



Economic Commission for Latin America and the  
Caribbean

Thirty-first session of the Commission  
Montevideo, Uruguay, 20-24 March 2006



# PROPOSED PRIORITIES AND PROGRAMME OF WORK 2008-2009

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# MEDIUM-TERM PLAN FOR 2008-2009

- Process of collective thinking in ECLAC organizational units (September-December 2005, “bottom-up approach”)
- Retreat for Directors of ECLAC divisions (Zapallar, 2-3 March 2006)
  - Regional analysis
  - Discussion of priorities
  - What to do, how, and with whom?

# REGIONAL ANALYSIS 1980-2002

## MAIN ECONOMIC ISSUES

### Internal:

- Slow, unstable economic growth
- High volatility of capital flows
- Productive heterogeneity and low investment levels
- Specialization in sectors lacking dynamism at the international level

### International:

- Limited progress on the multilateral agenda
- Globalization's impact differs from country to country
- ODA to the region decreased from 12% to 8% of the global total (US\$ 6 billion)

# REGIONAL ANALYSIS

## 1980-2002

### MAIN SOCIAL ISSUES

- Deterioration in the distribution of income and wealth (the world's most inequitable region)
- High levels of unemployment and informality (quality of employment)
- Persistence of constraints on access to production factors for broad sectors of economic agents
- Major increase in social spending
- Improvements in life expectancy and falling infant mortality
- Strong progress in terms of gender equity in education
- High levels of poverty
- Declining social cohesion
- Growth of international migration
- Fragility of democratic systems due to social tensions

# REGIONAL ANALYSIS 1980-2002

## ENVIRONMENTAL SUSTAINABILITY ISSUES

- Increased vulnerability to natural disasters (Caribbean and Central America)
- Damage to natural heritage and biodiversity (production and export patterns)
- Insufficient diversification of energy matrices and markets
- Progress in provision of regional public goods (environmental services)
- Potential participation in global carbon markets
- Development of instruments for economic/environmental integration

# ECONOMIC TRENDS IN 2003-2006

- Cautious optimism: growth estimated at 4.3% in 2005 and 4% in 2006, completing four consecutive years of expansion
- Estimated regional per capita GDP growth: 10% (2004-2006)
- Balance-of-payments current account surplus

**SUBJECT TO A FAVOURABLE INTERNATIONAL  
ENVIRONMENT**



# A FAVOURABLE INTERNATIONAL ENVIRONMENT

- Growth of worldwide GDP and trade: The highest in the past 30 and 25 years, respectively
- New geographical profile of financial and trade flows: China and other Asian countries
- Business cycle highly dependent on the link between the United States and China
- Differing effects by subregion: South America, Mexico and Central America, and the Caribbean

## UNSTABLE BALANCES DUE TO RISKS AND CHALLENGES

# RISKS AND CHALLENGES

## International environment

- Twin deficits in the United States
- Oil prices
- Slowdown in China's growth
- Rising protectionism

## Medium- and long-term challenges

- Maintaining macroeconomic order and avoiding excessive exchange-rate appreciation
- Creating investment opportunities
- Productive diversification
- Investing in human capital (scale and efficiency of social spending)



# ECLAC PRIORITIES

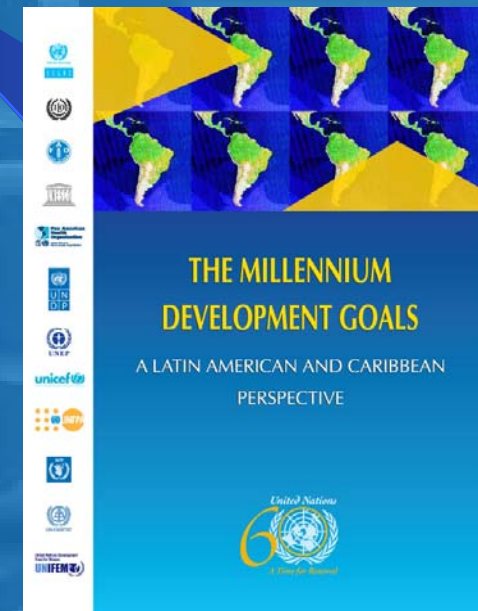
- Improvement of the region's position in the international economy
- Consolidation of progress in macroeconomic stability (nominal and real)
- Improving social cohesion
- Increasing production potential
- Enhancing sustainable development policies
- Gender mainstreaming
- Improving global institutions

# INTERNATIONALLY AGREED DEVELOPMENT GOALS, INCLUDING THOSE SET FORTH IN THE MILLENNIUM DECLARATION

Pivotal theme linking all ECLAC priority areas of work

Integrated into the substantive content of all the subprogrammes

Regular monitoring of progress towards their achievement in the region



# PROGRAMME STRUCTURE

## 12 SUBPROGRAMMES

- 3 - economic agenda
- 3 - social agenda
- 2 - sustainable development and natural resources
- 1 - training and public administration
- 1 - statistics and projections
- 2 - subregional perspective: Central America and the Caribbean

