

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

Alicia Bárcena
Executive Secretary



Forum of the Countries
of Latin America and
the Caribbean on
**SUSTAINABLE
DEVELOPMENT**
Santiago 18-20 April **2018**

The 2030 Agenda and its 17 SDGs

- Reflects a new international consensus regarding the need for greater cooperation to correct asymmetries and set the foundations for an open, sustainable and stable multilateral system
- Need to find balance between employment and equality policies in each country with the restrictions imposed to national decisions by an open world system.



Progress on seven pillars for action

1. Medium-term vision towards 2030 and return of planning.
2. Interinstitutional and intersectoral national architecture
3. Integration of SDGs into development plans and budgets, including investment
4. Measurement of indicators and strengthening of statistical capacities
5. Reorientation of means of implementation towards financing, technology, trade and accountability
6. New spaces for dialogue between government, firms and citizens
7. Strengthening of regional architecture: observatories on gender, planning and energy

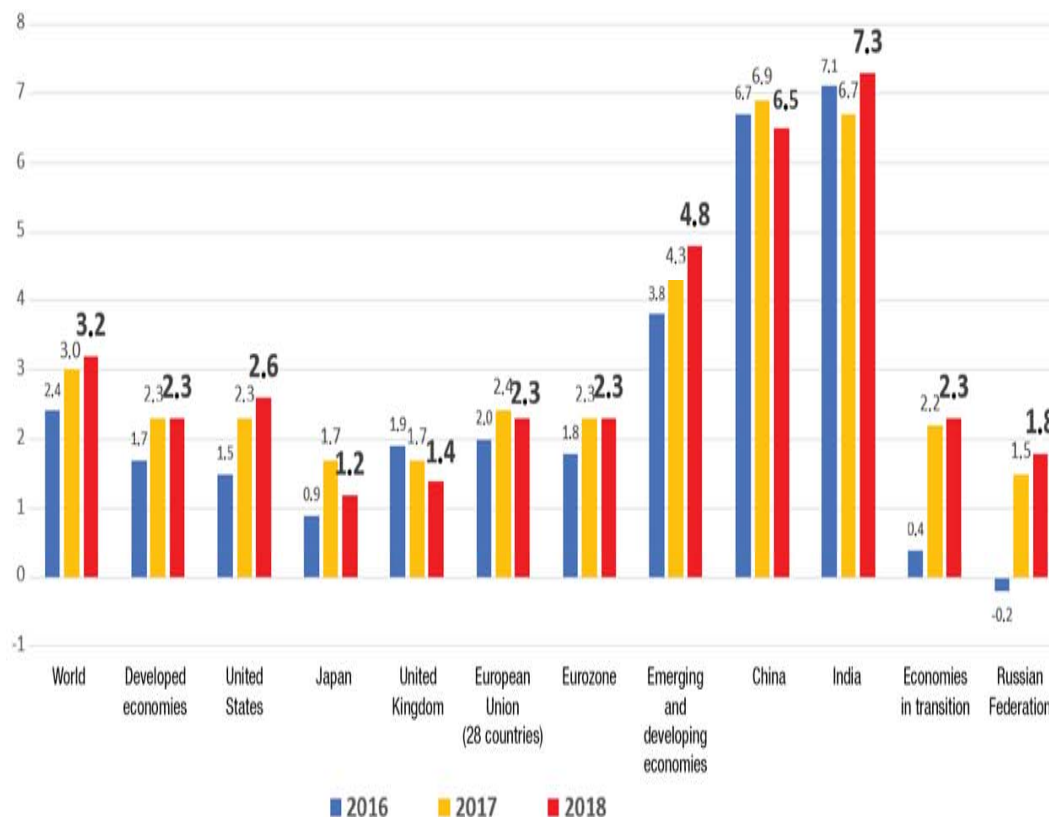
Challenges for the implementation of the 2030 Agenda

1. Weakening of multilateralism
2. Return of protectionism escalating towards a possible trade war
3. Emergence of conservative political movements
4. Greater wealth inequalities at the global level
5. Fiscal consolidation and less appetite for public spending
6. Corruption, and resentment and mistrusts on the part of citizens (75%)
7. Regional fragmentation
8. Rapid climate change

Synchronous global growth

SELECTED COUNTRIES AND REGIONS: GDP GROWTH, 2016–2018^a
(Percentages)

- Simultaneous GDP growth: 2.4% in 2016 to 3.0% in 2017 and 3.2% in 2018
- Slight upturn in global trade: 1.4% in 2016 to 4.6% in 2017, at a critical juncture owing to the risk of a trade war
- Increase in prices of raw materials, 14 in 2017 and 5% projected for 2018
- Uncertainty over normalization of monetary policy in the development countries could increase financial volatility and raise financial costs
- Effects of tax reform in the United States and financial and environmental deregulation in the investment and international financial flows



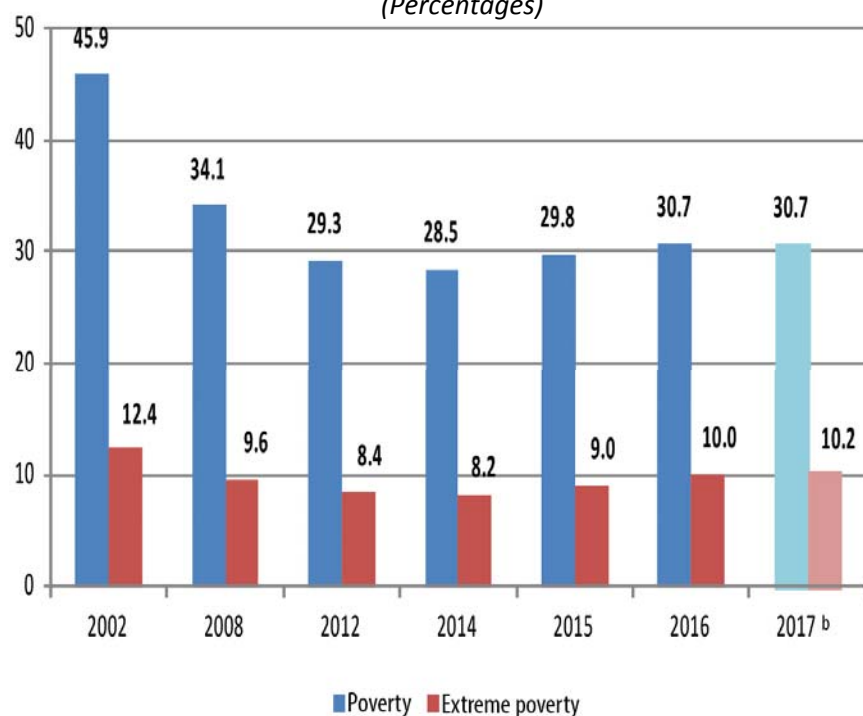
Fuente Comisión Económica para América Latina y el Caribe (CEPAL), sobre la base de Naciones Unidas, World Economic Situation and Prospects (WESP) 2018 y datos de GEP (BM) enero 2018, WEO (FMI) enero 2018, Capital Economics, Bloomberg, Comisión Europea (winter economic forecasts) y OECD Global Interim Economic Outlook(marzo 2018).
^a 2018 son proyecciones.

At the regional level

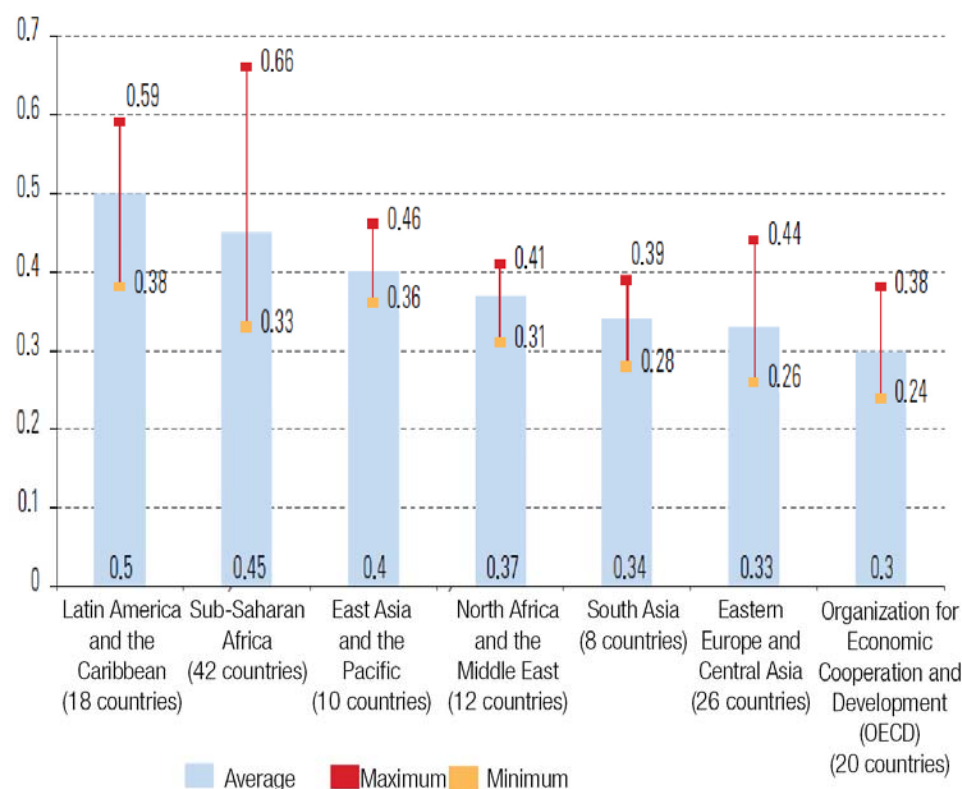
- After two years of contraction, the region has returned to growth, but at low rates: 1.3% in 2017 and 2.2% in 2018
- Growth in Central America and Mexico is around 2.7% in South America around 0.8% and in the Caribbean 1.4%
- Supported by stronger external demand growth, terms of trade have improved slightly for raw materials exporters
- Stronger private consumption driving domestic demand
- Slight recovery of investment is not enough and productivity is still stagnant
- Structural gaps and high income and wealth inequality remain

After falling for a decade, urban poverty and extreme poverty rates began to rise again in 2015

LATIN AMERICA AND THE CARIBBEAN: POVERTY AND EXTREME POVERTY RATES, 2002-2017^a
(Percentages)



GINI COEFFICIENT, AROUND 2012



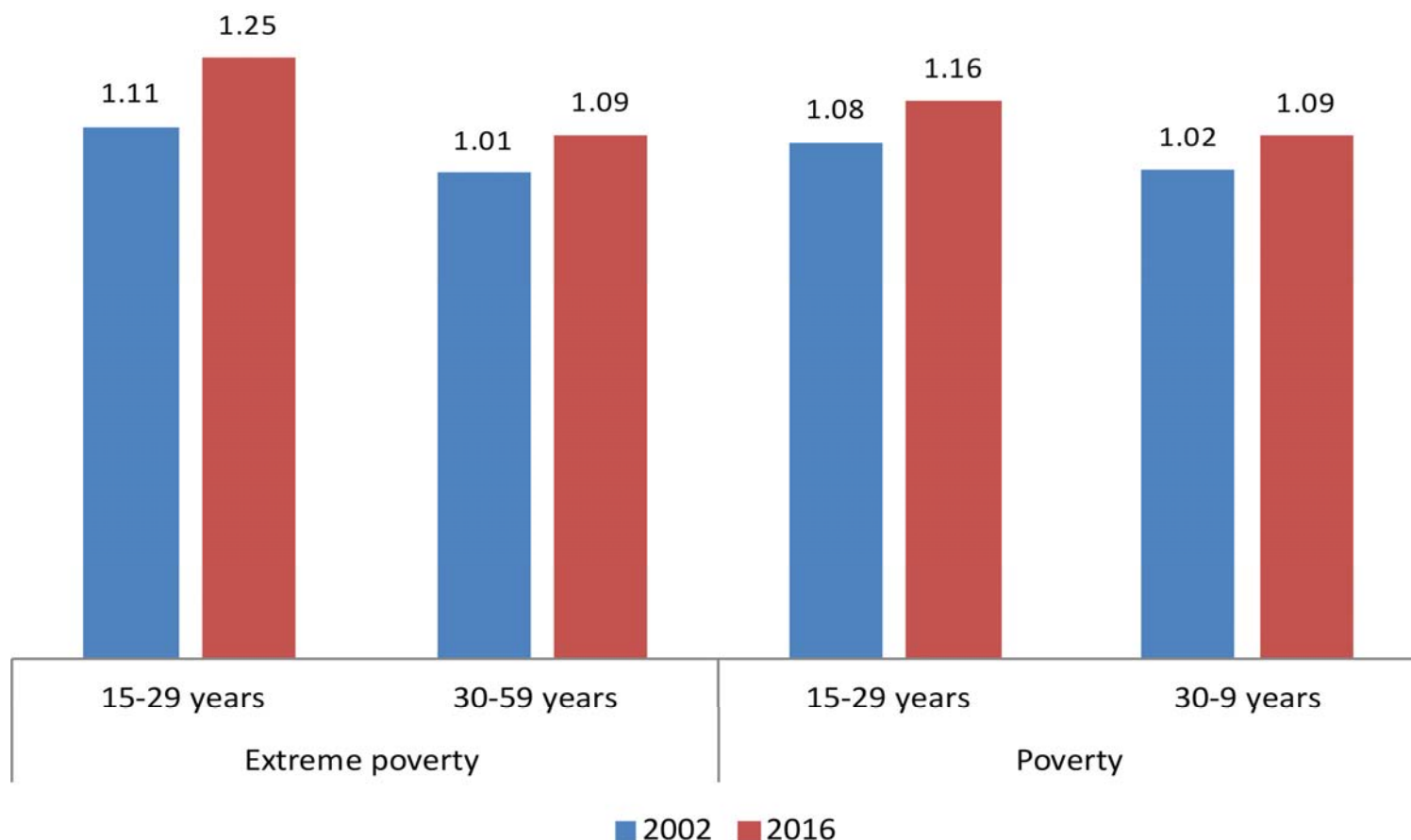
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the Household Survey Data Bank (BADEHOG).

^a Estimate for 18 Latin America and Caribbean countries.

^b Figures for 2017 are projections.

