

Work Programme for 2022-2026

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INTRODUCTION

Year 2020 was very complicated for the world economy. The COVID-19 pandemic had a negative impact on the dynamics of the main macroeconomic variables of countries, as well as a gender-differentiated impact, affecting mostly women and girls. The world GDP dropped by 3.1%, and European and Latin American nations were mostly hit. While the global growth for 2021, according to the IMF and the World Bank, has been estimated at 5.9% and 5.6%, respectively, there are still risks in such scenario.

As regards Latin America and the Caribbean, in 2020, economic activities reached a deadlock as a result of COVID-19 containment steps. Thus, the regional GDP shrank by 7.0%. In this context, approximately 2.7 million small and medium-sized enterprises shut down in the Latin American and Caribbean region (e.g., 19% of the GDP), in addition to 8.5 million job losses and a shrinking international trade for the region tantamount to 9.2%. A weakened economic activity and the health standoff have prompted policies including stimulation strategies and subsidies for economic recovery of countries.

Following these steps and the immunisation campaigns worldwide, domestic economies began to show some recovery. The International Monetary Fund (IMF) puts economic recovery at the end of 2021 at 6.3% of the GDP for Latin America and the Caribbean. Of note, such a forecast is conditioned to the outbreak of new variants of the virus, coverage of immunisation campaigns, increasing world interest rates and the social turmoil characteristic of the region associated with inflationary pressures and a fragile labour activity. According to the ILO, there were 30 million unemployed in 2020, a figure that could rise to 34.2 million unemployed by the end of 2021.

Against this backdrop, Latin America and the Caribbean require work strategies to enliven strategic productive sectors, as well as tools for effective public policy making in relation to the regional socioeconomic development.

The Permanent Secretariat of the Latin American and Economic System (SELA), aware of the challenges faced by the region, has taken on responsibility as a regional organisation, and prepares to adjust its actions and set priorities according to the needs of Member States.

In this connection, this Work Programme for 2022-2026 is the output of a process of consultation and interaction with Member States. It displays the priority topics to work on a regional agenda for integration and cooperation with the ultimate aim of overcoming the economic and social backlog.

The Work Programme has been structured around three thematic areas: Economic recovery, Digitalisation and Social development. Each of them points to goals, relying on specific objectives defined in a set of programmes. Each such programme envisages some multi-year projects, which in turn comprise a series of annual activities to accomplish the objectives and, therefore, to attain the goals through tangible products.

As the Work Programme is implemented and its activities are carried out, policy recommendations, technical roadmaps and best practices will be presented with a view to decision-making.

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The structure and contents of this Work Programme feature a cross-cutting approach that considers inter-relations and incidences in each of the suggested works. This is useful to identify the existence of variables revitalizing economic recovery as part of the activities associated with the thematic areas of digitalisation and social development.

Thus, the Work Programme establishes a comprehensive interconnection of the activities in response to the priorities identified in the consultation sought from Member States, also taking care of vulnerable communities, the gender and youth approach and the linkage with the Sustainable Development Goals of the Agenda 2030, namely: No poverty (SDG 1), zero hunger (SDG 2), good health and well-being (SDG 3), quality education (SDG 4), gender equality (SDG 5), decent work and economic growth (SDG 8), industry, innovation and infrastructure (SDG 9), reduced inequalities (SDG 10), sustainable cities and communities (SDG 11), responsible consumption and production (SDG 12), climate action (SDG 13), life below water (SDG 14), life on land (SDG 15), partnerships for the goals (SDG 17).

Notably, in preparing this Programme, a structural analysis was conducted to explore possible and probable developments in the work system by studying the motricity and appendices to the thematic areas described above. It was found that the issues related to social development and digitalisation have the most motricity. Similarly, the issues related to economic recovery and development, SMEs and production diversification are highly dependent. In this manner, the programmes, projects and tasks considering these interconnections will help make a higher impact on the expected outputs and results.

Under the Work Programme for 2022-2026, within the budget possibilities and in accordance with its mandates, SELA expects to help overcome the current crisis. A novel agenda has been set to strengthen the ability of Latin American and Caribbean countries to defeat the pandemics, strengthen resilience and focus on topics that generate novel institutional options for better public policies and best practices.

Thus, within the thematic areas, a set of activities is also offered for capacity building aimed at providing tools for public policy making.

The role of the Permanent Secretariat in this regard is noteworthy. In fact, three scopes -liaison, enabler and propositional- have been identified to add value to public policy making.

Additionally, this Work Programme includes ample mandates for its implementation, affording it flexibility, in synergy and cooperation with multiple parties around the world and in the region. By arousing more and better integration, Member States will be capable of attaining the Sustainable Development Goals and the Permanent Secretariat of SELA will succeed in attaining its primary goals and purposes.

This new version of the Work Programme includes changes in response to current events affecting the region, such as the Russia-Ukraine conflict.

