

Alicia Bárcena

Executive Secretary of ECLAC

































From hyperglobalization to political fragmentation and conflict

- Deep shifts in the international political economy since 2015
- Mounting protectionism, weakening of multilateralism
- Paradox: international cooperation is declining precisely when it is most needed to implement the 2030 Agenda

- Slow growth of the global economy and trade
- Risk of a new financial crisis
- **Growing inequalities and** erosion of trust in democracy
- Increasing geopolitical, technological and trade rivalry
- Climate change and environmental destruction that will affect the generations to come





















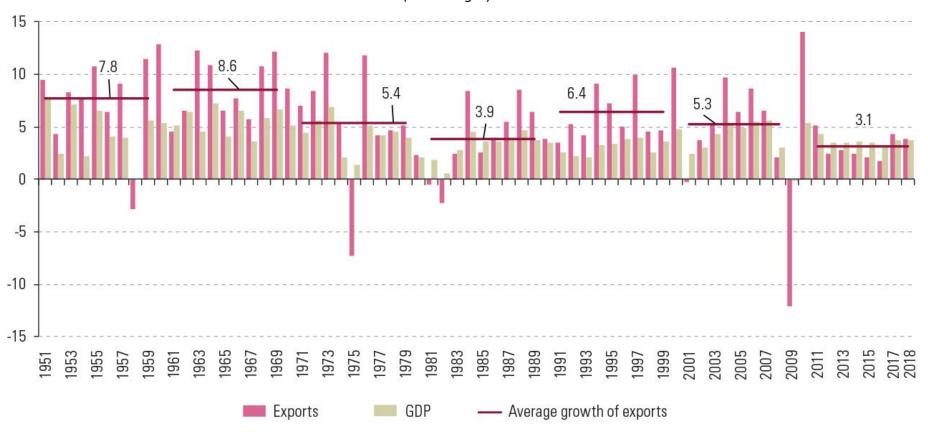






The cost of not cooperating: trade and the economy have been growing more slowly

From Bretton Woods to hyperglobalization: growth in global GDP and trade, 1952–2018^a (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of data from the World Trade Organization (WTO).



























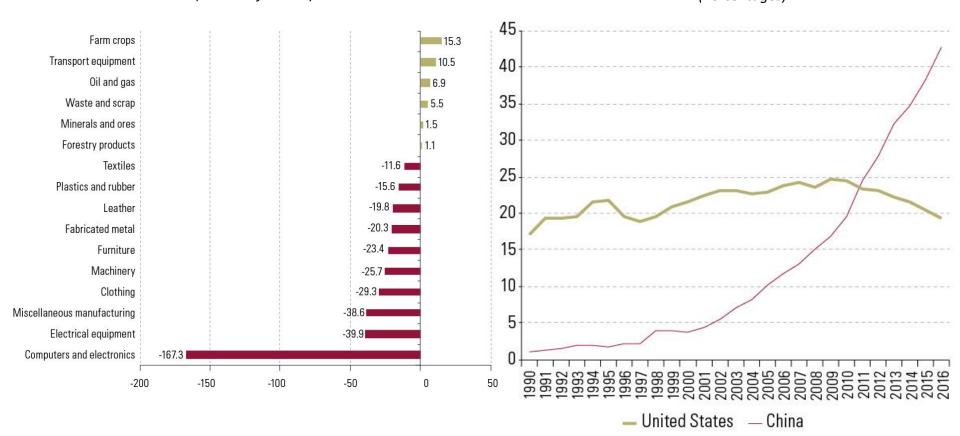


^a Global trade is the average of exports and imports. Figures for 2017 and 2018 are projections.

Geopolitical rivalry heightens trade and technological rivalry

United States: goods trade balance with China by sector, 2017 (Billions of dollars)

Shares in worldwide patent applications, 1990–2016, (Percentages)



Source: J. Bartash, "Why the U.S.-China trade deficit is so huge: Here's all the stuff America imports", 17 September 2018 [online] https://www.marketwatch.com/story/heres-all-the-stuff-the-us-imports-fromchina-thats-causing-a-huge-trade-deficit-2018-03-23/print.

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of World Intellectual Property Organization (WIPO), WIPO IP Statistics Data Center.

























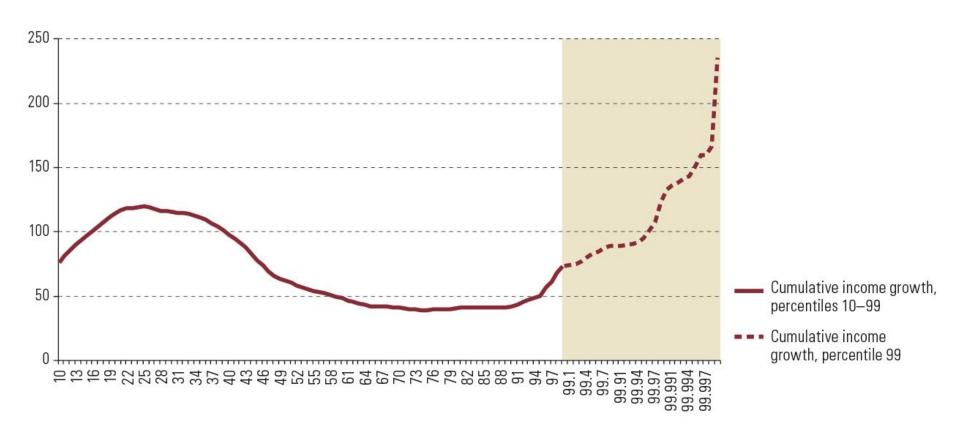






Inequality: the elephant in the room

World: real income growth per adult by income percentile in the global distribution, 1980-2016 (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of F. Alvaredo and others, World Inequality Report 2018, World InequalityLab, 2018 [online] http://wir2018.wid.world/files/download/wir2018-full-report-english.pdf.

























