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SUSTAINABLE DEVELOPMENT IN LATIN AMERICA AND THE CARIBBEAN

Follow-up to the
United Nations
development
agenda beyond
2015 and to
Rio+20



United Nations

**SUSTAINABLE DEVELOPMENT IN LATIN AMERICA AND THE CARIBBEAN:
FOLLOW-UP TO THE UNITED NATIONS DEVELOPMENT AGENDA
BEYOND 2015 AND TO RIO+20**

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Notes

The following symbols have been used in the tables shown in this publication:
Three dots (...) indicate that data are not available or are not separately reported.
A dash (-) indicates that the amount is nil or negligible.
A full stop (.) is used to indicate decimals.
The word "dollars" refers to United States dollars unless otherwise specified.

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FOREWORD

The countries of Latin America and the Caribbean are at a historic juncture, having achieved socioeconomic progress, political stability and international leadership. Despite differences in viewpoint and focus, the region is, moreover, host to an emerging consensus and a set of points in common. At their core is the region's understanding that the sustainable development agenda of tomorrow calls for a paradigm shift, for structural change that puts equality and environmental sustainability front and centre. Amid this gathering momentum, the region is advocating construction of a single agenda: a universal and irreversible one based on sustainable development with equality.

But some groundwork remains to be done. There are still gaps to close. And there are some Millennium Development Goals where achievements still fall far short of commitments.

The shift towards sustainable development requires appropriate signals from the spheres of regulation, taxation, funding and natural resource governance. The private sector has a shared responsibility, but it is no substitute for the State. Policies and institutions matter.

There is an urgent need for a measure to complement GDP as the only benchmark. Better development decision-making needs better ways to measure economic growth and go beyond it.

Building global governance for sustainable development cannot be postponed. The priorities should be global policy consistency, fair trade, technology transfer, international financial reform and new funding mechanisms to encourage South-South cooperation and strengthen the instruments of social participation.

Latin America and the Caribbean can say with legitimate pride that it has done much to reduce extreme poverty, hunger and malnutrition and infant mortality, and to improve access to drinking water. But it is not enough to reduce poverty if inequalities based on gender, ethnicity and geography persist. There is often an excessive focus on increased productivity that does not translate into higher creation of decent, high-value-added jobs with full access to basic labour rights. The region has long been burdened by an education system that often lacks in quality and neither leads to labour market insertion nor helps build civic awareness, informed political participation or fuller integration in society. There is talk of labour-market integration for women, but gender-based discrimination is not being effectively addressed and there are serious obstacles to ensuring women's physical autonomy and empowerment.

In tomorrow's Latin America and the Caribbean, it will not be enough for the State to maintain orderly public finances and keep inflation under control if it does not entirely fulfil its role in guiding sustainable development over the long term. Doing so requires changing the tax structure and stepping up tax collection. Nor is it enough to have a targeted social assistance policy if it is not accompanied by public policy for universal social protection to make the population less vulnerable and break the chains that transmit social exclusion and inequality.

The region must grow with less structural heterogeneity and more production development, seeking equality by means of human capacity-building and leveraging the State's capacity to marshal resources. On the strategic long-term horizon, equality, economic growth and environmental sustainability have to go hand in hand. But that strategic horizon is only likely, relevant and achievable if it is owned and shared by civil society.

This inter-agency document aims to be a modest contribution by the United Nations system to discussion of the sustainable development agenda based on common concerns. The international community is facing the countdown to timely achievement of the Millennium Development Goals. But it also has a unique opportunity to think about a new development paradigm for the planet beyond 2015, based on the Rio+20 commitments as reflected in *The future we want*. We hope that this document will stimulate and inform the debate on the new post-2015 development agenda, with a focus on sustainable development, equality and structural change, and that it will guide discussions within the region and among the global community on the steps needed to achieve a new paradigm of change.

This report was prepared by technical teams from the Economic Commission for Latin America and the Caribbean (ECLAC) and the United Nations Development Group for Latin America and the Caribbean (UNDG LAC), as agreed at the Regional Coordination Mechanism meeting held on 24 January 2013 in Santiago and in close collaboration with the regional offices of the following agencies, funds and programmes of the United Nations: the United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), United Nations Population Fund (UNFPA), the United Nations Human Settlements Programme (UN-Habitat), Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Children's Fund (UNICEF), the United Nations Office on Drugs and Crime (UNODC), the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), the World Food Programme (WFP), the Joint United Nations Programme on HIV/AIDS (UNAIDS), United Nations Inter-Agency Secretariat of the International Strategy for Disaster Reduction (UNISDR), the United Nations Office for Project Services (UNOPS), the International Labour Organization (ILO), Food and Agriculture Organization of the United Nations (FAO), United Nations Educational, Scientific and Cultural Organization (UNESCO), Pan American Health Organization (PAHO), International Maritime Organization (IMO), Office for the Coordination of Humanitarian Affairs (OCHA), the Office of the United Nations High Commissioner for Human Rights (OHCHR) and the United Nations Volunteers (UNV) programme.

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CORE MESSAGES

- Message 1: **The focus must stay on the remaining gaps in achievement of the Millennium Development Goals (MDGs).**
- Message 2: **The region is changing.**
Emerging issues should be addressed in the new development agenda.
- Message 3: **Addressing new challenges as well as old ones calls for a new development model based on a structural change for equality and environmental sustainability.**
- Message 4: **Minimum levels of well-being have risen.**
This change is grounded in good-quality, rights-based universalist State policies on social protection, health, education and employment.
- Message 5: **Policy and institutions matter.**
The shift towards sustainable development requires appropriate regulation, enforcement, funding and governance. The private sector has a shared responsibility.
- Message 6: **It is key to measure better.**
A wider variety of ways to measure progress is needed to complement GDP and thus better inform decision-making for sustainable development.
- Message 7: **Global governance for sustainable development has to be built.**
Priority should be given to consistent global policies for sustainable development, fair trade, technology transfer, international finance reform and new funding mechanisms, in addition to promoting South-South cooperation and enhancing mechanisms for social participation.

INTRODUCTION

Three years from the deadline for achieving the Millennium Development Goals (MDGs), the international community is reflecting on and discussing the post-2015 development agenda. This has opened a new opportunity to agree on a development strategy for Latin America and the Caribbean for the coming decades. In this process, progress has been made towards an increasingly shared vision as to the main axes that should guide this strategy: inclusive economic growth to ensure environmental sustainability; and job creation and decent work for all, as the groundwork for equality and the fulfilment of rights.

Adopting and implementing a strategy for sustainable development is a global challenge whose success is possible only in a new international context based on shared principles that give coherence to the global governance system. In laying out the post-2015 development agenda, the necessary reforms and the appropriate mechanisms for managing global risks and reducing global economic insecurity have yet to be identified, both in developing countries and in developed ones.

The world is waiting to see the recommendations that the United Nations system will make in order to move forward in achieving the MDGs, given that many countries will be unable to meet the targets by the original deadline. The international community also wants to know what obstacles have been encountered in implementing the MDG agenda, which received the support of all of the Millennium Declaration signatory countries. At the sixty-eighth session of the General Assembly of the United Nations, concrete proposals are expected with regard to the development agenda beyond 2015.¹

¹ See paragraphs 79 and 81 of resolution 65/1 adopted by the United Nations General Assembly at its sixty-fifth session [online] www.un.org/ga/search/view_doc.asp?symbol=A/RES/65/1

Particularly important among them will be those arising out of the assessments and recommendations made by the agencies of the United Nations system themselves and the regional commissions.

Now, more than in the early 2000s, the new development agenda must be seen as a global task for nations to undertake together instead of just a matter for developing countries. In this view, the role of the developed countries cannot be limited to creating conditions for more balanced and fair trade or to transferring a small share of their wealth in the form of development assistance. Nor would it be realistic to propose a development agenda that does not take into consideration the global political problems that have themselves become more complex with the emergence of internal crises in many countries, new armed conflicts and border disputes.

The current economic and financial crisis in the developed countries, which is regarded as the worst since the Great Depression, marks the end of a growth cycle. It calls for a fresh look at development and opens new opportunities for the countries of Latin America and the Caribbean. It means rethinking the development paradigm on the basis of more compassionate relationships among all peoples and a more environmentally friendly relationship with nature. Equality as a value is central to this historic turning point; the State, through public policies, has a leading role to play in responding to these global challenges.

The global crisis that broke out in 2008 also revealed asymmetries in the face of globalization at a time when equality is returning as an intrinsic value of the development that we want. But more equal and inclusive development is impossible against a backdrop of instability and the permanent threat of global crises. There is a need to agree on a different and more demanding mandate for the current global partnership for development in order to make that partnership an effective one. It should envisage a new international financial architecture, with appropriate institutions and mechanisms to regulate speculative capital movements, a review of the principles governing international migration, redefined conditions for approving and quantifying official development assistance and measures for incorporating the principles of sustainable development.