These changes involve:

- 1. Updating of Work Programme activities.
- 2. De-incorporation of activities from the Work Programme.
- 3. Rescheduling of activities in the Work Programme.
- 4. Inclusion of new activities in the Work Programme.

THEMATIC AREA: ECONOMIC RECOVERY

RATIONALE

The COVID-19 pandemics made a significant impact on the regional growth. The economic deadlock as a result of the virus containment steps brought about the shutdown of businesses, job loss, disruption of the world supply chains and collapse of health systems in the region.

Notably, well ahead of the pandemics, Latin American and Caribbean countries were experiencing growth rates in the red and, for this reason, domestic economies were in a much more vulnerable situation. Thus, regional economic growth averaged 0.2% in 2019.

With the advent of the pandemics, the regional economy in 2020 shrank by 7.0%. Nonetheless, the forecast for 2021 was rather favourable. Government steps to enliven key economic sectors have proved to be effective. As a result, the International Monetary Fund (IMF) estimates at 6.3% the growth rate in Latin America and the Caribbean.

In this context, the thematic area of Economic Recovery includes the following goal:

Leverage economic growth by reinforcing regional integration processes, advancing public policy making for trade facilitation and promoting SMEs.

To attain this goal, three programmes have been proposed, namely: **(I) Economic Integration, (II) Trade Facilitation, and (III) SMEs**. While all these three programmes will be tackled severally, they are cross-referenced, and the completion of tasks will certainly help achieve the objectives set out in this and some other hubs.

Noteworthy, the proposed programmes are of the essence to speed up the economic reactivation of Latin America and the Caribbean, thus contributing to attain the following Sustainable Development Goals:

- Goal 5: Gender equality and empowering all women and girls.
- Goal 8: Decent work and economic growth.
- Goal 9: Industry, innovation and infrastructure.
- Goal 10: Reduced inequalities.
- Goal 17: Partnerships for the goals.

PROGRAMME I: ECONOMIC INTEGRATION

Bearing in mind the importance of coordinated decision-making to face adverse circumstances, such as disruptions in global supply chains, the armed conflict between Russia and Ukraine, and the reduced dynamism in foreign trade, this programme is set to:

Work on a common regional agenda among integration blocs for the development of economic policies that contribute to the growth of Latin America and the Caribbean.

This programme consists of:

Project A. INSTITUTIONAL CONVERGENCE AND COOPERATION FOR INTEGRATION, which includes four activities to be carried out in 2022 and is intended to advance regional integration.

- ACTIVITY 1. Measuring the integration processes: update of quantitative tools to measure the headway made in regional integration. These indicators have been developed by the Permanent Secretariat, namely: Integration Index (IINTALC), Revealed Trade Preferences Index (RTPI) and External Vulnerability Index (EVI).
- **ACTIVITY 2. Monitoring regional trade and economic performance:** the creation of indicators and the updating of quantitative databases that promote the design of strategies and policies to boost growth in Latin America and the Caribbean. In this regard, SELA will provide a biannual publication on regional economic and trade performance.
- ACTIVITY 3. Round table of chairs and secretariats of regional integration mechanisms: within the framework of the regional work agendas, three technical meetings will be held virtually with the aim of contributing to the design of strategies and recommendations for public policies to promote progress in Latin American and Caribbean integration processes.
- ACTIVITY 4. Strategies for the development of intra-regional productive linkages in Latin America and the Caribbean: a face-to-face/virtual event where the conclusions of the working groups of the chairs and secretariats of regional integration mechanisms will be addressed with the aim of drawing up a roadmap/work plan for the promotion of regional productive linkages.

PROGRAMME II: TRADE FACILITATION

The stoppage of world supply chains has severally affected regional trade. This has resulted, not only in shrinkage of regional exports, tantamount to 9.2% in 2020, but also in a substantial increase in the costs of freight and commercial cargo insurance, let alone growing uncertainty because of scarce commodities. In this regard, this programme is set to:

Make public policies to reduce costs and the hurdles to trade, open new markets and find a niche for Latin America and the Caribbean trade in the international markets.

This programme is composed of two projects:

Project A. NETWORK OF DIGITAL AND COLLABORATIVE PORTS, encompassing five activities to be carried out in 2023. It should be noted that this project is aimed at the promotion and consolidation of port logistics communities in the region. In addition, there are plans to give the network a legal status (institutionalise it) in order to maintain the levels of recognition, legitimacy and cohesion of its members.

