

The Challenge of Accelerating the 2030 Agenda in Latin America and the Caribbean: Transitions towards sustainability

Seventh report on regional progress and challenges in relation to the 2030 Agenda for Sustainable Development in Latin America and the Caribbean

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**SUSTAINABLE
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Contents of the report

Part I: Progress in the implementation of the Sustainable Development Goals

- I. Towards productive, inclusive and sustainable Development in Latin America and the Caribbean
- II. Progress towards achieving the targets of the Sustainable Development Goals in Latin America and the Caribbean: outlook to 2030
- III. Progress in the achievement of Goals 1, 2, 13, 16 and 17 of the 2030 Agenda

Part II: Acceleration towards the realization of the 2030 Agenda for Sustainable Development

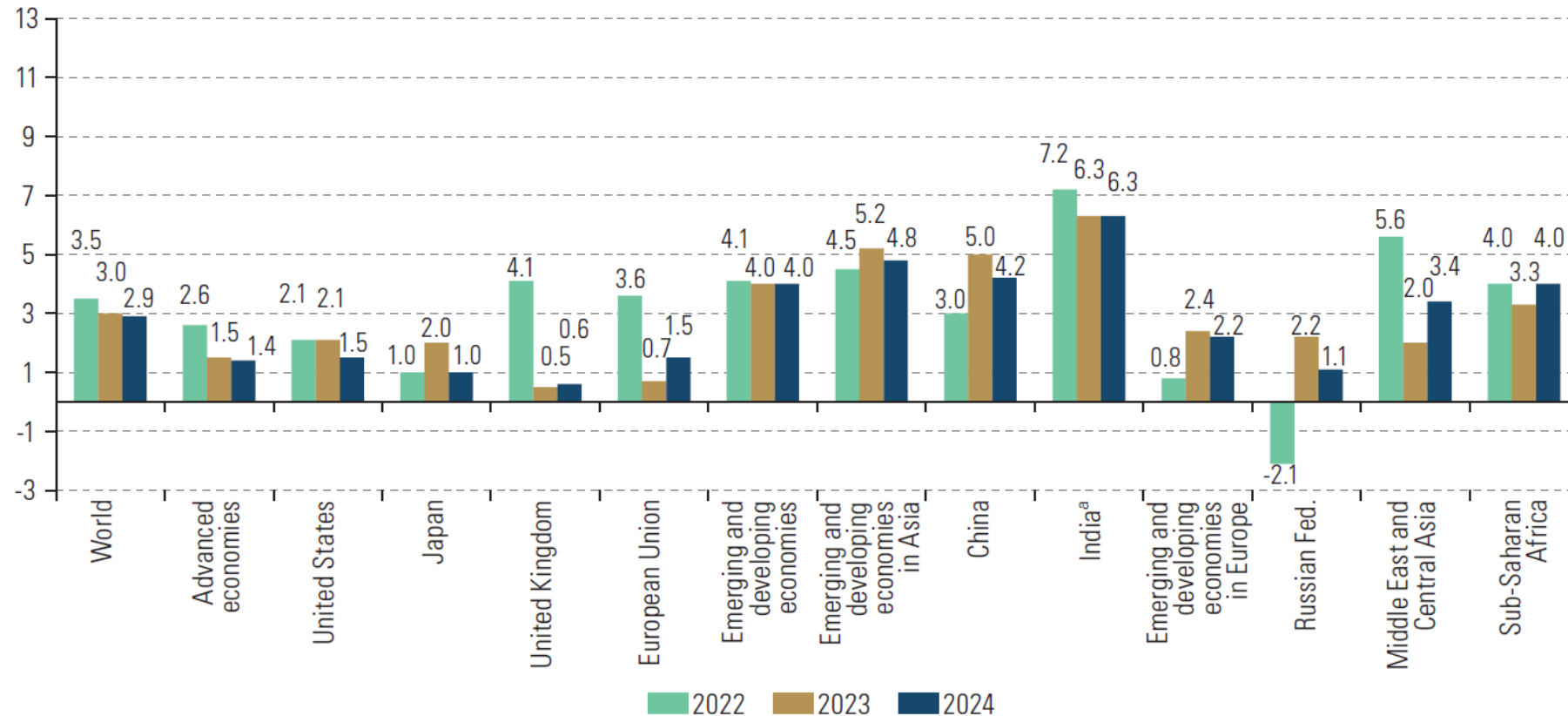
- IV. Transitions to accelerate progress towards the Sustainable Development Goals
- V. Financing to achieve the Sustainable Development Goals
- VI. General conclusions and recommendations

Part I: Progress in the implementation of the Sustainable Development Goals

- I. Towards productive, inclusive and sustainable Development in Latin America and the Caribbean

Global growth slowed in 2023 and 2024 (estimate), below the historical average of 3.8% for 2000–2019

Selected regions and countries: GDP growth rate, 2022 and projections for 2023 and 2024
(Percentages)

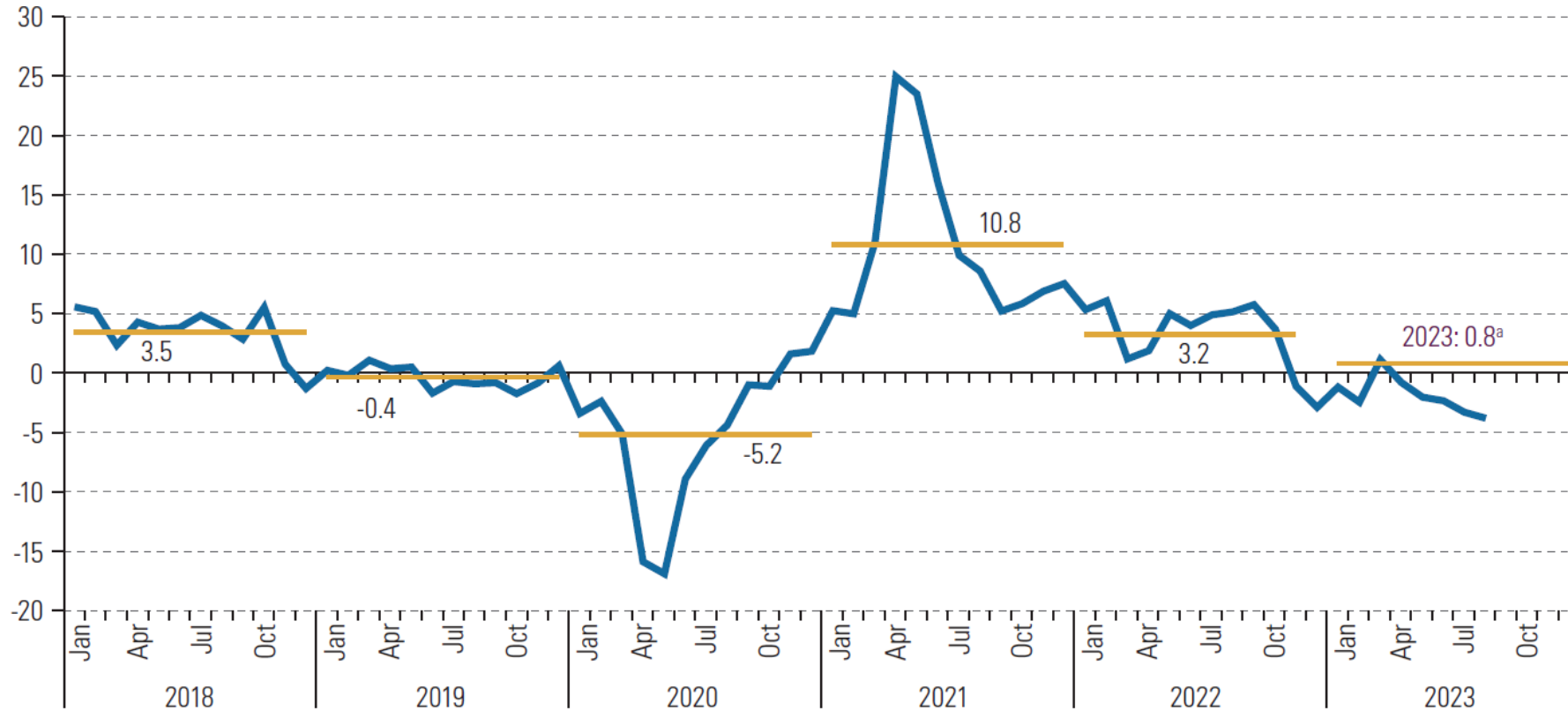


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of International Monetary Fund (IMF), *World Economic Outlook: Navigating Global Divergences*, Washington, D.C., 2023.

^a In India, the fiscal year begins in April and ends in March the following year.