Despite the fall in total poverty, between 2002 and 2016 the feminization of poverty and extreme poverty among the working age population rose

Latin America (18 countries): Ratio of male and female rates of poverty and extreme poverty, 2002 and 2016



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

Latin American and Caribbean countries' progress with developing institutional frameworks and tools for implementing the 2030 Agenda for Sustainable Development



Second annual report on regional progress and challenges in relation to the 2030 Agenda

Alicia Bárcena



Coordination mechanisms for implementation of the 2030 Agenda for Sustainable Development in Latin America and the Caribbean



National voluntary reports

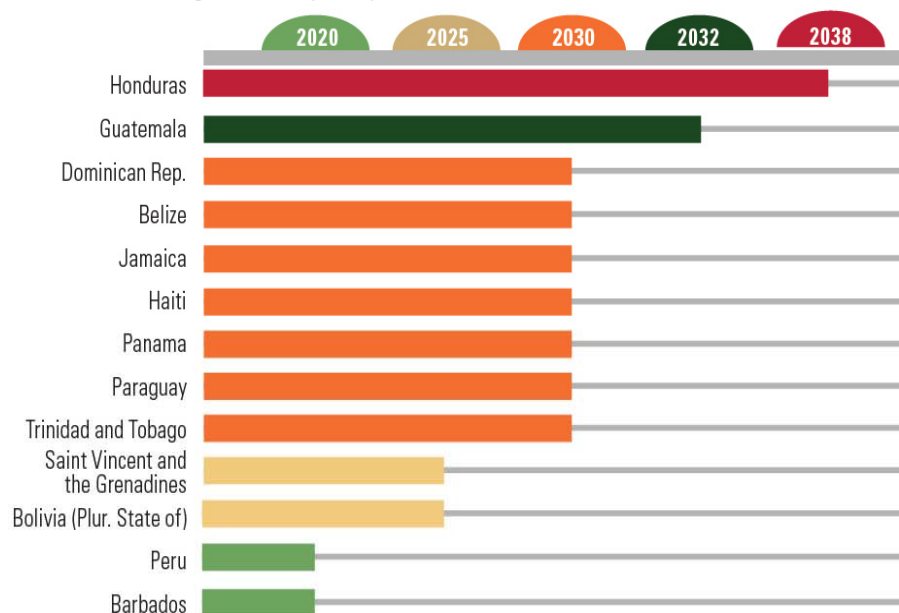
2016	2017	2018
<ol style="list-style-type: none"> 1. Colombia 2. Mexico 3. Venezuela (Bolivarian Republic of) 	<ol style="list-style-type: none"> 1. Argentina 2. Belize 3. Brazil 4. Chile 5. Costa Rica 6. El Salvador 7. Guatemala 8. Honduras 9. Peru 10. Panama 11. Uruguay 	<ol style="list-style-type: none"> 1. Bahamas 2. Ecuador 3. Jamaica 4. Paraguay 5. Dominican Republic <p>Three reporting for the second time:</p> <ol style="list-style-type: none"> 1. Colombia 2. Mexico 3. Uruguay

19 of the 33 Latin American and Caribbean will have presented voluntary national reviews to the high-level political forum

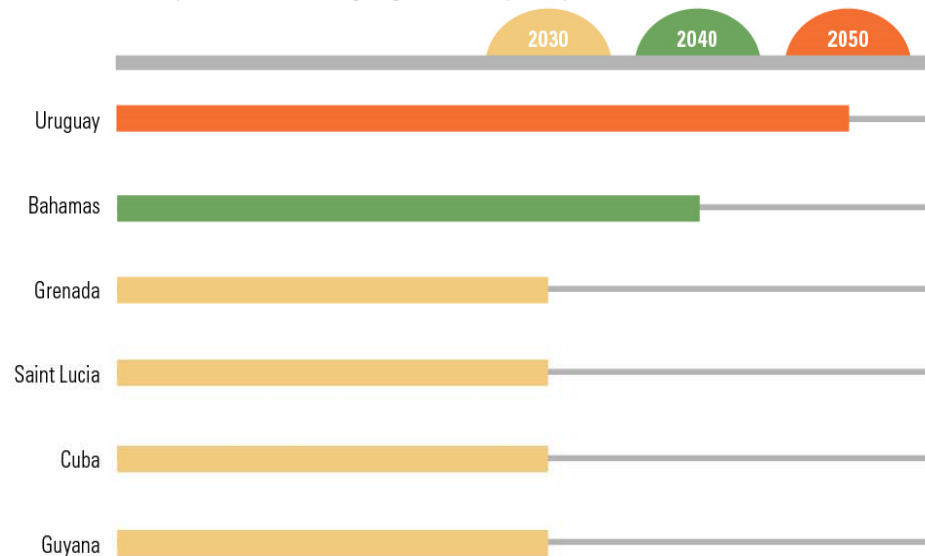
Planning has gained renewed importance in the region

LATIN AMERICA AND THE CARIBBEAN (19 COUNTRIES): LONG-TERM DEVELOPMENT PLANS

A. Countries with long-term development plans



B. Countries in the process of formulating long-term development plans



Source: Economic Commission for Latin America and the Caribbean (ECLAC), Regional Observatory on Planning for Development in Latin America and the Caribbean [online] <https://observatorioplanificacion.cepal.org/en>.

Examples of private sector participation in the implementation of the 2030 Agenda

- Chilean experience in “Dialogos para un Chile Sostenible”
- Innovative use of the tool SDG Compass in Colombia.
- Role of Argentine companies in the achievement of the Sustainable Development Goals
- Civil society: Argentina Colombia and Peru
- Youth-led Asocia 2030 project
- United Nations Global Compact and Local Networks
- Sustainable Development Goals Fund (SDG Fund) has helped to establish capacity-building initiatives to support platforms for South-South knowledge transfer and training for the private sector.

Regional progress in the statistical monitoring of the Sustainable Development Goals

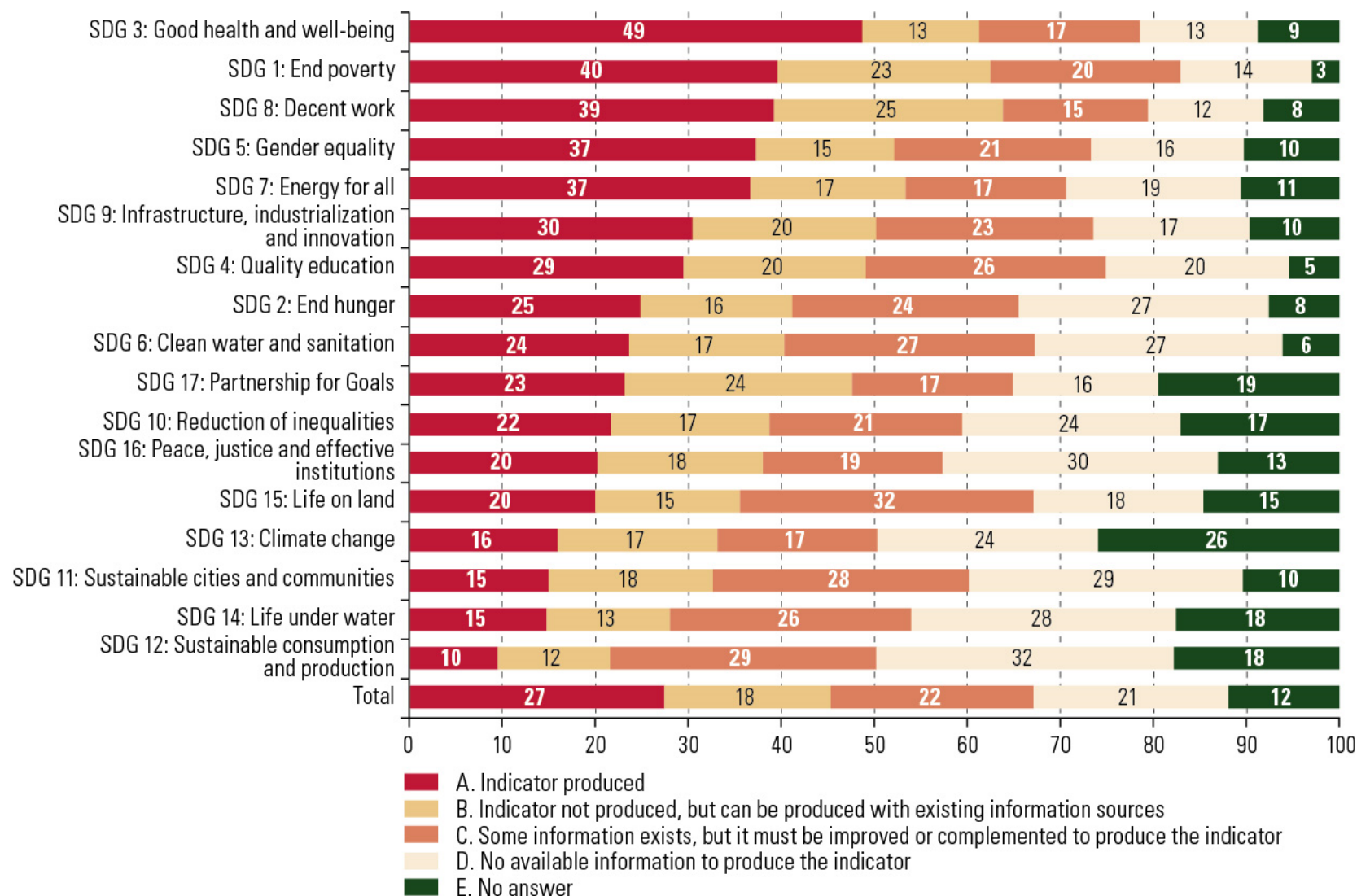


Second annual report on regional progress and challenges in relation to the 2030 Agenda

Alicia Bárcena

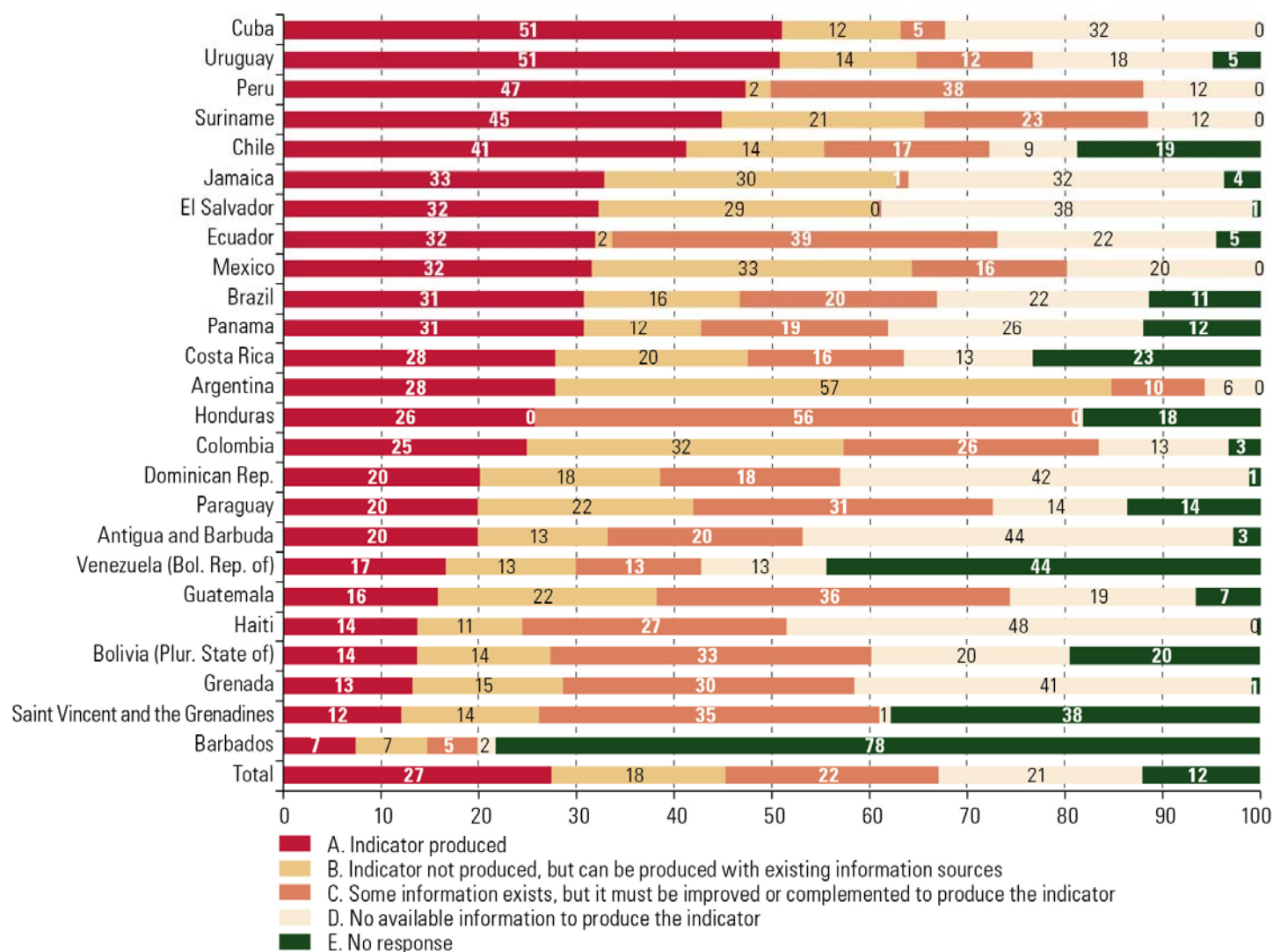


Sustainable Development Goal indicators by level of production (Percentages)



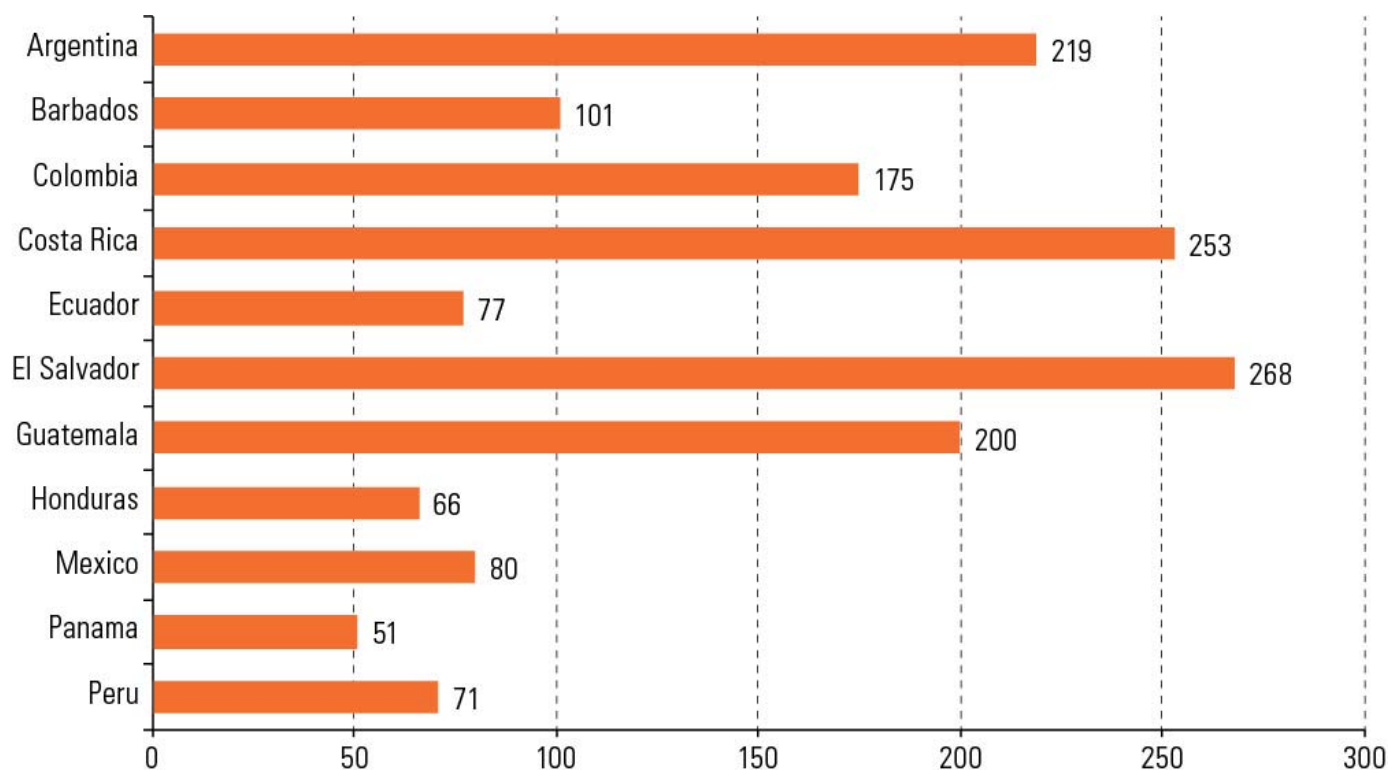
Production capacity indicators by country