- ACTIVITY 1. Capacity building on digital transformation, sustainability, interoperability and city-port relationship of agents and officials in the maritime-port sector: a face-to-face/virtual activity aimed at officials linked to the maritime-port sector to build capacities that promote port efficiency through the use of tools and mechanisms that enable trade facilitation and gender equity in the sector. Furthermore, by way of technical assistance, the Permanent Secretariat will develop a platform as an interactive environment on the Web site of the Port Network.
- ACTIVITY 2. Annual regional meeting of port logistics communities: this face-to-face/virtual activity will produce documents on recommendations and best practices for a more efficient and effective port activity. The papers will be posted on the Web site of SELA. The meeting focuses on boosting regional concertation and integration and makes room for permanent and proactive discussions about significant issues related to port logistics communities in the regulatory, technical, technology, trade and governance areas. This event will be followed by a face-to-face meeting of the action committee.
- **ACTIVITY 3. Maritime and port security:** a face-to-face/virtual meeting that aims to deepen the operational maritime security provisions and the national and/or local response capabilities of countries to potential threats, in line with the provisions established by the IMO related to maritime security measures for port facilities, the maritime transport sector, as well as the maritime sector in general.

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ACTIVITY 4 International forum on challenges of freight transport, supply chain and its impact on the redesign of maritime routes and the setting of regional freight rates: a face-to-face/virtual event that will bring together representatives of shipping companies and the supply chain to discuss and analyse the current situation of the chain and its impact on the redesign of shipping routes and the

situation of the chain and its impact on the redesign of shipping routes and the setting of freight rates following the pandemic crisis, the effects on global cargo logistics, the establishment of new capacities in the region and the renegotiation of others.

ACTIVITY 5

Workshop on experiences with payment compensation systems in comparison with Europe and Asia: a face-to-face/virtual event that will bring together representatives and technical experts from the financial sector, central banks and regulatory bodies (superintendencies) of the Member States involved in the payment and settlement of financial derivatives transactions.

Project B. TRADE PROMOTION IN LATIN AMERICA AND THE CARIBBEAN: this project comprises two activities to be carried out in 2023. The core of the project is capacity building on trade and competition and the release of papers including recommendations and best practices for insurance brokers, e-commerce, patents and intellectual property rights. The project escalation at the regional level will be assessed.

ACTIVITY 1. Working Group on Trade and Competition in Latin America and the Caribbean (WGTC): a regular face-to-face/virtual meeting jointly organised with UNCTAD, with the participation of trade and competition authorities from the countries in the region. The topic to be addressed in 2023 is "Competition, regulation and impact on trade of new technologies in financial markets," analysing in particular the impact of digital banking and Fintech, among others, on financial markets. This activity will result in a paper on recommendations and best practices to encourage regional trade. The paper will be posted on the Web site of SELA.

ACTIVITY 2.

Effective practice of a relaxed intellectual property system to ensure public safety: a face-to-face/virtual activity involving stakeholders in the regional health sector to create a paper on conclusions and recommendations in order to promote the assessment of intellectual property schemes for inputs in the health sector, particularly vaccines. This paper will be published by SELA.

PROGRAMME III: SMEs

Small and medium-sized enterprises are responsible for 60% of job creation in the region, contributing 25% of the GDP of Latin America and the Caribbean. Therefore, this sector deserves special attention. Hence, this Programme is set to:

Make public policies to advance productive sectors, reinforce business models and develop new markets for regional SMEs.

This programme comprises two projects:

Project A. PRODUCTIVE ARTICULATION FOR STRONGER SMEs: this project is made up of eight regular activities to be carried out in 2023. The Permanent Secretariat will develop tasks aimed at training public policy makers, in addition to the release of documents on recommendations and best practices for the sector.

- ACTIVITY 1. Implementation of a methodology to identify potential productive niches and the mapping of sectors for 2023: Bolivia, El Salvador, Nicaragua and Panama: this activity comprises two actions. The first implies the training of civil servants on a methodology created by SELA to identify potential productive sectors. The second action has to do with a paper on the findings of the mapping of potential sectors to recommend public policies and strategies for domestic economic growth. In 2023, the results obtained for Paraguay and Bolivia will be presented in face-to-face meetings.
- ACTIVITY 2. Second edition of the gender-focused Diploma Course for experts in public policies on SMEs: this virtual training activity aims to train public officials involved in the formulation of inclusive public policies with a gender perspective for SMEs to reinforce support and development strategies for the sector. In this second edition, specific modules related to SME digitalisation and business diagnostics will be developed.
- ACTIVITY 3. Caribbean edition of the gender-focused Diploma Course for experts in public policies on SMEs: this virtual training activity aims to train public officials from Caribbean countries involved in the formulation of inclusive public policies with a gender perspective for SMEs to reinforce support and development strategies in the sector.
- ACTIVITY 4. Gender-focused public policies to reduce the gap in Latin America and the Caribbean: considering the experience of the participants of the first edition of the gender-focused Diploma Course for experts in public policies on SMEs, a virtual activity will be carried out to discuss the case studies presented by the countries, as well as the recommendations and best practices resulting from the analyses carried out. This will result in a compilation document of best practices

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that can strengthen strategies to support and develop women's entrepreneurship at the regional level.

