what would have happened to the beneficiaries of a programme in the absence of it, because this methodology not only allows for a cause-effect analysis, but – as part of the public policy process – it also encourages learning of successful or failed cases and the accountability to citizens and the competent authorities, as the case may be.

In September 2018, the Permanent Secretariat organized the "Seminar on assessment of the impact of public policies for micro, small and medium-sized enterprises (MSMEs) in Latin America and the Caribbean". In 2019, it planned another seminar on the same topic, making emphasis on disaster risk reduction (DRR). For 2020, the focus was on social development policies, aimed at reducing multidimensional poverty and promoting social inclusion

Among the lessons learned is the fact that public policies have the potential to solve specific problems and promote social integration due to their general scope. Part of their success will depend on the possibility that they are established with adequate economic support in budgets, make the best possible use of public resources and are materialized through national development plans.

In general, impact assessment is an issue of paramount relevance to public administrations in the region. It provides technical inputs related to the exercise of good governance, in which a better results-based government management, greater transparency, accountability in fiscal sustainability, citizen participation and social inclusion must prevail.

In this scenario, the Permanent Secretariat aims to turn impact assessment into a common methodology in public administrations and governing bodies of Latin American and Caribbean countries. That is why it carries out technical cooperation initiatives for SELA Member States, so that experts and decision-makers can exchange experiences on the results obtained, strengthen technical capabilities and promote their use in the region.

This project is being developed by the Permanent Secretariat jointly with the Latin American Centre for Development Administration (CLAD), CAF-development bank of Latin America, and the Centre for Learning and Evaluation of Results of Latin America and the Caribbean (CLEAR-LAC).

## **B. Objectives**

1. Train participants of the seminar in the design, implementation and evaluation of public policies in the health sector.

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2. Disseminate best practices and experiences in this regard, based on public interest, rational use of public resources, rationality, targeting government management to specific public problems, and incorporating citizen participation.
3. Promote technical cooperation among focal points.

### C. Expected results

Conduction of the “Seminar on impact evaluation of public policies in Latin America and the Caribbean” with a view to identifying technical tools that allow for an appropriate design and experimental implementation of public policies and adopting a methodology for impact evaluation that contributes to greater efficiency in executing public policies for the region.

### D. Format of the activity

Virtual, with technological resources of the Permanent Secretariat.

## Activity II.2.2. Development in Latin America and the Caribbean of negotiating capabilities in cyberspace governance

### A. Background and justification

Technological development has grown exponentially in recent years. Technology and digitization are essentially global and have a profound impact on all aspects of our society.

Foreign policymakers, especially those in Latin America and the Caribbean, will have to adapt to this new reality and make efforts to establish a more comprehensive dialogue with a broad spectrum of technological actors, such as companies, research institutions, countries, cities, and organizations. The goal is to develop negotiating capabilities and gain a better understanding of technological development at the international level to promote the interests of the region in the digital age.

The world of cyberspace comprises the Internet, social actors, devices and technologies connected to it. Its components range from physical infrastructure, network neutrality, encryption, data protection, even unacceptable contents. These are elements with political and geopolitical contents that include key issues such as Internet governance and cybersecurity, involving diplomats and negotiators.

Current dynamics tell us that Internet governance has brought very significant social changes and more will come, so closer cooperation between the technology industry and the authorities is needed. In this regard, it is relevant that Foreign Ministries bring the issue of Internet governance and international cybersecurity to the centre of their external policies and international strategies. More importantly, they should ensure that their diplomats have the knowledge and skills to effectively play their role in managing international governance and online security.

To achieve a successful insertion into the technological agenda at the level of international negotiations, Foreign Ministries or authorities responsible for related topics must have a staff specialized in the advances and development of the technology industry.

Internet governance requires training for multi-stakeholder diplomacy, building relationships with a wide range of state and non-state actors at the same time. Managing interstate relationships in

cyberspace will require diplomats to socialize with state and non-state actors in an international cyber community.

Problems on the digital spectrum are part of the new challenges we have to face. A situation that requires trained professionals to analyze motivations and intentions and mitigate the risks of escalation and conflict that may occur in cybersecurity, the origin and solution of which can go beyond technical measures.

Technology and Internet companies undoubtedly play a key role in setting up the international environment. Governments and their diplomats must establish cooperation with them at the international level to better understand how they work and what new technological developments are in process, and their political and geopolitical implications.

Standards of behaviour in cyberspace remain to be defined in international law. Eventually there will be a regulation on the subject. Ministries of Foreign Affairs are the actors par excellence in initiating and advancing this task, with the support of experienced diplomatic officials using networks of contacts with state and non-state actors to identify common preferences that can serve as the basis for the development of an international law in cyberspace.

In this context, traditional diplomacy must assume an active role and have a profile tailored to this time. It must develop a more strategic approach to the technology sector as new companies emerge in a wide range of countries and regions whose technology will increasingly be linked to geopolitical competition. This is how Internet and technology companies increasingly function as geopolitical actors in their own right, either by facilitating disinformation campaigns or "fake news", issuing their own international currencies or participating in new debates on international industry standards.

It is appropriate for countries to incorporate into their foreign policy agendas a chapter on techno diplomacy that considers technology and Internet companies geopolitical actors. Officials trained in this area would deal with individual technology or Internet companies, and eventually with consortia that combine related and complementary technologies.

Taking into account all of the above, a proposal is made for the Foreign Ministries of the Member States to close the existing relationship between diplomacy and technology by training their diplomatic officials, so that they acquire sufficient expertise for effective relationship with technological actors and the training necessary for future standard-setting negotiations governing the issue.

In view of the innovation of the approach, a training programme is proposed with a briefing session on cyber diplomacy and the relationship between diplomacy and technology, in order to analyze the application of diplomacy to the political and geopolitical problems that arise in digital technologies.

The training course on international, economic and trade negotiations in cyberspace would be aimed primarily at officials from the Ministries of Foreign Affairs or International Economy, as well as representatives of the academic sector. It would be carried out in partnership with the European Institute for International Studies (EIIIS). With this training participants would be able to identify the different elements of cyberspace, such as the physical infrastructure on which the Internet is built; protocols, codes, and servers that run the Internet; data contents on the web; and users, devices, machines and technologies that interact over the Internet.