(Percentages)



11 countries have selected a set of preliminary indicators for national-level SDG monitoring covering all the Goals

LATIN AMERICA AND THE CARIBBEAN (11 COUNTRIES): SUSTAINABLE DEVELOPMENT GOAL INDICATORS
AT THE NATIONAL LEVEL, BY COUNTRY

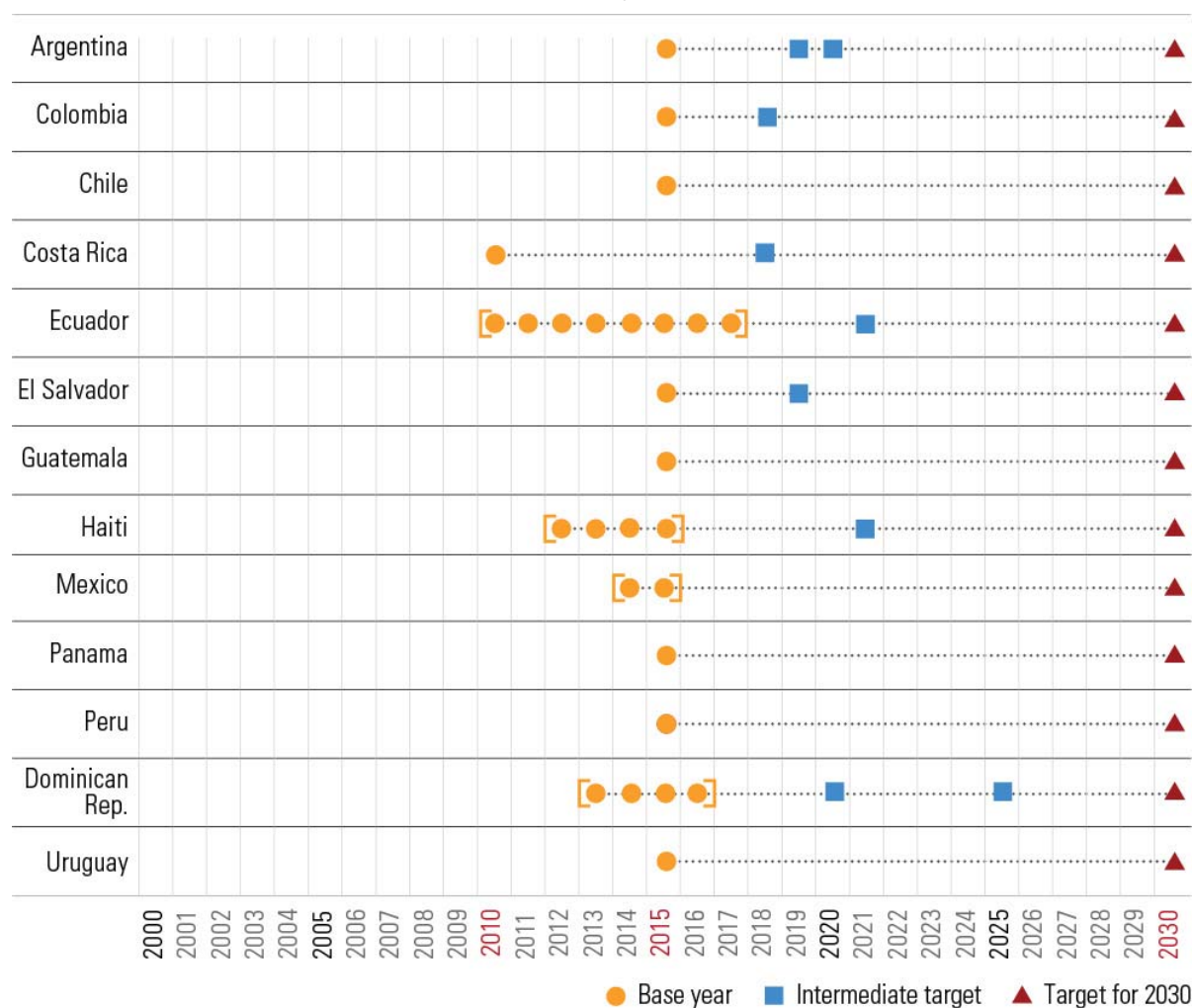


Source: Economic Commission for Latin America and the Caribbean (ECLAC).

Note: The Government of Peru has prioritized 26 indicators in the framework of the SDGs. This figure illustrates the number of global framework indicators that have been reported as SDG indicators in budgetary programmes.

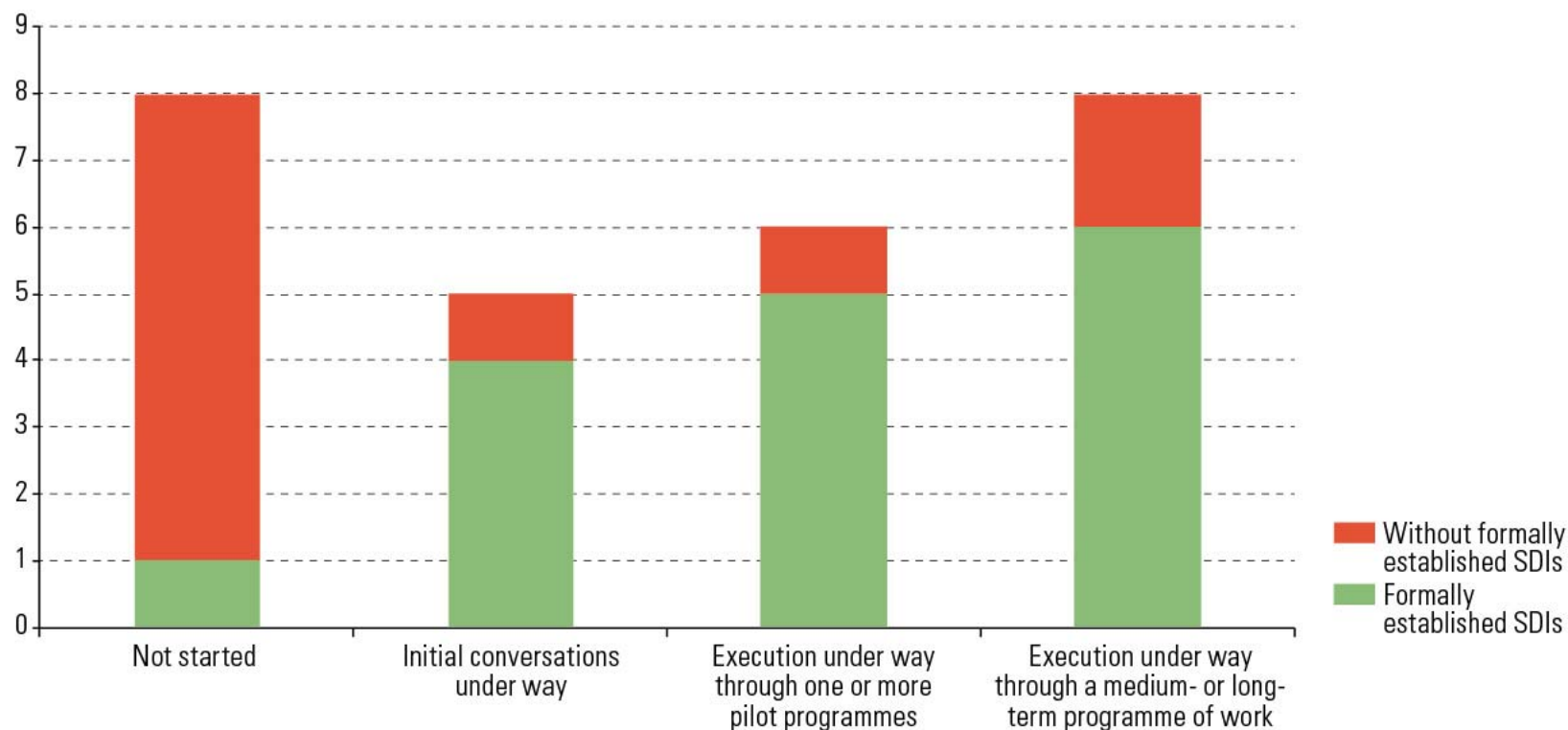
At least 13 of the region's countries have already defined baselines for the SDG indicators

LATIN AMERICA AND THE CARIBBEAN (13 COUNTRIES): BASELINES FOR PRODUCING THE SUSTAINABLE DEVELOPMENT GOAL INDICATORS, BY COUNTRY, 2000-2030



Spatial data infrastructure must be established to begin integrating statistical and geospatial information

LATIN AMERICA AND THE CARIBBEAN (27 COUNTRIES): STATUS OF STATISTICAL AND GEOSPATIAL INFORMATION INTEGRATION WITH RESPECT TO THE EXISTENCE OF SPATIAL DATA INFRASTRUCTURES (SDIs)
(Number of countries)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the diagnostic questionnaire on the baseline for statistical and geospatial information integration in the countries of Latin America and the Caribbean, 2017.

The shift towards sustainable and resilient societies: social, economic and environmental dimensions



Second annual report on regional progress and challenges in relation to the 2030 Agenda

Alicia Bárcena

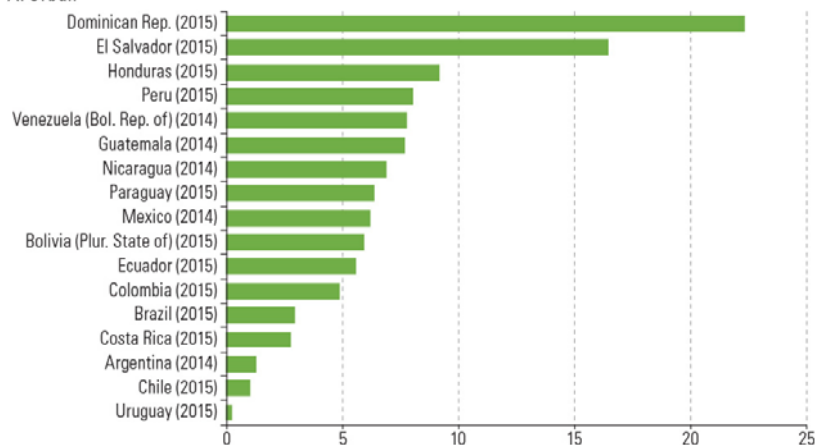


Inequalities in the full exercise of access to water and sanitation

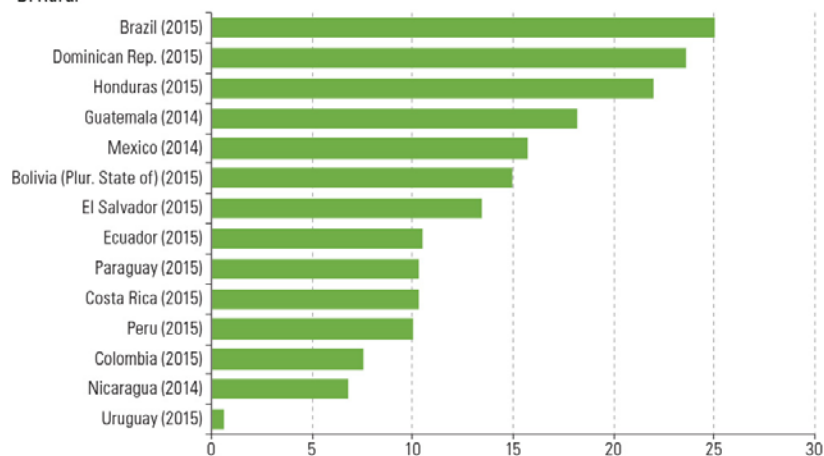
LATIN AMERICA (17 COUNTRIES): DIFFERENCES IN DRINKING WATER COVERAGE AND SANITATION COVERAGE BETWEEN THE HIGHEST INCOME AND THE LOWEST INCOME HOUSEHOLDS, 2014-2015
(Percentage points)