ACTIVITY 5. Public policy index for MSMEs in Latin America and the Caribbean (IPPALC)

- Second edition: this activity forms part of the regular actions of the Permanent Secretariat. The second edition of the IPPALC involves the participation of 10 countries in the region: those making up the Pacific Alliance, Argentina, Bolivia, Brazil, Ecuador, Paraguay and Uruguay, and is a cooperative effort between CAF, the OECD and SELA.

During 2023, the first phase of construction of the IPPALC will begin, which involves the collection, validation and analysis of information and data, and the preparation of a document on the first findings, diagnoses, perspectives and recommendations on public policies aimed at the MSME sector.

- ACTIVITY 6. Support schemes to speed up post-pandemic economic recovery of MSMEs in Latin America and the Caribbean: regional virtual activity aimed at assessing the potential of business incubator and accelerator networks in order to prepare a paper on recommendations and best practices. The paper will be published by SELA.
- **ACTIVITY 7. Capacity building of MSMEs in vulnerable communities:** an entrepreneurial capacity building activity in terms of business model development, market intelligence and product internationalisation. Activity to be carried out in collaboration with regional incubators.
- **ACTIVITY 8.**Leveraging ecotourism and its role on the promotion of sustainable development: activity in person, targeted at the dissemination of regional and extra-regional experiences and initiatives on smart tourist destinations and ecotourism, with an emphasis on the barriers to their implementation. Likewise, the activity is intended to identify the benefits of ecotourism on the environmental, economic, cultural and social areas, in line with the goals of the 2030 Agenda, and make room for cooperation between public and private organisations with a view to fostering the initiatives of ecotourism and tourist destinations.

Project B. SEIZING THE OPPORTUNITIES OF THE INDUSTRIES OF CULTURAL AND CREATIVE GOODS AND SERVICES FOR ECONOMIC RECOVERY: this project comprises two activities to be carried out in 2022 and involves the release of directories of the sector and recommendations for a better business performance.

- ACTIVITY 1. Establishment of a regional directory on the industries of cultural and creative goods and services: a compilation of in-depth data on private institutions and individuals linked to this productive sector in order to foster its articulation.
- ACTIVITY 2. Regional strategies in support of the industries of cultural and creative goods and services: considering the establishment of a regional directory, the Permanent Secretariat will make a compilation of best practices and

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recommendations to reinforce public policy making and implementation in this economic sector. This paper will be published by SELA.

THEMATIC AREA: DIGITALISATION AND INFRASTRUCTURE

RATIONALE

The virtues of the intensive and widespread use of digital technologies are multiple and prolific. They favour competitiveness, democratize the access to information, and strengthen the public sector abilities, ultimately allowing for a higher economic growth, superior stages of wellbeing and better opportunities for all.

Likewise, infrastructure investment has multiple channels through which it affects the quality of life of citizens, the productivity of firms and the efficiency of the economy in general. Its specific impact on job creation is particularly relevant because of its link to the policy objectives of creating local economic activity, increasing income for vulnerable populations and reducing inequality.

Nonetheless, these benefits have not been materialized due to the digital and infrastructure gaps that exclude those lacking the access or the skills to reap such benefits. As a matter of fact, globally, inequalities have deepened, social mobility has come to a standstill, and productivity has weakened.

In the specific context of Latin America and the Caribbean, such gaps are particularly glaring. It is estimated that 32% of the population has no internet access, connection speed in 67% of schools is insufficient, and 50% of countries do not count on an advanced digitalisation agenda. Generally, the development of a digital ecosystem is in an intermediate stage as an expression of the wide array of outstanding tasks.

Similarly, despite the progress made in infrastructure investment in public services such as drinking water, sanitation and electricity in the region, the heterogeneity in access and quality of services is high. For example, although drinking water coverage is around 80% in most countries, less than 60% of people choose to drink tap water. Access to electricity service in the region is above 90% on average; however, there is a high disparity in service quality (intermittency) and access in rural areas.

Turning digitalisation into a vehicle towards better economic and social results is a priority for the countries in the region, even more so because of its direct link with the attainment of the Sustainable Development Goals (SDGs), namely:

- SDG 1: No poverty.
- SDG 4: Quality education.
- SDG 5: Gender Equality
- SDG 7: Affordable and clean energy.
- SDG 8: Decent work and economic growth.
- SDG 9: Industry, innovation, and infrastructure.
- SDG 10: Reduced inequalities.
- SDG 11: Sustainable cities and communities.

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• SDG 17: Partnerships for the goals.

Specifically, the inclusion of this thematic area in the Work Programme for 2022-2026 points to contributing to score the following strategic goals:

- 1) Boost digital inclusion in the region.
- 2) Promote regional digital connectivity.
- 3) Foster the development of sustainable infrastructure.
- 4) Promote the use of green energy.

Within the regional challenges in this thematic area, the efforts of SELA focus on the programme Digital transformation and sustainable energy infrastructure.