Slowdown in international trade also seen in 2022 and 2023

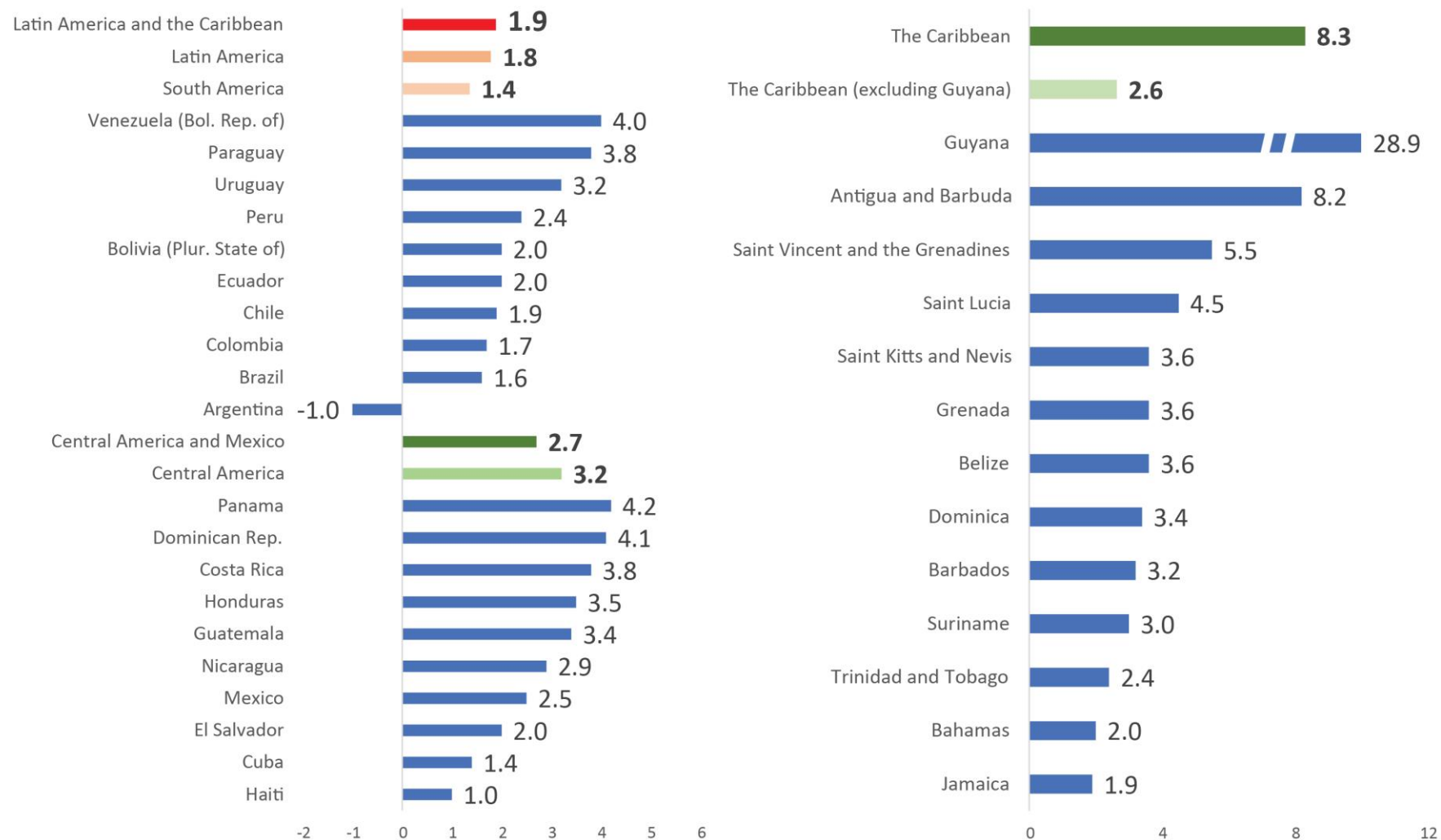
World trade volume: year-on-year variation, January 2018–August 2023 and projection for 2023
(Percentages, on the basis of a seasonally adjusted index)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Netherlands Bureau for Economic Policy Analysis (CPB), World Trade Monitor [online database] <https://www.cpb.nl/en/worldtrademonitor>; World Trade Organization (WTO), *Global Trade Outlook and Statistics*
Update: October 2023, Geneva, 2023.

^a WTO projection for 2023.

Latin America and the Caribbean: projected GDP growth, 2024

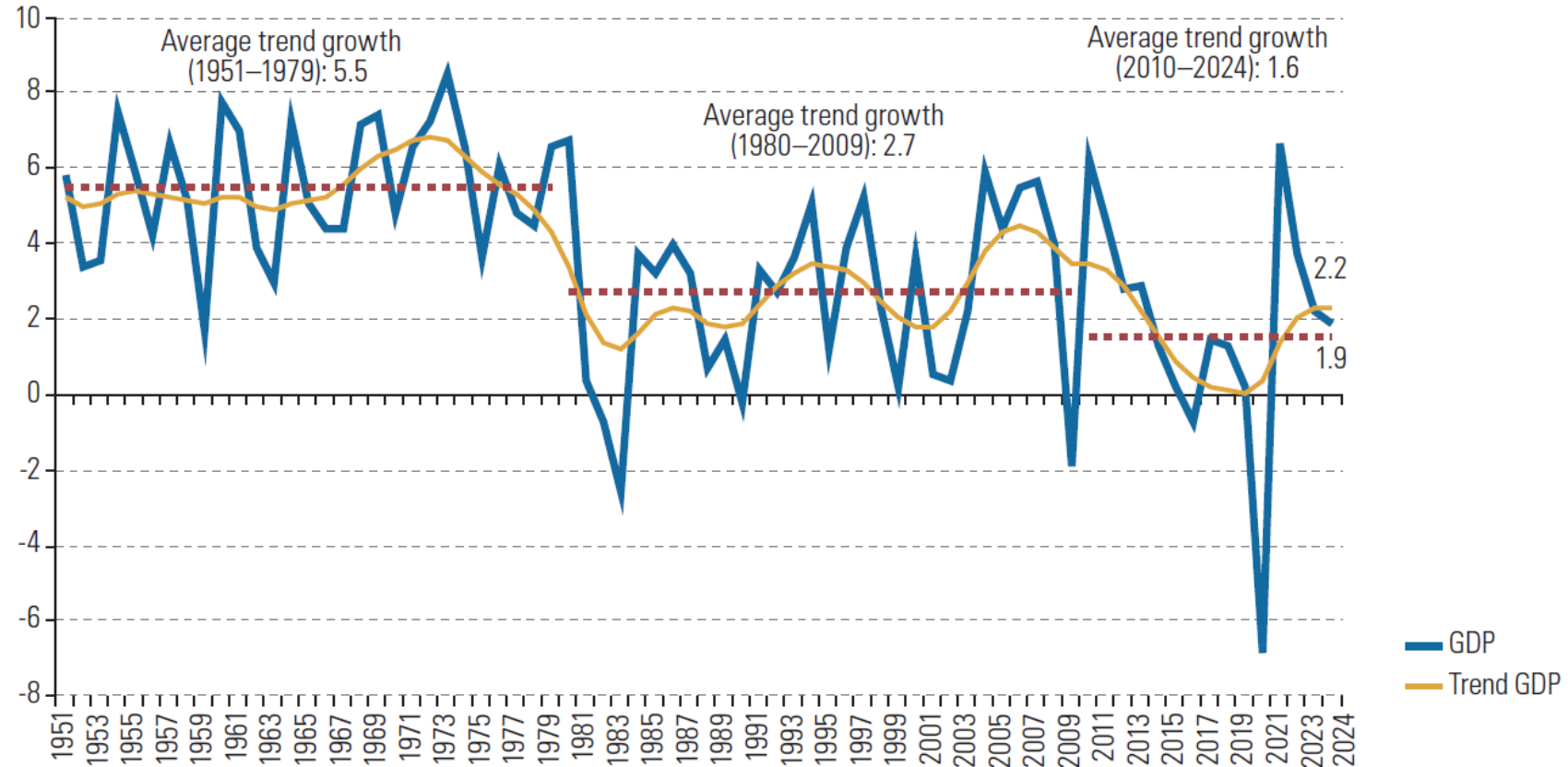


Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Preliminary Overview of the Economies of Latin America and the Caribbean, 2023* (LC/PUB.2023/22-P), Santiago, 2023.

Latin America and the Caribbean has lower growth capacity

Latin America and the Caribbean: growth in GDP and trend GDP, 1951–2024

(Percentages, on the basis of dollars at constant 2018 prices)



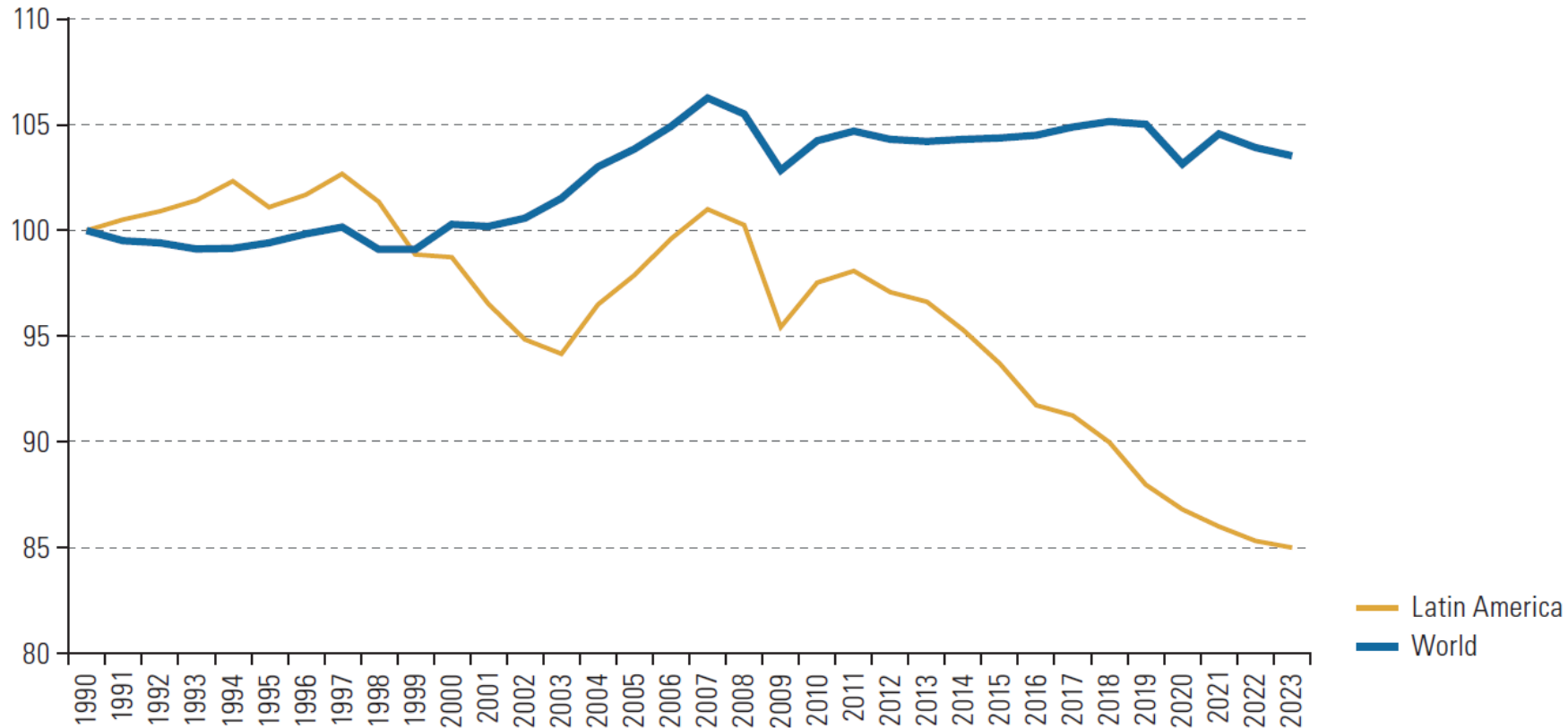
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

Note: The Hodrick-Prescott filter was used to calculate GDP trend growth.

