



Intra-Regional Relations

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F O R E W O R D

The 2030 Agenda for Sustainable Development is an action plan that ensures the universal commitment to global development, encompassing the economic, social and environmental areas.

For Latin America and the Caribbean, it represents a roadmap where efforts are focused on the design, coordination, implementation, and monitoring of public policies for the comprehensive development of the region based on the Sustainable Development Goals.

To that end, regional integration and cooperation organizations and mechanisms agree on the need to promote concrete actions in areas of convergence, in order to substantially increase their potential, strengthen interinstitutional cooperation and foster synergies.

The Work Programme of the <u>Latin American and Caribbean Economic System (SELA)</u> responds to the guidelines linked to the cooperation and integration process of Latin America and the Caribbean. In order to develop it, the Permanent Secretariat takes into consideration the priority themes established by the Latin American Council, the decision-making body that is empowered to approve it for its execution during a one-year period.

The themes making up the Work Programme of SELA are structured on the basis of three areas of work¹, which prioritize the implementation of activities related to the agenda of regional economic and social development:

- Intra-Regional Relations: In this area, the development and promotion of integration is a priority. In addition, emphasis is made on the implementation of activities aimed at formulating and strengthening public policies in areas of common interest to the Member States, contributing to capacity building and leading to the optimization of the decision-making process in view of the challenges faced by the region.
- II. Economic and Technical Cooperation: As a forum for consultation and coordination, SELA develops technical cooperation activities in areas determined by the Member States.
- III. Extra-Regional Relations: In this area, the analysis of financial, economic, trade and cooperation relations with external stakeholders is promoted.

Through these thematic areas of work, SELA aims to ensure compliance with its objectives and principles contained in the Panama Convention².

In this connection, the Work Programme of SELA for 2018, as approved by the Latin American Council during the XLIII Regular Meeting held in November 2017, aims to implement projects and activities for economic growth and sustainable development in Latin America and the Caribbean.

In particular, the preparation of this Work Programme has been based on the Sustainable Development Goals (SDG), with a view to supporting SELA Member States³ in complying with the 2030 Agenda for Sustainable Development.

Priorities of SELA in supporting the implementation of the 2030 Agenda for Sustainable Development in Latin America and the Caribbean

The Permanent Secretariat of SELA has been careful to link its tasks with the SDGs in two of its thematic areas, developing activities related to the promotion of economic growth, trade, migration, investments, sustainable tourism, disaster risk reduction, and public-private partnerships, adapting them properly so that they could become tools to support Member States in achieving their goals.

¹ Decision N°440 Reestructuring SELA. (April, 2003). XXVII Regular Meeting of the Latin American Council of SELA.

² Panama Convention establishing the Latin American Economic System.

³ SELA is made up of 26 Member States: Argentina, Bahamas, Barbados, Belize, Bolivia, Brazil, Chile, Colombia, Cuba, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Suriname, Trinidad and Tobago, Uruguay, Venezuela.

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In the Area of Intra-Regional Relations

<u>Integration process and economic growth in Latin America and the Caribbean</u>: Within the framework of this Programme, SELA monitors, promotes and contributes to the regional integration process, while ensuring contributions that may have an impact on economic growth and sustainable development of Latin America and the Caribbean. To that end, SELA envisages the following activities:

- Prospective vision of Latin American and Caribbean integration, in which the evolution of regional and subregional integration schemes is analyzed and the importance of strengthening integration ties among the countries in the region is discussed.
- Examination of the empirical evidence of the impact of infrastructure on the effectiveness of trade integration in Latin America and the Caribbean.
- Recommendations to the various regional integration schemes concerning the progress of the integration process through the Integration Index of Latin America and the Caribbean (IINTALC).
- Use the External Vulnerability Index of SELA to alert the countries of the region to the imminent crisis threatening their stability due to external factors and prepare them for its consequences in advance.
- Collect information on the status of the integration process through reports and case studies through the various mechanisms and processes in the region.
- Migration remains one of the regular themes of SELA, with this time making emphasis on the analysis of the factors that determine them and their impact on the labour market. In addition, the treatment of the development of ecotourism as a sustainable and responsible economic activity is analyzed during this year.

