

**UPDATE ON THE ACTIVITIES OF THE ECONOMIC COMMISSION
FOR LATIN AMERICA AND THE CARIBBEAN (ECLAC)
IN SUPPORT OF THE IMPLEMENTATION OF
THE PLAN OF ACTION OF THE THIRD SUMMIT OF THE AMERICAS**

Meeting of the Summit Implementation Review Group (SIRG)
25-26 October 2001, Washington, D.C.

At the Quebec Summit, the Heads of State and Government of the Americas requested the collaboration of the Economic Commission for Latin America and the Caribbean (ECLAC) on 18 items included in the Plan of Action. This represented a considerable increase on the number of areas of work in which ECLAC had received mandates at the Santiago Summit. The Secretariat of the Commission has gladly undertaken the responsibility that this increase entails, considering itself honoured by the confidence that the Heads of State and Government have placed in the institution.

In this first report to the Summit Implementation Review Group (SIRG) on activities conducted since the Quebec Summit, the ECLAC Secretariat has decided to focus on seven areas which have seen a greater level of activity. These are: transport, environment and natural resources management, labour and employment, development financing, social mobility, gender equality, and trade and investment.

Transport

Following the approval of the Plan of Action proposed by ECLAC and approved by the Second Ministerial Meeting of the Western Hemisphere Transport Initiative (WHTI), held in Punta del Este, Uruguay, in March 2001, the Commission's Transport Unit has continued to work with the Executive Committee for WHTI. This work has consisted of further development of the three main lines of work set forth in the Plan of Action. ECLAC had these proposals ready to present in detail at a meeting of the Executive Committee scheduled to be held on 24 September in Montreal, which was postponed to a later date.

In addition, ECLAC has continued to work with the Executive Committee for WHTI on hemispheric transport statistics. In the framework of this cooperation, on 11-12 October 2001 a group of experts met at the ECLAC headquarters in Santiago.

Environment and natural resources management

Jointly with the United Nations Environment Programme (UNEP) and with the support of the Government of Brazil, ECLAC convoked the *Regional Preparatory Conference of Latin America and the Caribbean for the World Summit on Sustainable Development*, which took place on 23-24 October 2001 in Rio de Janeiro, Brazil.

This Conference constituted a landmark in the regional preparatory process of the Johannesburg Summit (September 2002). In addition to the regional meeting, the preparatory process has included four subregional meetings, held between June and July 2001, for the Southern Cone, the Caribbean, the Andean Area and Mesoamerica, respectively.

The Conference provided the opportunity for the countries of the region to appraise progress made in the implementation of Agenda 21, which was adopted at the United Nations Conference on Environment and Development in 1992, and to evaluate remaining sustainable development challenges. For this purpose, the Secretariat prepared two documents to serve as a basis for the deliberations of the governments. The first was entitled *The sustainability of development in Latin America and the Caribbean: challenges and opportunities*, and was prepared jointly by ECLAC and UNEP; and the second was *Financing for sustainable development in Latin America and the Caribbean*, and was prepared by ECLAC with the support of the United Nations Development Programme (UNDP).

At the conclusion of the Conference, the governments of the region adopted the *Rio de Janeiro Platform for Action on the Road to Johannesburg 2002*, which will constitute its contribution to the World Summit.

Labour and employment

ECLAC continues to conduct a variety of labour market-related activities directed at preparing public policy proposals. This report, however, is limited to outlining two projects that are particularly important.

Together with researchers from nine countries (Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Jamaica, Mexico and Peru), ECLAC has conducted a research study entitled *Growth, employment and equity: the impact of the economic reforms in Latin America and the Caribbean*, which includes a module on the region's labour markets. A feature of the project that sets it apart from other comparative studies of economic reforms is that it carries out a disaggregation at the regional level, followed by a study of the differences between countries and in the microeconomic behaviour of firms depending on size, nature of ownership and sector of activity.

By considering the heterogeneity of the region's labour markets, the study was able to uncover empirical evidence on the particular operation of these markets and differentiate the impact of both reforms and globalization on the different segments. This leads to the conclusion that the restructuring generated by the reforms has not only affected job creation, but has also had a considerable impact on the labour market. Changes that have come about in certain sectors have generated a bias in the demand for labour in favour of more educated workers, which tends to exacerbate labour market segmentation. This conclusion clearly illustrates the magnitude of the challenge facing the region in terms of generating better quality jobs.