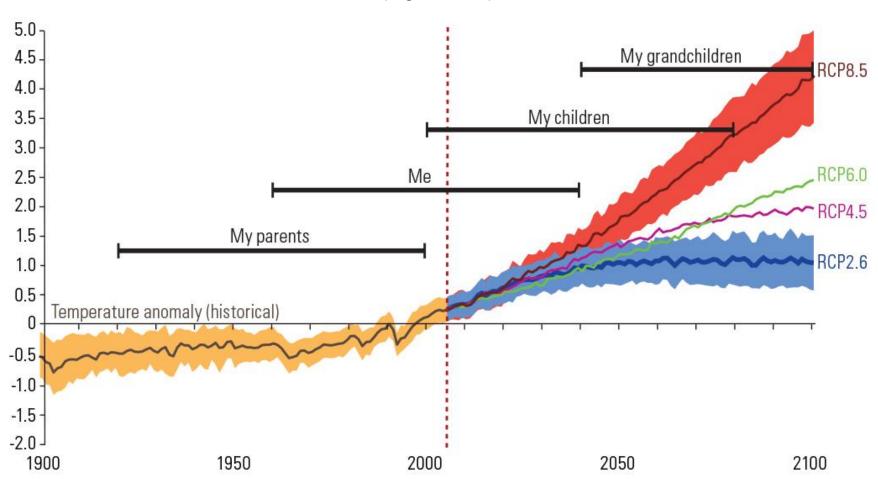






Environmental destruction as a form of intergenerational inequality

Global surface temperature anomaly, 1900-2100, compared with the average for 1986-2005 (Degrees Celsius)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Intergovernmental Panel on Climate Change (IPCC), Climate Change 2014: Impacts, Adaptation, and Vulnerability. Part B: Regional Aspects. Contribution of Working Group II to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change, V. R. Barros and others (eds.), Cambridge, Cambridge University Press, 2014, and D. Weston, "State of the planet, Kyoto and technical fixes", The Political Economy of Global Warming: The Terminal Crisis, London, Routledge, 20.





























Leave no one behind: the challenge of inclusive development in Latin America and the Caribbean (selected indicators)



















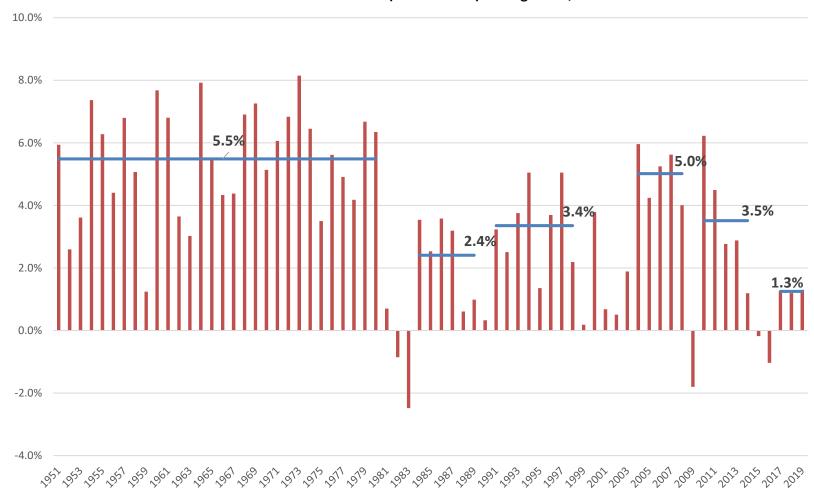






Growth is insufficient to implement the 2030 Agenda

Latin America and the Caribbean (33 countries): GDP growth, 1951-2019^a



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

The figure for 2019 refers to projections performed by ECLAC at May 2019.



























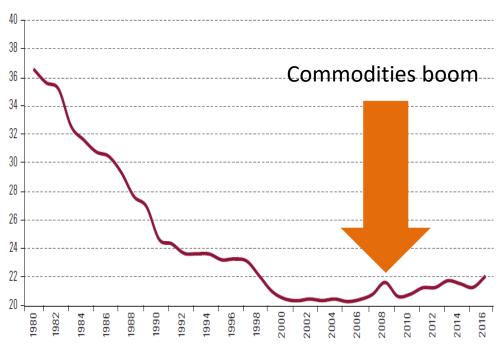




An increasing internal and external gap: region's relative productivity vis-à-vis the United States and of MSMEs vis-à-vis large firms compared with Europe

Latin America: relative productivity compared with the United States, 1980–2016 (Percentages)

Latin America and European Union: internal relative productivity, 2009 and 2016 (Percentages)



80
70
60
58
42
44
46
40
30
Microenterprises
Small enterprises
Medium-sized enterprises
Latin America, 2009
Latin America, 2016
European Union, 2016

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data.

Source: F. Correa, V. Leiva and G. Stumpo, "Mipymes y heterogeneidad estructural en América Latina", Mipymes en América Latina: un frágil desempeño y nuevos desafíos para las políticas de fomento, Project Dcuments (LC/TS.2018/75), M. Dini and M. Stumpo (coords.), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC). 2018.

























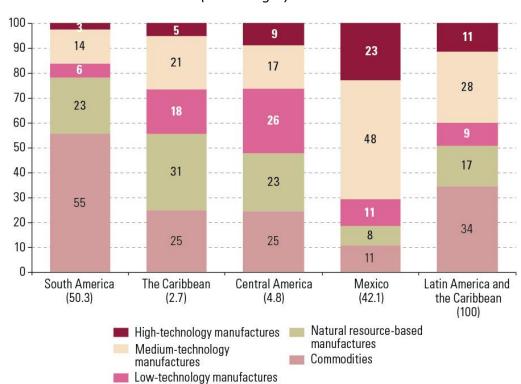




Specialization and persistent external disequilibria

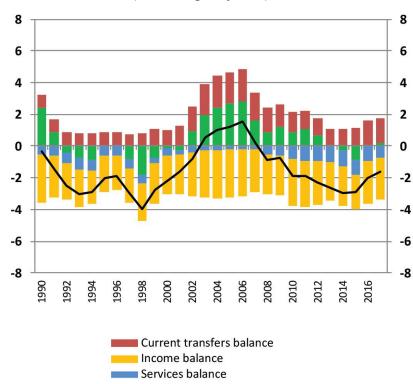
Latin America and the Caribbean, Mexico and subregions: export pattern by technology intensity, 2017^a

(Percentages)



Latin America and the Caribbean (33 countries): balance-ofpayments current account by component, 1990–2017

(Percentages of GDP)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of United Nations Commodity Trade Statistics Database (COMTRADE).