# 12 SUBPROGRAMMES

ECONOMIC  
AGENDA

LINKAGES WITH THE GLOBAL ECONOMY,  
INTEGRATION AND REGIONAL  
COOPERATION

PRODUCTION AND INNOVATION

MACROECONOMIC POLICY  
AND GROWTH

# Summary of the economic agenda

- Monitoring trends in financial and trade flows and advances in multilateral negotiations (Doha)
- Support for complementarity between bilateral agreements and regional, hemispheric and multilateral accords
- Strengthening countries' negotiating capacity for the implementation and administration of various trade agreements
- Increasing linkages between exports and the rest of the production apparatus to maximize value added
- Incorporation of new knowledge-intensive and dynamic processes and products into the production structure: innovation and ICT

# Summary of the economic agenda

- Policies for inclusion and modernization of micro-, small and medium-sized enterprises and increasing the density of the productive fabric
- Countercyclical monetary and fiscal policies
- Improving the workings of financial systems (access, costs, new instruments)
- Promotion of domestic investment and saving
- Development financing: global and regional sources
- Gradual advances in macroeconomic coordination to promote integration



# 12 SUBPROGRAMMES

SOCIAL  
AGENDA

EQUITY AND SOCIAL COHESION

MAINSTREAMING THE GENDER  
PERSPECTIVE INTO THE REGIONAL  
DEVELOPMENT PROCESS

POPULATION AND DEVELOPMENT

# Summary of the social agenda

- Maximizing quality employment to ensure sustained growth with greater equity
- Need for a social pact. Combining market-based solutions with guarantees of solidarity-based financing in order to:
  - Ensure universal access to social protection
  - Strengthen human capital formation, and
  - Achieve greater social cohesion
- Social institution-building

# Summary of the social agenda

- Gender mainstreaming in public policy
- Follow-up to the Beijing Platform for Action and the Mexico City Consensus
- Incorporation of sociodemographic variables into social programming
- International migration: institutional aspects and impacts on countries of origin
- Demographic transition and latest trends in fertility and mortality
- Follow-up to the Cairo Programme of Action (population and development) and the Madrid Plan of Action (ageing)

# 12 SUBPROGRAMMES

SUSTAINABLE  
DEVELOPMENT  
AGENDA

SUSTAINABLE DEVELOPMENT AND  
HUMAN SETTLEMENTS

NATURAL RESOURCES  
AND INFRASTRUCTURE

# Summary of the sustainable development agenda

- Generation of data and indicators for assessing sustainable development
- Strategic environmental assessments: determining the value of externalities and modelling of policy options
- Climate change and clean development mechanisms
- Integrated follow-up to international and regional agreements on sustainable development: Monterrey, Johannesburg, Kyoto Protocol, Doha Round, Habitat II

# Summary of the sustainable development agenda

- Ensuring the sustainability of the region's natural-resource-based linkages with the world economy
- Public policies to improve the distribution of rents from utilization of the region's natural heritage
- Linking up technologically efficient and environmentally sustainable processes
- Integration of physical infrastructure in the region and treatment of conventional and renewable energy sources in the configuration of energy matrices and markets



# 12 SUBPROGRAMMES

TRAINING

PLANNING OF PUBLIC  
ADMINISTRATION

STATISTICS

STATISTICS AND  
ECONOMIC PROJECTIONS

# Summary of training

- ILPES: the ECLAC system's training centre organizes international courses
- Modernization of the State
- Economic and social planning
- Budgetary and public investment policies
- Local development

# Summary of statistics

- Promoting quality and coverage in the production of economic, social, demographic and environmental statistics
- Support for the adoption of new international standards by the region's statistical systems: national accounts, economic statistics and indicators for follow-up to the MDGs
- Harmonization of statistical data: gradual convergence towards the goal of regional excellence is facilitated by the sharing of experiences and best practices

# 12 SUBPROGRAMMES

SUBREGIONAL  
PERSPECTIVE

SUBREGIONAL ACTIVITIES  
IN MEXICO AND CENTRAL AMERICA

SUBREGIONAL ACTIVITIES  
IN THE CARIBBEAN

4 NATIONAL OFFICES  
1 LIAISON OFFICE

# Summary of subregional agendas

- Topics relating to both subregions also dealt with in specialized subprogrammes from Santiago
- Mexico and Central America:
  - Patterns for international linkages with the world economy, subregional integration and integration agreements with the United States (CAFTA-DR)
  - Migration and remittances
- Caribbean
  - Subregional integration (macroeconomic coordination for the creation of the Caribbean Single Market and Economy by 2008)
  - Particular aspects of the sustainable development of Small Island Developing States: follow-up to the Mauritius Strategy
  - Strengthening of economic, social and environmental statistics and indicators for monitoring progress towards the MDGs
- Joint tasks: assessment of the socio-economic and environmental impacts of natural disasters