PROGRAMME I: DIGITAL TRANSFORMATION AND SUSTAINABLE ENERGY INFRASTRUCTURE

Digital gaps encompass three dimensions: access, affordability and quality. To cover all these aspects, a necessary, yet insufficient, requirement entails the provision of connectivity infrastructure as an enabling factor for technology use and utilisation.

The main challenges that have been identified for a better deployment of digital infrastructure point to attracting the interest of the private sector to works of an uncertain profitability, encouraging regional and international cooperation to seize technical and financial opportunities, and producing efficient schemes for public-private cooperation.

The adoption of the Paris Agreement in 2015 at COP 21 by 195 countries plus the European Union is undoubtedly one of the greatest efforts achieved by the international community on climate change in history. Latin America and the Caribbean has seen significant improvements since 2000 in access to electricity, with the proportion of households with access to this service rising from 87% in 2001 to 95.1% in 2019. However, these very positive figures may hide very significant differences in access between subregions, countries and social groups.

Moreover, the energy matrix in Latin America and the Caribbean is still mostly fossil fuels (non-renewable energy: oil, gas and coal) 70%. However, renewable energies have shown progress in recent years, with solar and wind energy rising from 4.1% to 14.4% and sugar cane from 19.5% to 28.4% from 2000 to 2019, respectively.

In this scenario, this programme focuses on the following objectives:

- 1) Identify the best regional and international practices in the field of digital connectivity, with an emphasis on rural areas, as well as energy sustainability.
- 2) Enter into public-private partnerships to favour digital connectivity in the region.
- 3) Facilitate the efforts at regional cooperation to develop projects on digital connectivity.
- 4) Design strategies and recommendations that support public policy making for the technological development of the countries in the region.
- 5) Generate opportunities to take advantage of digital technologies in favour of regional integration.

Project A. INFORMATION TECHNOLOGIES AND SUSTAINABLE ENERGY INFRASTRUCTURE FOR DEVELOPMENT: Information and communication technologies are the means to deliver high quality goods and services in essential areas, such as healthcare, education, finance, trade, governance, and agriculture. They can contribute to reducing poverty and hunger, improving health, creating new jobs, mitigating climate change, improving energy efficiency and making cities and communities more sustainable.

In this regard, bridging digital divides, improving access in rural areas and reducing costs such as roaming services is a challenge that the region has decided to overcome, since such an achievement would have a positive impact on the integration process, favouring economic and commercial activity through communications and a greater number of interconnected users. The agreements reached so far have been handled in bilateral or subregional settings. However, it is necessary to promote concerted regional strategies to achieve an effective technology transition.

Opportunities for development are not equally spread between rural and urban areas, especially those arising from access to and use of digitalisation. Despite the fact that in Latin America and the Caribbean 19% of the population lives in rural areas, there are still large connectivity gaps that keep 77% of households excluded from digital benefits. These differences in connectivity have resulted in lower levels of well-being in rural areas, reflected in higher poverty rates, lower levels of schooling and lower labour income.

Furthermore, it is essential that Latin America and the Caribbean continue to make progress in the energy transition towards clean energy sources (with low environmental impact) that contribute to efforts to reduce greenhouse gases and combat global warming. Countries such as Argentina, Brazil, Chile, Peru, Bolivia, Costa Rica and Mexico have great potential to develop a competitive green hydrogen industry, to take advantage of and replicate the opportunities and capacities already developed in other regions, and at the same time, to be the driving force behind this resource in other countries in the region. Likewise, Latin America must also leverage its potential, such as electricity generation, improving access and affordability. Electricity integration plays an important role in generating progress and energy in a more sustainable way to meet the growing demand of the countries.

This project envisages the implementation of seven activities, which will be carried out in 2023.

ACTIVITY 1. Technical committees on regional cooperation strategies related to international roaming: In 2022, the Permanent Secretariat held the technical working meeting "Towards the elimination of roaming charges in Latin America and the Caribbean," which highlighted best practices, progress and limitations in the region on this issue.

As a follow-up to this first meeting, in 2023 face-to-face and virtual technical working groups will be set up by regulators and operators in the region to ascertain their points of view in this area. Cooperation round tables will also be established for the transfer of know-how between integration mechanisms to support ongoing initiatives regarding the elimination of roaming charges. The face-to-face and virtual meetings will yield a report on the recommendations and accomplishments, as a guide for decision making. Such report will be published by SELA.

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ACTIVITY 2. Connectivity in rural areas as a driver of development. How to overcome existing challenges? Bridging the digital divide can be a major breakthrough in transforming rural living conditions. To do so, investment programmes in infrastructure and skills training are required to facilitate the path to boosting digital dividends.

Based on this, a face-to-face/virtual meeting is proposed as a space for building public-private partnerships, which will allow for the preparation of a document on regional and international best practices and recommendations that will serve as a basis for policy decision-making, to be published by SELA.