^a The numbers in brackets indicate the share of each subregion or country in the region's total exports.

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

a The figures for 2018 are projections. The figure does not include data from the Bolivarian Republic of Venezuela owing to lack of official data.

























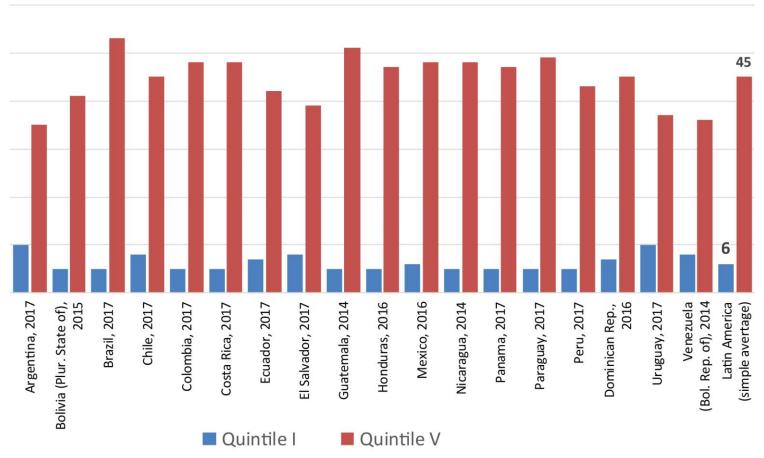






Inequality permeates the entire region

Latin America (18 countries): share in total income by income quintile, most recent year available^a (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), Social Panorama of Latin America, 2018 (LC/PUB.2019/3-P), Santiago, 2019.

- a Household income deciles ranked by per capita income.
- Ilrhan areas

c Las cifras de México para 2016 se estimaron sobre la base del "Modelo Estadístico 2016 para la continuidad del MCS-ENIGH", elaborado por el Instituto Nacional de Estadística y Geografía (INEGI) para atenuar la falta de comparabilidad de la encuesta de 2016 con la serie 2008-2014 (véase [en línea] http://www.beta.inegi.org.mx/proyectos/investigacion/eash/2016/).



























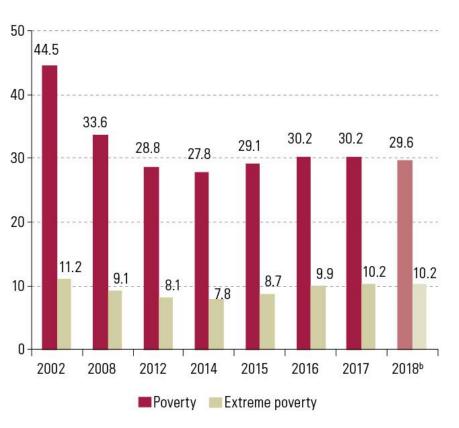




Leave no one behind in poverty reduction efforts

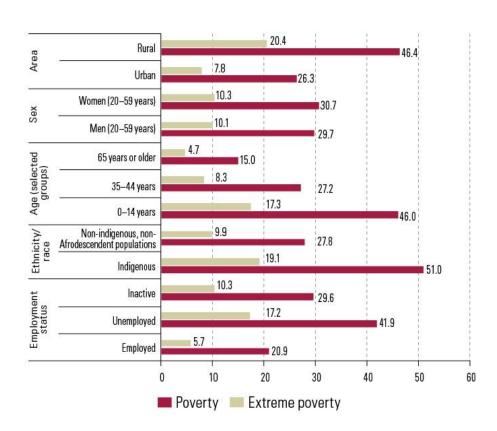
Latin America (18 countries): poverty and extreme poverty, 2002-2018a

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), Social Panorama of Latin America, 2018 (LC/PUB.2019/3-P), Santiago, 2019.

Latin America (18 countries): poverty and extreme poverty by area of residence, age, ethnicity, race and activity status, 2017^a (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Household Survey Data Bank (BADEHOG).































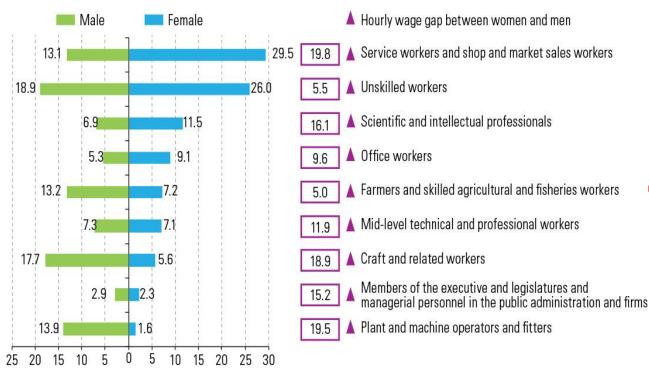
^a Weighted average for the following countries: Argentina, Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia and Uruguay. ^b The figure for 2018 is a projection.

^a The countries are Argentina, Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia and Uruguay.

Gendered occupational segregation: over half of women are employed in lower-skilled jobs, with hourly wage gaps in all occupations

LATIN AMERICA (9 COUNTRIES^a): DISTRIBUTION OF THE EMPLOYED POPULATION AND WAGE GAPS BETWEEN WOMEN AND MEN, BY OCCUPATION TYPE AND SEX, AROUND 2016b

(Weighted average, in percentages)



- High concentration of women (55.5%) in occupations such as sales and other services (29.5%) —the sector where the largest gender gaps occur— and unskilled work (26%).
- Men are more evenly distributed between the occupational categories. They are employed in larger proportions as plant and machine operators, technicians, craft and related workers, and farmers.