The thrust of the new agenda is based on the concept of sustainable development. The term 'sustainable development', popularized by the publication "Our Common Future" (World Commission on Environment and Development, 1987), referred to a new development paradigm based on the integration of economic growth, social equity and environmental protection. The principles defining sustainable development and making it possible were set out in the Rio Declaration on Environment and Development in 1992 and recently reaffirmed in "The Future we Want" adopted at the United Nations Conference on Sustainable Development (Rio+20). The core of this proposal and the criterion for assessing its success lie precisely in the effective integration of the three pillars of development in order to ensure that social policy is not put after economic growth and that environmental sustainability is not subject to the prevailing patterns of production and consumption. The issues of gender equality and the empowerment of women cut across the three fundamental dimensions of sustainable development.

Despite numerous summits and multilateral processes seeking to envision and promote a new form of development (Millennium Summit, World Summit on Sustainable Development in Johannesburg, Global Conference on the Sustainable Development of Small Island Developing States, International Conference on Financing for Development), including a change in production and consumption patterns (Marrakech Process), the practical results are far from a true integration of the three dimensions of sustainable development. What is more, there is still a sequential approach to addressing the great challenges of humankind, in which economic matters take precedence over social concerns and both come before the environment.

The discussion on the future agenda comes at a good time for the region. The past 10 years have seen positive trends in economic growth, job creation and formalization, and the reduction of extreme poverty. Moreover, since the outbreak of the international financial crisis in 2008, Latin America and the

Caribbean has shown greater resilience than other regions in the face of an adverse international context. After slowing in 2009, the region's growth picked up again, with low rates of inflation and balanced fiscal accounts in most of the countries in the region. These trends hold today but cannot be projected for the coming years.

Latin America and the Caribbean today is an eminently urban and middle-income region, but this masks enormous heterogeneity and inequality. It has upper-middle income countries that are members of the Organisation for Economic Cooperation and Development (OECD) and the Group of Twenty (G20), as well as small island developing States (SIDS) with particular vulnerabilities, landlocked countries, heavily indebted poor countries and one of the countries with the greatest needs on the planet: Haiti. This heterogeneity is also seen within countries, in the form of unequal income, access and opportunities and territorial inequalities. The region has the worst income distribution in the world, and in recent decades the productive opportunities in society have grown more uneven. The world of work, which reflects education, gender, demographic, geographical, ethnic and other inequalities, has yet to be touched by the benefits of growth, and access to social protection is segmented. In parallel, and as a result, citizen insecurity, violence and crime have spread and revealed the ugliest side of inequality, injustice and indignity.

The region faces new challenges on top of old ones. They include the demographic transition, which exacerbates the lack of employment opportunities for young people. That dividend will end soon, presaging the increasing needs of an ageing population. Another challenge is the epidemiological transition in which progress against infectious diseases coexists with a higher rate of non-communicable diseases and unhealthy lifestyles and consumption and diet patterns. Depending on the wealth of natural and environmental resources—with several megadiverse countries in the region— encourages tapping into the ancestral knowledge of indigenous peoples and spurs the search for new forms of development, but also brings a risk of unsustainable reprimarization of production and growing socio-environmental conflict. Climate change offers the opportunity to change production and consumption patterns, helping to mitigate its impacts and manage adaptation, while addressing vulnerability to extreme natural events, but at a growing cost for the region.

Against that backdrop, the Millennium Development Goals were focused on reaching the minimum conditions for development with less poverty, but nevertheless today's figures serve as a wake-up call: 70 million people are still living in extreme poverty in Latin America and the Caribbean.² Furthermore, the Millennium Development Goals were not designed to integrate the pillars of development or change the course of the global economy. So they are, by nature, not enough.

A look at the key indicators shows that Latin America and the Caribbean has made great strides towards achievement of the Millennium Development Goals, particularly the targets on reducing extreme poverty, hunger and malnutrition, and child mortality, and improving access to water. This progress, however, is not enough to narrow the gaps and overcome the lags that have characterized the region. Development over the past two decades has cast light on the region's structural weaknesses. Some of them can be summarized as follows:

- Economic growth is not enough if it fails to deliver social benefits, ignores the intrinsic relationship between growth and the environment and environmental stewardship and is not decoupled from the use of polluting energies;
- It is not enough to reduce poverty and hunger amid the persisting structural inequalities based on gender, ethnicity and territory that make Latin America and the Caribbean the most unequal region in the world;

² This figure refers to the ECLAC indigence lines, which are based on national lines and are stricter than the official poverty line associated with target 1A of the Millennium Development Goals, equivalent to US\$ 1.25 (PPP).

- It is not enough to achieve higher productivity if this does not translate into the creation of a greater number of decent, high value-added jobs with full access to core labour rights;
- Providing education is not enough if it is not good-quality education that facilitates labour-market integration and boosts civic awareness, informed political participation and better integration into society;
- It is not enough to increase health-care coverage: that coverage must be universal, promote improvements in nutritional standards and provide protection against environmental risks;
- It is not enough to bring women into the labour market without addressing gender-based discrimination and ensuring the physical autonomy and empowerment of women, and respect for their reproductive rights;
- It is not enough for a State to achieve orderly public finance and a macroeconomic environment that keeps inflation under control if it does not wholly fill its role in guiding sustainable development over the long run, which requires changing the tax structure and increasing tax revenue;
- It is not enough to have a targeted social assistance policy if it is not accompanied by public policy for universal social protection aimed at reducing the population's vulnerability and breaking the chains that transmit social exclusion and inequality.

We therefore propose growth with less structural heterogeneity and more production development, and the pursuit of equality through the enhancement of human capacities and the mobilization of State energies. We want to reverse the huge disparities in the region by building more cohesive societies around productive dynamics, constructing positive social and territorial synergies. We seek to strengthen the protection of individuals by improving labour markets and public transfers and administration. And we seek to protect the environment, thinking of the coming generations who will live in a more uncertain world as a result of climate change and increasingly scarce natural resources. In short, we need growth for equality and equality for growth. For the long-term strategic horizon, equality, economic growth and environmental sustainability must go hand in hand.

This document seeks to further the conversation on the Millennium Development Goals and help to outline a new development agenda for the region, with the participation of ECLAC and United Nations agencies. The idea is to move towards a shared vision on the direction and core content of that agenda and to try to answer some of the following questions. What are the structural gaps that hinder economic growth with equality and environmental sustainability? What does it mean to be a middle-income region? What is the road from the current development paradigm to one based on a rights perspective that promotes equality and sustainability? What should be the main features of the new development paradigm for advancing towards economic, social and environmental sustainability?

This document has three chapters. The first provides a brief account of the region's progress towards achievement of the Millennium Development Goals, focusing on the gaps and estimating the resources needed to close them. The analysis is based on the latest information available and includes an update of the data used in the 2010 inter-agency document on the MDGs, coordinated by ECLAC.³ After briefly revisiting the reasons behind the drop in poverty and extreme poverty in recent years, the second chapter reviews some of the public policy success stories in achieving Goal 1. It sets out some guidelines for moving towards more inclusive and integrated social protection systems. The third chapter examines the potential direction of a post-2015 development agenda, weighing the region's current situation, the new challenges it faces, and the need to move towards a sustainable development model.

³ See United Nations, *Achieving the Millennium Development Goals with equality in Latin America and the Caribbean: Progress and challenges* (LC/G.2460), Santiago, Chile, ECLAC, 2010 [online] <http://www.eclac.cl/cgi-bin/getProd.asp?xml=/publicaciones/xml/5/39995/P39995.xml&xsl=/tpl-i/p9f.xsl&base=/tpl/top-bottom.xslt>.

I. THE ROAD SO FAR AND OBSTACLES TO THE ACHIEVEMENT OF THE MILLENNIUM DEVELOPMENT GOALS

This section briefly reviews the progress that the Latin American and Caribbean region has made towards achieving the Millennium targets on the basis of selected indicators and identifies the main challenges facing the region in this effort.¹ The emphasis is on target 1A of the Millennium Development Goals because poverty reduction comes with progress towards other targets and persistent poverty is one of the factors hindering headway towards the other development goals. This section also sets out estimates of the quantity of resources necessary to close poverty gaps in the countries of Latin America. Both the poverty rate and poverty gaps cast light on the enormous differences in levels of development among the countries of the region and the resulting need for the post-2015 development agenda to address them explicitly, along with issues that are specific to the region, if the countries are to take ownership of the agenda. Background information is provided on the costs involved in working towards universal primary education and on the losses incurred by countries as a result of childhood hunger and undernutrition. Finally, this section focuses on the effect that the Millennium Development Goal agenda may have had on the acceleration of progress towards the reduction of extreme poverty and child mortality over the past decade.