<u>Trade Facilitation</u>: In the context of this Programme, SELA covers specific projects for the promotion of Foreign Trade Single Windows (VUCE) and the Latin American and Caribbean Network of Digital and Collaborative Ports, with the purpose of contributing to the strengthening and modernization of government institutions in the areas of trade facilitation and transport. In this connection, the following activities are addressed:

- As regards VUCE, SELA organizes annual meetings to disseminate the advantages of the implementation of this instrument, designed to streamline trade procedures, as well as the benefits associated with its interoperability.
- The Latin American and Caribbean Network of Digital and Collaborative Ports is an initiative of SELA, created in 2014 with the support of CAF-development bank of Latin America and aimed at suggesting the adoption of public policies in the field of sea and land transportation, in order to incorporate high standards of service and innovation to increase the competitiveness of port logistics communities in Latin America and the Caribbean. To date, the Network consists of 13 countries and 22 port systems, and this year the third regional meeting will be held with port logistics communities of the region.

<u>Information and Communications Technologies and Knowledge Society</u>: This Programme aims to promote the digital integration of the region in response to current international standards. In this connection, SELA envisages the conduction of two activities aimed at promoting technological innovation and development.

• The first activity seeks to determine the status and opportunities for the countries of the region to address and use electronic commerce. The second aims to promote the inclusion of these countries in global value chains. For both activities, SELA makes special emphasis on the inclusion of MSMEs as part of its internationalization process and generation of productive capacities.

In the Area of Economic and Technical Cooperation

<u>Latin American and Caribbean Regional Programme for Small and Medium-sized Enterprises</u> (<u>SELA-SMEs Programme</u>): This Programme aims to develop the activities designed for the promotion of micro, small and medium-sized enterprises (MSMEs) in Latin America and the Caribbean. In this connection, SELA envisages meetings and workshops that will address the following themes:

- Productive integration of SMEs into global value chains.
- Continued implementation of the Public Policy Index for MSMEs in Latin America and the
 Caribbean (IPPALC) in the countries of the Pacific Alliance, together with Argentina,
 Ecuador and Uruguay, and follow-up on the process of adaptation of this tool in Central
 American countries. The IPPALC is a tool created by the OECD to evaluate and monitor the
 government decision-making process, aimed at encouraging the economic dynamism of
 SMEs. Its implementation and adaptation in Latin American and Caribbean countries is
 being undertaken in collaboration with CAF and the OECD.
- Financial inclusion of MSMEs in Latin America and the Caribbean, understood as a necessity for sustainable development, is addressed on the basis of best practices and efforts to provide this business sector with formal access to financial services.
- Importance of encouraging and facilitating the formalization processes of regional MSMEs.
- Training of national reference MSMEs in the region in terms of evaluation of the impact of public policies related to their areas of competence.
- Promotion of public-private partnerships of MSMEs to foster cooperation opportunities for the promotion and development of this business sector.

Support to economic and technical cooperation among Latin American and Caribbean countries: SELA pursues its role in regional cooperation, technical cooperation and South-South cooperation, as well as its efforts to strengthen interinstitutional relations with regional and international organizations and mechanisms for the development of activities of common interest for the benefit of the region.

- In this connection, the annual conduction of the Meeting of International Cooperation Directors for Latin America and the Caribbean; the Meeting on Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean; and the Meeting of the Working Group on Trade and Competition is worth mentioning. In each of these forums, themes of common interest are discussed, generally agreed upon by the national focal points related to them.
- A forum on opportunities for international cooperation for Latin America and the Caribbean will be focused on the challenges of the 2030 Agenda, the challenges and opportunities for cooperation that will facilitate its implementation.

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In view of the foregoing, the Work Programme of SELA has a direct relationship with the following Sustainable Development Goals:

- SDG 8. Promote inclusive and sustainable economic growth, employment and decent work for all.
- SDG 9. Build resilient infrastructure, promote sustainable industrialization and foster innovation.
- SDG 10. Reduce inequality within and among countries.
- SDG 11. Make cities inclusive, safe, resilient and sustainable.
- SDG 17. Revitalize the global partnership for sustainable development.

In addition, listed activities have an indirect relationship with much of the rest of Sustainable Development Goals, insofar as there is a match with the goals that are associated to them.

Finally, bearing in mind that, among its original objectives, SELA is mandated to "support the integration processes of the region and encourage coordination among them, or with Members States of SELA, particularly with respect to those activities aimed at promoting greater harmonization, duly respecting the commitments made within the framework of such processes" 4, and considering the work carried out by regional integration and cooperation organizations and mechanisms in relation to the 2030 Agenda in their respective work programmes, it is relevant to undertake an interinstitutional collaboration process that promotes synergies and avoids duplication of efforts in achieving common goals for the benefit of Latin America and the Caribbean.

⁴ Panama Convention establishing the Latin American Economic System.