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the Household Survey Data Bank (BADEHOG)...

b The left side of the figure refers to the total employed population of 15 years of age and over. The right side refers to the waged population. The wage gap refers to the difference in labour earnings between waged women aged 20-49 working 35 or more hours per week in urban areas and men with the same characteristics.

























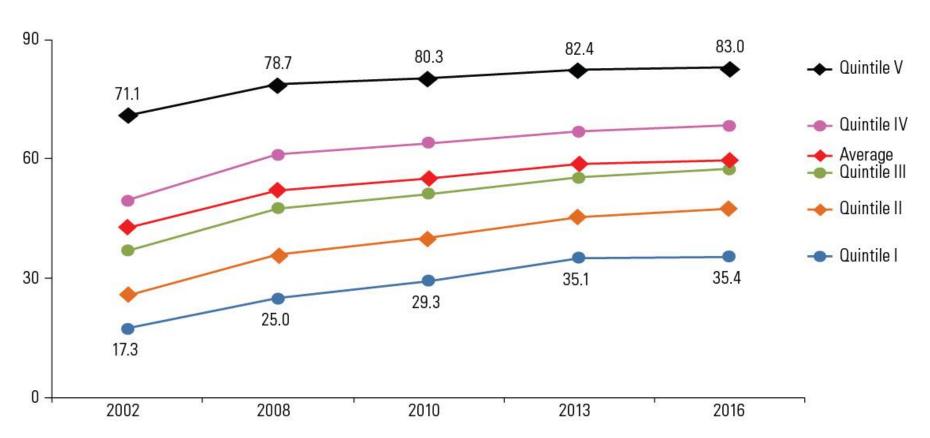




^a The data are for 2016 in the cases of Argentina, Costa Rica, Ecuador, El Salvador, Panama, Peru and Uruguay and 2015 for Chile and the Plurinational State of Bolivia.

The secondary school completion rate in the first quintile is less than half the rate in the fifth quintile

Latin America (18 countries^a): young people aged 20-24 who completed secondary education, by quintile, 2002-2016 (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Household Survey Databank (BADEHOG).



























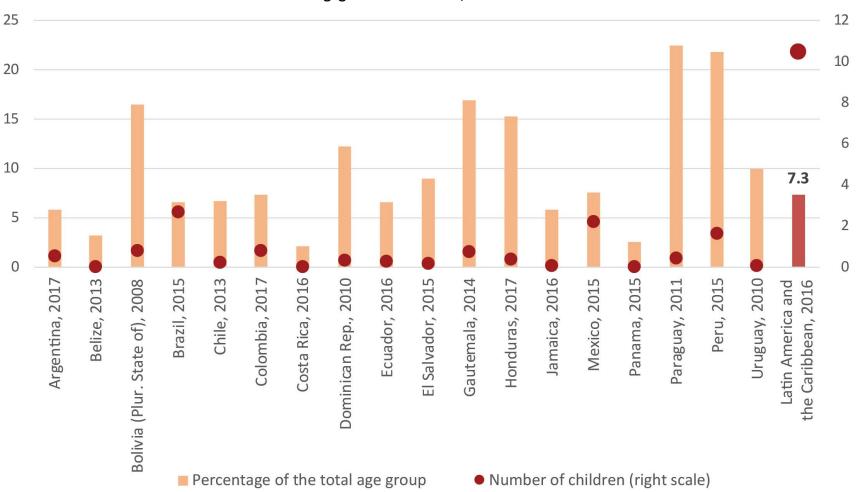




a Simple averages for the following countries: Argentina, Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia and Uruguay.

Child labour

Latin America and the Caribbean (18 countries): children and adolescents (aged 5–17) engaged in child labour, 2008–2017^a



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations from child labour surveys conducted in the respective countries and International Labour Office (ILO), *Global estimates of child labour: Results and trends, 2012-2016*, Geneva, 2017.

^b Data for Guatemala refer to the age bracket 7–17 years.





























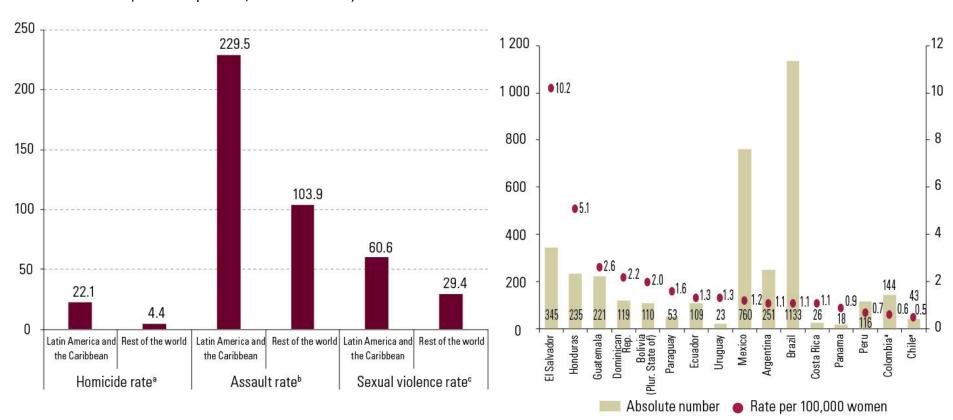


^aThe definition of child labour and the official child labour statistics used are those reported by each country. In most countries, child labour rates are linked to prohibited economic activities or occupations.

Violence: a cross-cutting issue for inclusive development

Violence indicators, around 2015 (*Incidents per 100,000 inhabitants*)

Latin America (16 countries): femicides, 2017 (Absolute numbers and rates per 100,000 women)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of data from the United Nations Office on Drugs and Crime (UNODC).

Source: Economic Commission for Latin America and the Caribbean (ECLAC), Gender Equality Observatory for Latin America and the Caribbean [online] http://oig.cepal.org/en, on the basis of official sources.