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As a further goal, the Foreign Ministries of Latin America and the Caribbean are expected to understand the importance of cyberspace and to be attentive to the implications of these digital technologies for geopolitics and international relations. It is equally important that they have adequate training to contribute to the construction of Internet governance, especially because of the role of non-state actors in formulating new international law on cyberspace progressively and over time.

### **B. Objectives**

1. Train participants to operate in cyberspace with the same functions they perform in physical space, and have the ability to analyze the different agendas of cyberspace, the position of their country in them and the interest of their countries.
2. Build the capacity of officials to deal with technology players in possible areas of agreement for the construction of an agreement on standards of behaviour in cyberspace, both in terms of Internet governance and cybersecurity.
3. Ensure that public officials have the knowledge and skills to carry out their functions as they do in physical space in an international cyber community not exempt from interstate relations and conflicts.

### **C. Expected results**

Conduction of training seminars for officials of Foreign Ministries of LAC to provide them with the necessary tools for their participation in crucial discussions on Internet governance with the participation of technology and Internet companies.

### **D. Format of the activity**

Virtual, with technological resources of the Permanent Secretariat.

## **Activity II.2.3      Continuity of government operations in Latin America and the Caribbean in disaster situations**

### **A. Background and justification**

Continuity of Government (COG) is the principle by which protocols, procedures and legislation are established to enable governments to ensure their essential operations in the event of catastrophic situations. The concept of continuity of government is not new. In fact, the first continuity-of-government plans would have been developed during World War II, when the British government devised a plan to protect government and strategic facilities from the bombing of Nazi Germany.

From then on, governments, mainly those in Europe and the United States, began to refine their strategic and operational plans in the face of possible scenarios that could lead to nuclear confrontation. Such plans continued to develop during and after the Cold War, but the attacks on 11 September in the United States, earthquakes in Chile, Haiti, and Thailand, among other similar events, highlighted how vulnerable government operations and the provision of essential public services (water, power, communications, etc.) are to a natural or anthropic disaster.

The COVID-19 pandemic stressed the need to strengthen protocols, procedures and legislation to ensure continuity of government and the provision of essential public services in the face of catastrophic events. It also underscored the need to continue cooperation and coordination efforts

within each government and with neighbouring countries to ensure the proper functioning of government institutions, support by private sector institutions and attention to citizens in order to provide them with all necessary public services and, especially, health services that are required in disaster situations. In addition, the pandemic has shown that by affecting high-level government officials, the chain of command and governance is severely affected.

Continuity of government highlights the importance of disaster preparedness and response, such as rescue and healthcare of victims. It also emphasizes the need to rehabilitate critical and essential public services and maintain security and public order, for which it is crucial to have a level of continuity of operations and institutionality that enable organizations, both public and private, to remain functioning, avoiding collapse in the operation of the State and its public institutions, and ensuring that the private sector can support and complement recovery efforts.

These scenarios will require the development of protocols to ensure that authorities and officials are available to assume their roles during the emergency, can anticipate alternative locations, provide equipment and expedited access to the technology and communications required, and protect vital government information, among others.

The Government, at all levels, should anticipate actions in each of these cases and provide continuity of effective leadership, authority, direction of emergency operations and management of recovery operations.

#### **B. Objectives**

1. Schedule webinars with senior officials from Member States, as well as with regional and international experts to share information and experiences on government continuity protocols in the face of catastrophic events and in the light of COVID-19.
2. Compile the main protocols, regulations and recent studies on Continuity of Government (COG) and make them available to Member States.

#### **C. Expected results**

1. Organization of individual and/or group webinars with senior public officials from Member States, as well as with regional and international experts.
2. Compilation of the main protocols, regulations and recent studies on Continuity of Government (COG).

#### **D. Format of the activity**

Virtual, with technological resources of the Permanent Secretariat.

### **Activity II.2.4. Management of economic policy for social, resilient and inclusive development**

#### **A. Background and justification**

The confinement generated by COVID-19 has jeopardized the economy of most countries around the world. The International Monetary Fund (IMF) forecasts a global recession, with Latin America and the Caribbean being the region most affected, with a decline of 5.2% by 2020. This is due to the sharp decline in both demand and production of goods and services. In addition, companies that continue to operate part-time experience inventory backlogs. In this scenario, there

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are fractures in the dynamics of global supply and demand, which could eventually be part of the recipe to trigger a financial crisis in the world, and especially within emerging economies.<sup>7</sup>

This situation has forced governments to implement expansive fiscal policies to preserve jobs and prevent the bankruptcy of strategic companies for the productive structure of the country. Maintaining these measures over time could lead to a number of other distortions in the economy that can have a negative impact, accentuating the crisis in the medium term.

The 2008 financial crisis highlighted weaknesses in the traditional financial and monetary policy framework. Financial regulations focused on preserving the stability of the financial system from an idiosyncratic perspective; that is, from the sum of the institutions seen individually, without looking at the risks to the financial system as a whole. The high costs of this crisis and the flaws that led to it have generated a consensus among politicians, technicians and academics about the need to develop a macro dimension of financial regulation, or macroprudential regulation (CEMLA, 2013).

The IMF defines macroprudential policy as one that uses prudential instruments to prevent the accumulation of systemic risks, limiting the risk of widespread disruptions to the provision of financial services and thereby minimizing the impact of such disruptions on the economy. In addition, it defines systemic risk as the risk of disruption in the provision of financial services caused by deficiencies of part or all of the financial system that can have a significant effect on economic activity.

In recent years, regulatory authorities in Latin America and the Caribbean have been increasingly incorporating macroprudential policies into their toolbox. The macro-financial environment, the updating of regulatory recommendations at the global level and, in certain jurisdictions, the interventionist bias have been the main factors that have shaped the adoption of macroprudential policies in the region (Ruiz et al, 2014).