The widening productivity gap must be closed

Latin America (15 countries)^a and the world: total factor productivity, 1990–2023

(Index: 1990=100)

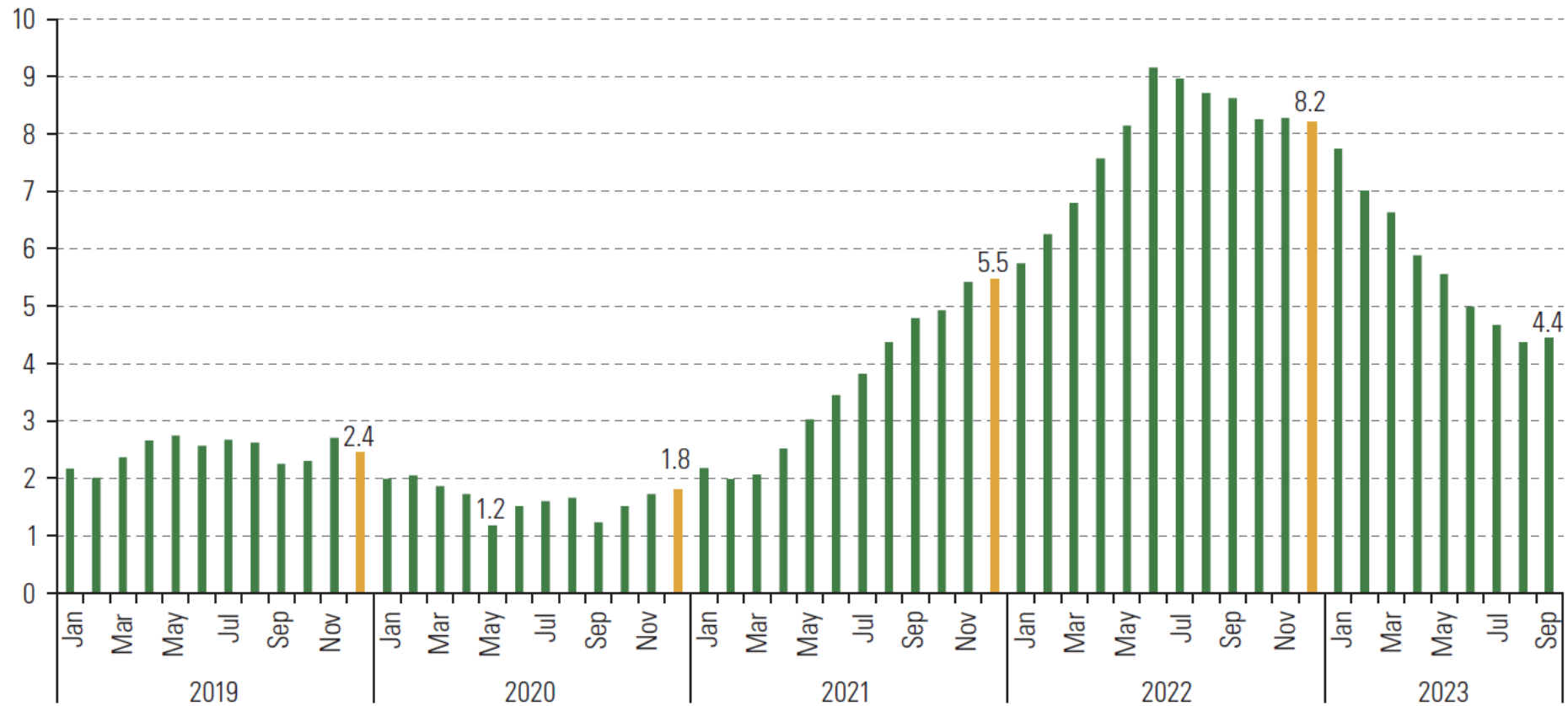


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of The Conference Board, Total Economy Database [online] <https://www.conference-board.org/data/economydatabase/total-economy-database-productivity>.

^a Argentina, Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, Guatemala, Jamaica, Mexico, Paraguay, Peru, Plurinational State of Bolivia and Uruguay.

Inflation trending down, but remains high

Latin America and the Caribbean: median annual rates of change in the consumer price index, January 2019–September 2023
(Percentages)