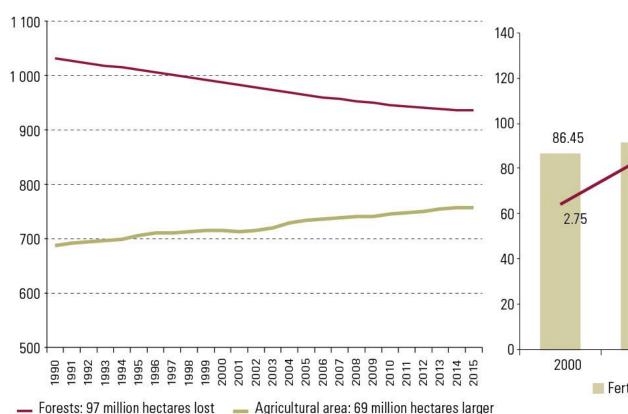
Deforestation and soil degradation

Latin America and the Caribbean: loss of forested area and expansion of agricultural area, 1990–2015

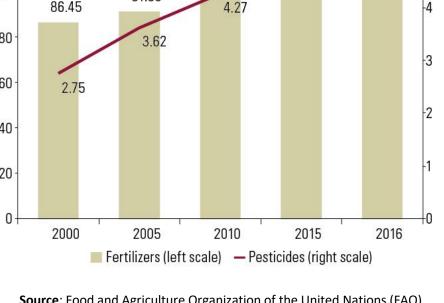
(Millions of hectares)

South America: intensity of fertilizer and pesticide use, 2000–2016

109.59



Source: Food and Agriculture Organization of the United Nations (FAO), Corporate Database for Substantive Statistical Data (FAOSTAT) [online] http://www.fao.org/faostat/en/.



Source: Food and Agriculture Organization of the United Nations (FAO), Corporate Database for Substantive Statistical Data (FAOSTAT) [online] http://www.fao.org/faostat/en/ [date of reference: January 2019].























91.30







132.73

4.85

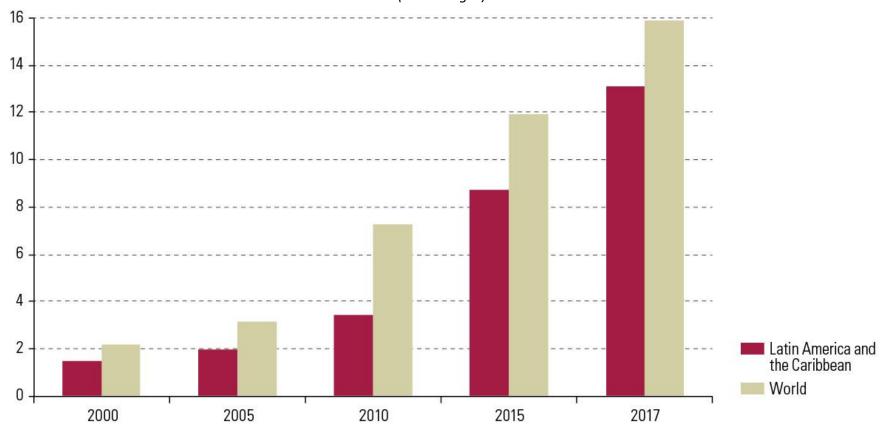
114.51

4.98

Protection of marine ecosystems

Latin America and the Caribbean and the world: protected marine areas in exclusive economic zones, 2000–2017

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Protected Planet, World Database on Protected Areas (WDPA) [online], https://www.protectedplanet.net/c/world-database-on-protected-areas, 2018.

























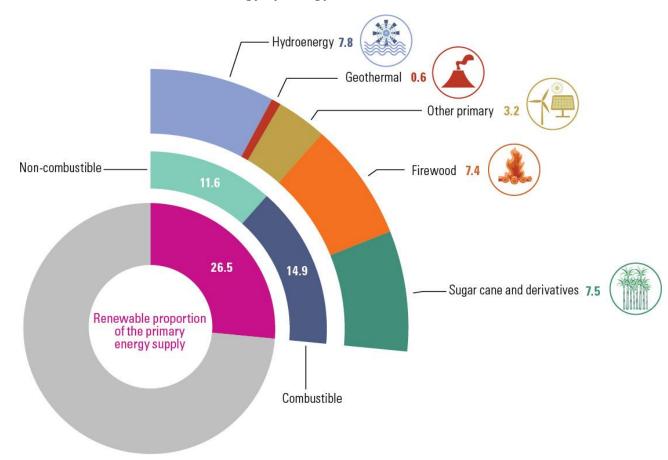






Between 1990 and 2016, the renewable share of the energy mix shrank from 28.9% to 26.5% and just over half of renewable sources are combustible

Latin America and the Caribbean: supply of primary renewable (combustible and non-combustible) energy by energy resource, 2016



Source: Economic Commission for Latin America and the Caribbean (ECLAC), Statistical Yearbook for Latin America and the Caribbean, 2018 (LC/PUB.2019/2-P), Santiago, 2019.





























Means of implementation for the 2030 Agenda and developments in SDG monitoring, indicators and statistics



























National coordination mechanisms for the implementation of the 2030 Agenda for Sustainable Development