In addition, the implementation of macroprudential policies has been accompanied by the emergence of specific institutions for this purpose. For example, in the United Kingdom, a new legislation was passed that restores the power of financial regulation in the Bank of England and creates the Financial Policy Committee chaired by the Governor of the Bank of England. The United States also established a similar committee, the Financial Stability Oversight Committee (FSOC), chaired by the Secretary of the Treasury, with a mandate to act against systemic risks. Steps have been taken in Latin America in the same direction. In Mexico, Chile and Uruguay, financial stability councils were created in 2010 and 2011, chaired in all countries by the Minister of Finance. However, there is great heterogeneity between the different countries of the region, as the impact of global and regional turbulence generates significant changes in each of them. Global regulations have been adopted at different speeds and local regulators show different preferences regarding the degree of intervention and willingness to use macroprudential policies as a substitute for traditional monetary policy instruments. In addition, it should be noted that the macroprudential policy in Latin America has focused on both capital and liquidity and, to a lesser extent, credit markets, which does not mean that regulators have not faced the risks associated with excessive credit expansion in recent years.

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<sup>7</sup> Martínez, Leonardo (2020) *Fuentes de inestabilidad financiera en Latinoamérica ante la expansión del COVID-19*. Disponible en: <http://www.sela.org/es/imprimir/?n=64261>

In this context, the Permanent Secretariat of SELA is a priority to expand the technical capabilities of economic policymakers in the implementation of macroprudential policy schemes that minimize the risks of financial crises, even more in the scenario of uncertainty generated by COVID-19.

## **B. Objectives**

1. Disseminate among focal points for monetary and financial policy the advantages of implementing macroprudential policies and the different institutional models necessary for their implementation.
2. Train monetary and financial policymakers in the design and implementation of macroprudential policies, in order to minimize post-COVID-19 effects.

## **C. Expected results**

Monetary and financial policymakers trained in the design and implementation of macroprudential policies, in order to minimize the negative effects of the economic crisis arising from confinement in the countries of the region.

## **D Format of the activity**

Face-to-face.

### **Activity II.2.5. Prospective vision of the social and economic environment of crises in Latin America and the Caribbean**

#### **A. Background and justification**

Since the 2008 economic crisis, Latin America and the Caribbean have recorded moderate growth rates. According to figures published by the International Monetary Fund (IMF), during the period 2009-2019, the region recorded an average growth of 1.6%, an increase compared to that recorded in the decade 1998-2008 of 4.1%.

COVID-19 has forced isolation measures that have largely paralyzed economic activity in the countries of the region. In this context, by 2020, the region's growth projections are not favourable; the IMF estimates a contraction of -5.2% in Latin American and Caribbean GDP.

This scenario underscores the need to generate tools that allow the design of response actions in the medium and long term. The forward-looking view refers to the possibility of building the future through deterministic or probabilistic techniques. Michel Godet, who was one of the pioneers of this discipline, proposed that the credibility of the prospective is increased with the relevance, coherence and feasibility of the scenarios and the importance of their consequences<sup>8</sup>.

The effects of the crisis on the economic and social sphere are already manifesting itself. Countries in the region foresee significant contractions in the various productive sectors, which would result in increased unemployment and a sharp reduction in consumption. While a crisis such as that caused by the emergence of a pandemic is difficult to predict, it is imperative to design indicators that help anticipate shocks and lead to timely decision-making to mitigate negative effects.

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<sup>8</sup> Michel Godet (2007) *Manual de la prospectiva estratégica: problemas y métodos*. San Sebastian: Prospektiker. Available at: <http://www.lapropective.fr/dyn/francais/memoire/Cajadeherramientas2007.pdf>

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In view of the above, SELA developed an early warning indicator, called the External Vulnerability Index, which identifies the emergence of periods of instability in fiscal and indebtedness indicators of countries. The Permanent Secretariat will continue to improve this indicator, as well as design tools to analyze and identify the current behaviour of different variables that could trigger future irregularities in our economies. In this regard, the Permanent Secretariat of SELA proposes the organization of a seminar where technicians and representatives from different countries of the region present initiatives for economic and social prospects.

### **B. Objectives**

1. Present quantitative tools to provide a forward-looking view of possible events affecting the economic and social dynamics of the region.
2. Raising awareness of the importance of developing techniques to anticipate future behaviour in different socio-economic variables.

### **C. Expected results**

Organization of a face-to-face seminar on the importance of a medium- and long-term view of the effects of crises in the region, which would also provide attendees with a set of tools that could facilitate the design of public policies that offer timely responses to the economic and social needs of countries in the region.

### **D. Format of the activity**

Face-to-face.

### **Activity II.2.6. Multidimensional development indicators. Public Policy Support Database (Phase 2)**

#### **A. Background and justification**

For more than a century, nations have established a set of public policies with the aim of achieving long-awaited development. The concept is difficult to assert given its complexity and multidimensionality, so it is challenging to measure the fulfilment of goals. The notion of development has incorporated dimensions and angles into a multidimensional concept that must consider economic, political, social, cultural, technological, ecological, present and future generations.

Simultaneously, the general readings made way for details: from global measurements to regional and local measurements, from the calculation of averages to the analysis of deviations, from quantitative indices to qualitative indicators, from objective assessments to subjective perceptions. As a result, a number of indices of various kinds is observed, promising to measure conditions and/or variables in different dimensions of the development of countries, some broader and other more specific, but definitely all relevant.

Having a space to access all these measurements is of great value to researchers and public policymakers, avoiding to invest in the creation of measurements that may have already been developed and promote the intensive use of existing ones.



## **B. Objectives**

The objective of the project has been to compile a significant number of multidimensional development indicators to make them available to researchers and public policymakers, particularly in the Latin American and Caribbean region.

In its first phase, 40 indicators and an explanatory document of their relevance were delivered. In this second phase, the objective is to add 40 indices, expanding the database that the SELA can use and make available.

## **C. Expected results**

A document and its respective database, which includes 40 multidimensional indices that consider different aspects of development. This completes a database of 80 free access indicators that will be available to the community of researchers and public policymakers on SELA's portal, helping them disseminating their projects and activities among the countries in the region.