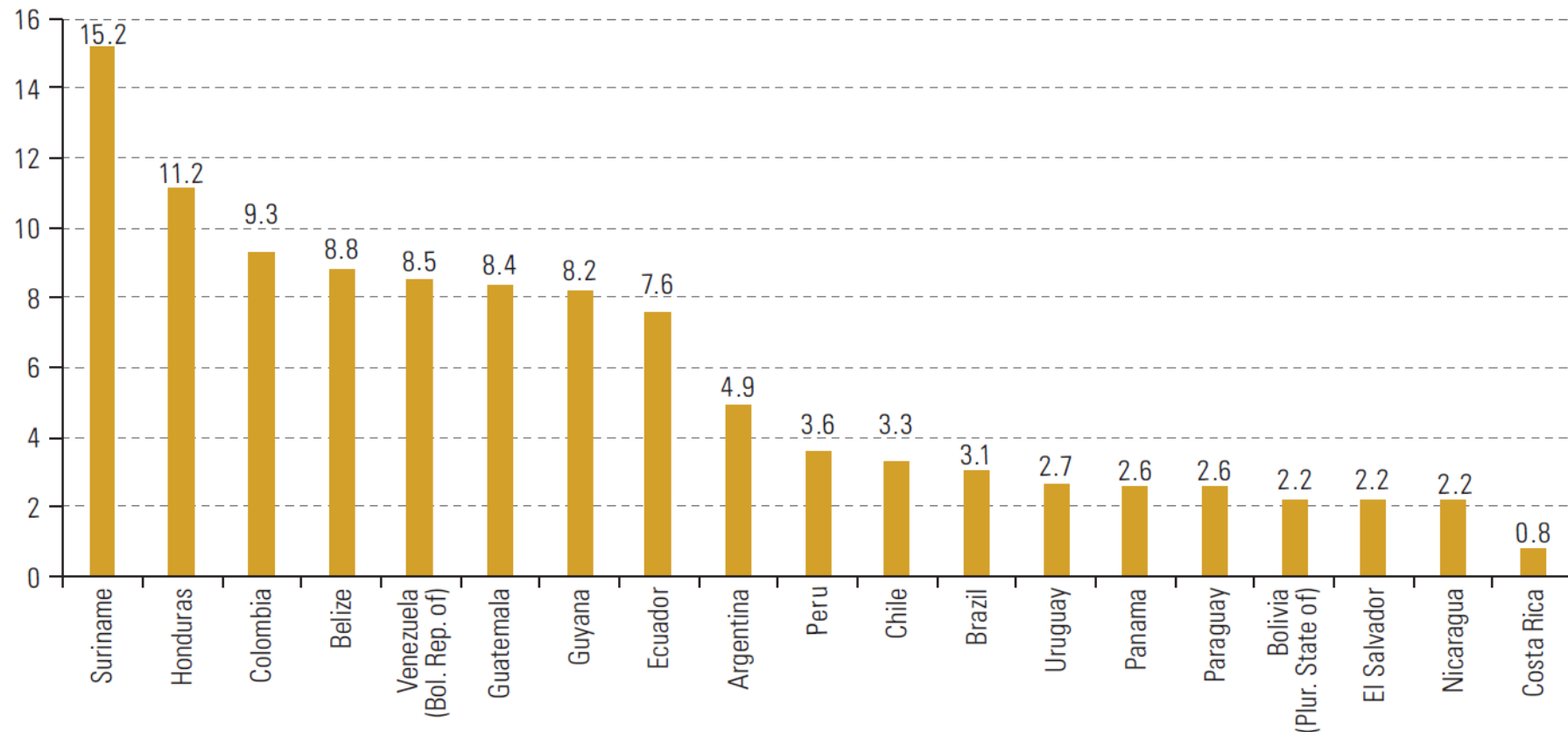


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

Effects of climate change in the region are severe

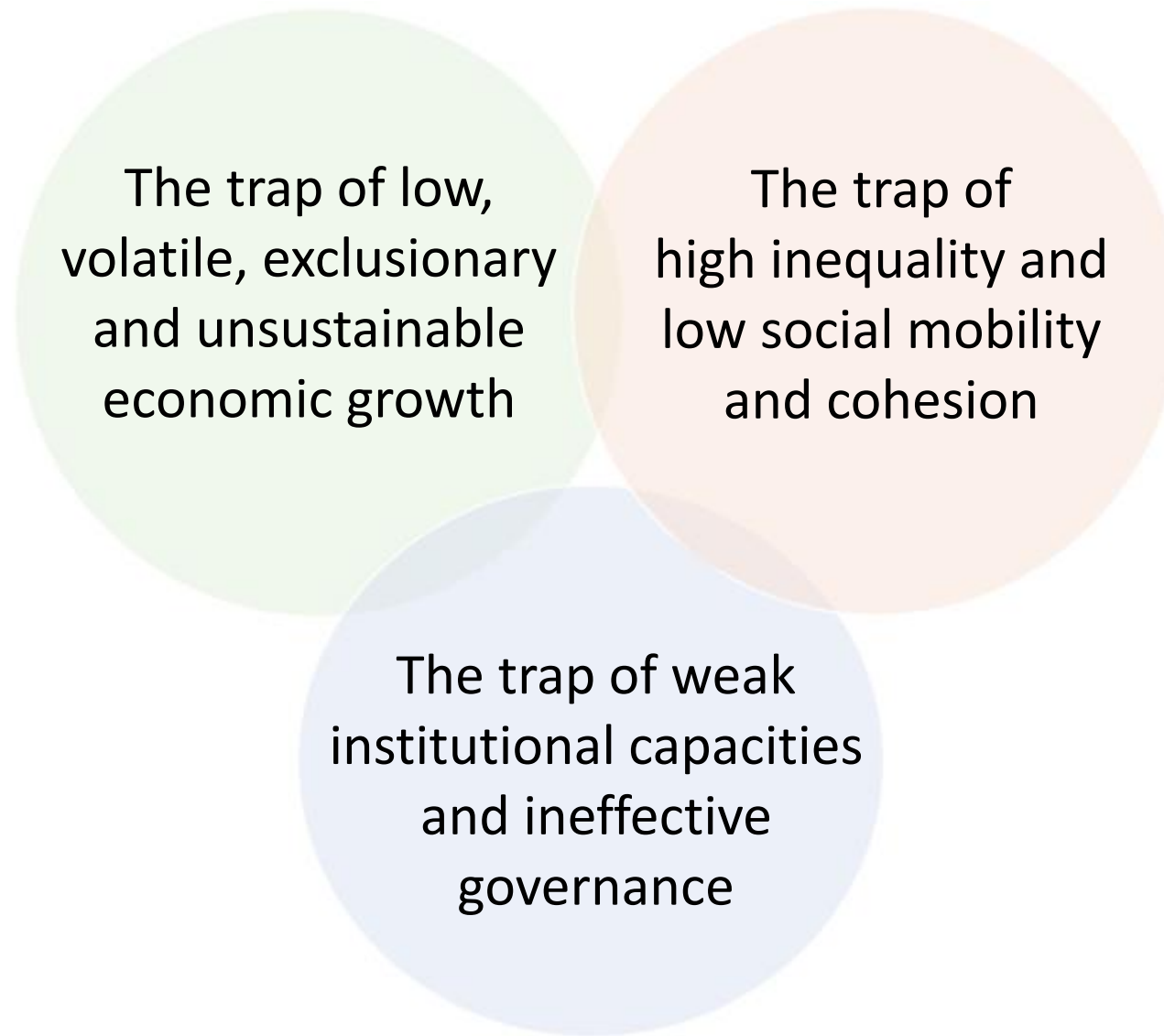
Latin America and the Caribbean (19 countries): number of additional days of exposure to heat waves over the period 2016–2020 compared with 1986–2005

(Number)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Intergovernmental Panel on Climate Change (IPCC), *Climate Change 2022: Impacts, Adaptation, and Vulnerability. Working Group II Contribution to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change*, H. Pörtner and others (eds.), Cambridge, Cambridge University Press, 2022.

A region caught in three development traps



A new development model is needed

Development that is more productive

Broaden the scope of next-generation productive development policies

Development that is more inclusive

Dynamic labour market
Social policies
Education and vocational training
Gender equality
Social protection systems (welfare state)

Development that is more sustainable

Achieve growth that can ensure planetary survival and quality of life

A new generation of productive development policies

Definition and scope of productive development policies

Productive development policies are focused on sophistication, diversification and virtuous structural change to drive productivity and achieve more productive, inclusive and sustainable development models

Productive structure (sectors, chains, clusters, MSMEs, companies)

Science, technology
and innovation

Technological
extension services

Digital transformation

Entrepreneurship

Closing human
capital gaps

Whole-of-lifecycle
business financing

Investment, including
foreign direct investment

Specific infrastructure
and other public assets

Specific legal and
regulatory agenda

Internationalization

Territory-focused productive development

Governance for productive development

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

Major productive transformation: portfolio of driving sectors

Industry

Pharmaceutical and
life sciences industry

Medical devices manufacturing
industry

Advanced manufacturing

Services

Modern or ICT-enabled
services exports

Care Society

Labor intensive services

e-government

Big push for sustainability

Energy transition:
renewable energies,
green hydrogen and lithium

Electromobility

Circular economy

Bioeconomy: sustainable
agriculture, genetic resources
and bioindustrialization

Agriculture for food security

Sustainable water management

Sustainable tourism

Geographical rearrangement of production and value chains worldwide

Source: J. M. Salazar-Xirinachs and M. Llinás, “Towards transformation of the growth and development strategy for Latin America and the Caribbean: the role of productive development policies”, CEPAL Review, No. 141 (LC/PUB.2023/29-P), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC), 2024.

Part I: Progress in the implementation of the Sustainable Development Goals

II. Progress towards achieving the Sustainable Development Goals in Latin America and the Caribbean: outlook to 2030

Availability of statistical information for measuring progress on the 2030 Agenda continues to improve

- 794 statistical series analysed in 2024; 60% more than in 2023
- 179 estimated indicators; 69% of the indicators identified in the universe of analysis (66% in 2023)
- The information available made it possible to assess the probability of meeting the 2030 thresholds for 131 targets (78% of the total)

	2020	2021	2022	2023	2024
Number of statistical series	72	177	359	492	794
Number of indicators	67	110	146	172	179

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

Status of progress on the road to 2030

Latin America and the Caribbean: SDG targets,
by likelihood of achievement by 2030 (2023 and 2024)
(Percentages)



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

Varied progress and challenges, depending on the Goal

Latin America and the Caribbean: SDG targets, by likelihood of achievement by 2030

Goal	Target																			
SDG 1					1.1	1.3	1.2	1.4	1.5	1.a	1.b									
SDG 2				2.1	2.4	2.a	2.2	2.5	2.c	2.b	2.3									
SDG 3			3.4	3.8	3.b	3.d	3.1	3.3	3.6	3.7	3.2	3.5	3.9	3.c						
SDG 4					4.1	4.b	4.2	4.6	4.a	4.c	4.3	4.5	4.4	4.7						
SDG 5							5.2	5.3	5.4	5.5	5.b	5.c	5.1	5.6	5.a					
SDG 6				6.4	6.6	6.b	6.1	6.2	6.3	6.5	6.a									
SDG 7						7.a	7.1	7.3	7.2	7.b										
SDG 8				8.4	8.5	8.a	8.1	8.2	8.3	8.6	8.7	8.10	8.8	8.9	8.b					
SDG 9					9.1	9.2	9.5	9.a	9.4	9.b	9.c	9.3								
SDG 10				10.5	10.7	10.b	10.2	10.4	10.6	10.a	10.c	10.1	10.3							
SDG 11							11.1	11.5	11.6	11.2	11.3	11.4	11.7	11.a	11.b	11.c				
SDG 12		12.2	12.3	12.4	12.b	12.c	12.5	12.1	12.6	12.a	12.7	12.8								
SDG 13					13.2	13.3	13.1	13.a	13.b											
SDG 14					14.1	14.a	14.2	14.7	14.b	14.5	14.6	14.3	14.4	14.c						
SDG 15					15.3	15.5	15.1	15.4	15.8	15.2	15.6	15.a	15.b	15.7	15.9	15.c				
SDG 16				16.3	16.6	16.10	16.1	16.2	16.5	16.8	16.a	16.4	16.7	16.9	16.b					
SDG 17		17.1	17.10	17.11	17.13	17.17	17.4	17.7	17.12	17.8	17.3	17.6	17.8	17.9	17.19	17.2	17.5	17.14	17.15	17.16

The trend is moving away from the target

The trend is in the right direction, but progress is too slow for the target to be met

Target already reached or likely to be reached on the current trend

Insufficient data

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

Part I: Progress in the implementation of the Sustainable Development Goals

III. Progress in the achievement of Goals 1, 2, 13, 16 and 17

SDG 1. End poverty: insufficient reduction

Latin America and the Caribbean: Goal 1 targets, by likelihood of achieving the defined threshold by 2030



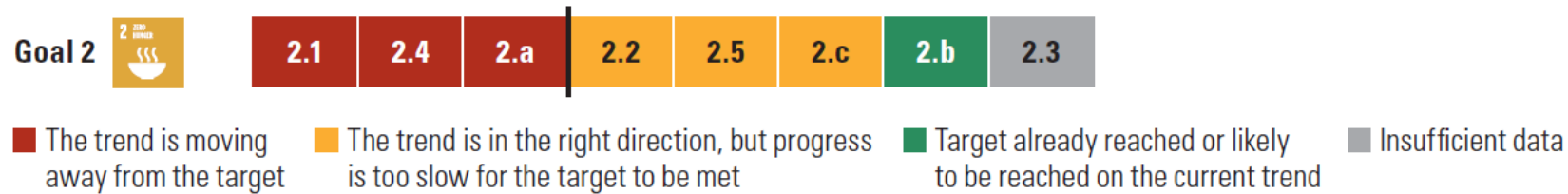
Source: Economic Commission for Latin America and the Caribbean (ECLAC).