untry and coordination mechanism		oluntary 2017			WS
Antigua and Barbuda Working Group on the Sustainable Development Goals, Office of the Prime Minister	2010	2017	2010	2013	202
Argentina National Council for Social Policy Coordination		•			•
Bahamas Sustainable Development Goals Inter-Agency Technical Committee			•		
Belize Ministry of Economic Development, Petroleum, Investment, Trade and Commerce		•			
Brazil National Commission for the Sustainable Development Goals, Government Secretariat of the Office of the President		•		•	
Chile National Council for Implementation of the 2030 Agenda for Sustainable Development		•		•	
Colombia High-level Inter-Agency Commission for the Preparation and Effective Implementation of the Post-2015 Development Agenda and its Sustainable Development Goals	•		•		
Costa Rica High-Level National Coordinating Committee for the Sustainable Development Goals		•			•
Cuba Ministry of Economy and Planning					
Dominica SDG National Committee					
Dominican Republic High-level Inter-Agency Commission for Sustainable Development			•		
Ecuador National Secretariat of Planning and Development (SENPLADES)					
El Salvador Technical and Planning Secretariat of the Office of the President and Ministry of Foreign Affairs		•		•	
Grenada Department of Economic and Technical Cooperation, Ministry of Finance, Planning, Economic Development and Physical Developme	nt				
Guatemala National Council for Urban and Rural Development (CONADUR)		•		•	
Guyana No coordination mechanism for the implementation of the 2030 Agenda for Sustainable Development				•	
Haiti Ministry of Planning and External Cooperation					
Honduras General Coordination Secretariat of Government, High-level Commission and Technical Committee for the SDGs					
Jamaica National 2030 Agenda Oversight Committee (NAOC); Thematic Working Groups of Vision 2030 Jamaica; and 2030 Agenda SDGs Core Group			•		
Mexico National Council for the 2030 Agenda for Sustainable Development	•				
Panama Inter-Agency and Civil Society Commission for the Support and Follow-up of the Sustainable Development Goals		•			
Paraguay Inter-Agency Coordinating Committee for the Implementation, Follow-up and Monitoring of the International Commitments Accepted by the Country in the Framework of the United Nations Sustainable Development Goals			•		
Peru Centre for Strategic Planning (CEPLAN)		•			•
Saint Kitts and Nevis Ministry of Sustainable Development					
Saint Lucia Sustainable Development Goals National Coordinating Committee				•	
Saint Vincent and the Grenadines No coordination mechanism for the implementation of the 2030 Agenda for Sustainable Development					
Trinidad and Tobago High Level Ministerial Sub-Committee of Cabinet on Vision 2030 and SDGs, Ministry of Planning and Development					
Uruguay Office of Planning and the Budget of the Office of the President		•	•		
Venezuela (Bolivarian Republic of) Inter-agency coordination group					

[•] Indicates years in which the respective country submitted its voluntary national review to the high-level political forum on sustainable development held under the auspices of the Economic and Social County of the United Nations.

[•] Indicates countries that will present their voluntary national review in 2019 or 2020, on the basis of expressions of interest received by the secretariat of the high-level political forum (this information is subject to change).

First cycle of the high-level political forum.

Second cycle of the high-level political forum.

Integrating the 2030 Agenda into planning and budgeting: unfinished business

BUDGETING

PLANNING

Mexico

In the 2018 tax year, 80.7% of Mexico's budget programmes addressed issues linked to achievement of the SDGs. 156 of the 169 SDG targets are linked to at least one budget programme.

Jamaica

Jamaica has developed two planning instruments that are linked to the 2030 Agenda: the Vision 2030 Jamaica National Development Plan and the Medium Term Socio-Economic Policy Framework for 2018-2021.

Uruguay

Since 2010, the country's budget has been organized by programme areas, to improve monitoring of public spending, with a results-based management approach.

Peru

Two mechanisms for implementing the 2030 Agenda: (i) building a concerted vision for the future of the country with a 2030 horizon, and (ii) updating policies and plans relating to the National Strategic Development Plan, which is to be extended to 2030.

Colombia

Through its National Planning Department, Colombia has developed a tool to facilitate allocation of resources for achievement of the 2030 Agenda.

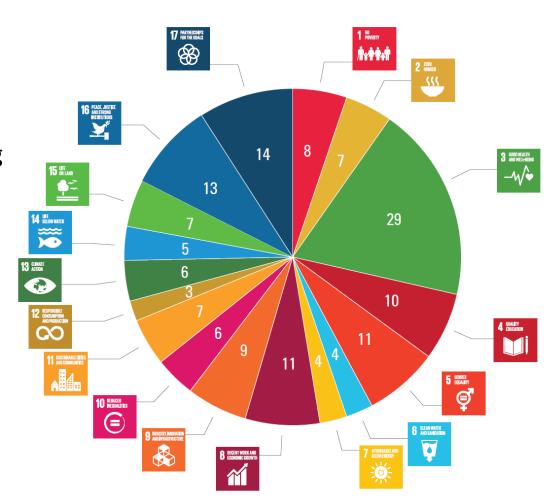
Costa Rica

The National Pact for the Advancement of the SDGs in the Framework of the 2030 Agenda for Sustainable Development in Costa Rica. Executive Decree No. 40203 (PLAN-RE-MINAE) establishes an organizational structure for planning, implementing and following up the SDGs and their related targets.

A core set of prioritized indicators for monitoring the 2030 Agenda from a regional perspective

A set of **154 SDG-related** indicators that:

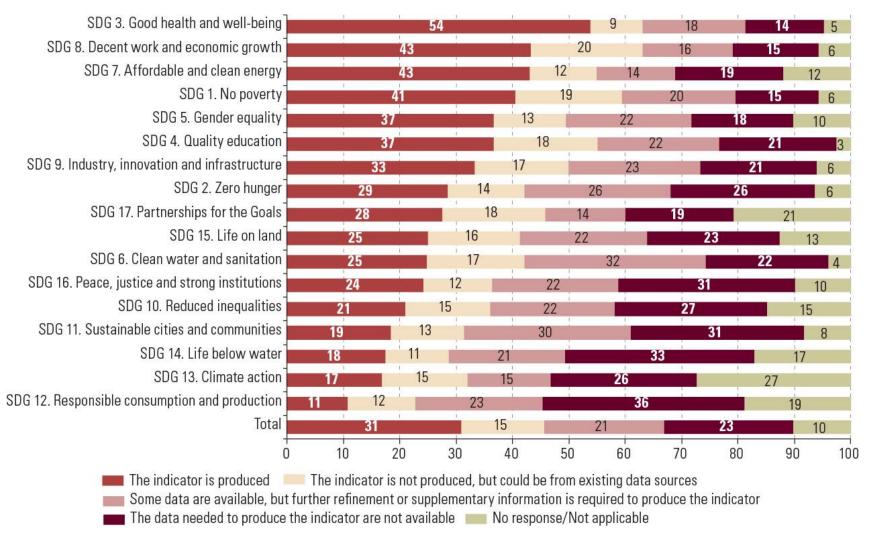
- Take into account *regional specificities*, complementing global indicators
- Prioritize measurement and coordination of horizontal, regional and international cooperation efforts to narrow statistical capacity gaps