## **D. Format of the activity**

External Consultancy.

### **Activity II.2.7. Multidimensional poverty and inequalities in Latin America and the Caribbean: Policies for social inclusion and welfare**

#### **A. Background and justification**

Poverty can be understood as the phenomenon in which monetary income fails to meet a minimum threshold or a person suffers a certain number of deprivations that affect his/her quality of life. In this context, the Oxford Poverty and Human Development Initiative (OPHI) and the United Nations Development Programme (UNDP) developed the Multidimensional Poverty Index (MPI), in order to have an instrument capable of capturing, robustly and with a replicable methodology among countries, the state of the art regarding the number of deficiencies or deprivations that people suffered, for more than 100 countries, in the dimensions of health, education and access to basic goods and services.

The Multidimensional Poverty Index (MPI) is updated every year and published based on the statistical information needed to be able to perform analyses and comparisons among countries. For the 2019 issue, the results showed that 1.3 billion people are in multidimensional poverty, 66.6% live in middle-income countries and 50% of them are people under 18 years of age, reflecting a critical situation: Increase in income is a necessary but not sufficient condition for societies to fall out of the cycle of poverty, and young and dependent people are the most vulnerable to multidimensional poverty (OPHI, 2019).

The eradication of poverty and extreme poverty and the reduction of inequality in all dimensions continue to be a major challenge for the countries of Latin America and the Caribbean. While the region made significant progress in this area from the beginning of the last decade to the middle of this decade, since 2015 there have been setbacks, particularly in extreme poverty (ECLAC, 2018).

In 2017, 10.2% of Latin America's population was in extreme poverty and 30.2% in poverty.

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Moreover, while income inequality has been reduced over the past 15 years, the rate of decline has slowed in recent years, and Latin America and the Caribbean remains the most unequal region in the world. In 2017, the simple average of Gini indices of 18 Latin American countries was 0.47. This fact is worrying and sends warning signs, especially in a regional context of low economic growth and profound demographic and labour market transformations (ECLAC, 2019).

Understanding the different dimensions of poverty, and recognizing that inefficient inequality represents an obstacle to growth, development and sustainability, it is necessary to promote and implement policies for equality and reconsider the synergy between equality and growth, insofar as many social policies, because of their impact on human capacities, contribute to increased productivity and are a stimulus to economic growth.

The Permanent Secretariat, as a regional member of the *Multidimensional Poverty Peer Network*, conducted in 2019 the *Technical Workshop on advances in public policies for multidimensional poverty reduction in Latin America and the Caribbean*, in collaboration with the Government of the Republic of Paraguay, through the Ministry of Social Development and the Social Cabinet of the Presidency, and the support of the Mercosur Social Institute (ISM). In order to strengthen the organization's social agenda, it will continue the thematic line of multidimensional poverty, expanding its understanding by adopting the paradigm of social inclusion and analyzing socio-economic inequalities as structural barriers to overcoming multidimensional poverty in the region.

### **B. Objectives**

1. Train officials in charge of social development and planning in the management of the concepts and methodologies used for measuring multidimensional poverty;
2. Disseminate best practices and experiences of successful social programmes and policies for poverty reduction in Latin America and the Caribbean; and
3. Facilitate better coordination among national authorities in Latin America and the Caribbean responsible for social development, multilateral organizations and regional development banks in the design and implementation of public policies and programmes for poverty reduction in the region.

### **C. Expected results**

Conduction of the regional workshop "*Multidimensional poverty and inequalities in Latin America and the Caribbean: Policies for social inclusion and welfare*", which aims to:

1. Promote methodologies to analyze the phenomenon of poverty from a multidimensional vision among public policymakers in Latin America and the Caribbean;
2. Support the creation of a national index, by country, that reflects multidimensional poverty in Latin America and the Caribbean;
3. Create a meeting space for relevant focal points in Latin America and the Caribbean, which allows for reflection on the causes and determining factors that guarantee the success or failure and the sustainability of public policies for poverty reduction; and
4. Establish regular channels that facilitate technical cooperation among national authorities of Latin America and the Caribbean, multilateral organizations and regional development banks in order to overcome technical, operational and financial problems in the design and implementation of poverty reduction programmes and policies in Latin America and the Caribbean.

Participants in the meeting will include the national authorities of SELA Member States responsible for public policies on social development, as well as representatives from regional and international organizations, experts and scholars linked to public policies for poverty reduction in Latin America and the Caribbean.

#### **D. Format of the activity**

Face-to-face

**PROGRAMME: SELA - SMEs**

**PROJECT II.3. Latin American and Caribbean Regional Programme for Small and Medium-sized Enterprises**

**Activity II.3.1. Public Policy Index for MSMEs (IPPALC): Second issue in the Pacific Alliance and South American countries**

#### **A. Background and justification**

The pilot project for the implementation of the *Public Policy Index for MSMEs (IPPALC)* successfully completed its cycle with the publication of the report *Policies for competitive SMEs in the Pacific Alliance and participating countries of South America*, the presentation of which took place at a high-level regional meeting held in April 2019 in Lima, Peru. This report, prepared jointly by the Organization for Economic Cooperation and Development (OECD) and CAF-development bank of Latin America, in collaboration with the Foundation for Strategic Analysis and Development of SMEs (FAEDPYME) and the Permanent Secretariat of the Latin American and Caribbean Economic System (SELA), describes policies to support micro, small and medium-sized enterprises (SMEs) and provides substantive recommendations for their growth, in the context of the Pacific Alliance member countries (Chile, Colombia, Mexico, Peru), as well as Argentina, Ecuador and Uruguay.

Following the findings achieved and the guidance provided in this first phase of implementation of the tool, participating countries have been able to make some headway in the optimization of public policies for SMEs, strengthening of policy coordination, monitoring and evaluation mechanisms, and in regional regulatory convergence on relevant topics linked to SMEs.