ACTIVITY 3. Hackathon: digital solutions for regional integration: Digital technologies have an infinite potential to build novel solutions to complex challenges. Precisely because of its versatility, it is always possible to give multiple responses to the same problem. Hackathons have turned out to be very helpful to gather, in a certain space, innovative experts competing to set the best strategies in keeping the conditions of cost and time, and in compliance with technical specifications.

In this connection, this activity is set to convene a first hackathon, in a pilot phase, in which the academic sector will participate and where interdisciplinary teams are expected to find practical solutions that favour regional integration.

ACTIVITY 4. Energy sustainability in Latin America: perspectives and meeting points. Latin America and the Caribbean has all the conditions to become a global renewable energy hub with great potential in green hydrogen. Countries such as Argentina, Brazil, Chile, Peru, Bolivia, Costa Rica and Mexico have great possibilities to develop a competitive green hydrogen industry, to take advantage of and replicate the opportunities and capacities already developed in other regions, and at the same time, to be the driving force behind this resource in other countries in the region. In this sense, progress towards a transition to renewable energies must continue, which will be a powerful engine for growth, combating poverty, creating jobs and contributing to climate action.

Despite a significant increase in the supply of renewable primary energy, which does not require combustion, the share of fossil fuels in the energy mix remains high. The energy sector accounts for 55% of greenhouse gas emissions. For this reason, the Permanent Secretariat proposes the holding of a face-to-face/virtual meeting with the participation of the public and private sectors and academia to deepen the discussions on this issue and to prepare a document on best practices and policy recommendations in order to facilitate and improve the generation of and access to green energy in the region.

ACTIVITY 5. Electricity access and integration in Latin America and the Caribbean. Latin

America and the Caribbean has experienced a substantial increase in the rate of access to electricity in the last 25 years. While coverage in urban areas was high in the early 1990s, coverage in rural areas was not. In the latter case, the coverage rate rose from 65% to 87% for the region as a whole. In terms of electricity integration and trade, electricity flows between groups of LAC countries are heterogeneous. In the first place, the largest electricity interconnection in the region between Paraguay, Argentina and Brazil and its subsequent connections with Uruguay and Chile stand out, with a total of 46 thousand GWh on average per year. This is followed by the Central American interconnections (SIEPAC) with 2.2 thousand GWh and the Andean area with 1.6 thousand GWh.

Despite the efforts made in the generation and access systems, the demand for energy continues to increase and the pandemic has exacerbated the inequalities in the region; for this reason, electricity integration plays an important role, as it allows generating progress and energy in a more sustainable way to meet the growing demand of the countries. For this reason, the Permanent Secretariat proposes the holding of a face-to-face/virtual meeting with the participation of the public and private sectors and academia to deepen the discussions on this issue and to prepare a document on best practices and policy recommendations in order to facilitate and improve regional electricity access and integration.

ACTIVITY 6. Financial architecture and integration in Latin America and the Caribbean.

Financial integration has a number of benefits, including the fact that it makes it possible to better cope with external shocks by facilitating the regulation of domestic consumption; to better finance investment by enriching the supply of financial instruments, thereby improving the productivity of enterprises; and to diversify the risks of savers, thereby improving the management of the country's financial wealth.

Given the importance of this issue for the region, the Permanent Secretariat proposes the holding of a face-to-face/virtual meeting with experts on the subject in order to deepen the discussions and dissertations, which will allow for the drafting of a document on best practices and policy recommendations to facilitate and improve regional financial integration.

ACTIVITY 7. Innovation, industry and infrastructure applied to the maritime-port sector. A

face-to-face/virtual activity whose objective is to present the advances and global and regional initiatives in R&D&I focused on improving maritime activity and promoting port competitiveness, bearing in mind collaboration as the axis of development, within the framework of the SDGs. This will lead to the drafting of a document on best practices and recommendations for the sector.

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THEMATIC AREA: SOCIAL DEVELOPMENT

RATIONALE

Social development represents better living conditions, including food, education, health, social welfare, labour rights and safety from disasters, among others. Naturally, in the context of COVID-19, such conditions have worsened throughout the region, directly because of the disease, and indirectly, due to the economic shrinkage. However, multiple social development indicators, such as nutrition, had come to a standstill or even worse, before 2020.

In this context, the Permanent Secretariat has proposed the thematic area of SOCIAL DEVELOPMENT, which covers the following **strategic goal**:

Contribute to the improvement of social development indicators in the region, in a sustainable and resilient manner, by means of initiatives for cooperation, capacity building, agreements and exchange of best practices.

In order to attain this goal, three programmes have been suggested, namely: (I) Sustainable and resilient development, (II) Comprehensive management of disaster risk and climate change, and (III) An overview of human mobility.