A. PROGRESS TOWARDS ACHIEVING THE MILLENNIUM DEVELOPMENT GOALS FROM A REGIONAL PERSPECTIVE

With three years to go before the date established for achieving the Millennium Development Goals, the Latin American and Caribbean region has made significant progress. At the aggregate level, the region has made strides in reducing extreme poverty,² undernutrition, hunger and undernourishment and child mortality, and increasing access by the population to safe drinking water (see table I.1).³ The region overall is well on the way to achieving these goals and many individual countries will reach them if they keep up the rate of progress seen since 1990.

By contrast, insufficient progress⁴ has been made in access to and completion of primary education, in gender parity in employment and in national parliaments, in reducing maternal mortality, in access to improved sanitation and reproductive health services, and in reversing loss of forests. It is very likely that the region will fall short of the respective targets (see annex tables A.1, A.2 and A.3).

¹ The review of progress towards the Goals is based on the most recent information available. In most cases, this refers to the period 1990-2011/2012. The indicators used are those for which quantitative reduction or improvement targets were established. An evaluation of the region's progress with respect to each of the 21 official targets of the Millennium Development Goals is undertaken in the regional inter-agency document coordinated by ECLAC (see United Nations, 2010).






² ECLAC uses national poverty and extreme poverty lines, rather than the international lines of US\$ 1.25 and US\$ 2.50 (purchasing power parity, PPP) per person per day. The thresholds established by ECLAC are clearly associated with national realities and are, as a rule, higher than the official poverty lines or thresholds. Accordingly, they represent a greater challenge for achievement of the Goals. Estimates for poverty and extreme poverty (or indigence) based on these lines are comparable between countries but may not necessarily coincide with the countries' own official estimates.

³ According to the Food and Agriculture Organization of the United Nations (FAO), 12 of the 38 countries that have met the targets on hunger set for 2015 are in Latin America and the Caribbean.

⁴ Insofar as less progress has been made since 1990, in percentage terms, than the amount of time elapsed, so that the respective country would not meet the target if it continued at the rate of progress seen thus far.

Table I.1
**LATIN AMERICA AND THE CARIBBEAN: SUMMARY OF PROGRESS TOWARDS
 ACHIEVEMENT OF THE MILLENNIUM DEVELOPMENT GOALS**

Country grouping	Goal 1			Goal 2	Goal 3	Goal 4	Goal 5	Goal 7	
	Target 1A	Target 1C		Target 2A	Target 3A	Target 4A	Target 5A	Target 7C	
	Extreme poverty	Undernutrition	Undernourishment	Completion of primary schooling	Women in parliaments	Child mortality	Maternal mortality	Access to drinking water	Access to sanitation
Latin America and the Caribbean	MODERATE	MODERATE	MODERATE	HIGH	LOW	MODERATE	HIGH	HIGH	LOW
Latin America	MODERATE	MODERATE	MODERATE	HIGH	LOW	MODERATE	HIGH	HIGH	LOW
Low and medium-low human development countries	VERY HIGH	VERY HIGH	VERY HIGH	LOW	LOW	HIGH	VERY HIGH	LOW	VERY LOW
Medium human development countries	HIGH	MODERATE	HIGH	MODERATE	LOW	MODERATE	VERY HIGH	LOW	LOW
Medium-high human development countries	MODERATE	MODERATE	HIGH	HIGH	LOW	MODERATE	HIGH	MODERATE	MODERATE
High human development countries	LOW	LOW	VERY LOW	VERY HIGH	MODERATE	LOW	MODERATE	HIGH	HIGH
The Caribbean		MODERATE	VERY HIGH		LOW	MODERATE	HIGH	HIGH	MODERATE

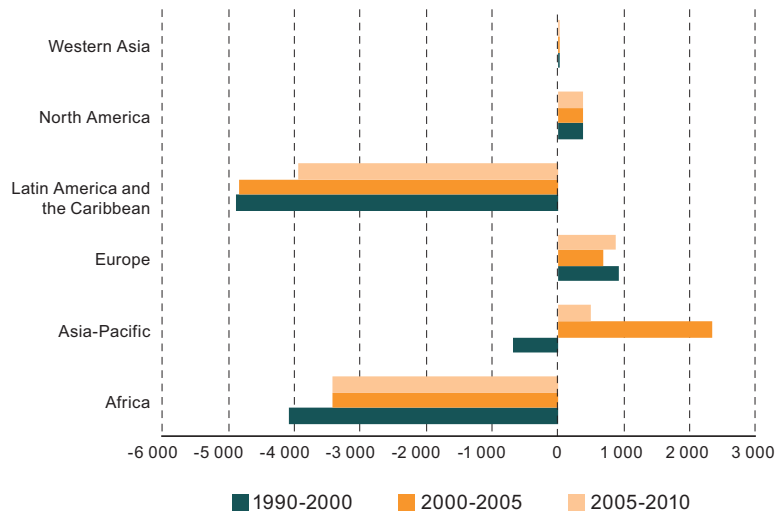
	Target met or very close to being met
	Target will be met if prevailing trend continues
	Target will not be met if prevailing trend persists
	No progress or deterioration
	Missing or insufficient data

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

Note: Medium-low and low human development countries: Haiti, Guatemala, Honduras, Nicaragua and Plurinational State of Bolivia.
 Medium human development countries: Colombia, Dominican Republic, El Salvador and Paraguay.
 Medium-high human development countries: Bolivarian Republic of Venezuela, Brazil, Ecuador and Panama.
 High human development countries: Argentina, Chile, Costa Rica, Cuba, Mexico and Uruguay.

The Latin American and Caribbean region is also a long way from ensuring environmental sustainability and is lagging behind with respect to the targets set under Goal 7. Although the consumption of ozone-depleting substances has decreased, the region shows higher rates of deforestation and rising carbon dioxide emissions. The region has not been able to halt environmental degradation or adequately protect the environment and biodiversity. While deforestation rates have slowed in the last decade, Latin America and the Caribbean is still the region that has lost the most forest area since the adoption of the Millennium Development Goals (see figure I.1). Millions of hectares of tropical forest are cleared every year to make way for agriculture, pastures and other non-forest uses, or are degraded by unsustainable or illegal logging and other poor land-use practices (UNEP, 2011). In the Caribbean, the deterioration of the marine environment, particularly emblematic for its role in sustaining life and as a source of livelihood, also poses serious challenges, as limited progress has been made in the protection of marine areas (United Nations, 2012). Despite their heterogeneity, the countries of the region share common environmental challenges; these include climate change, biodiversity loss, water-resource and soil management, marine and coastal issues, and increasing urbanization. At the same time the poorest segments of the population are more exposed to disasters because of their greater vulnerability to climate change and natural hazards.

Figure I.1
NET CHANGE IN FOREST AREA
(Millions of hectares per year)



Source: United Nations Environment Programme (UNEP), “Keeping track of our changing environment. From Rio to Rio+20” [online] http://www.unep.org/geo/pdfs/keeping_track.pdf.

As regards achieving fair and balanced trade and access to adequate sources of financing for development (Goal 8), there has been progress but there are still structural problems that the new development agenda should address. Developed country subsidies for their agricultural sectors are still distorting competition in international markets in a sector that is of particular importance to Latin America and the Caribbean. This has been exacerbated by the stagnation of the World Trade Organization (WTO) Doha Round agriculture negotiations.⁵ Despite some progress in terms of market access, the region still needs to make the transition from a pattern dominated by inter-industry trade based on exports of natural resources with a low level of processing, to one of increasing participation in intra-industry global value chains. Moreover, in the coming years the region must meet the challenge of enhancing its participation in aid-for-trade flows in an international context marked by slow growth and fiscal fragility in many of the major donor countries. The third section of the document takes a closer look at the challenges posed by Goals 7 and 8, which are core objectives of a new development agenda.

As so often happens, this succinct review supports neither an entirely optimistic, nor an entirely pessimistic, conclusion. Positive outcomes have certainly been attained: the region has made considerable progress in meeting some targets.⁶ On the other hand, progress has been highly uneven from one country to another, and several countries will fail to meet many of the targets, even those targets which the region overall will meet. What is more, the countries with lower per capita incomes have progressed more slowly

⁵ Concluding the Doha Round is important for containing the protectionist pressures that emerged after the outbreak of the crisis in 2008. These pressures have led to various types of barriers to trade, imposed mainly by countries of the Group of Twenty (G20), affecting almost 3% of worldwide imports by May 2012.

⁶ Latin America’s two most populous countries, Brazil and Mexico, heavily influence the overall regional assessment based on a weighted average of the indicators for each country. With respect to the extreme poverty target, for example, by 2008 Brazil had achieved the target and Mexico was close to doing so, but 11 Latin American countries are not on track to meet this target.

than the region's more developed countries.⁷ This is clearly evident in the targets relating to Goal 1—reducing extreme poverty, progressing towards eradicating hunger and undernutrition and creating productive employment and decent work for all—which must be achieved in order to meet the other Goals.