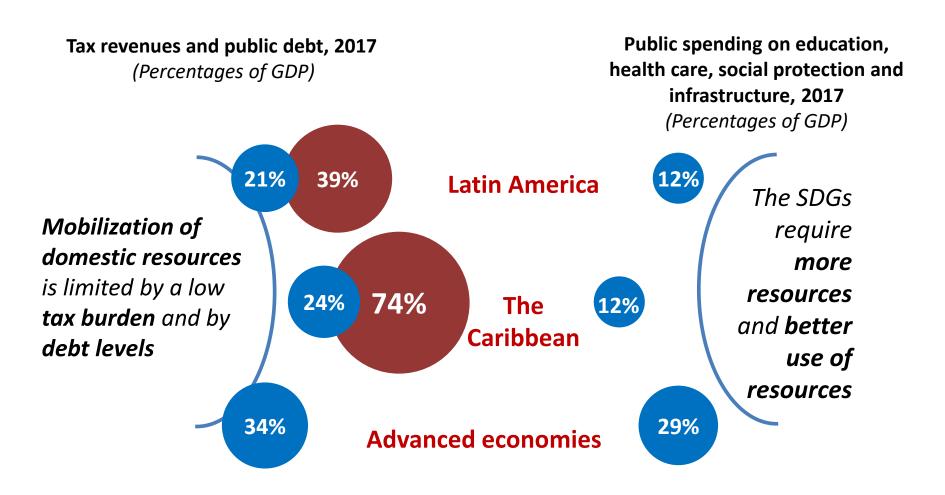
Source: Statistical Coordination Group for the 2030 Agenda in Latin America and the Caribbean, *Report on the prioritization of indicators for regional statistical follow-up to the Sustainable Development Goals in Latin America and the Caribbean* (LC/CE 17/3), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC), 2018.

Different degrees of statistical development in sectors involved in the 2030 Agenda

Latin America and the Caribbean (25 countries): SDG indicators by level of production, 2018 (Percentages)



Fiscal space is limited, but can be expanded



























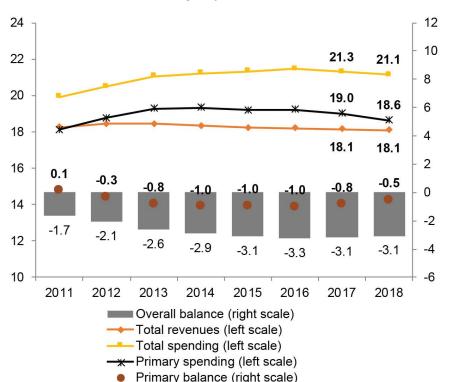


Fiscal consolidation continues and public debt has increased

On average, primary balances improved... ...but gross public debt increased in 14 countries

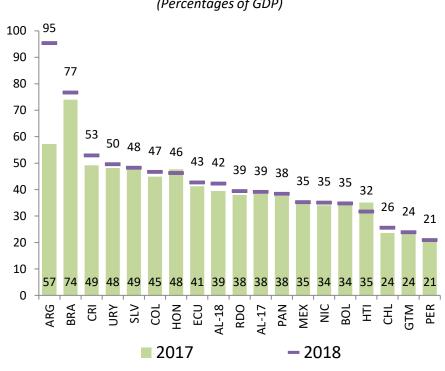
Latin America (16 countries): central government fiscal indicators, 2011-2018

(Percentages of GDP)



Latin America (18 countries): central government gross public debt, 2017-2018

(Percentages of GDP)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

Note: The figures are simple averages. In the cases of the Dominican Republic, Ecuador, Honduras and Nicaragua, the figures refer to projections based on a cumulative 12-month period to November 2018.



























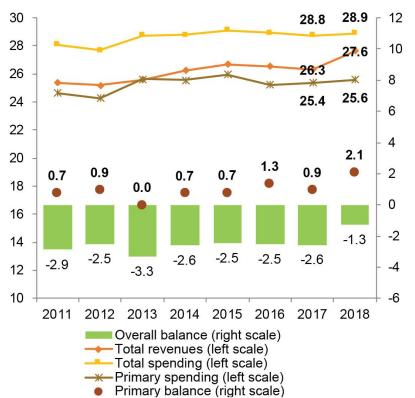


The fiscal effort is very significant in the Caribbean

The primary surplus rose, as a result of an increase in total revenues...

The Caribbean (12 countries): central government fiscal indicators, 2011–2018

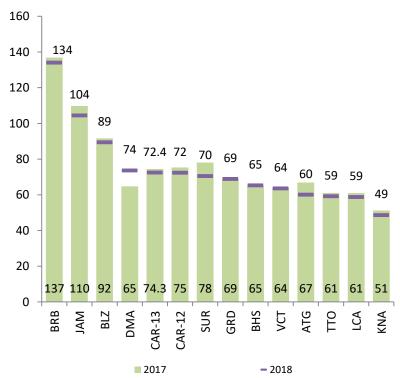
(Percentages of GDP)



...and public debt fell from 74.3% of GDP in 2017 to 72.4% of GDP in 2018

The Caribbean (12 countries): central government gross public debt, 2017–2018

(Percentages of GDP)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

Note: Dominica is not included. The figures are simple averages. The figures for 2018 refer to projections from 2019 budgets, official estimates for the end of 2018 or the cumulative 12-month period to the third quarter of 2018.



