Therefore, in exercising its mandate of "promoting regional cooperation in order to speed up the economic and social development of Member States," SELA has plans to develop a work agenda for 2022 able to face the challenges of social development in the region, focused on the following Sustainable Development Goals:

- SDG 1: No poverty.
- SDG 2: Zero hunger.
- SDG 3: Good health and wellbeing.
- SDG 5: Gender equality.
- SDG 8: Decent work and economic growth.
- SDG 10: Reduced inequalities.
- SDG 11: Sustainable cities and communities.
- SDG 12: Responsible consumption and production.
- SDG 13: Climate action.
- SDG 14: Life below water.
- SDG 15: Life on land.
- SDG 17: Partnerships for the goals.

PROGRAMME I: SUSTAINABLE AND RESILIENT DEVELOPMENT

With the ambition of pursuing for Latin American and Caribbean countries better living conditions for their citizens, consistent with the environmental needs and resilient before unexpected events, SELA strives to explore areas where regional cooperation can make a difference. This programme is set to:

Develop and spread the necessary knowledge to implement social development policies, further cooperation with the implementation of the circular economy and build capacity in the regional public sector in areas with a high social impact.

Project A. TECHNICAL SUPPORT FOR COOPERATION AND SUSTAINABLE DEVELOPMENT IN LATIN AMERICA AND THE CARIBBEAN. This Project encompasses three activities, to be carried out in 2022.

ACTIVITY 1. A diagnosis of the vulnerability of food systems in Latin America and the Caribbean: virtual activity and publication of SELA identifying food production in the countries of Latin America and the Caribbean, their degree of vulnerability to natural events and their reliance on foreign trade as an input to subsequent projects on reduced vulnerability.

Presentation and validation with specialised institutions of the baseline study on the vulnerability of food systems in Latin America and the Caribbean. Virtual activity and publication of SELA promoting an exchange of knowledge and expertise in measuring the vulnerability of food systems to natural events and their dependence on foreign trade.

ACTIVITY 2. Working meeting on joint domestic strategies for circular economy: a face-to-face/virtual meeting where the parties responsible for developing existing strategies of circular economy can share their experiences and support the parties entrusted with the outline of similar strategies. A compilation of the strategies on the circular economy implemented in the region and their creation methods is expected to be released.

A virtual meeting with experts, parliamentary fronts and local government organisations with the aim of promoting reforms and/or adjustments in regulatory frameworks that encourage the implementation of best practices in circular economy as integration mechanisms, complemented by the publication of a compilation of the strategies on the circular economy implemented in the region and their implementation methods.

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ACTIVITY 3. Meeting of cooperation directors for Latin America and the Caribbean – Innovative mechanisms for South-South and Triangular Cooperation (SSTC) in Latin America and the Caribbean: a face-to-face/virtual meeting and subsequent publication on the exchange of successful experiences and best practices concerning the implementation of novel SSTC mechanisms, including the involvement of the private sector, the best utilisation of resources, and the identification of the opportunities for cooperation. This activity counts on the financial support of the Pérez-Guerrero Trust Fund.

Project B. CAPACITY BUILDING FOR THE REGIONAL PUBLIC SECTOR. This project comprises two activities to be carried out in 2023.

- ACTIVITY 1. Workshops on public policies based on behavioural economics: a face-to-face/virtual training activity that will be carried out under a theoretical-practical scheme. This workshop is intended to train policy makers in Latin America and the Caribbean on the use of behavioural economics and its tools for better public policy making and implementation in the region. This edition will focus on social issues, such as education, health, social protection and gender.
- **ACTIVITY 2. Workshop on cyber-governance negotiating skills:** virtual training aimed at developing negotiation skills in the context of new digital technologies and artificial intelligence for a better understanding of the application of diplomacy to political and geopolitical issues emerging from new technologies and the Internet.

PROGRAMME II: COMPREHENSIVE MANAGEMENT OF DISASTER RISK AND CLIMATE CHANGE

Disasters associated with natural phenomena are extremely onerous in terms of loss of human lives and financial losses for the countries in the region. The exposure of persons and tangible assets to disasters caused by natural phenomena and the resulting devastation continues rising and with a higher effect on the most vulnerable populations, who generally lack social protection systems to face such events. As a contributor to more resilience, this programme is intended to:

Frame regional structures that help diminish vulnerabilities, respond effectively to emergency situations and care for the populations most vulnerable to extreme natural phenomena through social protection systems.

This programme is composed of:

Project A: COMPREHENSIVE MANAGEMENT OF DISASTER RISK IN LATIN AMERICA AND THE CARIBBEAN. This project contemplates four inter-connected activities. The project seeks to analyse main challenges and perspectives of risk management and the impact of climate change on the region, with an emphasis on the vulnerabilities of Caribbean countries. Furthermore, the

project is intended to leverage public-private partnerships (PPP) for disaster risk reduction; identify and systematize the best practices as to investment and efficient, sustainable and responsible building, including the adoption of the concept of continued operations; expand the approach of civil protection and the effective measures of prevention, preparedness and responsiveness, and locate the social role of social safety in the context of disaster risk.