Box I.1

**NATURAL DISASTERS: PREVENTING RISKS AND MITIGATING IMPACTS
ON THE MOST VULNERABLE POPULATION**

The Latin American and Caribbean region has seen its population grow more vulnerable to natural disasters and its national assets (which are the basis for economic growth) become increasingly exposed to them. Indeed, the economic impact of disasters in the region can be gauged by measuring the cost of more than 90 major disasters that have taken place since 1972. Natural disasters caused an estimated US\$ 213.348 billion (at constant 2000 prices) in damage and losses and delayed or wiped out substantial development gains achieved with great effort in the countries affected. Moreover, disasters have a serious impact on food and nutrition security because not only do they destroy livelihoods, they also wipe out crops, animals and water sources, and the consequences are harshest for vulnerable populations and women. In 2010, the region was hit by some of the most severe disasters it had ever experienced in terms of loss of life and economic costs as a result of the major earthquakes in Haiti and Chile and the extreme hydrometeorological events in Colombia and Brazil. The subregions of Central America and the Caribbean were the hardest hit. In particular, in Haiti, the earthquake affected about 15% of the population and left a toll of more than 220,000 dead, with a cost close to 120% of GDP for 2009. According to an assessment carried out after the earthquake, more than 15% of the country's development needs projected for the next three years would be in the area of risk, disaster and environmental management (FAO/Government of Haiti/World Bank/IDB/United Nations/ European Commission, 2010, in United Nations, 2012).

Natural disasters hit the most vulnerable population the hardest. Preventing risks and mitigating impacts should be a policy goal at the country level and part of a larger framework of regional and global cooperation.

Source: Economic Commission for Latin America and the Caribbean (ECLAC), “La estimación de impacto económico y social de los desastres naturales en América Latina, 1970-2010”, Santiago, Chile, unpublished.

The most recent figures show both poverty and indigence at the lowest rates ever in the region, yet they remain a severe problem. In 2012 the poor numbered an estimated 167 million in Latin America. Of these, 66 million were indigent, lacking sufficient income for adequate nourishment. The rate of extreme poverty reduction slowed between 2008 and 2011 in some countries, especially in those countries where it is highest (Guatemala, Honduras, Nicaragua, Paraguay and the Plurinational State of Bolivia). These countries, apart from the Plurinational State of Bolivia, are unlikely to achieve target 1A.⁸

Given that some 80% of household income comes from the labour market, progress in reducing poverty and inequality depends critically on the set of economic and social policies aimed at achieving full and productive employment and creating decent jobs for all, including women and young people. Although countercyclical policies enabled the countries of Latin America to weather the recent international economic crisis with modest, short-lived job losses, almost half of the employed population in the region is in the informal sector, with low productivity and income and no social protection coverage.

The region's labour markets have failed to serve as a universal gateway to social protection schemes. As noted in chapter II, a worryingly high percentage of the population does not have access to health insurance or social security systems; workers have a fundamental right to such access, which

⁷ This refers to the progress made between 1990 (the starting date for the 25-year period established for achieving the targets) and the most recent year for which information is available.

⁸ The Plurinational State of Bolivia achieved a sharp reduction in extreme poverty between 2006 and 2009 and should be on track towards achieving the target, if it can maintain that downwards trend.

should be explicitly considered in the context of the Millennium Development Goals. According to information from household surveys conducted at the end of the last decade, only 51.5% of workers reported being contributing members of social security systems, slightly lower than the percentage recorded in 1990 (52.4%). However, these averages mask large differences between countries: around 2008 in Colombia, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Paraguay, Peru and the Plurinational State of Bolivia, one third or less of urban workers were contributing to social security systems, while in Chile, Costa Rica and Uruguay over two-thirds of the employed were covered.

The situation is particularly difficult in rural areas and among workers in the informal sector, although not even urban workers in formal employment are guaranteed protection. While the enrolment rates among male and female workers are similar, when considering the entire working-age population and not only the employed, the gender gap in term of contributions is significant: only 15% of women are affiliated to social security systems, compared with 25% of men. If the economically inactive population, rather than just the active element, is taken into account, it reveals gender differences resulting from long breaks in contributions by women, generally in connection with caring for children, older persons and persons with disabilities.

In short, progress towards the Millennium Development Goals was expedited by the performance achieved during 2003-2008, but this run was interrupted by the crisis which, as it has dragged on, has slowed progress towards the respective targets. Although the measures adopted in 2009 helped to boost growth, and thereby job creation, two major challenges remain in the region: the high levels of informality and low productivity among the employed population, which bar those affected from quality jobs and social protection.

As for the resources needed for spending and investment in social sectors, although availability of fiscal space varies among the countries of the region, some, particularly in the Caribbean, are facing heavy constraints which will make it hard to finance public policies. At the same time, official development assistance is projected to decline somewhat, and this will hit the poorest countries the hardest. The outlook for the three years up to 2015 has therefore become more uncertain, complicating the task of hastening progress towards the commitments adopted in the Millennium Declaration.

B. ACHIEVEMENT GAPS: UNEVEN PROGRESS IN LATIN AMERICA AND THE CARIBBEAN

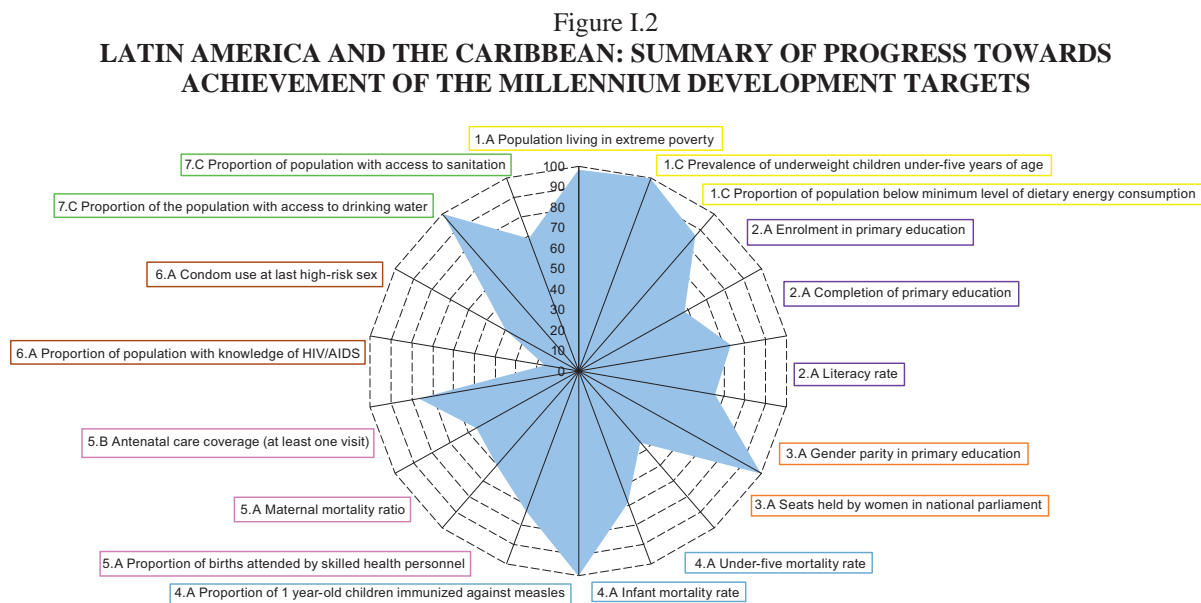
As noted, the Latin American and Caribbean region has certainly made progress towards achieving the MDGs and, in fact, several countries achieved some of the targets well before the deadline. Yet progress has been uneven in several ways. Greater progress was made after the year 2000 (until the outbreak of the crisis) than in the 1990s. The current picture suggests that progress towards the targets will be slower in the next three years than in 2003-2008, which was, relatively speaking, a boom period for the region.

Faster progress has been made towards some of the targets than others, which are unlikely to be met. In the global progress assessments, Latin America and the Caribbean appears to be at an advantage compared to other regions. But a breakdown (between and within countries) shows huge disparities. As a rule, the region's poorest countries have made slower progress, especially in reducing extreme poverty, which would still be very high in those countries even if they were able to halve it by 2015. This is particularly worrisome inasmuch as the poverty target is, so to speak, more heavily "weighted" than the others, because it encapsulates the progress made in all the other Millennium

Development Goals, and is also one of the causes of the problems addressed by most of the other targets: the countries with lower per capita income are not on track to meet six of the nine targets included in this assessment (referring to extreme poverty, undernourishment or hunger, completion of primary schooling, maternal mortality and access to reproductive health services and to sanitation) (see again table I.1).⁹ Towards 2015, large differences between the countries regarding achievement of the main targets will remain, worsening the unevenness of the situation in the region.