In this connection, for a detailed measurement of the achievements made by these countries from the initial evaluation, a proposal is made to carry out this second issue, which will help detect the changes materialized on the basis of recommendations, expand the analysis to new dimensions of interest to countries and identify areas where great challenges remain. The continuity of this project is in line with the importance of this productive sector to the regional economic fabric and represents a tool for collective learning of best international practices. In addition, as has happened in the Association of Southeast Asian Nations (ASEAN) and other parts of the world, the consecutive development of this index can lead to significant changes in the performance of SMEs, the creation of regional frameworks and the strengthening of the integration process.

In order to materialize all these benefits in Latin America and the Caribbean, the time is ripe for the implementation of the second phase of IPPALC, which will count on the participation of the aforementioned seven countries and Brazil. The commitment among the OECD, CAF-development bank of Latin America and SELA will enable the implementation of this tool for the development of

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a renewed analysis that responds to the concerns of countries and becomes a reference framework for the development of instruments to support micro, small and medium-sized enterprises, as an engine of inclusive and sustainable growth.

### **B. Objectives**

1. Exchange national experiences and best practices on the basis of recommendations arising from the first stage of IPPALC-2019.
2. Establish optimal mechanisms for implementing the index within the framework of the new measurement process.
3. Determine the IPPALC analysis dimensions for this new stage.
4. Discuss the new thematic guidelines for the design of the new IPPALC evaluation questionnaires.
5. Assist policymakers targeting SMEs in the region in making decisions to promote this productive sector.

### **C. Expected results**

Organization of a subregional meeting to advance in the implementation of the second stage of IPPALC in the Pacific Alliance and South American countries.

### **D. Format of the activity**

Face-to-face.

## **Activity II.3.2 Business continuity for micro, small and medium-sized enterprises (MSMEs) in Latin America and the Caribbean**

### **A. Background and justification**

Since 2011, the Permanent Secretariat of SELA has worked on strengthening the preventive culture, and especially public-private partnerships for disaster risk reduction. In this area of action, it has promoted the continuity of business, particularly SMEs in Latin America and the Caribbean. To that end, it has conducted a variety of regional meetings, developed studies and analyses on the subject and provided training courses for representatives of these companies and national policymakers targeting them.

The Permanent Secretariat has carried out these activities in cooperation with the United Nations Office for Disaster Risk Reduction (UNDRR), through a bilateral cooperation agreement to promote private sector incorporation into risk management and thus support the work of UNDRR's ARISE (Private Sector Alliance for Disaster Resilient Societies) initiative at the global and regional levels.

The COVID-19 pandemic has shown how vulnerable our economies and societies can be, as well as the profound impact these events can have on micro, small and medium-sized enterprises (SMEs), as well as on the generation of employment and the provision of goods and services for the community.

Business managers or SME owners cannot control such complex factors as terrorism, pandemics, climate change, social and political instability, natural disasters, technological collapse, supply chain failures, or any other threat that could cause disruption or destruction of their operations. But they can prepare in the best possible way to address those scenarios, and hence the need to plan the continuity of business and operations.

Business continuity is considered the ability of an organization or production unit to continue providing goods and services, as well as to carry out its activities after a disruption of work. To that end, it is necessary to prioritize in advance which activities should continue to operate or which should be recovered in the shortest possible time to minimize the loss of markets, consumers and suppliers, among others. Business and operations continuity planning has international standards, but is essentially based on a core methodology that includes: i) Appropriate empowerment at different levels of the organization for the ongoing management of business and operations continuity; ii) Identification of priority and urgent activities to be recovered, as well as workplaces and alternative facilities; iii) The protection of information and databases and the development of communications interoperability; iv) The establishment of strategies for continuity and recovery of activities; and v) Updating of plans and programmes for checking and ensuring compliance with goals and objectives.

The Permanent Secretariat of SELA has addressed the issue of business continuity, organizing nine regional meetings on Public-private partnerships for disaster risk reduction in Latin America and the Caribbean and preparing two studies on the subject that are useful for SMEs, namely: i) *Continuity of Operations (COOP) and Continuity of Government (COG): Implementation guide for local governments and enterprises* (SP/III-SRASPPGRD/DT No. 2-14) and ii) *Continuity of business and operations during disasters in Latin America and the Caribbean. Balance and recommendations* (SP/II-SR-ASPPGRD/DT No. 2-13).

Given the current juncture imposed on us by the COVID-19 pandemic, the Permanent Secretariat has considered it appropriate to schedule a series of individual and group webinars so that business continuity experts can provide companies with the best planning tools that allow them to react in a timely manner to adverse situations and to minimize their losses, stay in the market and ensure the provision of goods and services to the community.

## **B. Objectives**

1. Provide SMEs with tools to develop their business continuity plans and programmes.
2. Collect and disseminate basic business continuity plans and programmes among SMEs.
3. Promote UNDRR's private sector initiatives: the Private Sector Alliance for Disaster Resilient Societies (ARISE) and the initiative developed by OCHA: Connecting Business Initiative, as well as other private and academic initiatives.

## **C. Expected results**

Organization of individual and group webinars with regional and international experts and representatives of institutions specialized in business continuity for SMEs in Latin America and the Caribbean.

## **D. Format of the activity**

Virtual, with technological resources of the Permanent Secretariat.

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### Activity II.3.3 Fiscal mechanisms to support MSMEs: Where are regional efforts heading to?

#### A. Background and justification

Global productive activity faces a deep recession unprecedented in recent history. Quarantine and temporary closure measures for industrial centres have led to the shutdown of payment circuits and the breakdown of domestic and international supply chains.

In Latin America and the Caribbean, this situation is even more traumatic. The consequences of the pandemic are added to the pre-existence of problems of productivity, informality, poverty and inequality that multiply the weaknesses of the region to combat the emergency situation. However, despite this unrelenting picture, there is scope for efficient policy decision-making that revitalizes the economy. To that end, and in view of the structural characteristics of the region, attention to the SME sector will be critical because of its relevance in job creation and income generation.

Although the main efforts are aimed at strengthening the health system, in the economic order the priority is to stop supply and demand shocks and avoid a long-term structural crisis. To that end, fiscal measures are extremely useful tools to promote business survival and ensure the consumption of the most vulnerable, who resent the crisis more strongly.