DRINKING WATER COVERAGE

A. Urban

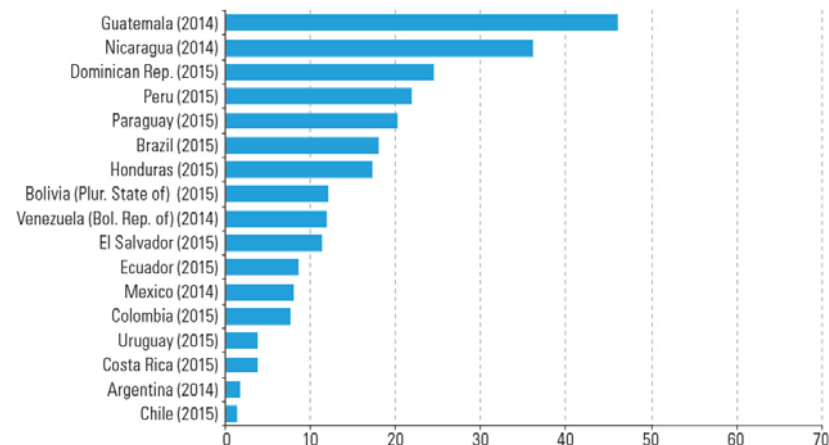


B. Rural

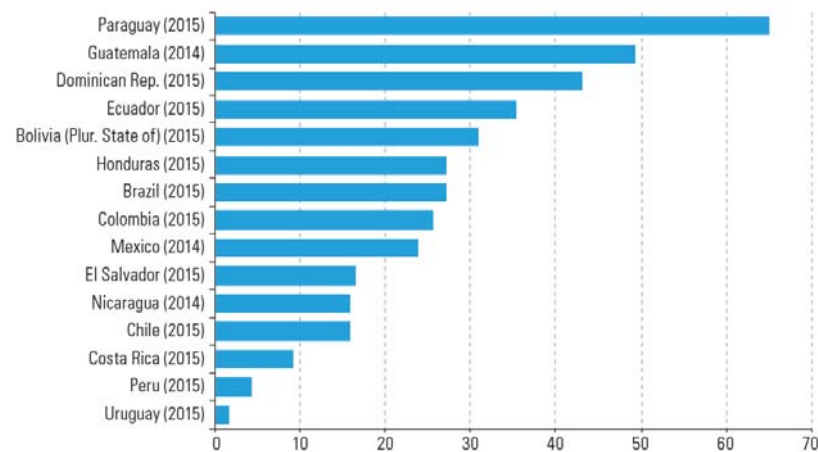


SANITATION COVERAGE

A. Urban



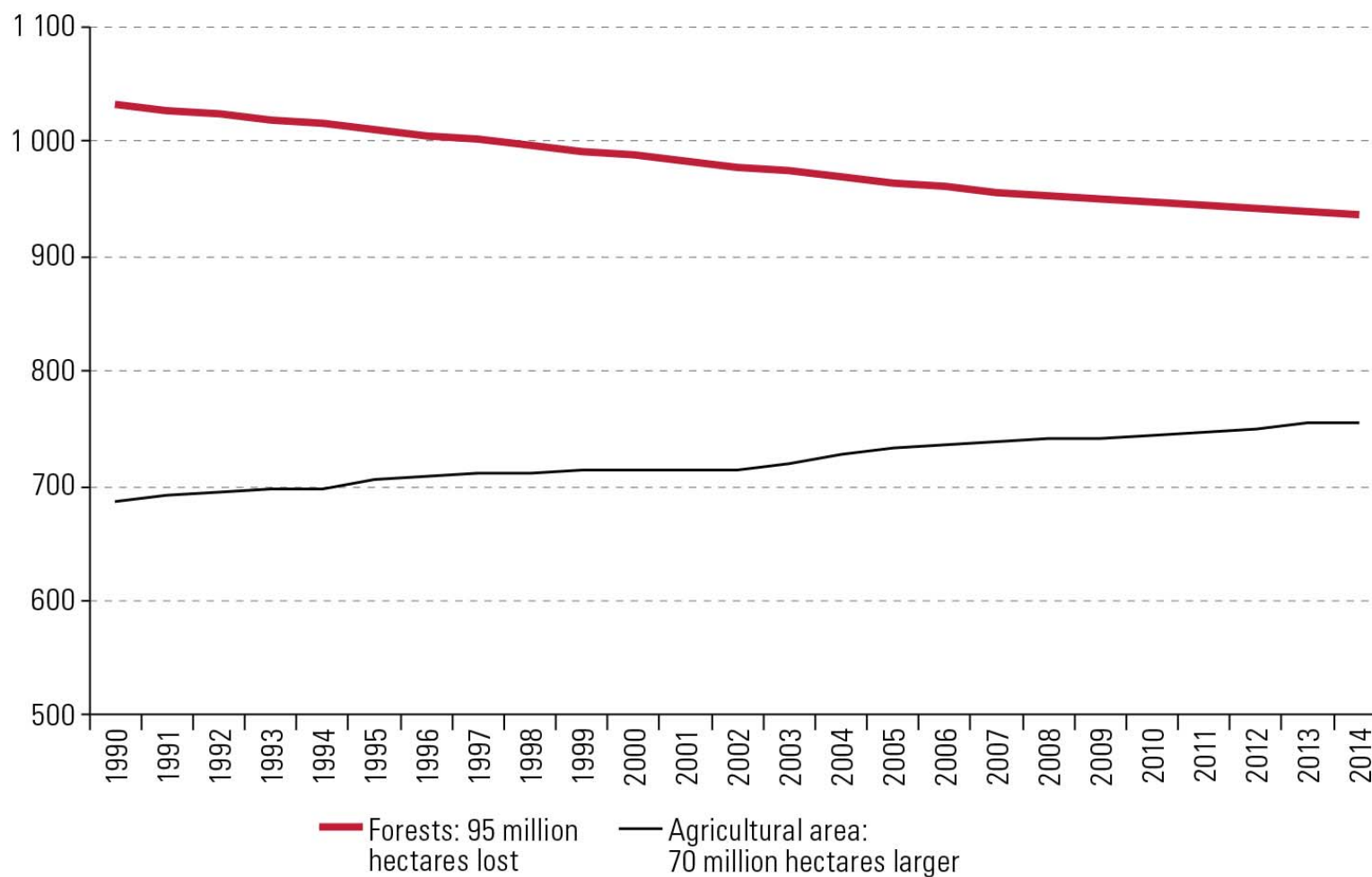
B. Rural



Latin America and the Caribbean has lost 9.4% of its forested areas

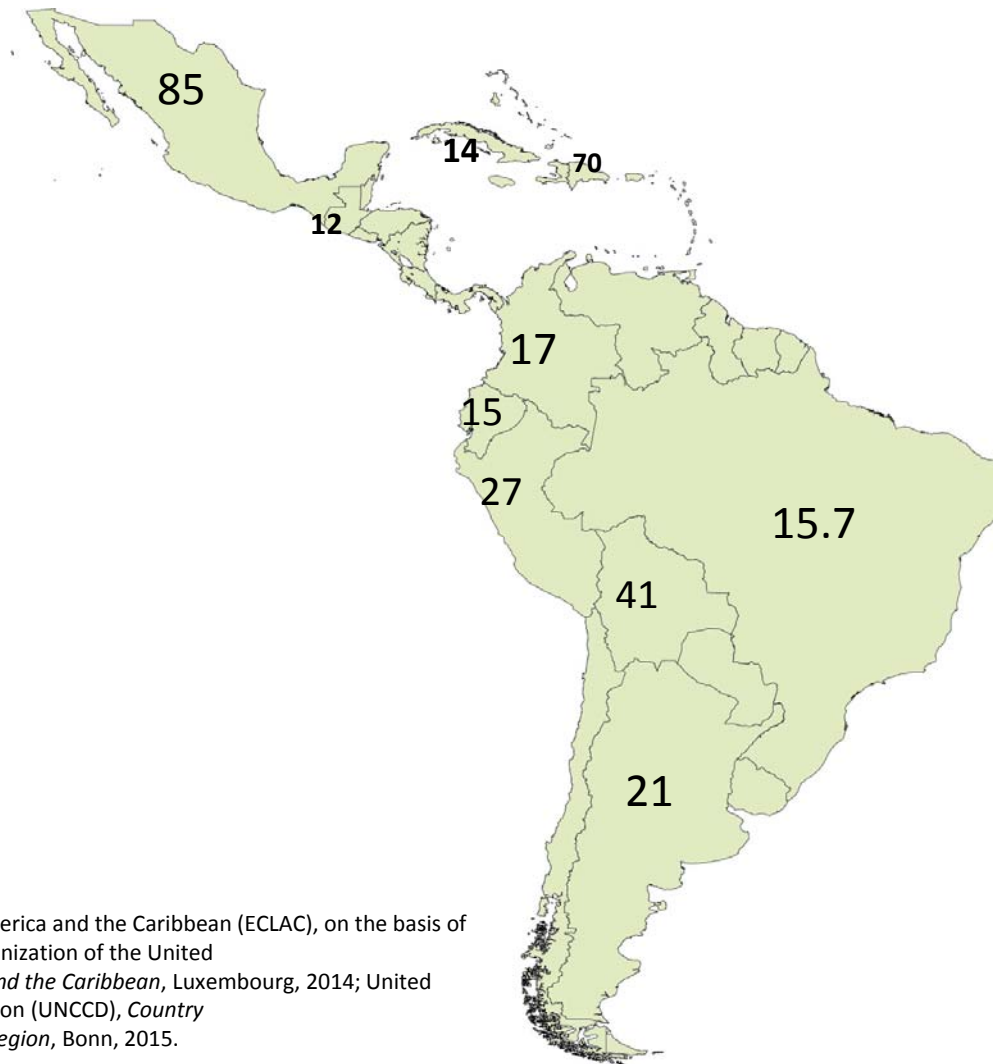
LATIN AMERICA AND THE CARIBBEAN: LOSS OF FORESTED AREA AND EXPANSION OF AGRICULTURAL AREA, 1990-2014

(Millions of hectares)



In the region, approximately 60% of the land is arid and more than 300 million hectares of agricultural land are desert

PERCENTAGE OF THE TERRITORY THAT IS SUBJECT TO DESERTIFICATION

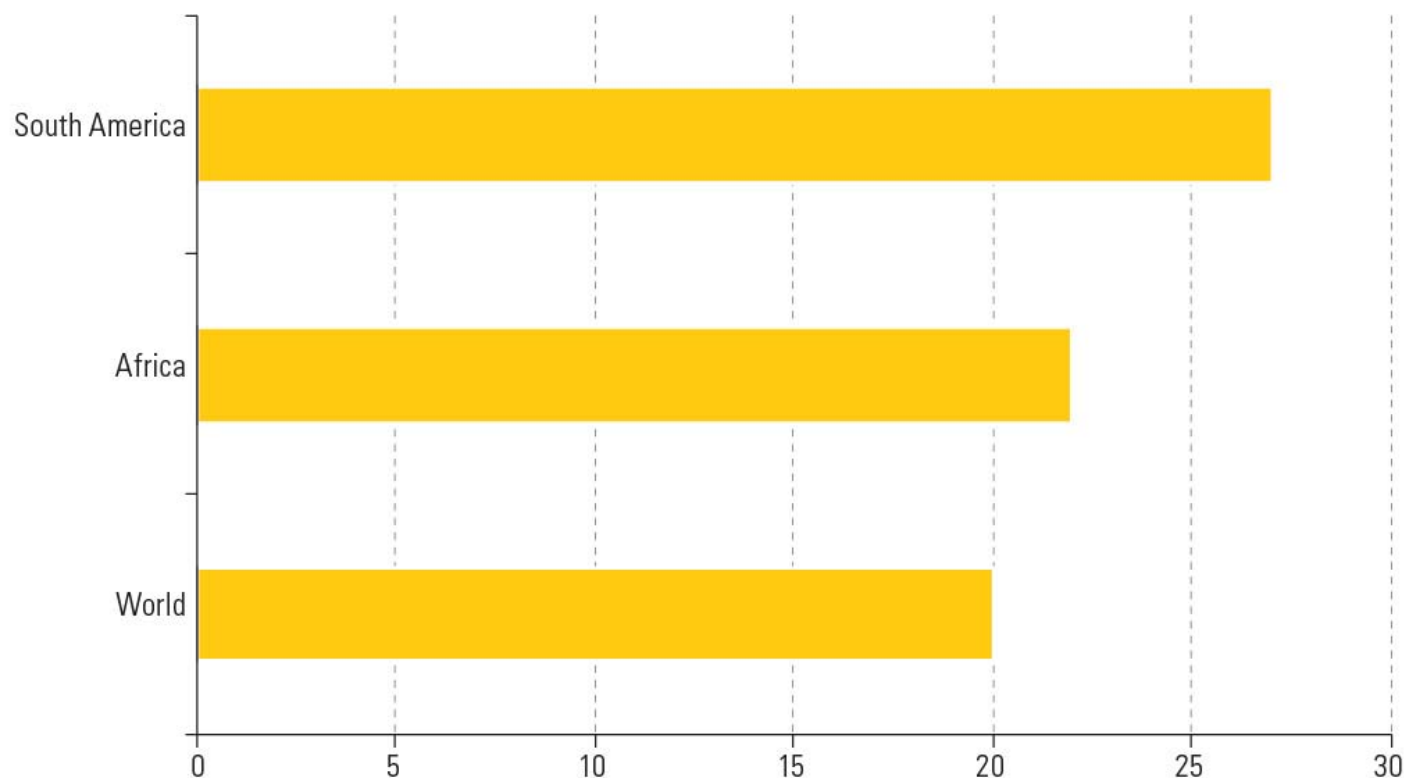


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of European Union/Food and Agriculture Organization of the United Nations (FAO), *Soil Atlas of Latin America and the Caribbean*, Luxembourg, 2014; United Nations Convention to Combat Desertification (UNCCD), *Country Profiles: Latin America and the Caribbean Region*, Bonn, 2015.

Land productivity dynamics reflect the overall quality of the soil that is the product of environmental conditions and land resource use or management

DECLINE IN LAND PRODUCTIVITY, 1999-2013

(Percentages of stressed areas, with moderate losses and declining vegetation cover)

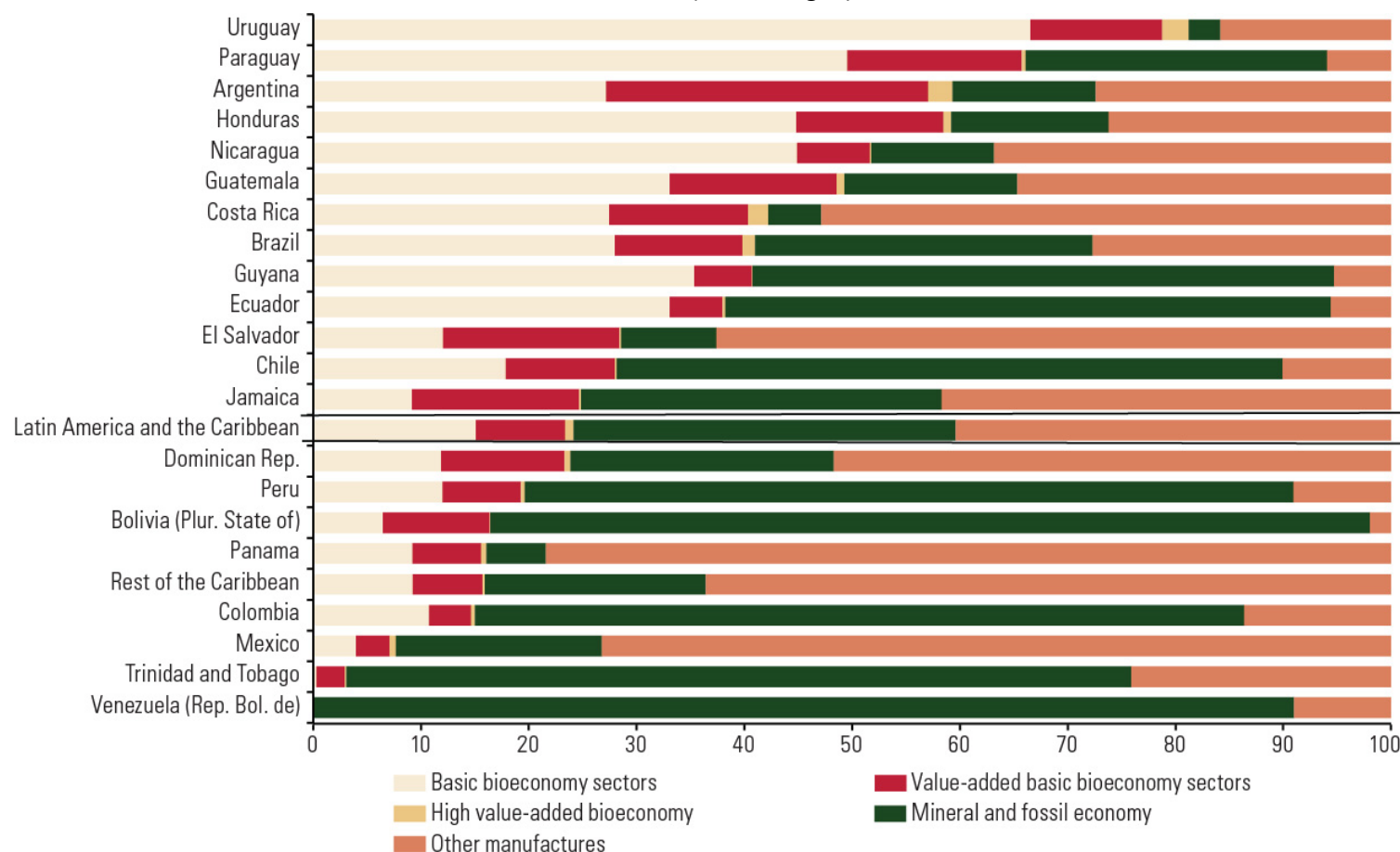


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of United Nations Convention to Combat Desertification (UNCCD), *The Global Land Outlook*, Bonn, 2017.