As well as disparities between countries, there are persistent inequalities in the distribution of income and wealth which make the region the most unequal in the world. These inequalities take the form of very large differences in access to basic goods and services and stem from ethnic, socioeconomic, gender and territorial inequalities. They represent the main obstacle to a more dynamic, environmentally sustainable and socially inclusive pattern of growth. As has been argued repeatedly, equality and respect for rights must be a pillar of the development agenda beyond 2015.

Figure I.2 shows progress towards selected MDG targets and achievement gaps in the region. The figure clearly portrays the major lags remaining in relation to key Goals and targets: achieving universal primary education, promoting gender equality, improving maternal health, reducing the under-five mortality rate, ensuring sufficient food intake and combating HIV/AIDS.



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of CEPALSTAT and special tabulations of data from household surveys conducted in the respective countries.

In relation to universal primary education during the last decade (2000-2010), the net enrolment rate has stagnated at 94% in the region, leaving about 3 million children who are still not attending school. The main challenge in relation to primary education is ensuring access for the most marginalized

⁹ This document does not assess the region's progress towards every target included under the Millennium Development Goals. That review was conducted in an inter-agency document prepared in 2010 (United Nations, 2010).

groups to this stage of education. As for gender parity in education, some countries in the region are still faced with the challenge of ensuring the education of women, in terms of both their accessing and staying in the school system, especially in rural areas and among the indigenous population, which is linked to particular socioeconomic and cultural contexts (UNESCO, 2013).

With regard to gender equality, progress in terms of the share of seats held by women in parliament has been limited, even though 13 Latin American countries have legislation establishing quotas and parity in the registration of parliamentary candidates. The proportion of women in decision-making positions is increasing, but not as expected. In addition, the achievements made in relation to women's physical autonomy are partial and very heterogeneous across countries. The persistence of violence against women, the increase in adolescent maternity and the still very high incidence of maternal mortality point to the need for further cross-cutting action in this field to prevent the intergenerational perpetuation of these problems (see box I.2).¹⁰

Box I.2

ACCESS TO REPRODUCTIVE HEALTH

There is a consensus that the majority of the Millennium targets cannot be met without improving the population's sexual and reproductive health. This is a fundamental aspect of women's right to health, clearly reflected in numerous international instruments that include this dimension in their provisions. Under target 5B —achieve, by 2015, universal access to reproductive health, including family planning— States must ensure that women can exercise control over and decide freely and responsibly on matters relating to their sexuality, in particular their sexual and reproductive health, free from coercion, lack of information, discrimination and violence.

Despite the promising outlook for reproductive rights and sexual and reproductive health in the region, significant challenges remain. Target 5B of the Millennium Development Goals —which covers two of the three quantitative targets of the Cairo Programme of Action— must be promoted to a greater extent in most of the countries and backed by stronger legal, institutional, sectoral and financial provisions. That is, precisely, the major challenge for the coming years in this area. And, therefore, this target must remain a priority in the new development agenda, to ensure that the entire population has access to high-quality sexual and reproductive health services.

Insufficient progress has been made on two of the four indicators for this target. Even though antenatal care coverage (at least one visit and at least four visits) is high in Latin America and the Caribbean compared with other regions, in many countries about 15% of women have only one or no antenatal consultations, which is now considered insufficient. In such cases, the risk of death for the mother and/or the child rises considerably. Another indicator refers to the adolescent birth rate, which is a source of concern in the region as this rate has shown a decidedly smaller decline than the fertility rate among adults (between 1990 and 2007, the latest year for which data are available for the majority of the region's countries, the adolescent birth rate fell from 83 to 63 births per 1,000 girls aged 15 to 19 years).

It is more difficult for adolescents than adult women to assert their productive and reproductive roles and they lack sufficient opportunity to exercise their reproductive rights. Adolescent pregnancies are both a major cause and result of socioeconomic, ethnic, generational and sexual inequalities. Most adolescent mothers live on the margins of society, and their children are highly likely to continue living in that condition, thus perpetuating the transmission of poverty from one generation to the next. It is important to point out that preventing unwanted pregnancies could, in itself, prevent approximately one quarter of maternal deaths, including those caused by clandestine abortions (United Nations, 2007).

Source: United Nations, *The Millennium Development Goals Report 2007*, New York, 2007.

¹⁰ Women's right to access efficient reproductive health services is a key element in the struggle to overcome poverty and prevent its perpetuation in society. Women's opportunities for accessing education and good-quality employment are reduced when they cannot decide the number of children they will have and the spacing of births, and when there is no shared responsibility for care tasks.

In most Latin American and Caribbean countries, family structures are becoming more diversified and gender roles within families are changing as a result of the wide-scale incorporation of women into the labour market. Between 1990 and 2008, the average female participation rate in Latin America grew by more than 10 percentage points to reach 53% at the end of the decade (ECLAC, 2012). Such changes have led to public policies aimed at reconciling productive and reproductive life, within a framework of social and gender co-responsibility. Social protection policies that include the organization of care, regulations on employee leave, as well as the proposals on the measurement of time poverty are examples of the important progress that has been made in the past few decades, together with the adoption of legal frameworks designed to recognize and ensure greater gender equality in terms of labour and social rights.

In terms of economic autonomy, women's participation in economic activity has increased, with a sustained uptrend in non-agricultural wage employment. This is one of the factors that have contributed to the reduction of poverty in the region. However, a growing proportion of women who have joined the labour market have a low level of education and are employed in low-productivity, low-income jobs, where the wages are just as low as for men. Thus, the wage gap has been narrowed, though it remains wide for women with a higher educational level who face discrimination when it comes to gaining access to the top rungs of the occupational hierarchy. In Latin America, 34.4% of women do not have their own income compared with 13.3% of men. This is the case despite the fact that men work fewer hours than women, with the bulk of women's work being unpaid.

C. FUNDING GAPS IN RELATION TO THE ACHIEVEMENT OF THE MILLENNIUM DEVELOPMENT GOALS

The least developed countries of the region dispose of extremely limited domestic funding to finance development, as illustrated by the data shown in table I.2. Although public spending on social sectors has risen steadily since the start of the 2000s —thanks to higher fiscal income from economic growth and to the priority afforded it by the countries, in relation to both GDP and overall public spending— it remains extremely low in the poorest countries. Part of the resources gap could be closed by increasing the tax burden in countries where it is low in relation to per capita income. However, a social covenant will be needed to overcome the obstacles involved.

In countries with a high or very high incidence of extreme poverty (the two first groups in table I.2), the very scant per capita social public spending and the low tax burden indicate that domestic efforts to raise the tax burden would not yield the resources needed to close the extreme poverty gap and provide the population with a social protection floor that would ensure fulfilment of rights. In those countries where extreme poverty is very high, funding equivalent to between 3% and 4% of GDP per year would be needed to close this gap. An increase of this magnitude in the effective tax burden (almost 25% of the current burden) is not achievable in the short term. Conversely, several middle- and high-income countries in the region have a larger margin for raising the tax burden and improving the efficiency of tax collection. In these countries, it is feasible not only to achieve the target of halving the proportion of persons living in extreme poverty compared with the 1990 figure —in fact, Brazil, Chile and Peru have already done so— but also to eradicate extreme poverty altogether within a relatively short time.

Table I.2
**LATIN AMERICA (18 COUNTRIES): EXTREME POVERTY GAPS,^a EFFECTIVE
 TAX BURDEN AND PUBLIC SOCIAL SPENDING, AROUND 2010**
(Percentages and dollars at constant 2005 prices)

Country groupings	Extreme poverty gap and incidence ^b	Effective tax burden ^c	Social spending (percentages of GDP)	Per capita social spending (dollars at constant 2005 prices)	Extreme poverty gap/Effective tax burden
	(1)	(2)	(3)	(4)	(5) = (1) / (2)
Very high extreme poverty ^d	3.5 (30.4)	16.9	12.3	182	0.21
High extreme poverty ^e	0.6 (14.5)	15.6	11.0	389	0.04
Moderate extreme poverty ^f	0.36 (10.1)	16.1	10.9	584	0.02
Low extreme poverty ^g	0.17 (5.5)	21.4	21.2	1 344	0.01

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

^a The extreme poverty gap is the amount of resources needed annually to bring all extremely poor households up to the poverty line. It corresponds to the first column in the table and is expressed as a percentage of GDP.

^b In column (1) the first figure corresponds to the extreme poverty gap as a percentage of GDP and the figure in brackets to the extremely poor as a percentage of the total population.

^c The tax burden refers to central government tax income, including social security contributions. In Argentina, Brazil, Chile, Colombia, Costa Rica and the Plurinational State of Bolivia, tax income corresponds to the general government.