These fiscal strategies incorporate a wide range of policies to serve the various economic actors of the countries in the region. Measures of greatest consideration include the extension of public guarantee programmes for credits aimed at payroll payments of SMEs, the postponement of tax payments, the creation of monetary transfer programmes for the most vulnerable, and the targeting of public procurement to support the industries most affected. The structuring and implementation of these interventions are major challenges not only because of the technical capabilities required, but also because of the magnitude of the necessary financial stimulus. In the face of this, the region has a disadvantage for its high levels of indebtedness, its high country risk indicators for investment and the erosion of its tax base to raise tax revenues, which compromise its response options.

As this reality affects all countries in the region, the context of shared needs represents an opportunity to increase cooperation in disseminating the learning gained and building economic growth capacities within the framework of fiscal sustainability.

#### B. Objectives

1. Analyze the range of fiscal policies implemented in the countries of the region to support SMEs.
2. Review the expected impacts of tax decisions.
3. Discuss the different financing options available to countries to fund their tax programmes to support SMEs.
4. Promote the creation of a working group that promotes the implementation of successful tax measures to support the performance of the business sector in the region.

#### C. Expected results

Conduction of a regional meeting to discuss and analyze the fiscal policy options available to countries in the region to boost the dynamism of SMEs without compromising the sustainability of public finances.

**D. Format of the activity**

Virtual, with technological resources of the Permanent Secretariat.

**PROJECT II.4. SELA-CAF Productivity Programme****Activity II.4.1 Competitiveness and internationalization of SMEs****A. Background and justification**

The Permanent Secretariat has a work agenda aimed at promoting the productive articulation of SMEs in the region. To that end, it has developed the Productive Articulation Programme, a project that has been the subject of a non-reimbursable technical cooperation agreement signed with CAF-development bank of Latin America, focused on various activities that addressed the following topics: the identification of potential productive niches, the evaluation of the impact of public policies, and the formalization and financial inclusion of small and medium-sized enterprises. It should be noted that this Programme was developed through training activities attended by regional focal points for SMEs, who signed letters of interest as an explicit expression of their participation.

In order to carry out all these activities, the Permanent Secretariat programmed the development of strategic diagnostic workshops, the formation of methodological support groups and training workshops. In this regard, it counted on the participation and technical support of the various organizations related to SMEs, business associations and the public sector, especially those related to the formulation, evaluation and monitoring of public policies.

The methodology, which has been implemented by a group of countries in the region since 2019, aims to identify potential sectors that facilitate the strengthening of regional productive chains.

As has been pointed out on numerous occasions, SMEs are the main job creator in the world. However, in the case of Latin America and the Caribbean there is a tendency to specialize smaller companies in low-productivity activities. In addition, SMEs have additional limitations such as lack of innovation, limited access to financing and informality, among other factors that greatly affect the levels of productivity and survival of these companies.

Added to this scenario is the emergence of the COVID-19 pandemic, which has forced governments to take strict measures to contain the advance of contagions, paralyzing about 50% of economic activities. SMEs are one of the most vulnerable and affected sectors in this situation, coupled with the fragility of value chains, the lack of alternative suppliers and the dependence caused by increased market concentration.

As stated above, it is essential to continue to make efforts in generating and strengthening public policies aimed at raising productivity and employment in the search for economic structures that promote the growth and development of this sector. By 2021, the Permanent Secretariat of SELA proposes the development of activities that promote the strengthening of the business sector. To that end, it provides for the development of two topics (II.4.2 and II.4.3 of this Work Programme), which will focus on training in tools, innovation as a support strategy for SMEs and the different ways to ensure risk management during crises.

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### Activity II.4.2 Promoting innovation as a strategy to support SMEs

#### A. Background and justification

Within the framework of the activity "Competitiveness and internationalization of SMEs", SELA will carry out a virtual activity to release the most successful and viable experiences at the regional level that will enable the development of more efficient production processes. This online experience can facilitate the transfer of knowledge to a greater number of participants, thus promoting the dissemination of the activity.

#### B. Objectives

1. Identify and disseminate best practices in business innovation of some Latin American and Caribbean countries that can be replicated in other countries in the region.
2. Design a work agenda to track strategies that can be developed by participating focal points.

#### C. Expected results

1. Participants who are aware of the best practices in business innovation applicable in Latin America and the Caribbean.
2. A work agenda to follow up on the strategies developed by the participants.

#### D. Format of the activity

Virtual, with technological resources of the Permanent Secretariat.

### Activity II.4.3 Building risk management capabilities in companies

#### A. Background and justification

In the context of the programme "Competitiveness and internationalization of SMEs", this activity focused on building risk management capabilities in companies takes into account the economic effects of the pandemic and proposes the creation of a working group to give continuity to the implementation of the methodology for identifying productive niches developed by SELA.

While governments have implemented a set of fiscal and monetary stimulus measures that support SMEs in their productive activities and do not drastically reduce their employment levels, it is necessary to design long-term strategies that promote economic complexity and increased productivity. Thus, companies can reduce their vulnerability to phenomena such as COVID-19 and others of an economic or financial nature.

#### B. Objectives

1. Map regional productive niches to identify potential chains.
2. Raise awareness among participants about the importance of having tools to facilitate the design of long-term strategies that mitigate the risks for the SME sector.

#### C. Expected results

1. A regional map of productive niches



2. Participants sensitized to the importance of having tools to facilitate the design of long-term strategies to mitigate the risks for the SME sector.

**D. Format of the activity**

Face-to-face.

**Activity II.4.4 Financial education and financing instruments for SMEs in Latin America and the Caribbean**

**A. Background and justification**

In Latin America and the Caribbean, micro, small and medium-sized enterprises (SMEs) represent an opportunity for regional socio-economic development. In fact, they make up a large part of the private sector and contribute significantly to job creation. However, they face several challenges to grow, increase their productivity, and develop a profitable business model. One of the most critical factors is the difficulty in accessing financing.