Rethink the current agricultural production paradigm and the development of policies to restore ecosystems

LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): COMPOSITION OF EXPORTS BY COUNTRY, BY IMPORTANCE TO THE BIOECONOMY, 2010-2015

(Percentages)



The dynamics of human settlements



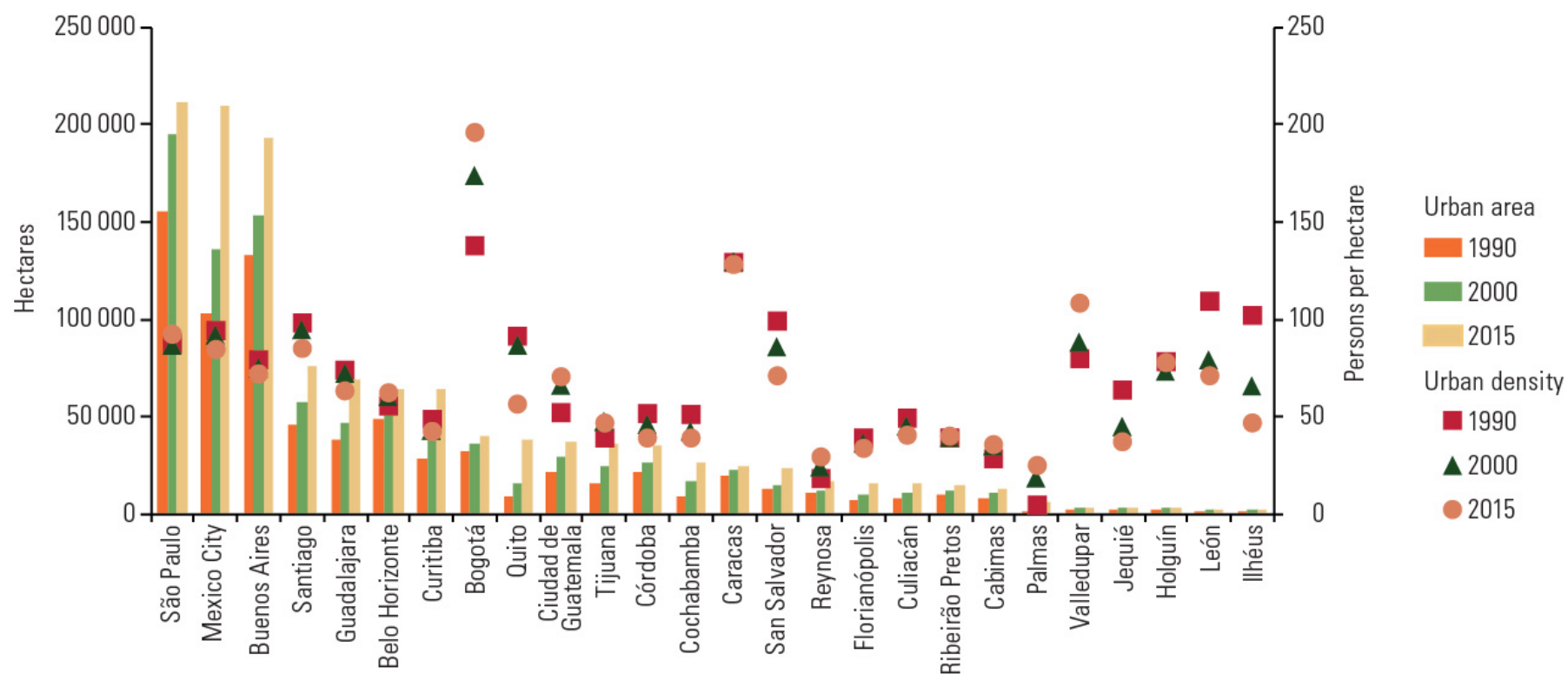
Second annual report on regional progress and challenges in relation to the 2030 Agenda

Alicia Bárcena



The expanding urban sprawl, in addition to its environmental impact, drives up the per capita costs of infrastructure

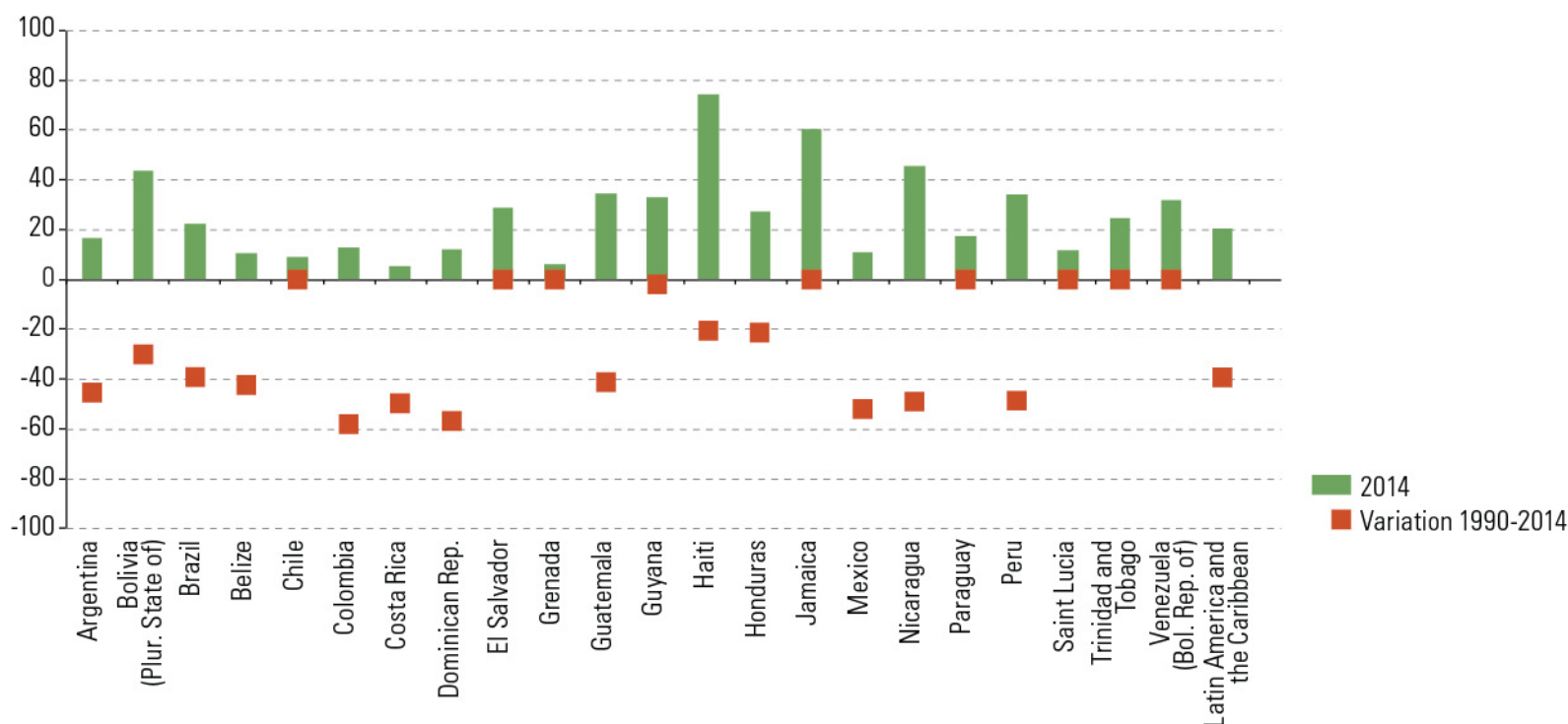
LATIN AMERICA (26 CITIES): URBAN AREA AND URBAN DENSITY OF THE BUILT-UP AREA, 1990, 2000 AND 2015
(Hectares and persons per hectare)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of S. Angel and others, *Atlas of Urban Expansion. The 2016 Edition. Volume One: Areas and Densities*, New York University/United Nations Human Settlements Programme (UN-Habitat)/Lincoln Institute of Land Policy, 2016.

More than 100 million people still live in urban slums

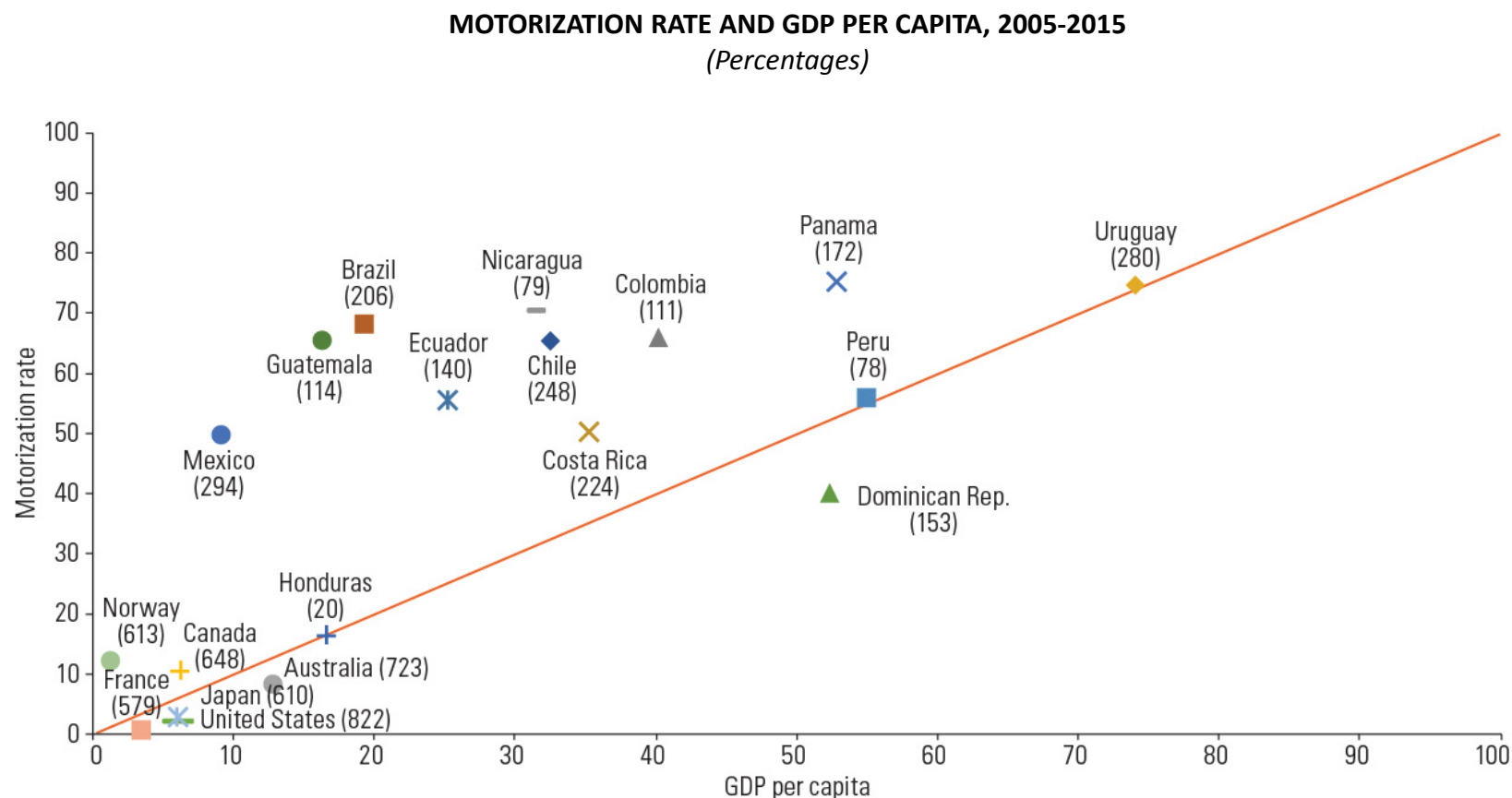
LATIN AMERICA AND THE CARIBBEAN (22 COUNTRIES): URBAN POPULATION LIVING IN SLUMS, 1990-2014
(Percentages of the total)



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

Note: Variation data are not shown for some countries because the database only has information for one year of the period under consideration. The years being compared in the case of Belize are 2007 and 2014; and in the case of the Bolivarian Republic of Venezuela Costa Rica, El Salvador, Grenada, Guyana, Paraguay, Saint Lucia and Trinidad and Tobago are 2005 and 2014. Only data from 2005 are considered in the case of Chile and Jamaica, because there was no information available for another year.

The importance of changing production and consumption patterns. The vehicle fleet grew faster than the economy

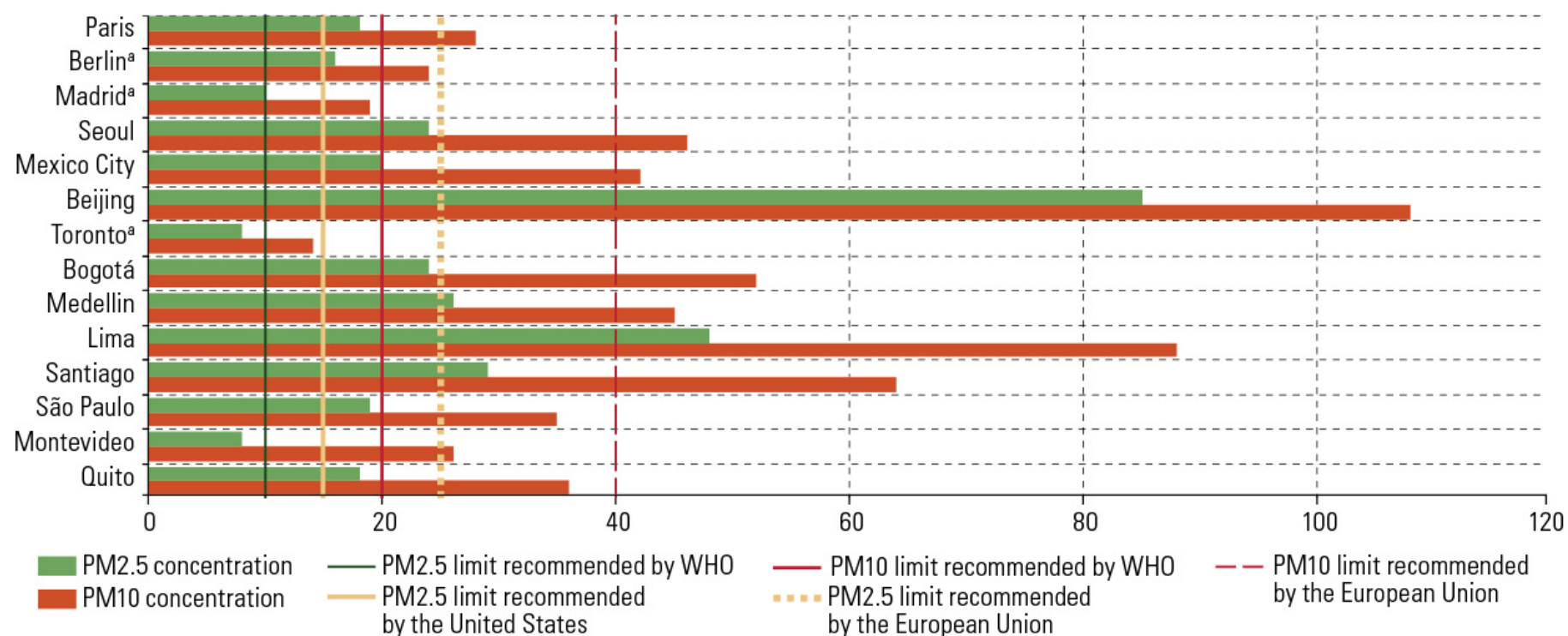


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of International Organization of Motor Vehicle Manufacturers (OICA) and World Bank, World Development Indicators, Washington, D.C. [online database] <http://data.worldbank.org/data-catalog/world-development-indicators>.