^d Guatemala, Honduras, Nicaragua, Paraguay and Plurinational State of Bolivia.

^e Colombia, Dominican Republic, Ecuador and El Salvador.

^f Bolivarian Republic of Venezuela, Panama and Peru.

^g Argentina, Brazil, Chile, Costa Rica, Mexico and Uruguay.

Increased public revenue from economic growth, even in buoyant growth conditions, will still be insufficient —assuming the tax burden remains unchanged— to close poverty gaps within a reasonable space of time. ECLAC estimates that countries such as Guatemala, Honduras, Nicaragua, Paraguay and the Plurinational State of Bolivia cannot achieve target 1A of the Millennium Development Goals without at least doubling the annual average growth rate recorded between 1990 and 2008 (United Nations, 2010), or bettering by 50% the GDP growth rate of the six-year period 2003-2008. As things stand, slowing economic growth suggests that such a growth rate is unattainable.

Conversely, countries with higher per capita income should be able to eradicate extreme poverty providing they adopt a social covenant, which, in addition to raising the tax burden, can achieve a tax structure with greater vertical equity. This is one possible way of advancing towards an agenda for equality: emphasis should be placed on policies capable of breaking with the pattern of intergenerational reproduction of poverty and providing a basic, universal, non-contributory social safety net that ensures the satisfaction of basic needs, a prerequisite for greater social integration (ECLAC, 2010a). This aspect is examined in greater detail in chapter II.

Conditional cash transfer (CCT) schemes figure prominently nowadays in the battery of policies and programmes deployed to combat poverty. Notwithstanding the positive impact these have on the poorest families, the funds mobilized and the coverage obtained remain insufficient to close the extreme poverty gap in the low per capita income countries of the region. In most countries, these programmes cover only a small fraction of the population that would normally be entitled to such benefits and the financial resources mobilized represent a small percentage of GDP. Furthermore, only in four countries (Brazil, Costa Rica, Ecuador and Mexico) does investment in CCTs cover the overall resource gap of extremely poor families. Elsewhere, these programmes cover only 12.9% of the aggregate income deficit

of extremely poor households and 3.4% of the overall deficit of all poor (including indigent) households. Nevertheless, monetary transfers under these non-contributory social protection schemes do raise the meagre income of the poorest households and afford them access to social services from which they have been excluded in the past.

Endowing the State with greater resources and the capacity to manage them efficiently is a necessary condition for progressing towards real equality and ensuring a social protection floor¹¹ and the fulfilment of basic rights for the entire population. Moving in this direction requires a fiscal covenant capable of raising the tax burden in the countries and changes in the tax structure to make it more progressive. Tax reform must provide incentives to channel investment towards environmentally sustainable activities.

Box I.3

FINANCING AND OFFICIAL DEVELOPMENT ASSISTANCE

Financial conditions for the Latin American and Caribbean region in the past few years have been characterized by decreases in net financial flows, foreign direct investment (FDI) and official development assistance (ODA), which represented 0.22% of the region's gross national income (GNI) in 2011.

In addition, the criterion for allocating ODA by per capita income disregards the heterogeneity or internal structural gaps countries face, and simply assumes that countries grouped in the same per capita income category should be relatively homogenous. But structural gaps are a hallmark of Latin American and the Caribbean countries and of middle-income countries in general.

Accordingly, ECLAC has proposed that this criterion should be reviewed to redirect financing and address the specific vulnerabilities of each of the countries in the region. This entails explicitly incorporating an evaluation of needs and shortcomings that are not captured by income indicators but reflect a range of challenges in terms of inequality and poverty, investment and saving, production and innovation, infrastructure, education, health, fiscality, gender and the environment, among others.

It is also essential to look at introducing innovative financing mechanisms to close structural gaps. These include: advance market commitments, debt-for-health swaps (such as the Debt2Health initiative) and debt-for-nature swaps. But innovative financing mechanisms should be considered for development in general, such as global taxes, particularly on financial transactions.

With this in mind, stronger forums are needed for policy dialogue between donors and recipients to develop the ownership and alignment principles under which recipient countries may direct their own national development plans and policies and donor countries can provide support based on the recipients' national strategies.

In this respect, international cooperation for development faces two major challenges today. The first is to channel international cooperation funds towards supporting development in the broader sense, rather than simply combating poverty. The second is to encourage donor countries, to renew their commitment to allocating 0.7% of GNI to ODA, despite the financial difficulties that they are facing, and also to continue designing and implementing innovative financing and development mechanisms to add to and complement—but not substitute— financing through traditional assistance flows.

Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Middle-income countries: A structural-gap approach. Note by the secretariat* (LC/G.2532(SES.34/11), July 2012; and *Financing for development and middle income-countries: new challenges* (LC/L.3419), Santiago, Chile, 2011 [online] <http://www.eclac.cl/cgi-bin/getprod.asp?xml=/publicaciones/xml/6/46346/P46346.xml&xsl=/tpl/p9f.xsl&base=/tpl/top-bottom.xsl>.

¹¹ The notion of “social protection floor” was introduced by the International Labour Organization (ILO, 2011).

D. IMPACT OF THE MILLENNIUM DEVELOPMENT GOALS ON THE DEVELOPMENT AGENDA IN LATIN AMERICA AND THE CARIBBEAN

An important aspect of the new post-2015 development agenda is the impact that adoption of the Millennium Development Goals has had on the development agenda set out in the Millennium Declaration. One of the weaknesses identified in connection with fulfilment of the Goals (UNTT, 2010) is that a measurement based on whether the countries are (or are not) on track towards meeting the respective targets fails to take into account the progress achieved by countries with a lower human development index or indeed the contribution made to that progress by the MDG agenda (for more information, see annex table A.4). In other words, a country's performance must not be assessed solely by its ability to achieve the targets by 2015, but also by the extent to which the current development agenda has helped to speed up the progress towards development goals.

Table I.3 summarizes the progress made towards the poverty reduction and child mortality targets by 18 and 23 countries, respectively, in the region. With respect to the two targets selected, most countries fall in the second column of the table: they are not on course to meet the target but their progress has accelerated since 2000. In the case of extreme poverty, 10 countries were off target at the end of the past decade, but five of them saw poverty fall faster after the introduction of the MDGs (see annex table A.1). In the case of child mortality, 16 countries were not on track to fulfil the target, but 12 of them have succeeded in reducing child mortality at a faster rate since 2000 than before.

Table I.3
LATIN AMERICA AND THE CARIBBEAN: PROGRESS IN REDUCING EXTREME POVERTY AND CHILD MORTALITY IN THE 2000s AND PROBABILITY OF REACHING TARGET

Target for eradicating extreme poverty			
Made faster progress towards the target		Did not make faster progress towards the target	
On track	Not on track	On track	Not on track
Argentina	Dominican Republic	Chile	Costa Rica
Bolivia (Plurinational State of)	El Salvador		Guatemala
Brazil	Panama		Honduras
Colombia	Paraguay		Mexico
Ecuador	Venezuela (Bolivarian Republic of)		Uruguay
Nicaragua			
Peru			
Target for reducing child mortality			
Made faster progress towards the target		Did not make faster progress towards the target	
On track	Not on track	On track	Not on track
Brazil	Argentina	Chile	Costa Rica
El Salvador	Belize	Ecuador	Haiti
Mexico	Bolivia (Plurinational State of)	Guatemala	Panama
Peru	Colombia		Trinidad and Tobago
	Dominican Republic		
	Guyana		
	Honduras		
	Jamaica		
	Nicaragua		
	Paraguay		
	Uruguay		
	Venezuela (Bolivarian Republic of)		

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

This manner of classifying countries by acceleration in the rate of improvement in the indicators does not match up with the classification based on fulfilment or not of the targets and seems more useful for examining the policies and programmes implemented or reinforced since the introduction of the development agenda contained in the Goals. It should be noted that in the two examples, the group of countries which speeded up their progress includes several that showed very high levels of poverty and child mortality at the start of the past decade. These are highly significant cases to consider when drawing conclusions about the impact of the Goals in the region.

E. COSTS ASSOCIATED WITH THE ACHIEVEMENT OF CERTAIN TARGETS

Estimating the cost of achieving different targets involves a number of difficulties. Since the models on which these targets are based are complex and information is lacking, some degree of simplification must be applied in making assumptions. The following section summarizes very briefly the results of estimates of the cost of meeting targets relating to education, poverty and undernutrition.

The lack of reliable data stymies the calculation of gaps. This is particularly true in relation to environmental issues, and represents a serious obstacle to efforts to promote sustainable development. Assessment of progress towards targets 7A and 7B is conspicuously absent from many regional level progress reports. In particular, the region lacks adequate information in relation to the proportion of fish stocks within safe biological limits (indicator 7.4), the proportion of total water resources used (indicator 7.5) and the proportion of species threatened with extinction (indicator 7.7) (ECLAC, 2010b). Data is also scarce on pollution and environmental degradation, despite the critical impacts these have on public health and food security.