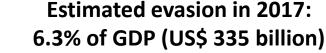


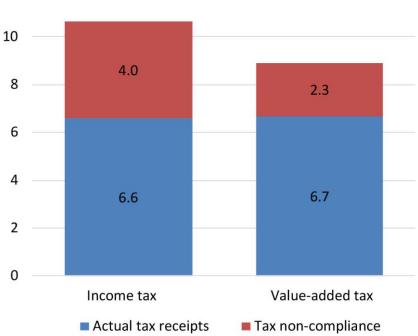


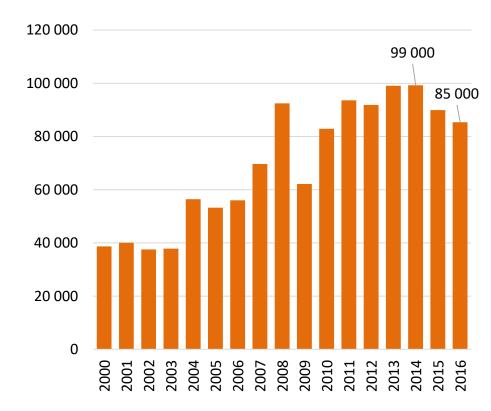
Tax evasion and illicit financial flows limit domestic resource mobilization

Latin America: income tax and value added tax non-compliance, 2017 (Percentages of GDP)

Latin America and the Caribbean: estimated value of goods trade misinvoicing, 2000–2016 (Billions of dollars)







Source: Economic Commission for Latin America and the Caribbean (ECLAC).

Note: Estimates are based on national studies on income tax and VAT non-compliance. The figures refer to a weighted average based on GDP at current prices expressed in dollars. The countries included in the analysis of income tax are: Argentina, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Mexico, Panama, Peru and Uruguay. The countries included in the analysis of VAT are: Argentina, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, Guatemala, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia and Uruguay.



12





























Active fiscal policies to finance the 2030 Agenda

4 tools to increase the fiscal space

- 1. Reduce tax evasion and illicit financial flows
- 2. Tax the digital economy and adopt environmental and health taxes
- 3. Rethink tax expenditure
- 4. Strengthen personal income tax and property tax

4 public spending and investment policies

- 1. Protect dual (social and labour) inclusion with social spending
- 2. Strengthen public investment in innovative technologies
- 3. Promote public-private partnerships for infrastructure and renewable energy
- 4. Redesign tax incentives for industrial policies

Multilateral regional space to strengthen fiscal policy

- 1. Adopt regional and global agreements to reduce tax evasion and avoidance and illicit flows
- 2. Reduce harmful tax competition
- 3. Reduce global asymmetries and strengthen dialogue with transnational companies























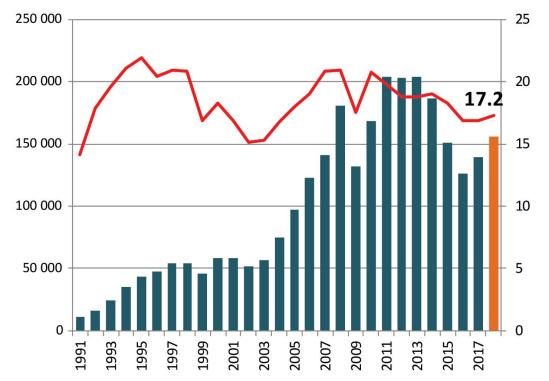






Strengthening of regional trade and integration: an opportunity that has not been fully exploited

Latin America and the Caribbean: intraregional goods exports, 1991–2018 (Billions of dollars and percentages of exports to the world)



- Intraregional trade is more conducive to structural change as manufactured goods account for a larger share of exports, compared with extraregional trade
- **But intraregional trade has** grown much less than extraregional trade

- Intraregional exports
- Percentage of intra-Latin-American exports (right scale)

Source: Economic Commission for Latin America and the Caribbean (ECLAC), with information from United Nations Comtrade database.





























The digital revolution

New business models

Artifical intelligence (AI)



Big data analytics

Robotics

Internet of Things (IoT)

Cloud computing





- New methods to promote products
- **Reduction of intermediation**
- Monitoring of customers' opinions in real time
- Personalization of products by preference
- Digitalization of traditional manufacturing processes
- Generation of new value added for products through services integration
- Reduction of the cost of communication between network users
- Creation of new collective goods, for example management of shared inventories
- Reduction of the costs of network monitoring, allowing objective supervision in real time
- **Increased efficiency in routine processes**































Taking stock

- Complex global context: slow growth and uncertainty, inequality, geopolitical rivalry, climate change and environmental destruction
- A region committed to the 2030 Agenda: some countries have made significant institutional efforts but domestic resource mobilization is complex
- Mixed results: progress, inertia and setbacks in achieving the SDGs

























Six pillars for action and cooperation

- National, inter-agency and intersectoral architectures at the highest level.
- Building SDGs into development plans, budgets, and investment.
- Strengthening of statistical capacities.
- Means of implementation: financing, technology, trade, accountability.
- Strengthening of the regional architecture through observatories on gender, planning and energy, and through productive, technology, regulatory and trade integration.
- Forums for dialogue between governments, businesses and citizens and with regional agencies of the United Nations and development banks.

























Comprehensive and interdependent nature of the 2030 Agenda Equality as a core value and instrument of development



The proposal: policy, sectors and stakeholders coordinating around the environmental big push



The environmental big push: a coordinated set of innovative investments that combine environmental stewardship, capacity-building and increased productivity and formal employment

Infrastructure: changes in mobility patterns and to the energy matrix

Changes in production and consumption patterns: circular economy, less energy-intensive production that uses fewer materials and produces less waste

Changes to territorial and urban organization: quality public mobility based on carbon-free sources



- Technological revolution: de-materialization
- Fiscal policy
- Environmental citizenship
- Regulation



The 2030 Agenda calls for a new multilateralism

- That builds confidence in international cooperation and collective action for the provision of global and regional public goods
- That enhances resilience to financial, trade and technology shocks
- That universalizes welfare States and protects the rights of disadvantaged minorities
- That champions the broad interests of the many above those of organized groups in which capital and technology are concentrated
- That strengthens deliberative capacities, transparency and informed debate among all citizens



























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