Note: Gross domestic product (GDP) per capita is expressed in purchasing power parity (PPP) in dollars at constant 2011 prices. The motorization rate is the number of motor vehicles per 1,000 people. The figures in parentheses indicate the motorization rate in 2015.

In the region, there are up to 93,000 deaths from cardiopulmonary diseases, 13,000 deaths from lung cancer and 560,000 disability-adjusted life years lost, due to air pollution

CONCENTRATION OF COARSE PARTICULATE MATERIAL (PM10) AND FINE PARTICULATE MATERIAL (PM2.5) IN 14 SELECTED CITIES, 2014
($\mu\text{g}/\text{m}^3$)

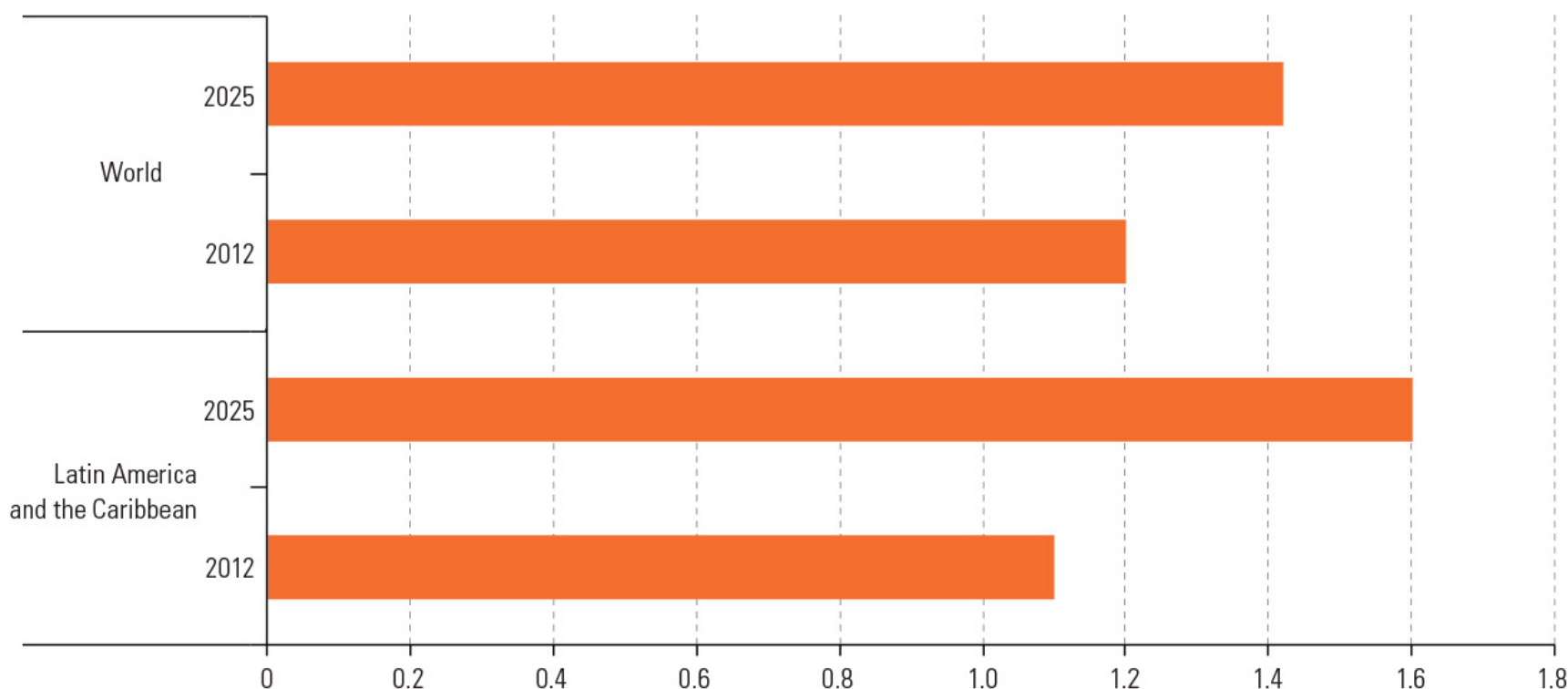


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of data from the World Health Organization (WHO).

^a Average annual concentration.

1.1 kg of urban solid waste is produced per capita per day in the region, equivalent to some 440,000 tons per day or 12% of the world total

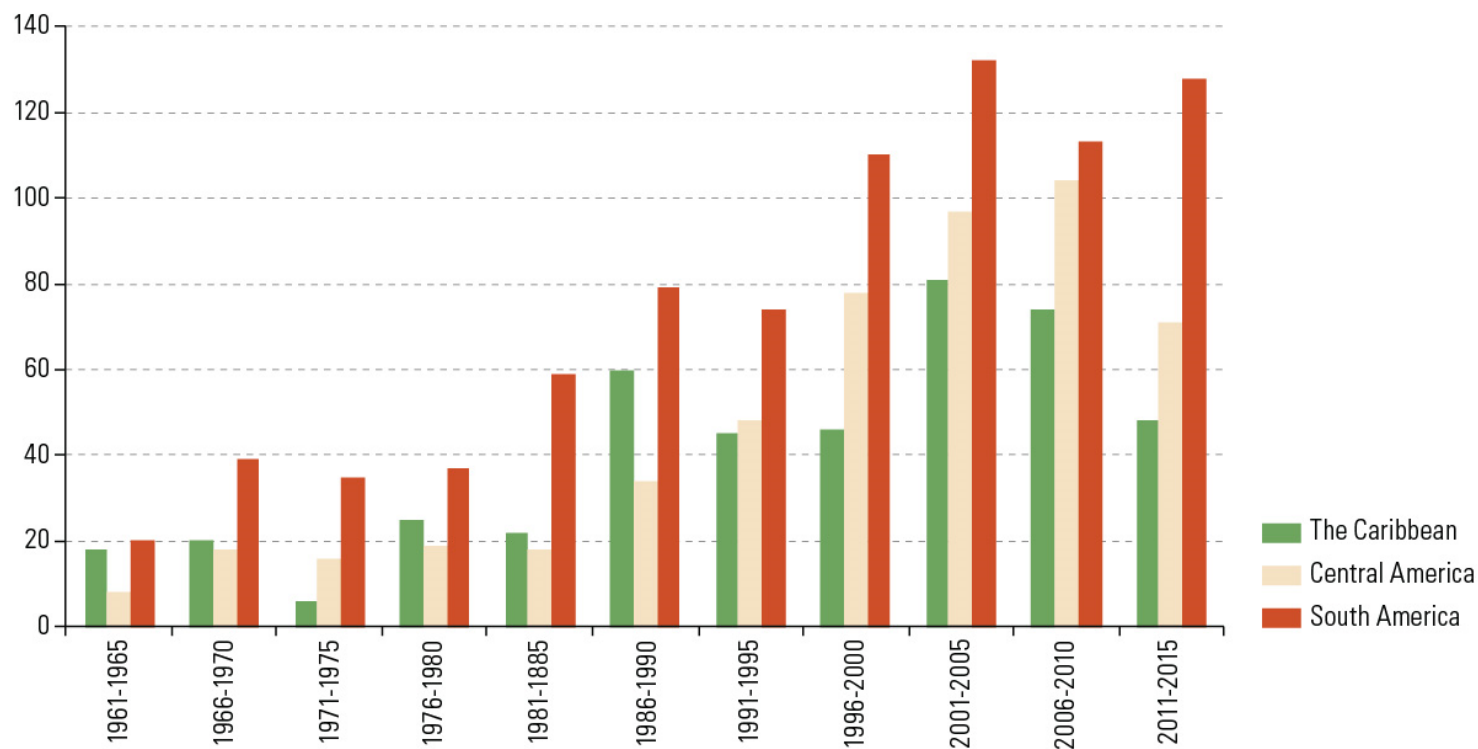
LATIN AMERICA AND THE CARIBBEAN: URBAN SOLID WASTE PRODUCTION, 2012 AND 2025
(kg/day/capita)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of D. Hoornweg and P. Bhada-Tata, "What a waste: a global review of solid waste management", *Urban Development Series Knowledge Papers*, No. 15, Washington, D.C, World Bank, 2012.

The growing number of extreme weather events in the region related to climate change requires structured climate change adaptation policies

LATIN AMERICA AND THE CARIBBEAN: EXTREME WEATHER EVENTS RELATED TO CLIMATE CHANGE, 1961-2015
(Number of events)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Centre for Research on the Epidemiology of Disasters (CRED), International Disaster Database (EM-DAT), 2016 [online] <http://www.emdat.be/database>.

Note: Includes droughts, extreme temperatures, floods, landslides, storms and forest fires.

Energy development, production and consumption



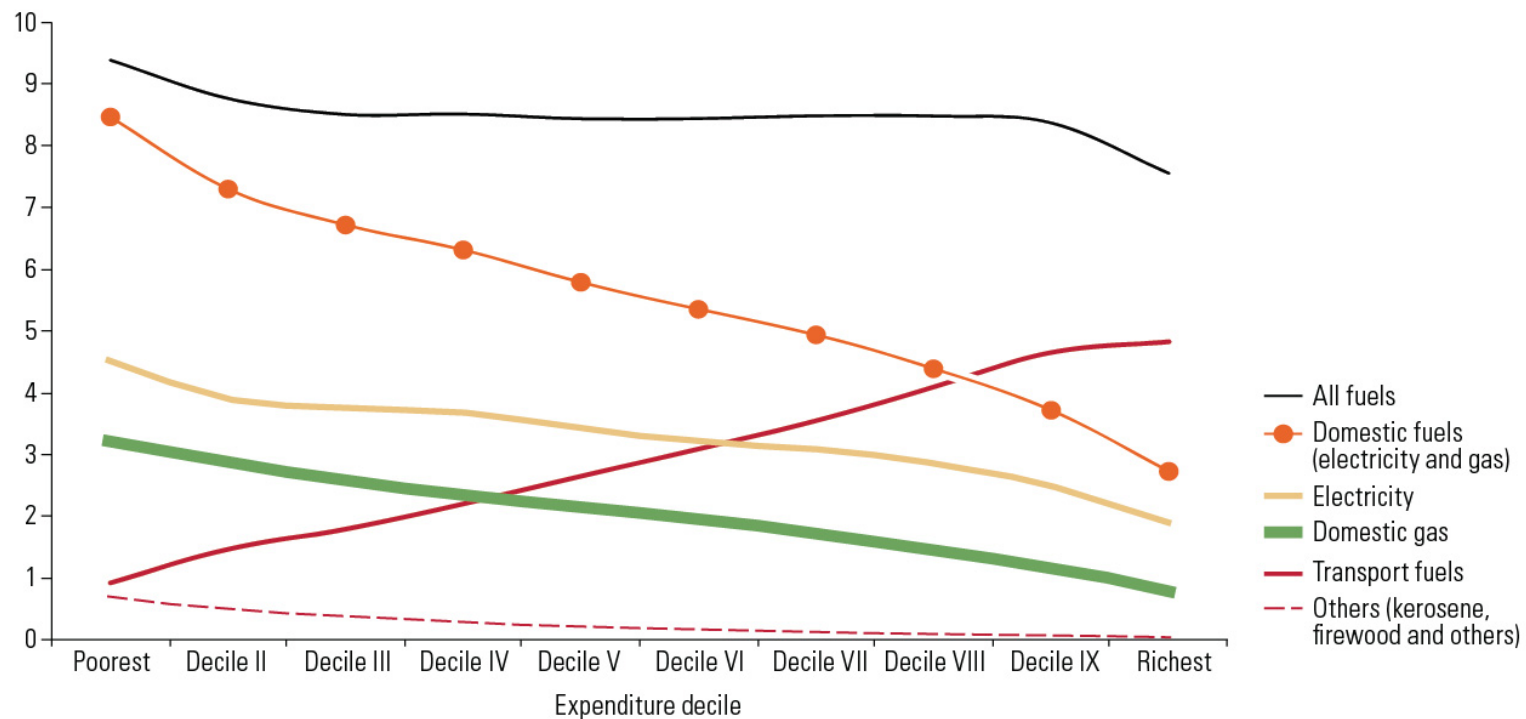
Second annual report on regional progress and challenges in relation to the 2030 Agenda

Alicia Bárcena



In addition to providing access to energy –18 million people without access to electricity–, the challenge is to make it affordable for the poorest

LATIN AMERICA AND THE CARIBBEAN: HOUSEHOLD ENERGY BUDGET SHARE AND COMPOSITION BY EXPENDITURE DECILE
(Percentages)



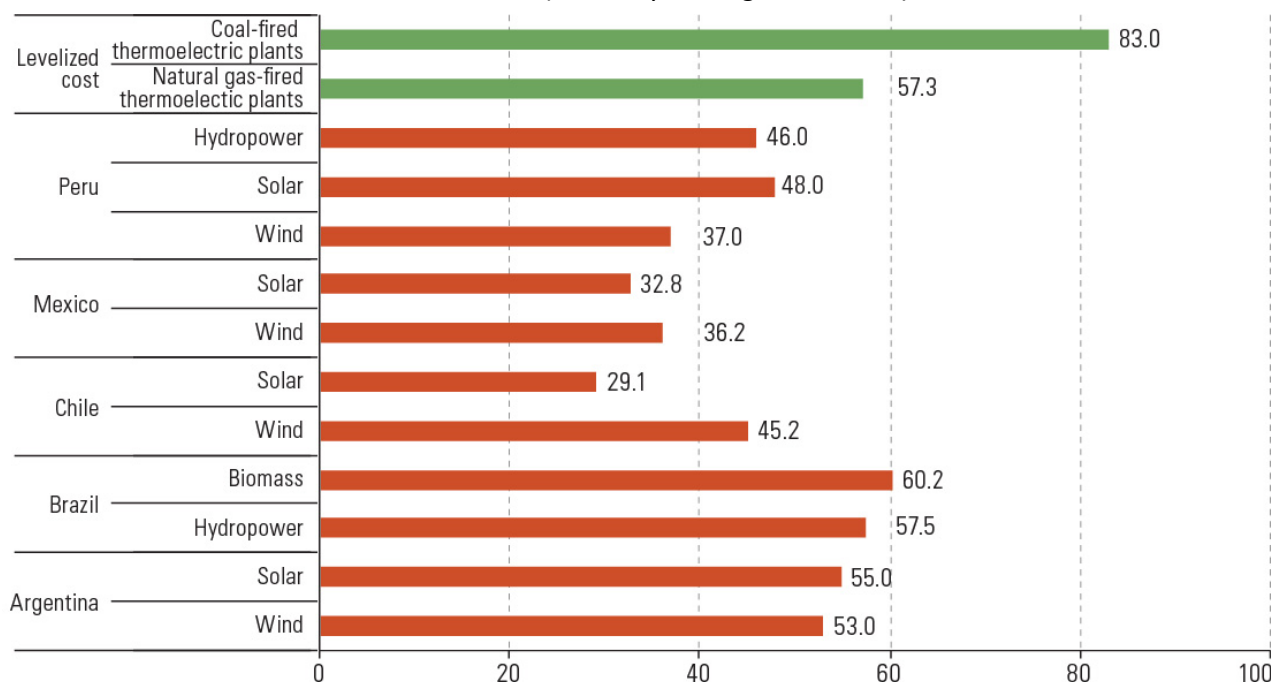
Source: R. Jiménez and A. Yépez-García, "Understanding the drivers of household energy spending: micro evidence for Latin America", *IDB Working Paper series*, No. 805, Washington, D.C, Inter-American Development Bank (IDB), 2017.