Actions to be taken

- Combine measures to boost economic growth and productive employment with measures (social and educational) to reduce poverty and inequality and increase social mobility
- Strengthen social protection systems to **increase coverage**, especially for pensions and transfers to groups with insufficient income
- Guarantee the sustainability of social protection systems through mechanisms to ensure **sufficient social spending** in this area

SDG 2. Zero hunger: insufficient progress

Latin America and the Caribbean: Goal 2 targets, by likelihood of achieving the defined threshold by 2030



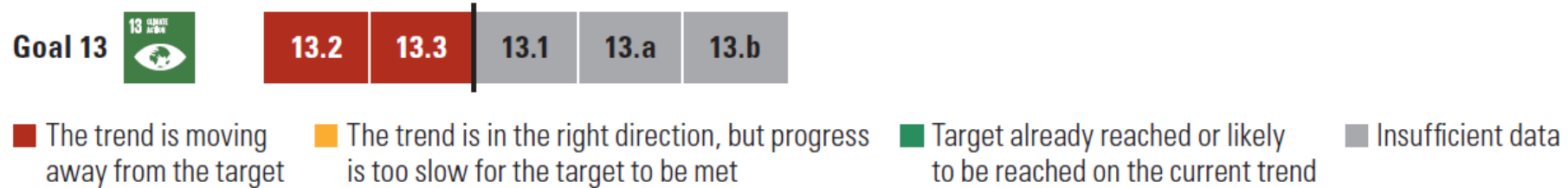
Source: Economic Commission for Latin America and the Caribbean (ECLAC).

Actions to be taken

- Implement **resilient and sustainable agricultural practices** and the **protection of biodiversity**
- Innovate to enable **increased food production** and resilience to climate shocks, using **fewer resources** and with lower GHG emissions
- **Invest in agriculture and food systems**, to increase their productivity and sustainability ⇔ improving **producer incomes** and the population's access to a **varied and healthy diet**

SDG 13. Climate action: high vulnerability and significant constraints

Latin America and the Caribbean: Goal 13 targets, by likelihood of achieving the defined threshold by 2030



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

Actions to be taken

- **Increase in the speed of decarbonization by four or five times** in order to meet the emissions reduction targets set out in nationally determined contributions
- Boost investment and productive development in **essential sectors for the carbon transition** (renewable energies, sustainable transport, the bioeconomy and the circular economy) and in sectors that enhance mitigation, adaptation and risk management efforts
- Coordinate climate change, sustainable development and **disaster risk reduction** agendas at country, regional and international levels

SDG 16. Peace, justice and strong institutions: uneven progress

Latin America and the Caribbean: Goal 16 targets, by likelihood of achieving the defined threshold by 2030



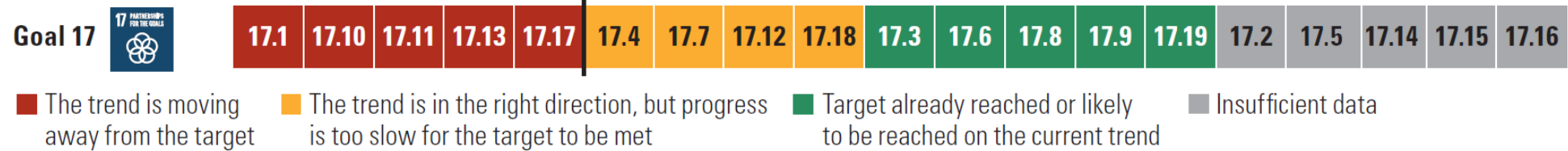
Source: Economic Commission for Latin America and the Caribbean (ECLAC).

Actions to be taken

- Implement **open justice** policies and use digital tools to strengthen control systems and promote greater transparency and accountability
- **Rebuild trust** in institutions and public officials
- Increase and improve **access to public information** => collaboration, decision-making and anticipation of disruptive events, such as acts of violence, and organization into participatory structures to co-create collective solutions

SDG 17. Partnerships for the goals: insufficient progress

Latin America and the Caribbean: Goal 17 targets, by likelihood of achieving the defined threshold by 2030



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

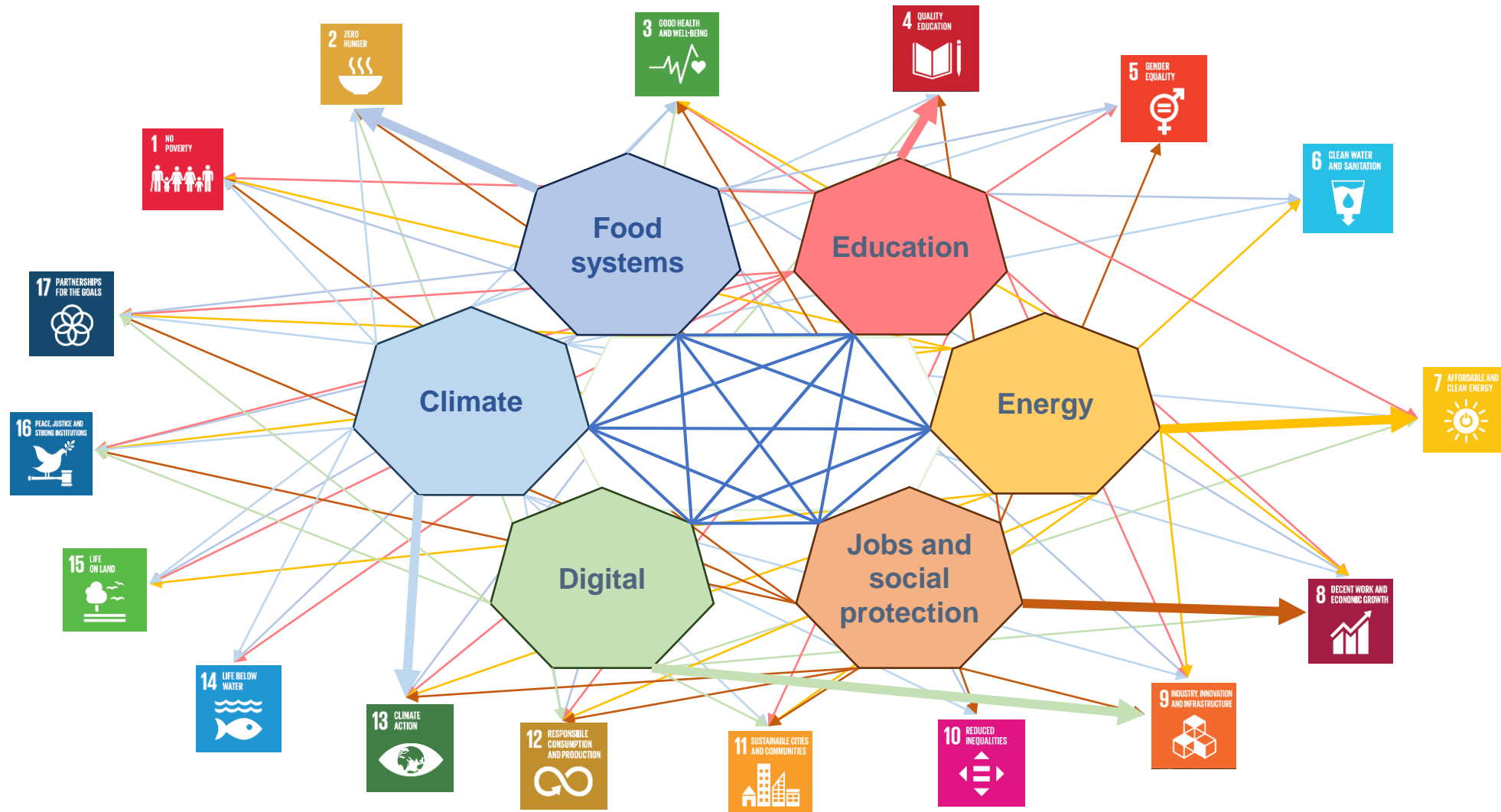
Actions to be taken

- **Increase resource mobilization**, to foster technological advances, greater trade opportunities, and improved efficiency, economies of scale, knowledge acquisition and productivity, leading in turn to greater economic growth potential, generating more and better jobs and **increasing tax revenues** to expand fiscal space
- **Build partnerships between governments, the private sector, civil society and international institutions**, based on a shared vision and common principles and values to encourage collaborative and collective work

Part II: Acceleration towards the realization of the 2030 Agenda for Sustainable Development

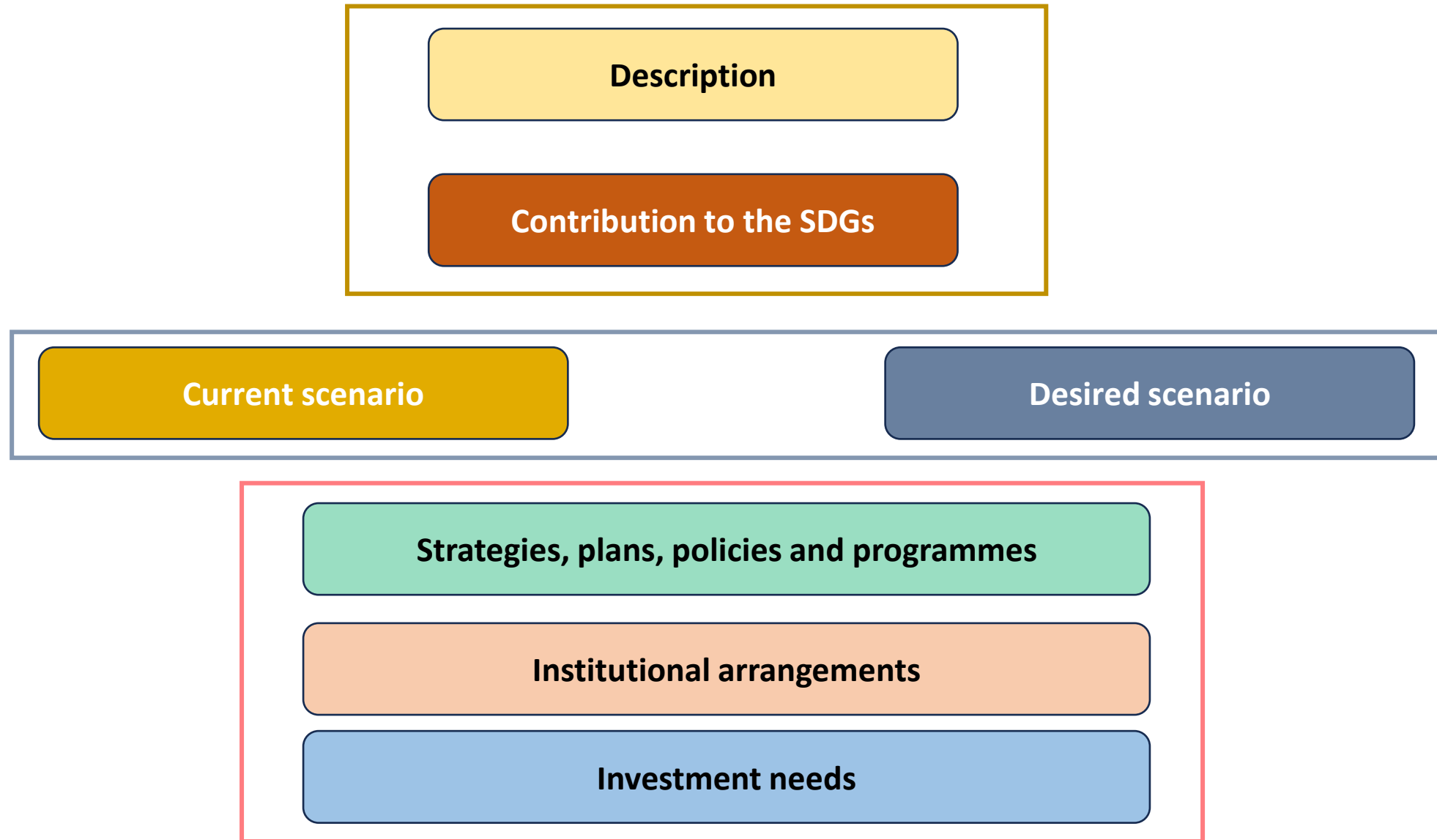
IV. Transitions to accelerate progress towards the Sustainable Development Goals