Financing is a fundamental tool for the survival of these companies, not only for their growth and expansion but also for staying in the markets. Better conditions for companies to access financing result in increases in productivity, increases in technological innovation and greater likelihood of entering and surviving in international markets, as well as avoiding bankruptcy or placing the company in the hands of third parties.

Companies need financing opportunities and a financial strategy action plan that allows them to leverage acquired resources and achieve structured and successful growth. In this context, it is advisable to monitor the progress of financing and guarantees in Latin America and the Caribbean, as well as the incorporation of the analysis of innovative financing mechanisms available to MSMEs. Credit restrictions faced by smaller companies are due to several factors, including exclusion of the most vulnerable sectors from the banking system, information problems, higher transaction costs, and limited financial knowledge. Despite the banking sector's efforts to promote the inclusion of those outside this sector with new business models, financial inclusion in its entirety has not been achieved.

Financial education can counteract these effects by enhancing skills in entrepreneurship sectors to make the best use of the opportunities offered by the financial system. According to the Organization for Economic Cooperation and Development (OECD), financial education is "the process by which financial consumers/investors improve their understanding of financial products, concepts and risks and, through information, instruction and/or objective advice, develop the skills and confidence to become more aware of financial risks and opportunities, to make informed choices, to know where to go for help, and to take other effective actions to improve their financial well-being".<sup>9</sup>

The Permanent Secretariat addressed the issue of financing for MSMEs in previous opportunities from various perspectives. In its Work Programme, the Permanent Secretariat highlights the importance of financing for the development and consolidation of MSMEs, as well as the exchange of experiences and knowledge of the innovative financial instruments available to MSMEs, not only

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<sup>9</sup> OECD (2005a), *Improving Financial Literacy: Analysis of Issues and Policies*, OECD Publishing.  
<https://doi.org/10.1787/9789264012578-en>

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from the perspective of banks, but also from the view of the potential, advantages and risks they face in using Information and Communication Technologies (ICTs).

In addition to the issue of financing, MSMEs also deal with the issue of financial inclusion, highlighting the need to promote positive changes in economic behaviour and in the low levels of financial education in Latin America and the Caribbean. Faced with this situation, SELA, in its commitment to reaching common positions and strategies that benefit the quality of life of the population of the LAC countries, through its activities aims to reduce the impact of inequality and poverty in different ways, including the spread of financial literacy among entrepreneurs. SELA, through its SELA-SMEs Programme, promotes the training of financially literate entrepreneurs, whose decisions will tend to favour both their investments and the stability and development of the financial system. To that end, it promotes policymaking aimed at empowering entrepreneurs, giving them financial and economic planning tools that enable them to make business and financial decisions conducive to the development and growth of their businesses.

As a key player of this approach emerge the FinTech companies, which offer financing options for growing enterprises that have exhausted the possibilities for obtaining credit from traditional banks, focusing primarily on growth projects of companies and providing for flexibility in the requirements to be met. FinTech have the potential to improve banking efficiency and promote the inclusion of traditionally neglected social groups, such as MSMEs, considering them a window of opportunity.

Since their emergence in the financial system, FinTech companies have entered all segments of a bank's value chain. Their appeal has to do with their competitive characteristics and value proposition, which far outweigh the service offer of traditional banks, providing the customer with a simple, convenient and accessible connection anytime, anywhere. Thus, they become great allies of population groups that have normally been neglected by banks

The Latin American and Caribbean region is a fertile ground for the development of FinTech companies. Some of the countries still have precarious banking systems, few branches and a high percentage of unbanked population, a scenario that can encourage the emergence of e-market and mobile operators, thus favouring financial inclusion.

In view of the above, the Permanent Secretariat, in its programme on financial education and financing mechanisms, considers it advisable to incorporate the review of the evolution of FinTech companies in LAC region, as they will help define the banking business model of the future with the consolidation of technology platforms, highlighting the systematization and dissemination of best practices in the financial inclusion and education of MSMEs. To that end, for 2021, a proposal was made to organize the "Seminar on financial education and financing instruments for SMEs in Latin America and the Caribbean".

This activity is aimed at the government focal points responsible for designing the monetary and financial policy of SELA Member States, representatives of the banking sector, national SME authorities, FinTech companies, regional organizations and experts in the field.

### **B. Objectives:**

1. Promote the adoption of public policies on financial education that encourage MSMEs to use financial products and services, and promote the financial inclusion of beneficiaries.

2. Identify innovative financing and guarantee mechanisms in Latin America and the Caribbean that enable MSMEs to reach their potential.
3. Provide MSMEs with the knowledge necessary to acquire skills in managing their finances and defending their rights as financial consumers.
4. Recognize successful practices in the design of financial instruments and schemes aimed at meeting the needs of MSMEs, in particular the potential financing options, such as the "Fintech".

**C. Expected results**

Conduct a seminar to assess the impact and perspectives of financial technologies on financing and financial inclusion of MSMEs in Latin America and the Caribbean.

**D. Format of the activity**

Face-to-face

**AREA III. EXTRA-REGIONAL RELATIONS**

**PROGRAMME: EVALUATION AND PROMOTION OF EXTRA-REGIONAL ECONOMIC RELATIONS OF LATIN AMERICAN AND CARIBBEAN COUNTRIES**

**PROJECT III.1. Follow-up and analysis of preferential trade agreements signed among extra-regional countries that could influence their economic, trade and investment relations with Latin American and Caribbean nations**

**Activity III.1.1 Second Meeting on Latin American and Caribbean relations with the Eurasian Economic Union: Cooperation for greater regional integration**

**A. Background and justification**

Following the signing of the Memorandum of Understanding between the Permanent Secretariat of the Latin American and Caribbean Economic System (SELA) and the Ministry of Integration and Macroeconomics of the Eurasian Economic Union (EAEU) on 24 May 2018 to promote inter-institutional cooperation and strengthen relations between the two regions, the Seminar "*Eurasian Economic Union and Latin America and the Caribbean: Cooperation for greater regional integration*" was held in September 2019. This event focused on identifying opportunities for cooperation, obstacles and solutions to achieve a better synergy between the regions.