Note: Household surveys from 13 countries were used: Brazil, Costa Rica, Dominican Republic, Ecuador, Guatemala, Honduras, Jamaica, Mexico, Nicaragua, Peru, Paraguay, Plurinational State of Bolivia and Uruguay. Since household surveys cover different years, all values were extrapolated to 2014.

The shift to renewable energies goes hand in hand with lower power generation prices

LATIN AMERICA AND THE CARIBBEAN (5 COUNTRIES): LEVELIZED COSTS OF THERMOELECTRIC PLANTS WITH FOSSIL FUELS AND RENEWABLE ENERGY AUCTION PRICES

(Dollars per megawatt hour)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of International Renewable Energy Agency (IRENA), *Renewable Energy Auctions: Analysing 2016*, Abu Dhabi, 2017; Energy Information Administration (EIA), "Levelized cost and levelized avoided cost of new generation resources in the Annual Energy Outlook 2017", Washington, D.C., 2017 [online] https://www.eia.gov/outlooks/aeo/pdf/electricity_generation.pdf; Energy Research Office (EPE), *Energia termelétrica: gás natural, biomassa, carvão, nuclear*, M. Tolmasquim (coord.), Rio de Janeiro, 2016.

Note: Global average in 2017 of levelized costs of thermoelectric plants compared to natural gas-fired plants in conventional combined cycle (EIA, 2017), levelized costs of coal-fired thermoelectric plants in Brazil in 2016 (EPE, 2016) and auction prices in Latin America and the Caribbean in 2016 (IRENA, 2017b).

Means of implementation of the 2030 Agenda for Sustainable Development



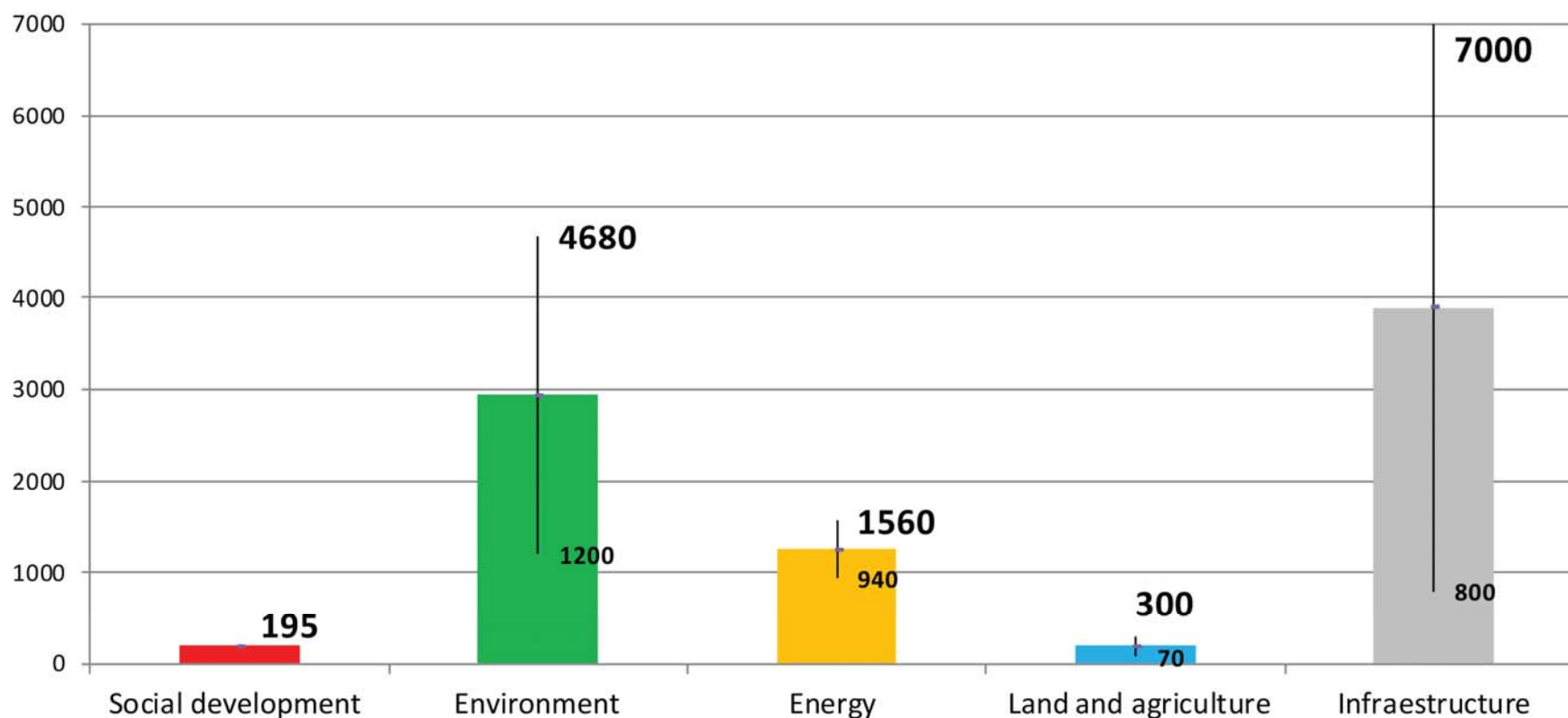
Second annual report on regional progress and challenges in relation to the 2030 Agenda

Alicia Bárcena



US\$3-14 trillion per year in total is needed to achieve the Goals of the 2030 Agenda

ESTIMATED ANNUAL FINANCING NEEDS FOR SELECTED SUSTAINABLE DEVELOPMENT GOALS
(Billions of dollars)

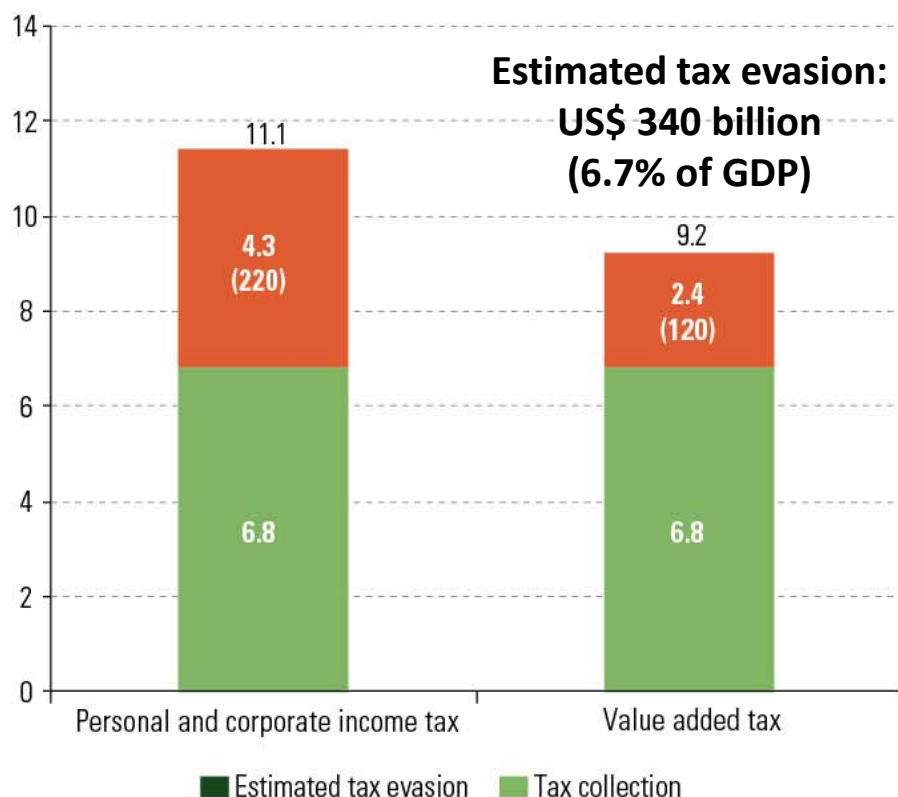


Source: United Nations, Report of the Intergovernmental Committee of Experts on Sustainable Development Financing (A/69/315), New York, October 2014.

The challenges of the 2030 Agenda must be addressed by moving towards a progressive tax regime and combating tax evasion

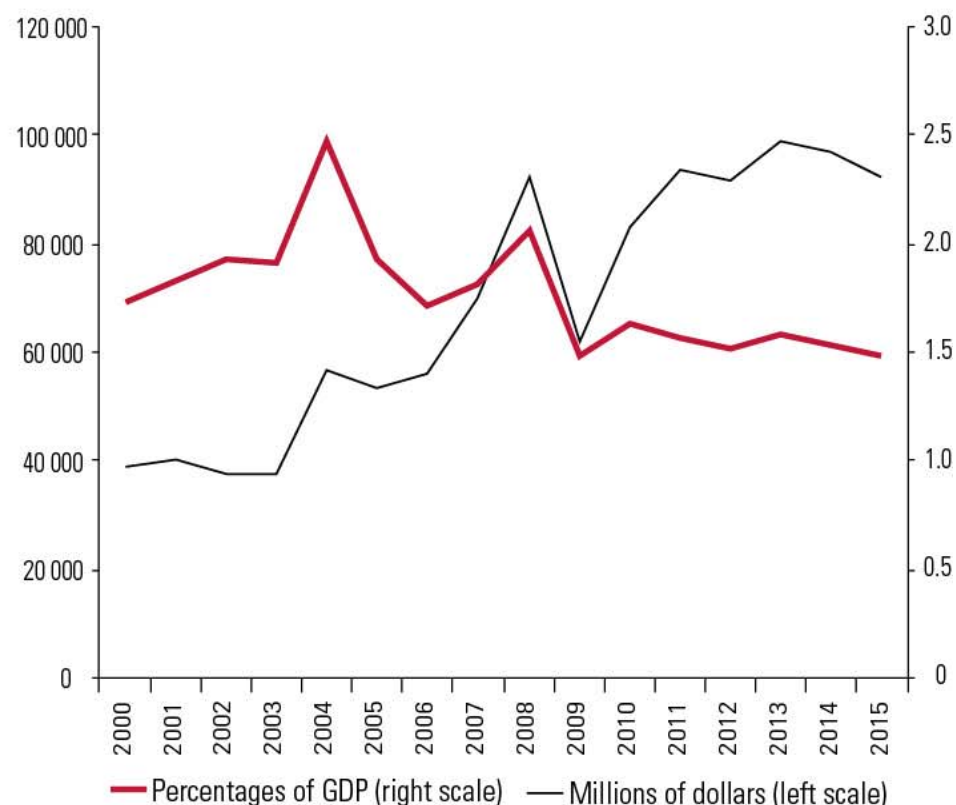
LATIN AMERICA: TAX COLLECTION AND ESTIMATED TAX EVASION, 2015

(Percentages of GDP and billions of dollars)



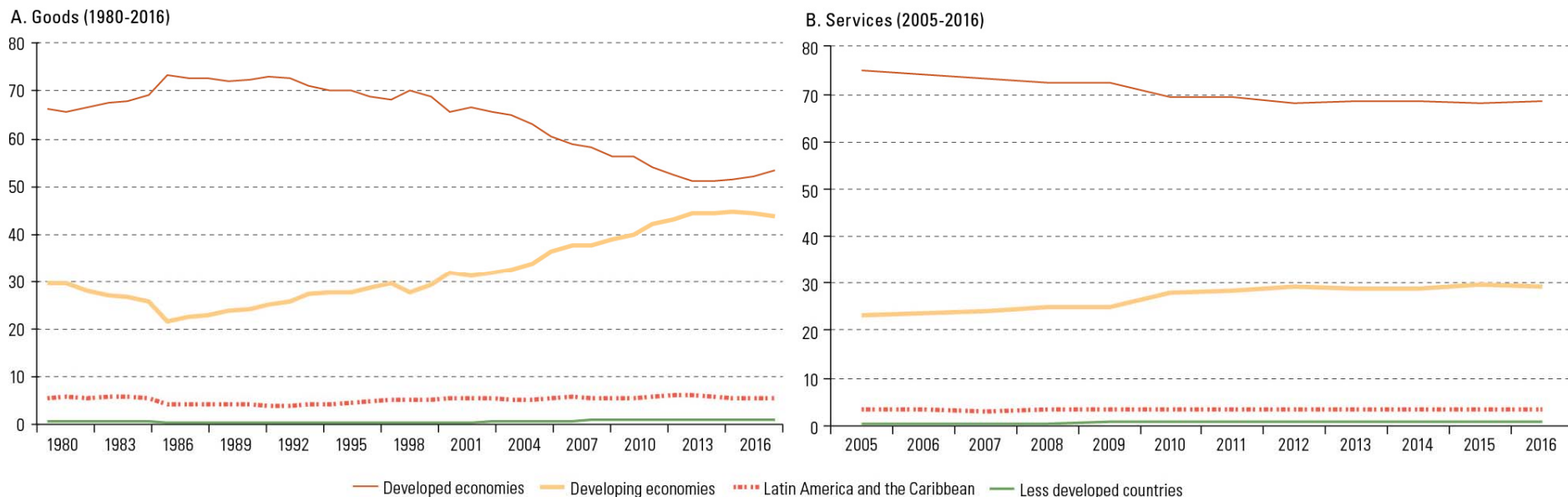
LATIN AMERICA AND THE CARIBBEAN: GROSS ILLICIT FINANCIAL OUTFLOWS OWING TO TRADE MISINVOICING, 2000-2015

(Millions of dollars and percentages of GDP)



Trade: a regional challenge of the 2030 Agenda in Latin America and the Caribbean

SELECTED GROUPINGS AND LATIN AMERICA AND THE CARIBBEAN: SHARE OF GLOBAL GOODS AND SERVICES EXPORTS
(Percentages)