Six sustainable transitions to accelerate progress



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

Structure of analysis for each transition



Food systems transition

Sustainable Development Goals supported by the food systems transition



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

Description: move towards a **food-secure scenario built on the central pillars of environmental sustainability and social inclusion** by returning to ancestral practices in agricultural production, ensuring the nutritional quality of food, protecting the social rights of sector workers and securing nutritious food in sufficient quantities for all – both now and in the future.

Energy transition

Sustainable Development Goals supported by the energy transition



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

Description: establish a new regulatory ecosystem to facilitate targeted investments in **modifying the energy mix**, progressively incorporating renewable energies and electrifying sectors that are currently hydrocarbon dependent, revolutionizing models of consumption and production with a view to increasing energy efficiency, and creating new industries and decent, sustainable jobs.

Digital transition

Sustainable Development Goals supported by the digital transition



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

Description: pursue a process by which socioeconomic stakeholders **integrate digital technologies** into all aspects of their lives, transforming models of consumption, production and social interaction, increasing productivity, opening up new markets, creating new industries and new jobs, improving the well-being of the population with new and better services, and enabling more environmentally sustainable models of consumption.

Education transition

Sustainable Development Goals supported by the education transition



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

Description: transform education systems with a view to protecting the rights of individuals (in particular the right to education), improving their prospects for social and economic well-being, reducing inequality, strengthening social mobility and cohesion and preparing societies for the green and digital economies of the future.

Jobs and social protection transition

Sustainable Development Goals supported by the jobs and social protection transition



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

Description: move towards societies that are capable of **creating decent jobs** and establishing sustainable, **universal social protection systems**, which would close existing access gaps and help to ensure adequate living standards for all.

Climate change, biodiversity loss and pollution transition

Sustainable Development Goals supported by the climate transition



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

Description: through urgent and unequivocal decision-making, **limit the average global temperature rise to no more than 2°C** above pre-industrial levels while continuing to **pursue the 1.5°C target**.

Key enablers of transitions

Strategies, plans, policies and programmes

- Real and decisive action

Institutional arrangements

- Coherent and coordinated implementation

Investment needs

- Timely access to sufficient resources

Key principles for reorienting transitions

Development policies, programmes and projects to respond to the questions **what and how**

New policy strategies

Collective design and execution

Experimentalist governance with policies designed and executed by social stakeholders in coordination with the State

Strengthening the technical, operational, political and foresight capacities of institutions

Strengthened capacities

Foresight planning

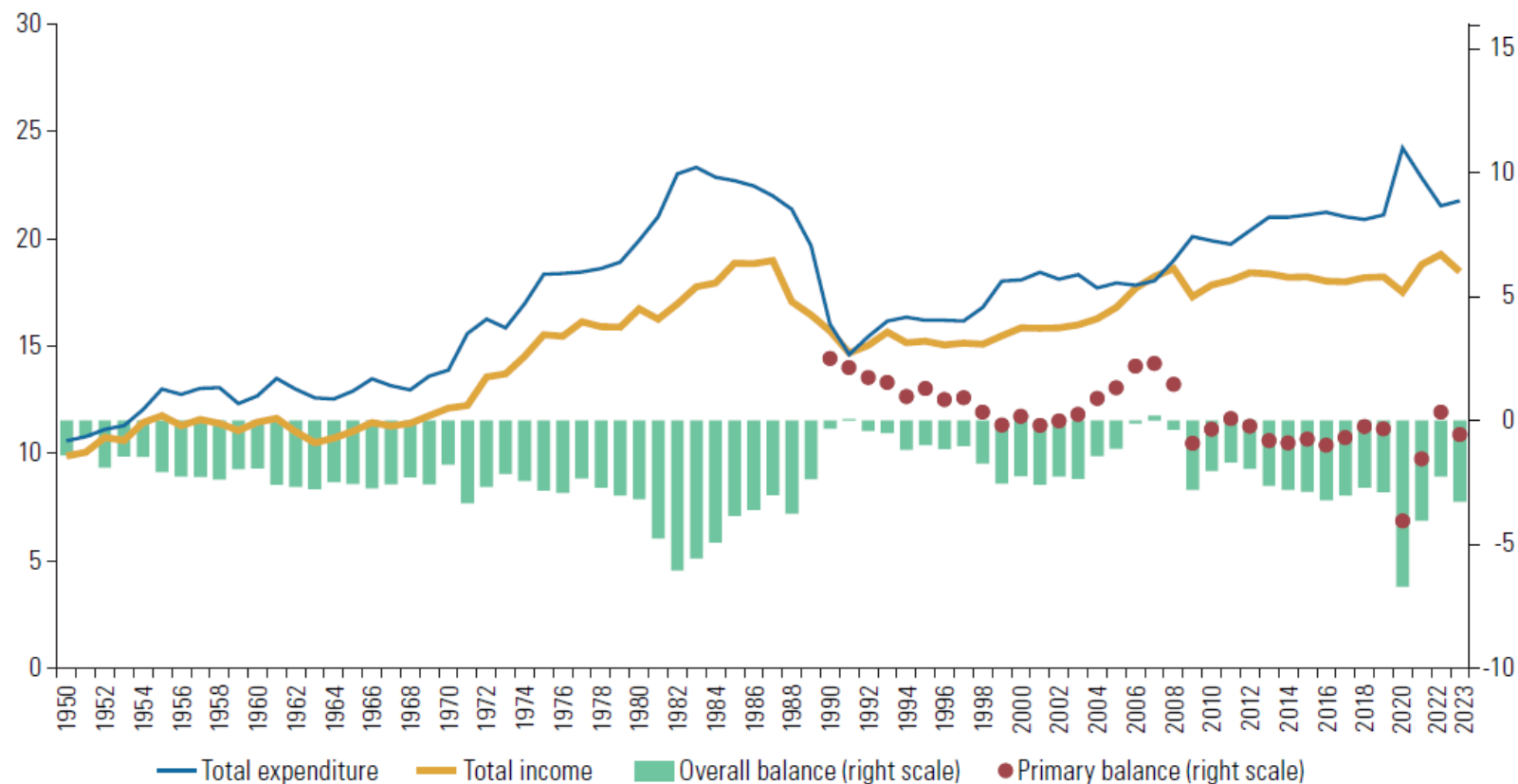
Development policy that envisages goals, targets and possible pathways with a **long-term focus**

Part II: Acceleration towards the realization of the 2030 Agenda for Sustainable Development

V. Financing to achieve the Sustainable Development Goals

Limited fiscal space for development

Latin America (16 countries):^a central government fiscal indicators, 1950–2023^b
(Percentages of GDP)