1. Cost of achieving universal primary education

ECLAC and the Organization of Ibero-American States for Education, Science and Culture prepared a study on the financial costs of meeting by 2021 the educational targets adopted at the Conference of Ministers of Education, held in Lisbon on 20 April 2009 (ECLAC-OAS, 2010). The study estimated the (annual) costs of progressively attaining the targets first by 2015 (as a partial evaluation milestone, coinciding with the year set for the achievement of the MDGs) and then by 2021.¹² Some results of the estimate of the financial costs for ensuring universal primary education by 2015 are presented below for four countries with different net enrolment rates (Argentina, Dominican Republic, Ecuador and Peru), which are representative of the diversity of enrolment rates in the region (see table I.4).¹³

The amount of additional resources required is relatively small in all the countries. The financial cost of raising enrolment rates from 46% to 80% in the country which would need to make the greatest effort—Ecuador—represents just over half a percentage point of 2011 GDP. It should be noted that these are aggregate outlays between 2011 and 2015, so that the annual figure will be much smaller when compared with the GDP for the respective year. The percentage is also much smaller in countries with a higher net primary enrolment rate: in Argentina, the additional cost involved in achieving universal primary education between 2011 and 2015 is just 0.04% of 2011 GDP.

¹² The estimate was made by measuring the degree to which these targets are achievable, on the basis of the educational status of each of the countries in the region, their capacity to mobilize additional funds from their own fiscal revenues, and the feasibility of establishing multilateral financing mechanisms. These targets include ensuring universal completion of primary education.

¹³ Net enrolment rates for 2015 were established by the respective governments and reflect the increasing rates projected to 2021; therefore, they do not correspond in all countries to universal primary education.

Table I.4
**LATIN AMERICA (SELECTED COUNTRIES): ESTIMATED COST OF ACHIEVING
 UNIVERSAL PRIMARY EDUCATION**

Country	Net enrolment rate (percentages)		Cost in addition to current spending (millions of dollars at constant 2000 prices)					Total additional cost (percentages of 2011 GDP)	
	2010	Target 2015	2011	2012	2013	2014	2015		Total
Ecuador	46.2	80.0	10	20	30	40	50	150	0.61
Dominican Republic	78.3	91.9	8	17	26	34	43	128	0.41
Peru	93.7	97.7	6	12	18	24	30	90	0.10
Argentina	98.3	99.4	12	24	36	48	61	181	0.04
Total^a	...	...	242	484	726	966	1 206	3 634	0.13

Source: Economic Commission for Latin America and the Caribbean (ECLAC)/Organization of Ibero-American States for Education, Science and Culture (OEI), “Metas educativas 2021: estudio de costos”, *Project Documents*, No. 327 (LC/W.327), Santiago, Chile, July 2010.

^a Ibero-American countries (excluding Spain and Portugal).

The estimated costs of having all children complete primary education do not include the investment that would be needed to achieve universal preschool education, whose coverage in the region is very low. As both the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the United Nations Children’s Fund (UNICEF) have consistently argued, the preparation for school which children receive before they enter primary education heavily conditions their achievements in subsequent levels. Preschool education is associated with lower levels of school dropout and repetition at the primary level, with the resulting savings in public and private resources.

Although the figures may seem small in relation to the great leap forward which would be achieved by raising net primary enrolment rates (from 46% to 80% in Ecuador and from 78% to 92% in the Dominican Republic), they nevertheless represent a major financial effort in relation to public spending on education. In both countries, the additional cost of achieving these targets in 2015 is around half a percentage point of GDP, but close to 14% of the budget for public education in Ecuador, and around 16% in the Dominican Republic. Given the rigidities of the effective tax burden, the resources to achieve these primary coverage targets would have to be complemented with externally sourced funds, or public spending would have to be redirected. Hence the importance of debt-for-education swap initiatives, in which some of the region’s governments have already engaged.

2. The cost of closing monetary poverty gaps

The costs of eradicating extreme poverty are often identified with the amount of monetary resources needed to raise the income of the population up to the value of the indigence line. This has led to estimates of what are known as “poverty gaps”.¹⁴ The sums resulting from this exercise assume that the transfer of resources to the poor is perfectly targeted—both in terms of the selection of beneficiaries and of the amounts to be transferred to each—and incurs no administrative costs (Cecchini and Madariaga, 2011). They do not include, therefore, the investment in employment, education, health and social protection that would be needed to permanently raise the income of poor families through income earned in the labour market. Accordingly, the costs of closing poverty gaps differ significantly from the resources that would be needed to implement a broad, integrated set of policies and programmes to reduce poverty.

¹⁴ Unless indicated otherwise, the terms “poverty” and “extreme poverty” refer to monetary or income poverty calculated on the basis of the poverty lines developed by ECLAC for the countries of the region.

The magnitude of the annual aggregate shortfall, in millions of 2009 dollars, in the resources of the indigent population and the total poor population (see chapter III), alongside GDP and public social spending by the countries, allows some conclusions to be drawn about the feasibility of reaching the targets. The resources needed to practically eradicate extreme poverty represent a relatively small fraction of GDP, about a percentage point or less, except in Guatemala, Honduras, Paraguay and the Plurinational State of Bolivia. In these countries, close to 30% or more of the population is indigent, and the figure is much higher in rural areas.¹⁵ In these cases, the overall deficit in resources needed to close the extreme poverty gap is some 3 percentage points of GDP or more (see chapter III) and represents over 30% of public social spending. Guatemala, Honduras and Paraguay will probably not meet Millennium Development Goal 1. Nicaragua and the Plurinational State of Bolivia will meet the Goal, but it is unconscionable that after 25 years more than a fifth of the population of these five countries still cannot afford proper nourishment.

3. The cost of hunger and undernutrition¹⁶

ECLAC and the World Food Programme (WFP), mindful of the social and economic significance of hunger and child undernutrition in the region, carried out a joint project between 2005 and 2009 to study the social and economic impact of hunger in Latin America and the Caribbean. Studies were conducted in two phases, first for the Central American countries and the Dominican Republic, then for Ecuador, Paraguay, Peru and the Plurinational State of Bolivia.¹⁷ The two phases of the study performed estimates of the costs that the countries incurred as a result of hunger and child undernutrition. They concluded that in the past few decades undernutrition in the region might well have cost an estimated US\$ 6.659 billion in the Dominican Republic and Central America and US\$ 4.311 billion among the four South American countries studied. These figures are equivalent to 6.4% and 3.3%, respectively, of aggregate GDP for the years reviewed (2004 and 2005). More than 90% of these costs reflect productivity losses caused by lower education levels and a higher mortality rate among the undernourished.

If the measures needed to eradicate undernutrition are not taken now, the cost for new generations will keep rising. Eradicating undernutrition by 2015 would save the Dominican Republic and Central America US\$ 2.271 billion; the savings for Ecuador, Paraguay, Peru and the Plurinational State of Bolivia would be US\$ 1.708 billion. Meeting the target of halving, between 1990 and 2015, the proportion of people who suffer from hunger would save US\$ 1.109 billion and US\$ 516 million, respectively. Eradicating child undernutrition is not an expense but a profitable investment that benefits the entire population, especially the production sector. So, an analysis of interventions should consider not only the operational costs of acting but also the benefits to be gained and the costs of inaction. The right to food imposes the only possible target: zero hunger. Necessary targets for guaranteeing the right to food and nutritional security are: full access to food, eradication of food-related development problems in children under age 2, ensuring the sustainability of food systems and eliminating food loss. The Hunger Free Latin America and the Caribbean Initiative built on the MDGs with a specific target to reduce the prevalence of chronic undernutrition among children to less than 2.5% throughout the region by 2025.

¹⁵ In 2011 extreme poverty rates for these countries were: Guatemala, 29%; Honduras, 42%; Nicaragua, 30%; Paraguay, 28%; and the Plurinational State of Bolivia, 22%.

¹⁶ See United Nations (2010), box II.4.

¹⁷ The estimates were based on a specially designed theoretical and methodological model, and drew on official data on health care, education outcomes, productivity and costs for the year under review (2004 and 2005, respectively). However, given the intertemporal nature of the study, the estimates were based on records for 1940-2004 and 1941-2005 and on projections through 2068 and 2069, respectively.