- ACTIVITY 1. Public-private partnerships (PPP) for disaster risk reduction in Latin America and the Caribbean: To the extent that investment projects in management of disaster risk reduction require public-private partnerships (PPP) of the public and private sectors and the society, the Permanent Secretariat advocates joint efforts, and shared earnings and benefits to stimulate governability with a view to developing comprehensive solutions, reducing periods of time and costs in the implementation of projects, carrying over the project risks to the private sector, attracting major investors and incorporating skills, experience, technology and creative solutions into the process of dealing with emergencies. This synergy will be helpful to identify best practices as a contribution to the main instruments in the field with a view to making them part of the public policies of the Member States. The theme to be worked on each year will depend on the needs of the region.
- **ACTIVITY 2. Strengthening continuity of government and operations in disaster situations:** Reinforcing the responsiveness of government institutions to catastrophic scenarios with the formulation of public policies that incorporate anticipatory forecasting, the reduction of the surprise factor and the maintenance of essential operations in unfavourable incidents, as well as protocols or operational plans that respond to crisis situations and that include the private sector and social stakeholders.
- ACTIVITY 3. A protocol in case of disasters caused by natural phenomena for Latin America and the Caribbean. Based on the diagnostic document on the current state of disaster risk in the region, which includes technical aspects, priorities, strategic lines of action, implementation and governance mechanisms, and monitoring, according to the diverse capacities of the member countries, a Regional Protocol will be drawn up with provisions that will serve as a basis for the definition of public policies on disaster risk management.
- **ACTIVITY 4. Technical support and guidance with regard to social protection.** Setup of a mechanism of monitoring and technical assistance to the recipients of technical and logistic training to operate and respond to emergencies and disasters, together with the Inter-American Conference on Social Security (CISS). It seeks to prepare social safety institutions, pivotal for social safety networks, ahead of disasters to ensure a higher degree of people's protection and wellbeing. It will be rotated by country.

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PROGRAMME III: AN OVERVIEW OF HUMAN MOBILITY

Comprehensive management of migration requires cooperation among the countries of origin, the countries of destination and the transit countries. SELA, as a mechanism for concertation of Member States, acts as an articulator of policies towards the socioeconomic development in the region. This programme is intended to:

Seize the opportunities for development offered by human mobility, from a comprehensive approach involving the countries of origin, transit countries, and countries of destination.

PROPOSED WORK PROGRAMME FOR 2023

This programme is made up of two projects:

- **Project A: BEST PRACTICES IN MIGRATION POLICY,** consisting of three activities to be carried out in 2023.
- ACTIVITY 1: Regional Meeting on best practices implemented for migrant inclusion: a face-to-face activity aimed at identifying the main programmes and projects being implemented by Member States regarding the legal situation of migrants and their socio-economic inclusion in host countries. A document will be drawn up describing these programmes and projects, so that the positive experiences can be assessed as options to be implemented by the countries of the region. This activity is financially supported by the Pérez-Guerrero Trust Fund.
- ACTIVITY 2: Virtual Seminar on the promotion and protection of the rights of migrant women: this virtual activity aims to compile the best practices implemented by the Member States for the protection of the human rights of women and children in a situation of human mobility in the host countries, with the objective of disseminating the successful experiences implemented among the countries in the region, contributing to the regional development of a migration policy that prioritises the human rights of the most vulnerable groups, and influencing the research agenda of the specialised centres.
- ACTIVITY 3: Virtual Seminar on best practices for the social and educational inclusion of migrants: the aim of this activity is to learn about strategies for incorporating migrant children and young people into the classrooms of the education system, with the promise of "leaving no one behind" and creating environments of sociocultural exchange between people in a situation of human mobility and host societies.

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- **Project B: SOCIAL DEVELOPMENT AND MIGRATION,** consisting of four activities to be carried out in 2023.
- ACTIVITY 1: Regional Meeting on remittances and contributions of migrant communities to the countries of Latin America and the Caribbean: a face-to-face activity that aims to determine how migration has contributed to the labour and economic dynamics, as well as the symbolic and significant contributions that people in a situation of human mobility make to their societies of origin and host countries.
- ACTIVITY 2: Virtual Seminar on human mobility as an opportunity for economic growth and local development in Latin American and Caribbean countries: this activity aims to disseminate the contributions of migrant communities to the local economies of host countries among Member States, as well as to understand the dimension and positive impacts of remittances on the economies of Member States.
- ACTIVITY 3: Virtual Seminar on return migration and socio-economic reintegration in Latin America and the Caribbean: This activity aims to provide a space for the exchange of positive experiences on mechanisms and schemes implemented in the region in order to promote the economic reincorporation of returning migrants in the country of origin and their reintegration into the labour market.
- ACTIVITY 4: Training on the development of national and regional migration data information systems. Virtual training activities delivered by experts to improve the methodology for the collection and exchange of migration data and to strengthen the institutional and technical capacity of migration authorities.