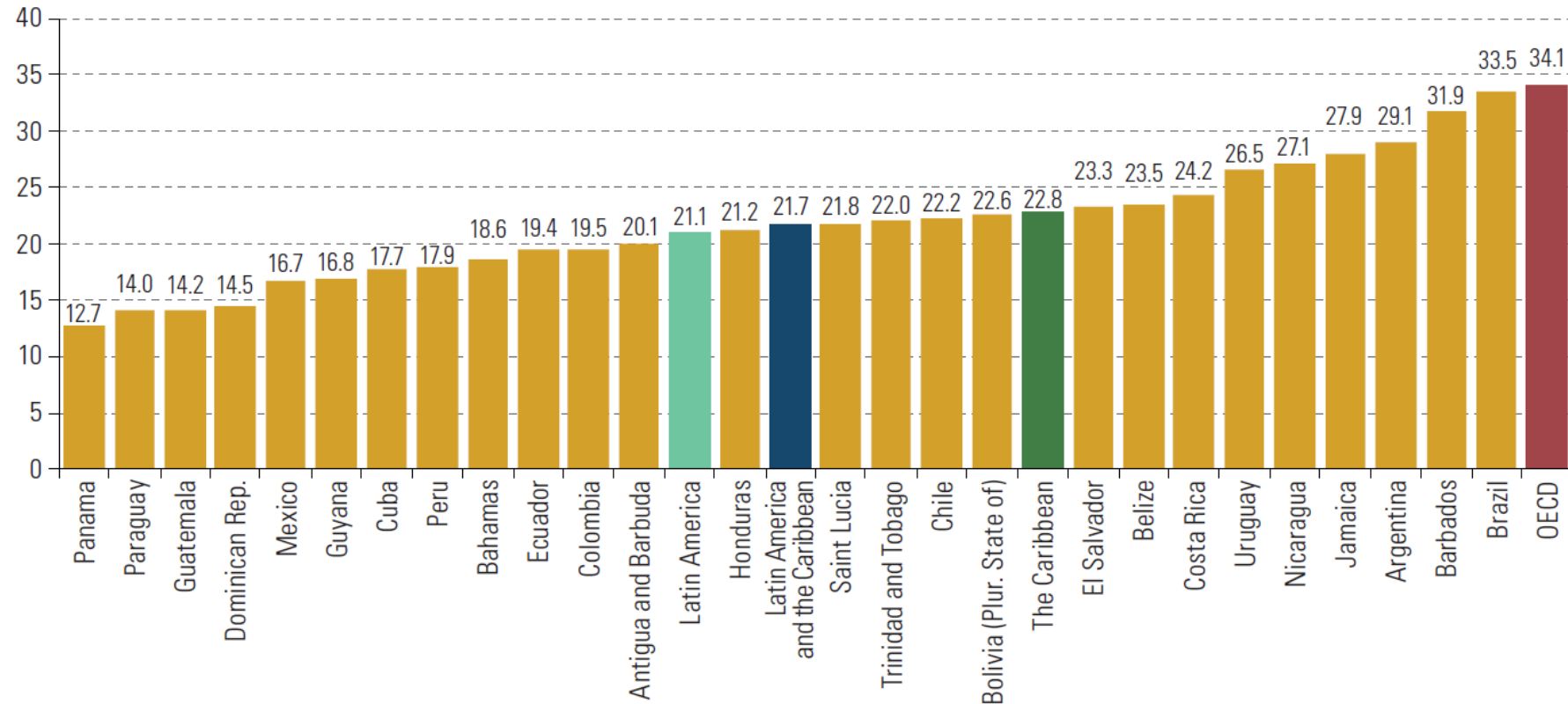
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

^a Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay.

^b Simple averages. The figures for 2023 are official estimates for the year. The figures for Argentina, Mexico and Peru refer to the national public administration, the federal public sector and the general government, respectively.

Ample room to raise tax burden

**Latin America and the Caribbean and Organisation for Economic Co-operation and Development:
general government tax revenues, 2021**
(Percentages of GDP)

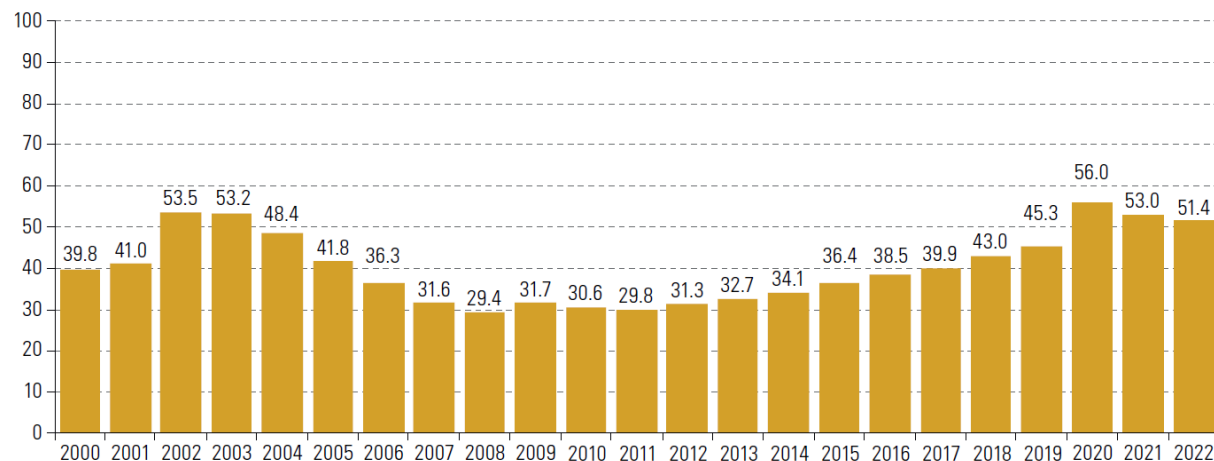


Source: Organisation for Economic Co-operation and Development (OECD) and others, *Revenue Statistics in Latin America and the Caribbean 2023*, Paris, OECD Publishing, 2023.

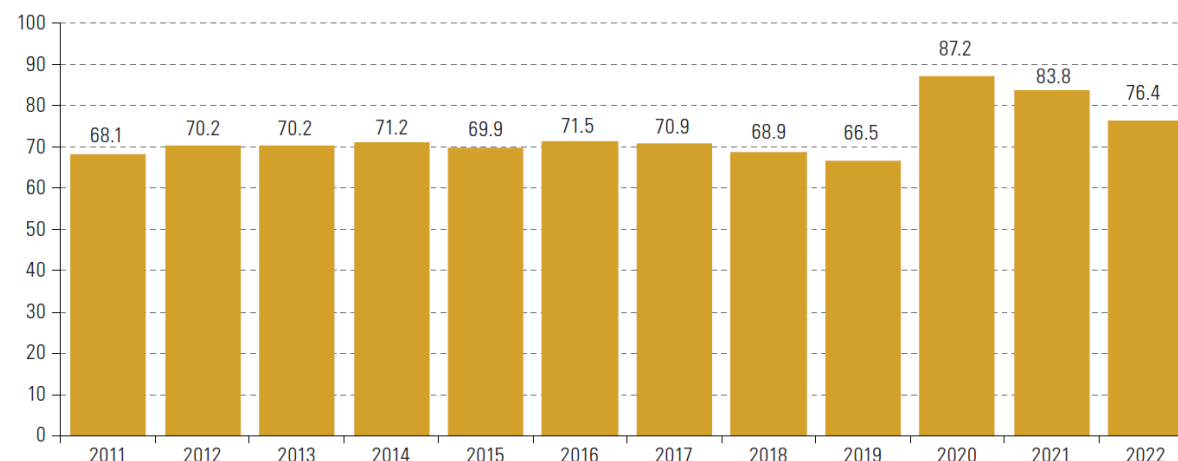
Debt remains an obstacle to resource mobilization

Latin America (16 countries)^a and the Caribbean (13 countries):^b central government gross public debt, 2000–2022
(Percentages of GDP)

A. Latin America



B. The Caribbean



Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Preliminary Overview of the Economies of Latin America and the Caribbean, 2023* (LC/PUB.2023/22-P), Santiago, 2023.

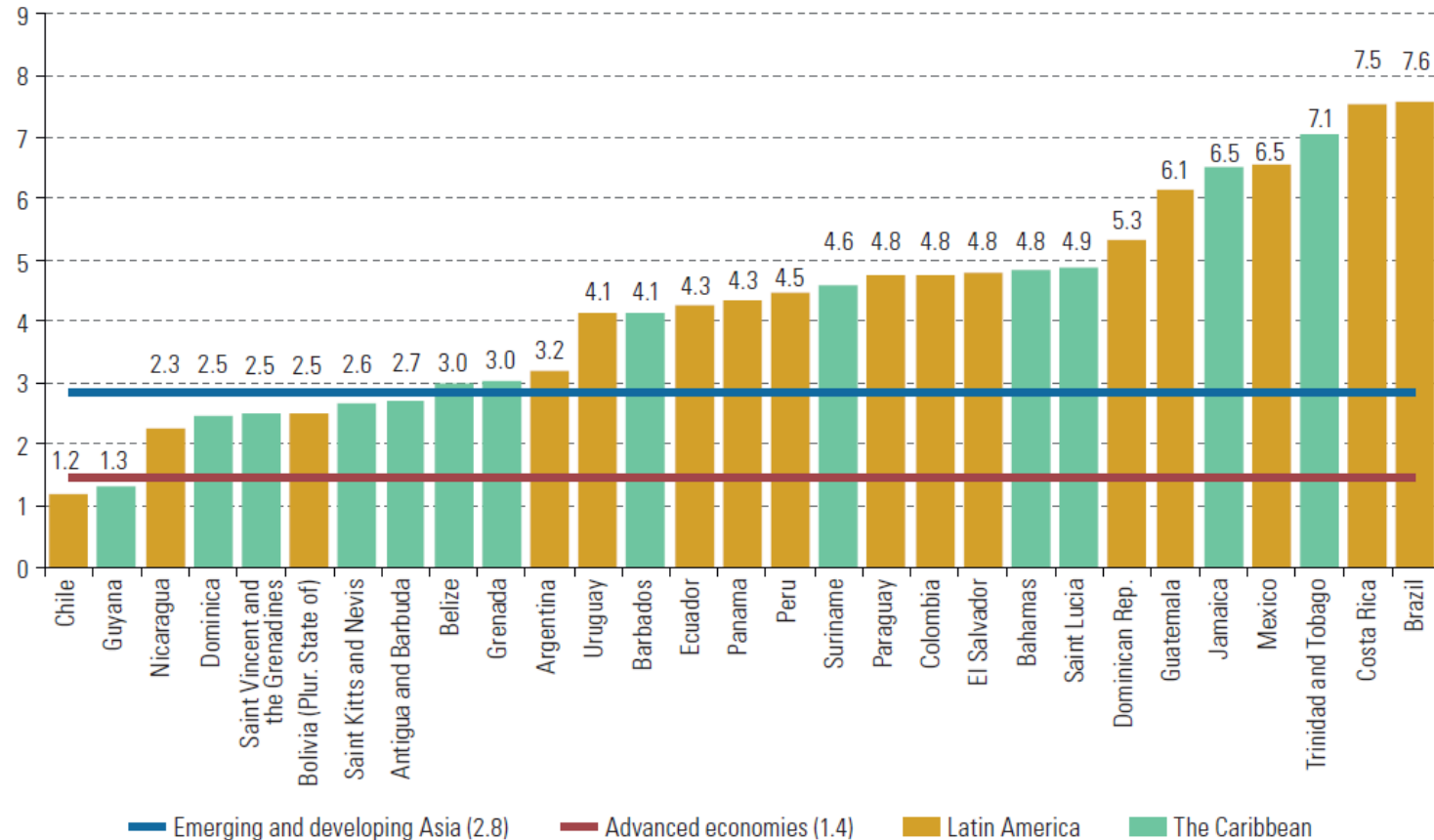
Note: Simple averages. For Brazil and Guyana, the figures are for general government and the public sector, respectively.