# ECLAC Services

- Research (multidimensional, integrated approach)
- Advisory services to Governments in relation with public policy and technical cooperation (projects)
- Training and technical capacity-building
- Multisectoral forum (regional dialogue)
- Reliable source of comparable statistics and indicators
- Integrated follow-up to world summits dealing with economic and social issues



# Users and counterparts

- National counterparts:
  - Sectoral ministries and departments
  - Central banks
  - Academic centres
  - Universities
- International counterparts:
  - International agencies (including United Nations bodies and programmes and the Bretton Woods institutions)
  - Specialized regional and subregional agencies
- Users:
  - Public policy-makers and government officials
  - Sectoral programme managers
  - Private-sector agents
  - NGOs and civil society

# DELEGATIONS' CONSIDERATION OF THE DRAFT

DEBATE ON PRIORITIES AND  
THE CONTENTS OF THE  
PROGRAMME OF WORK  
(by subprogramme)

# ECLAC PRIORITIES

- Improvement of the region's position in the international economy
- Consolidation of progress in macroeconomic stability (nominal and real)
- Improving social cohesion
- Increasing production potential
- Enhancing sustainable development policies
- Gender mainstreaming
- Improving global institutions

# SUBPROGRAMME 1: LINKAGES WITH THE GLOBAL ECONOMY, INTEGRATION AND REGIONAL COOPERATION

## Subject areas:

- 1.1 Trends in the world economy and trade policies
- 1.2 Trade negotiations and regional integration
- 1.3 Trade and transport facilitation

## SUBPROGRAMME 2: PRODUCTION AND INNOVATION

Subject areas:

- 2.1 Analysis of recent changes in the region's production structure
- 2.2 Analysis of the behaviour of the main economic agents in the region
- 2.3 Analysis of the performance of the main economic agents: innovation and knowledge

# SUBPROGRAMME 3: MACROECONOMIC POLICIES AND GROWTH

Subject areas:

- 3.1 Overview and sectoral review of the performance of the Latin American and Caribbean economies
- 3.2 Analysis of development strategies and economic and social policies in the region



# SUBPROGRAMME 4: EQUITY AND SOCIAL COHESION

Subject areas:

- 4.1 Assessment of the social situation of the population
- 4.2 Design of social protection institutions to strengthen governance

# SUBPROGRAMME 5: MAINSTREAMING THE GENDER PERSPECTIVE INTO THE REGIONAL DEVELOPMENT PROCESS

Single subject area

# SUBPROGRAMME 6: POPULATION AND DEVELOPMENT

Subject areas:

- 6.1 Demographic analysis and population projections
- 6.2 Population data
- 6.3 Integration of sociodemographic aspects into social programming at the national and local levels
- 6.4 Regional cooperation on population and development

# SUBPROGRAMME 7: PLANNING OF PUBLIC ADMINISTRATION

## Single subject area

# SUBPROGRAMME 8: SUSTAINABLE DEVELOPMENT AND HUMAN SETTLEMENTS

Subject areas:

- 8.1 Evaluation of advances in sustainable development in the region
- 8.2 Integration of public policies, appraisal of externalities and follow-up of international and regional agreements for sustainable development
- 8.3 Sustainable development and human settlements

# SUBPROGRAMME 9: NATURAL RESOURCES AND INFRASTRUCTURE

Subject areas:

- 9.1 Sustainable management of natural resources
- 9.2 Provision and regulation of public utilities and infrastructure services



# SUBPROGRAMME 10: STATISTICS AND ECONOMIC PROJECTIONS

## Subject areas:

- 10.1 Technical cooperation with member States and regional statistical bodies
- 10.2 Statistical databank on Latin America and the Caribbean, and dissemination of regional statistics and indicators
- 10.3 Economic statistics and the System of National Accounts
- 10.4 Modelling and prospective analysis of the development process in the countries of Latin America and the Caribbean
- 10.5 Statistics and quantitative analysis of social trends

# SUBPROGRAMME 11: SUBREGIONAL ACTIVITIES IN MEXICO AND CENTRAL AMERICA

## Subject areas:

- 11.1 Economic development
- 11.2 Social development
- 11.3 International trade
- 11.4 Agricultural and rural development
- 11.5 Productive development
- 11.6 Energy and natural resources
- 11.7 Indicators and disaster assessment

# SUBPROGRAMME 12: SUBREGIONAL ACTIVITIES IN THE CARIBBEAN

Subject areas:

- 12.1 Cooperation and integration
- 12.2 Economic development
- 12.3 Environment and technology
- 12.4 Statistics and social development
- 12.5 Knowledge and information management