Precisely in relation to the need to improve the skills and competencies of individuals, as a prerequisite for overcoming inequalities –or at least poverty– ECLAC is conducting another project entitled *Policies to improve the quality, efficiency, and relevance of technical and professional training in Latin America and the Caribbean*. This project focuses on six of the region's countries (Argentina, Brazil, Chile, Dominican Republic,

Guatemala and Mexico) and is designed to offer policy-makers, employers' and workers' associations and individual firms concrete strategies and policy recommendations for vocational training.

More directly linked to the Plan of Action of the Quebec Summit, ECLAC has participated actively in both the preparatory meeting for the Inter-American Conference of Ministers of Labour (Miami, July 2001) and the Conference itself (Ottawa, October 2001).

Development financing

Since the Regional Consultation on Financing for Development (Bogota, Colombia, November 2000), ECLAC has continued to conduct a series of activities in preparation for the *International Conference on Financing for Development*, which was convoked by the United Nations (Monterrey, Mexico, March 2002).

In this framework, on 27 August 2001 the ECLAC headquarters hosted the *First Colloquium on Development Banks*, which was organized by ECLAC together with the Chilean Development Bank, in coordination with the Latin American Association of Development Financing Institutions (ALIDE) and the Inter-American Development Bank (IDB). The meeting was attended by renowned speakers from Europe, United States and Latin America, and generated an important dialogue on the role performed by development banking in financing investment projects in today's society and economy. The deliberations placed particular emphasis on the need to determine the identity of this type of financial institution, in order to differentiate these from commercial or central State banks. The meeting also considered market criteria, risk management and the oversight of development banks. Special attention was devoted to the regionalization of these agencies and to possible strategic alliances, in order to promote access to financial resources on the part of households and small and medium-sized firms.

ECLAC also took the opportunity provided by the *Regional Preparatory Conference of Latin America and the Caribbean for the World Summit on Sustainable Development* (Rio de Janeiro, Brazil, 23-24 October) to highlight the importance of dealing adequately with the financing needs of this sector. One of the central elements of the Conference was a Panel on Financing for Sustainable Development, which included economic authorities from several of the region's countries (Brazil, Chile, Colombia and Mexico) and senior executives of multilateral financial institutions (World Bank, IDB, Central American Integration Bank, Caribbean Development Bank and Andean Development Corporation).

The preparatory activities for the *International Conference on Financing for Development* also include a regional meeting of experts, to take place at the ECLAC headquarters in Santiago on 29 and 30 November 2001; and an interregional meeting coordinated by ECLAC, with the participation of experts from the five regions corresponding to the Regional Commissions of the United Nations, to take place in Mexico City, in mid-January 2002.

Improving social stability and mobility and Gender equality

In its capacity as Secretariat of the Regional Conference on Women in Latin America and the Caribbean, ECLAC has continued to conduct activities in follow-up to the *Regional Programme of Action for the Women of Latin America and the Caribbean, 1995-2001* and to the *Beijing Platform for Action*. These coincide to a large extent with the initiatives contained in the Plan of Action of the Quebec Summit, in terms of both improving social stability and mobility, and gender equality.

The principal objective of the Thirty-third meeting of Presiding Officers of the Regional Conference on Women (Trinidad and Tobago, 9-11 October 2001) was to evaluate the progress made in achieving gender equity in the region, and to identify the challenges posed in a constantly changing world. Following the recommendations of the United Nations Commission on the Status of Women, on the first day of discussions the Presiding Officers examined the issue of poverty.

In the framework of the meeting of Presiding Officers, a *High-level seminar on the mainstreaming of the gender perspective in Latin American and Caribbean public policy* was held. In addition to Ministers for Women's Affairs, this meeting was attended by the Minister of Labour of the Dominican Republic, the Minister for Labour and Social Security of Cuba, the Under-Secretary for Social Development of Peru, the Prosecutor of Ecuador and the Minister of Justice of the Dominican Republic. This was therefore the first time that, in the framework of the Regional Conference on Women in Latin America and the Caribbean, Ministers for Women's Affairs met with sectoral ministers responsible for economic and social affairs and human rights.

In November two activities will be conducted in the framework of the process of mainstreaming the gender perspective in the ECLAC programme of work. First, the Division of International Trade and Integration and the Women and Development Unit of ECLAC, jointly with the University of Sao Paulo, are organizing a *Meeting of experts on globalization, technological change and gender equity* (Sao Paulo, Brazil, 5-6 November 2001). The objective of this meeting is to analyse the opportunities and limitations that the process of globalization and technological change represent for gender equity, with a view to proposing a research and policy agenda that includes the principle of gender equity in these spheres.