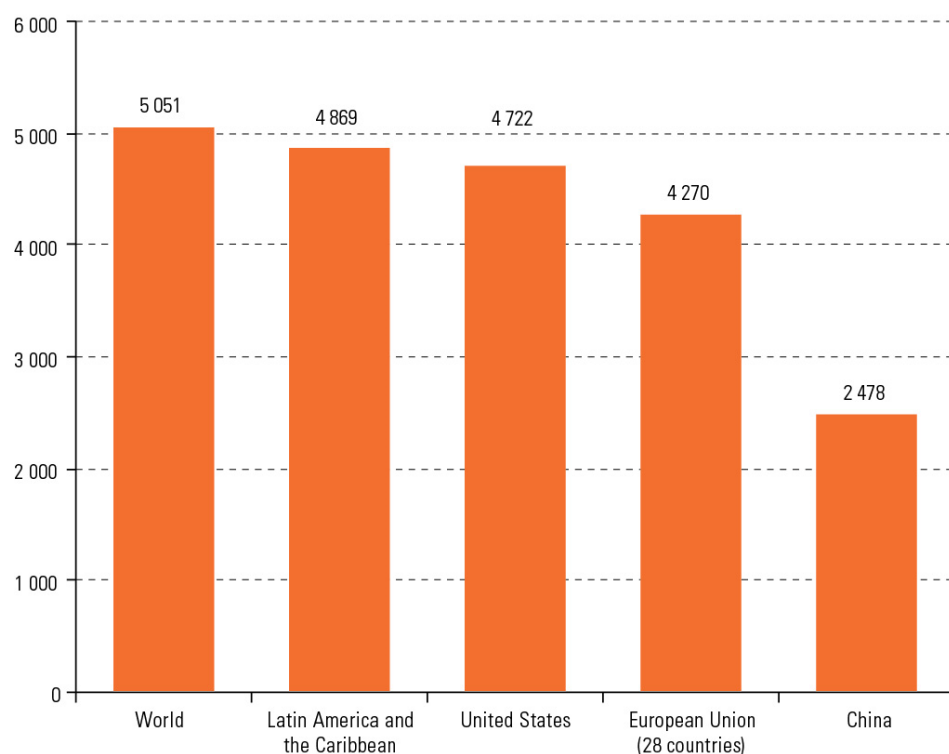


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of United Nations Conference on Trade and Development (UNCTAD), UNCTADSTAT database [online] <http://unctadstat.unctad.org/EN/>.

Urgent need for regional integration — the key to production and export diversification

LATIN AMERICA AND THE CARIBBEAN: PRODUCTS EXPORTED TO SELECTED DESTINATIONS, 2016

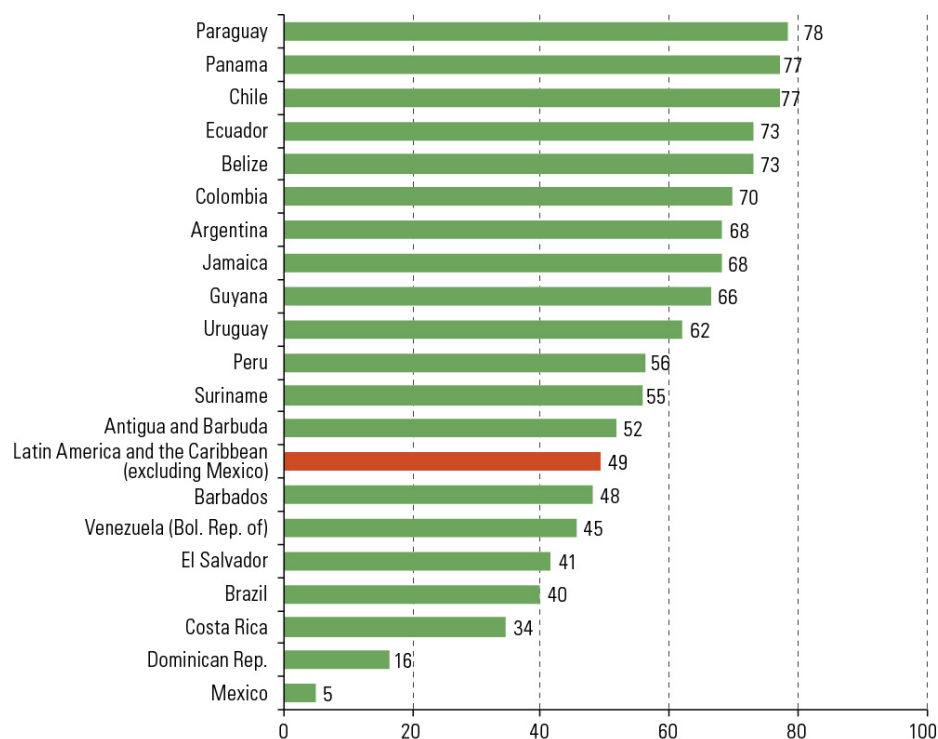
(At the six-digit level of the Harmonized Commodity Description and Coding System)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of United Nations, United Nations International Trade Statistics Database (COMTRADE) [online] <https://comtrade.un.org/>.

LATIN AMERICA AND THE CARIBBEAN (SELECTED COUNTRIES): SHARE OF TOTAL MANUFACTURE EXPORTS TO MARKETS WITHIN THE REGION, 2016^a

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of United Nations, United Nations International Trade Statistics Database (COMTRADE) [online] <https://comtrade.un.org/>.

^a Includes low-, medium- and high-tech manufactures.



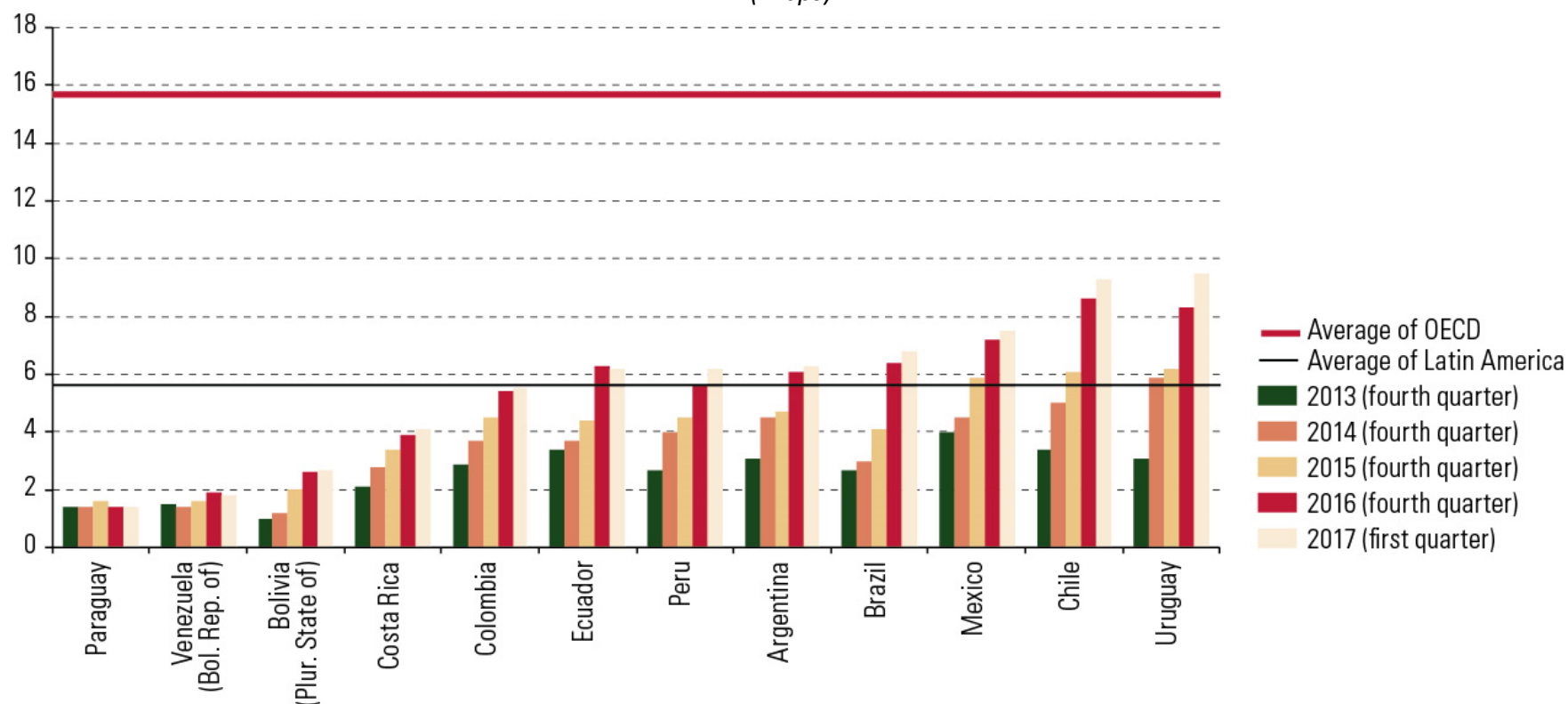
Second annual report on regional progress and challenges in relation to the 2030 Agenda

Alicia Bárcena



The countries of the region should continue to promote investment in telecommunications infrastructure to meet the growing demand for digital services

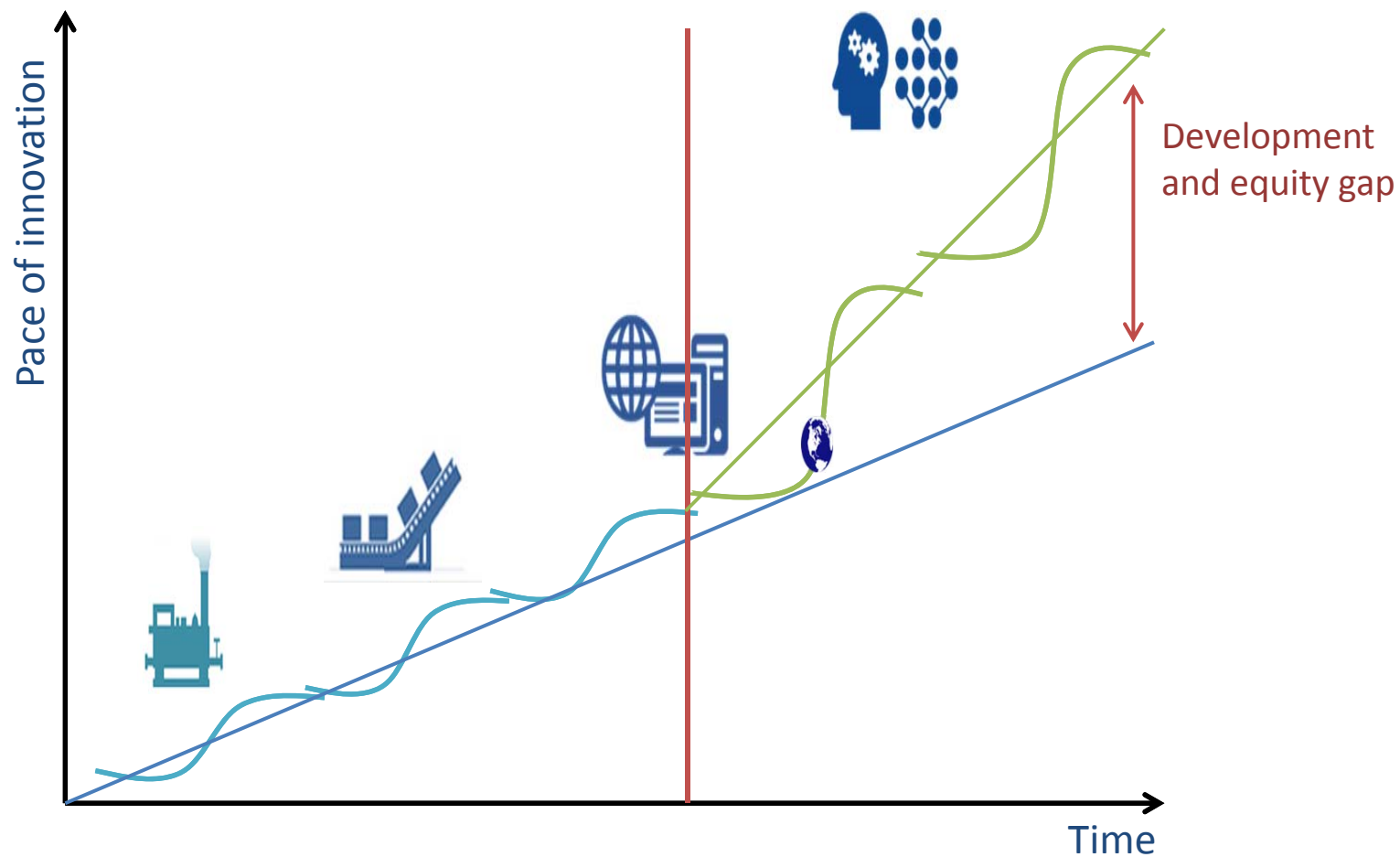
LATIN AMERICA (SELECTED COUNTRIES) AND THE ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT (OECD):
BROADBAND CONNECTION SPEEDS
(Mbps)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), Regional Broadband Observatory, on the basis of Akamai, *Akamai's State of the Internet Q1 2017 Report*, vol. 10, No. 1, Cambridge, 2017.

Industrial age

Digital age



Rethinking policy with technology: towards an environmental big push

Problem

80% urbanization

Environmental and
energy crisis

Population ageing

Low productivity / role
of SMEs

Solutions

Smart cities and
circular economy

Smart grids,
decarbonization

Digital care and health
economy

Innovation / new
manufacturing

Pursuing the path to a new development pattern

- Political perspective and endeavour
- A multilateral, open and robust system
- Coalitions and institutions to promote global, regional, national and local policies
- Change the conversation between the State, the market and society
- The Forum conveys the common will, without denying regional heterogeneity
- Latin America and the Caribbean is making headway:
 - 20 of the 33 countries of the region have high-level intersectoral institutions to coordinate the implementation of the 2030 Agenda
 - they have also recognized the need for all sectors of society to participate in efforts to attain the SDGs.

Lessons learned to ensure the continuity of the implementation of the 2030 Agenda

- Incorporation of SDGs into national and territorial planning schemes, including:
 - Taxation
 - Public budgets
 - Public investment systems
 - Integrated and intersectoral approaches
- Integration of SDGs into business models
 - Analysis of supply and value chains
 - Measurement of the carbon and environmental footprint and externalities
 - Identification of incentives to mobilize private investment
- Access to information. Open government. Gender, energy, Principle 10, and planning observatories, among others

Major global and regional challenges of implementation

- **The sum of national efforts is insufficient**, greater global cooperation is needed
- **Provision of global public goods**: financial stability, full employment and preservation of the ecological integrity of common resources
- **Means of implementation** that close financing, technological and trade gaps, improved statistical capacity and open governments and States
- **Financial architecture (Addis Ababa)**: there is a need to strengthen global financial governance, for greater global cooperation on tax issues and shared responsibility between debtors and creditors
- **Paris Agreement on climate change**
- **Regional integration to propose new agreements that eliminate financial, technological and trade asymmetries at the global level**



UNITED NATIONS

ECLAC

www.eclac.org