The following areas of possible cooperation between the EAEU and LAC were highlighted: i) Construction of public-private partnerships with the participation of the academic sector; ii) Design and formulation of strategies for the promotion of entrepreneurship and productive articulation; iii) Business programmes focused on gender equality; iv) Guidelines for a regional policy on SMEs; v) Transfer of innovative technology in sectors such as energy, heavy machinery, aircraft and helicopter manufacturing, telecommunications, education (creative technology centres), and vi) Investment in the region oriented towards the opening of automotive assembly lines and construction of energy facilities, among other areas.

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Participants noted that the trade relationship between the two regions has great potential to develop and currently focuses mainly on operations that revolve around the extraction of natural resources. However, they recognized that there are commercial opportunities of potential mutual interest, because both territories can be interesting markets not only for large companies, but also for SMEs. In addition, they highlighted the potential for productive chains between the EAEU and Central America, particularly in agro-industrial products, textiles, timber, industry and seafood.

In addition, they emphasized that SMEs should be considered in future cooperation efforts between the two regions, as they are key for what they represent at the economic level for LAC and could be a good liaison with the EAEU. Similarly, they agreed that both organizations should work hand in hand with UNCTAD to form a platform for long-term bi-regional strategic cooperation. This platform would help identify areas of cooperation between Eurasia and Latin America and the Caribbean. Finally, participants highlighted the importance of following up on such an important meeting, the second of which could take place in one of the EAEU member countries.

### B. Objectives

1. Follow up on the *First Seminar on Eurasian Economic Union and Latin America and the Caribbean: Cooperation for greater regional integration*.
2. Structure a shared and complementary work plan to stimulate economic cooperation between the two organizations and regions.
3. Analyze the new world patterns as a result of COVID-19 and identify areas of opportunity for both regions.

### C. Expected results

1. Continuation of the agreements reached at the First Seminar *Eurasian Economic Union and Latin America and the Caribbean: Cooperation for greater regional integration*.
2. Establishment of new strategic partnerships to improve cooperation between SELA and the EAEU, in order to promote cooperation between Eurasia and Latin America and the Caribbean.
3. Identification of areas of cooperation and economic development in which both regions can be complemented.

This activity will be aimed at national authorities of SELA and EAEU member countries responsible for public policies that support social development, as well as representatives of regional and international organizations, experts and academics linked to migration.

### D. Format of the activity

Face-to-face.

## Activity III.1.2 Forum on extra-regional cooperation. Developing technical assistance programmes for the region

### A. Background and justification

International technical cooperation is a mode of assistance offered by a country or group of countries with the aim of increasing the productive skills and capacities of those nations with lower productivity levels. To that end, the countries that provide this aid offer direct technology transfer or promote capacity building locally through the implementation of training and/or advisory programmes with international experts. In this connection, technical cooperation focuses on the

human capital needs of countries, given the recognition of their fundamental character for economic and social development<sup>10</sup>.

While technological change is a complex phenomenon that evolves slowly over time, technical cooperation stands out as one of the main factors that can drive technological convergence among countries. According to econometric estimates, an increase of one percentage point in the average flow of technical assistance as a percentage of GDP is associated with an average increase of 0.26 percentage points in the annual growth rate of total factor productivity (TFP). This value is higher than the estimated increases of 0.01 and 0.07 in the annual growth rate of the TFP associated with increases of one percentage point in the trade opening rate and in the flow of foreign direct investment as a percentage of GDP, respectively<sup>11</sup>.

The promotion and coordination of technical cooperation programmes are particularly relevant in Latin America and the Caribbean. Various indicators on TFPs in this region show that the TFP has lower levels with respect to those reached around 1980, despite the upward trend evident since the beginning of the 21st century<sup>12</sup>. Given the higher levels of productivity observed in other regions of the world, such as Asia or Europe, the development of technical cooperation programmes by countries outside the Latin American and Caribbean spheres emerges as one of the policy options to be followed in order to advance the process of economic and social development in this part of the world. For this reason, SELA proposes the organization of a forum on extra-regional cooperation focused on the development of technical assistance programmes for Latin America and the Caribbean.

## **B. Objectives**

1. Identify technical support plans offered by existing cooperation organizations in the extra-regional field.
2. Gain knowledge about ongoing technical assistance programmes between extra-regional cooperation organizations and the governments of Latin America and the Caribbean.
3. Assess regional economic and social challenges that can be addressed by existing technical cooperation offers.

## **C. Expected results**

Organization of a forum to facilitate the strengthening of relations and creation of new links between extra-regional technical cooperation organizations and the governments of Latin American and Caribbean countries, so as to enhance the implementation of programmes that contribute to the economic and social development of the region. To that end, the forum will follow a flexible and participatory format that allows the exchange of information and ideas and facilitates the development of technical assistance programmes for the region.

## **D. Format of the activity**

Face-to-face.

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<sup>10</sup>Jacobs, Colin (5 June 1998). "Institutional strengthening and technical co-operation: developing a best practice model". In: *Journal of International Development* 10, n.º 3: 397-406, [https://doi.org/10.1002/\(SICI\)1099-1328\(199805/06\)10:3<397::AID-JID515>3.0.CO;2-H](https://doi.org/10.1002/(SICI)1099-1328(199805/06)10:3<397::AID-JID515>3.0.CO;2-H).

<sup>11</sup>Own calculations assuming a 50% productivity gap and considering the estimators shown in column (3-5) of Table 2 in Yasuyuki Sawada, Ayako Matsuda, and Hidemi Kimura, "On the Role of Technical Cooperation in International Technology Transfers", *Journal of International Development* 24, n.º 3 (April 2012): 316-40, <https://doi.org/10.1002/jid.1685>.  
Cavalcanti Ferreira, Pedro <sup>12</sup>; De Abreu Pessôa, Samuel, and Veloso, Fernando A. (January 2013). "On the Evolution of Total Factor Productivity in Latin America". In: *Economic Inquiry* 51, n.º 1: 16-30, <https://doi.org/10.1111/j.1465-7295.2011.00430.x>.