^a Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay.

^b Antigua and Barbuda, the Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname and Trinidad and Tobago.

High interest rates hamper resource mobilization...

Latin America and the Caribbean and selected regions and country groupings: effective interest rates on general government gross debt, 2011–2022 averages (Percentages)



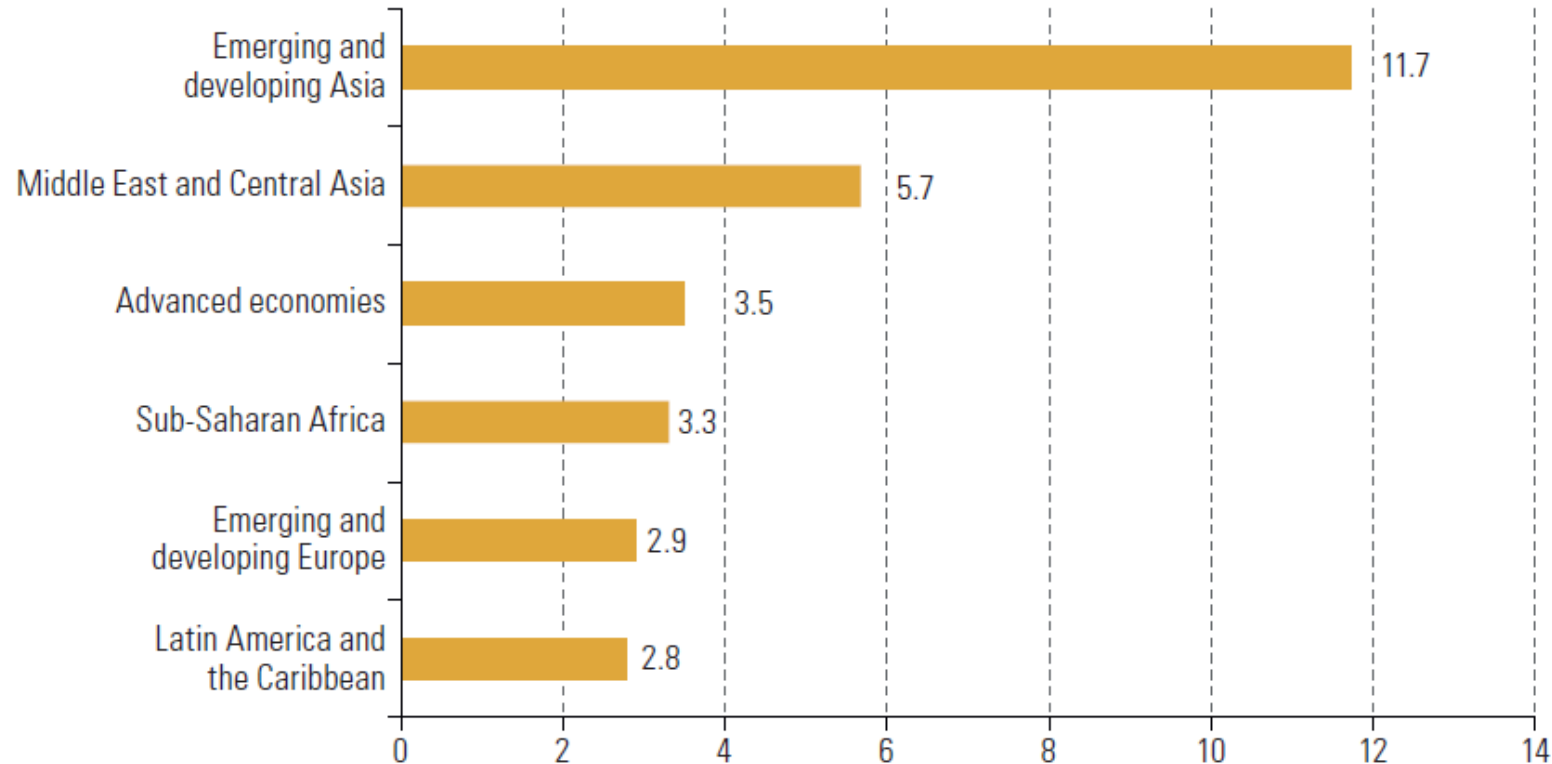
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of International Monetary Fund (IMF), *World Economic Outlook: A Rocky Recovery*, Washington, D.C., April 2023.

Note: The effective interest rate is calculated as implicit interest payments divided by the level of public debt the previous year.

... and this is reflected in weak investment

Selected regions: general government gross fixed capital formation and capital stock, 2015 and 2019

Gross fixed capital formation, 2019
(Percentages of GDP at constant prices)^a



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of International Monetary Fund (IMF), "Investment and Capital Stock Dataset (ICSD)" [online database] <https://data.imf.org/?sk=1CE8A55F-CFA7-4BC0-BCE2-256EE65AC0E4>.

^a The weighted averages are calculated on the basis of purchasing power parity (PPP) gross domestic product (GDP) in international dollars at current prices.

Payment of interest relative to other spending is also high

Latin America and the Caribbean (21 countries):^a central government interest payments relative to spending on education, health, social protection and public investment, 2012 and 2021 (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Public debt and development distress in Latin America and the Caribbean* (LC/TS.2023/20), Santiago, 2023.

Note: Figures for 2022 are medians. Figures for Brazil, Colombia, Costa Rica, Guatemala, Paraguay and Peru refer to general government. Figures for Argentina, El Salvador and Mexico refer to the non-financial public sector.

^a Argentina, the Bahamas, Barbados, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago, and Uruguay.

^b Public investment is measured through fixed asset acquisitions. Figures for fixed asset acquisitions relative to interest payments refer to the central government in all cases.

ODA maintained, but at insufficient levels to accelerate progress towards SDGs

Latin America and the Caribbean: net official development assistance received from Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee donor countries relative to gross national income and gross capital formation, 2017–2021

Recipient country	Percentages of gross national income	Percentages of gross capital formation	Recipient country	Percentages of gross national income	Percentages of gross capital formation
Antigua and Barbuda	1.2	3.1	Guatemala	0.6	3.9
Argentina	0.0	0.1	Guyana	1.6	...
Belize	2.3	12.0	Haiti	5.6	30.8
Bolivia (Plurinational State of)	1.7	8.4	Honduras	2.9	12.3
Brazil	0.0	0.2	Jamaica	0.6	2.4
Chile	0.0	0.1	Mexico	0.1	0.3
Colombia	0.5	2.4	Nicaragua	4.0	16.7
Costa Rica	0.2	1.0	Panama	0.1	0.2
Cuba	0.7	5.7	Paraguay	0.5	2.2
Dominica	8.8	18.4	Peru	0.2	0.8
Dominican Republic	0.3	1.0	Saint Lucia	3.1	...
Ecuador	0.3	1.4	Saint Vincent and the Grenadines	7.3	...
El Salvador	1.0	5.3	Suriname	0.8	...
Grenada	3.7	...	Uruguay	0.1	0.4
Region (average)	1.8	5.9			

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of World Bank, "World Development Indicators" [online database] <https://databank.worldbank.org/source/world-development-indicators> [accessed on 15 December 2023].

Note: Three dots indicate that the data are missing, not separately reported or unavailable.

International financial architecture unable to drive sustainable development

The international financial system is plagued by deep inequalities, gaps and inefficiencies:

- **Higher financing costs** for developing countries
- **Heterogeneous access to sources of liquidity** in times of crisis
- **Limited investment in global public goods**, such as the fight against climate change
- **High volatility in capital markets**, resulting in financial crises

Consequently, discussions on reforming the international financial and tax architecture are under way

Proposals for reform of international financial architecture

Our Common Agenda Policy Brief 6: Reforms to the International Financial Architecture describes the way forward for reforming the international financial and tax architecture in six areas:

1. Global economic governance
2. Debt restructuring frameworks
3. International public finance and development banks
4. Recycling of special drawing rights
5. Policy and regulatory frameworks that address short-termism in capital markets, better link private sector profitability with sustainable development and the SDGs, and address financial integrity
6. Global tax architecture for equitable and inclusive sustainable development

Part II: Acceleration towards the realization of the 2030 Agenda for Sustainable Development

VI. Conclusions and recommendations

Summary (1/2)

Public policies based on data to accelerate progress in the run-up to 2030

The development crisis and the lag in progress towards the SDGs calls for a change of course in public policies, institutional capacity-building (including statistical development) and the use of new tools such as strategic planning and foresight

Governance to drive and manage transitions and public policies in general

The region needs stronger governance and institutional capacities for development

New generation of productive development policies:

- Portfolio of sectors that drive and stimulate growth
- Territorial approach, building from the local level
- Governance based on collaboration and coordinated work among development stakeholders and among different levels of government

Summary (2/2)

A State capable of driving transitions

Socioeconomic development is not spontaneous; it must be **governed, managed, guided and encouraged**, and the most effective way to do so is by involving all stakeholders: from the public, private and academic sectors, and from civil society

Leverage the institutional footprint of the 2030 Agenda

Work to implement the 2030 Agenda has fostered dialogue, learning and the sharing of experiences in the region. This institutional footprint may be leveraged and expanded to make progress in responding to the “how” of public action linked to the transition to more productive, inclusive and sustainable development

Summit of the Future and beyond

The Summit of the Future in 2024 is an opportunity to strengthen commitment to the 2030 Agenda and to underscore the importance of envisaging the future and working together to build it

The Social Summit in 2025 will provide an opportunity to focus on the challenges of accelerating progress in the social dimension of the 2030 Agenda and cooperation to that effect

Thank you



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