Second, under the auspices of the Pan American Health Organization (PAHO) and the United Nations Development Fund for Women (UNIFEM), the ECLAC Statistics and Economic Projections Division is organizing a technical meeting on gender statistics and indicators for measuring the occurrence of violence against women in Latin America and the Caribbean and trends in this respect (La Paz, Bolivia, 21-23 November 2001). This meeting is intended to make headway with the definition of concepts and methodologies for designing and calculating indicators of violence against women, based on reliable, comparable and regular statistical information, which is indispensable for the formulation of policies to prevent and eradicate this type of violence, and for follow-up to these policies.

Trade and investment

With respect to trade and investment, ECLAC has continued to contribute to the process of the Free Trade Area of the Americas (FTAA), in particular by providing support to the Negotiating Groups on Investment, Services and Competition policy within the framework of the IDB/ECLAC/OAS Tripartite Committee. In this framework ECLAC also provides support to the Consultative Group on Smaller Economies and the Committee of Government Representatives on the Participation of Civil Society.

ECLAC also works with the Joint Government-Private Sector Committee of Experts on Electronic Commerce, the Trade Negotiations Committee and, naturally, with the rotating Chair and the Administrative Secretariat of FTAA.

As well as the activities reported on thus far, the Plan of Action of the Quebec Summit includes two items that do not entail a mandate for ECLAC, but on which the institution has been working very actively in pursuance of other mandates from the Commission's member governments, and on which it has therefore been considered appropriate to report to SIRG. These issues are strengthening mutual confidence, and children and youth.

Strengthening mutual confidence

On the occasion of the Fourth Consultative Meeting of Ministers of Foreign Affairs and Defence of Argentina and Chile (Buenos Aires, 28 August 2001), ECLAC officially presented a technical study entitled *Standardized Methodology for Comparing Defence Spending and Its Applications in Argentina and Chile*. This study, which represents a pioneering initiative conducted by two neighbouring countries in the region, as part of a set of transparency and mutual confidence measures, had been requested by the two governments in mid-1999, in view of the need to make progress with the establishment of joint actions of integration and strengthening of peace and security among the countries

of the region, an issue that had been raised at a number of regional meetings and conferences in recent years, including the Second Summit of the Americas.

The study formulates a concrete proposal on a suitable methodology for comparing defence expenditure, taking into account the particular organizational features of the Argentine and Chilean governments, and especially of their armed forces. The standardization model establishes a progressive sequence of levels for measuring defence spending, including basic, extended –which encompasses pensions expenditure by the armed forces– and total, which also takes in certain expenditures of other defence industries and activities. As well as the proposal itself, and by way of example, ECLAC provided a comparison exercise for the period 1996-1998, which was based on qualitative and quantitative data from the two countries. The data were provided by the national authorities and by a number of external sources, such as the International Monetary Fund (IMF), the International Institute of Strategic Studies (IISS) and the United Nations Secretariat itself.

Both governments welcomed the final report by ECLAC, and requested the Commission to organize an expert seminar on the subject, with a view to continuing the analysis of these issues. This seminar will take place in late November 2001.

Children and youth

Another item in the Plan of Action of the Quebec Summit on which ECLAC has been working actively is children and youth. This is in response to a request made to the Commission by the Ibero-American Heads of Government and State at their last Summit (Panama, 17-18 November 2000), to prepare, jointly with the Secretariat for Ibero-American Cooperation (SECIB) and the United Nations Children's Fund (UNICEF), a study on the status of Children and Adolescents, in order to assist the forum's member countries in the adoption of an Ibero-American perspective during the discussions of the *Special session of the General Assembly for Follow-up to the World Summit for Children*, to be held in September 2001.

In this context, ECLAC, SECIB and UNICEF, together with the Government of Peru, in its capacity as Secretariat Pro-Tempore of the Ibero-American Summit, coordinated an effort which has been joined by a number of organizations of the Ibero-American System, the United Nations system and the Inter-American System, including the Pan American Health Organization (PAHO), the International Labour Organisation (ILO) and the Organization of American States (OAS).

The result of these joint efforts is a document entitled *Building Equity from the Beginning: The Children and Youth of Ibero-America*, which will be presented to the Third Ibero-American Conference of Ministers and Senior Officials Responsible for Children and Youth Affairs, to be held on 29-30 October in Lima, Peru.