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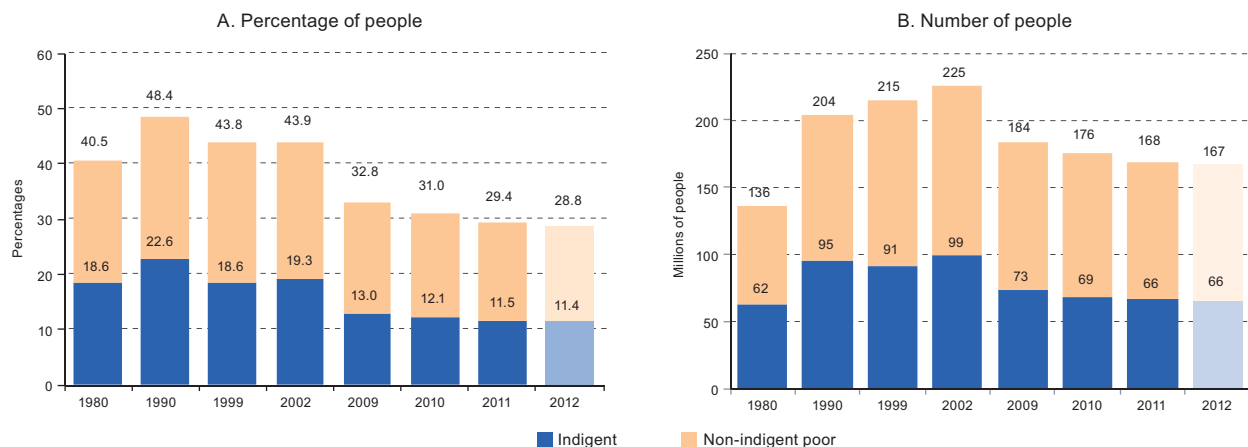
II. POVERTY REDUCTION: SOME POSITIVE LESSONS AND EXPERIENCES

This section reviews some positive lessons and experiences relating to poverty reduction in the region from the perspective of public policy orientations and contributions in recent years: “balanced” management of the macroeconomy and countercyclical orientation of public spending, some employment and labour market policies, the expansion and consolidation of various public-sector transfer programmes oriented towards the poorest or segments excluded from social protection systems, and some considerations regarding the progressive, incremental construction of a social protection floor.

A. THE EVOLUTION OF EXTREME POVERTY AND TOTAL POVERTY IN LATIN AMERICA AND THE CARIBBEAN, 1990-2011

The region saw a downward trend in its poverty and indigence levels in the last decade (see figure II.1). According to the most recent ECLAC estimates, 29.4% of the population were poor and 11.5% were indigent or extremely poor in 2011 or thereabouts, the lowest levels in three decades.

Figure II.1
LATIN AMERICA AND THE CARIBBEAN: POVERTY AND INDIGENCE, 1980-2012
(Percentages and millions of people)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Social Panorama of Latin America, 2012* (LC/G.2557-P), Santiago, Chile, 2012.

The profile of poor households changed as a result of long-term sociodemographic and migration trends: unplanned and poorly managed urbanization, declining fertility, population ageing and changes in family structures, in addition to a rising incidence of poverty in female-headed households, despite the overall downward trend. This profile also retained some characteristic features, however: households with more children, lower levels of education and a greater incidence of unemployment and own-account working relative to better-off households. The evidence also shows that most working-age poor and vulnerable people are employed, and this reveals a special feature of the region: the heterogeneity of its production structure and its inability to create enough decent jobs and provide adequate levels of well-being for large sectors of working people. This characteristic of poverty is crucial, linking it closely to the labour market and low earnings.

Given the region's poverty profile, how can the evolution of this and of the policies implemented in recent years be characterized? As mentioned earlier, the fall in poverty levels in most of the countries was largely due to relatively high growth rates accompanied by job creation, mainly in the 2003-2008 period, when earnings rose in most of the countries.¹ This reduction was also contributed to, albeit to a lesser degree, by a rise in transfers (public and private, including pensions) and other sources of income, greater female participation in employment,² which reduced the household dependency ratio (Uthoff and Cecchini, 2008), and a decline in the fertility rate, the downward trend in which has reduced household sizes. Lower fertility and higher female employment are closely related, since women's increased access to sexual and reproductive health services in the region, including family planning, has enabled them to better reconcile their reproductive and productive roles. Enjoyment of female reproductive rights has enabled the countries to benefit from the skills and knowledge of women who were formerly subject to a much greater burden of reproductive and care work. Even so, it is estimated that in 2012 some 22% of women aged between 15 and 49 in the Latin America and Caribbean region required contraceptives but could not meet their needs.

Unlike earlier episodes, the 2009 global financial crisis had a substantial but short-lived and relatively moderate negative impact on poverty and indigence levels. This proved particularly significant given the medium- and long-term effects of earlier crises on the region's social indicators, particularly the incidence of poverty.³ The sustained drop in poverty and indigence levels from 2003 thus occurred in an economic context that included episodes favourable to the region, combined with more balanced macroeconomic management than in the past. Fiscal space increased during the boom periods, making it possible to counteract several external economic shocks and cope better with the volatility that has characterized the world economy since 2008. Another development was the consolidation of a variety of social assistance and protection programmes that have increased the cash incomes of the poorest, contributed to human capital accumulation and sought to limit the huge vulnerability to poverty of social strata lacking social protection. Lastly, various employment initiatives and (in a number of cases) the gradual construction of more comprehensive social protection systems represent a learning experience worthy of attention.

The aspects dealt with in the following paragraphs have three core implications, as follows:

- (a) Programmes and policies which enable poor households to attain greater capabilities and levels of well-being are essential, but the other side of the equation is reduced volatility and periods of growth involving the creation of decent jobs (formal and with access to protection mechanisms) and sustainable sources of income;
- (b) The negative effects of periods of crisis or recession need to be counteracted by public action to forestall irrecoverable losses of social welfare; and
- (c) The conduct of macroeconomic policy and public spending, industrial policy and social policy requires effective coordination and a comprehensive approach in relation to fluctuations in the cycle, relative prices and employment and, most particularly, the ongoing needs and vulnerabilities of the population.

¹ This differentiates the period from earlier ones. In the 1990s, there were cycles of economic growth with no net job creation.

² Women accounted for over half the increase in employment.

³ By comparison with the successive crises of the 1980s and 1990s, the last decade presented a more encouraging picture. After the early 1980s debt crisis began, for example, per capita GDP in the region took 14 years to recover to its 1980 level, while poverty took 25 years to return to comparable levels.

B. BALANCED MANAGEMENT OF THE MACROECONOMY AND PUBLIC SPENDING

1. A less volatile macroeconomic environment eases the pressure on vulnerable sectors

In 2003-2007, pro-growth fiscal, exchange-rate and monetary management yielded positive results and helped create greater fiscal space. This has enabled almost all the countries to adopt a countercyclical approach to public spending in the face of a global economy that has been volatile and uncertain, especially since the world financial crisis that broke out in late 2008. In an uncertain international environment, and despite the pressures from the world economy (volatility in food and commodity prices and in global financial flows), inflation and the balance of payments have stayed within manageable limits.⁴

The Latin American and Caribbean region proved more resilient and responsive than it had been in the adverse episodes of earlier decades, revealing how important it is for macroeconomic policy to perform a stabilizing function and contain the excesses of the business cycle, whether in the expansionary or contractionary stage. A recessionary business cycle with falling sales leads firms to cut back on their investment plans and staff, reducing hours worked and dismissing workers, which in turn leads to a new cycle of adjustment as workers cut back on their consumption, either because they have lost their jobs and thus incomes or because they have kept them but are at greater risk of losing them. Consequently, a fiscal policy that mitigates the contractionary phase will moderate both direct job losses and the indirect effect operating via consumption. In general terms, table II.1 depicts the predominant orientation of fiscal, monetary and exchange-rate policies in the face of the unfavourable episodes arising since 2007 (ECLAC, 2012d).⁵ Of all these, it was perhaps fiscal policy that contributed most to the high degree of resilience displayed by the region during the 2008-2009 global crisis. In addition to specific social programmes and transfers designed to mitigate the impact on the most vulnerable sectors, there were also substantial programmes of investment in infrastructure, housing, support for small and medium-sized enterprises and others whose purpose was to counteract the negative effects of the crisis on economic activity and employment.

Table II.1

LATIN AMERICA AND THE CARIBBEAN: ORIENTATION OF THE MAIN MACROECONOMIC POLICIES IN RESPONSE TO ADVERSE GLOBAL ECONOMIC CONDITIONS, 2007-2011

Episode	Fiscal policy	Monetary, exchange-rate and macroprudential policy
Rise in food and fuel prices (2007-2008)	Reorientation of spending and taxes to forestall the regressive effects of higher prices	Currency appreciation and restriction policies
Global financial crisis (2008-2009)	Stabilization of domestic demand through higher public spending	Increased liquidity to cope with the impact of the crisis
International uncertainty from the second half of 2011	Start of tax reforms to consolidate public finances	A predominantly cautious approach to the management of the main monetary and exchange-rate policy variables

Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Economic Survey of Latin America and the Caribbean 2012* (LC/G.2546-P), Santiago, Chile, 2012.

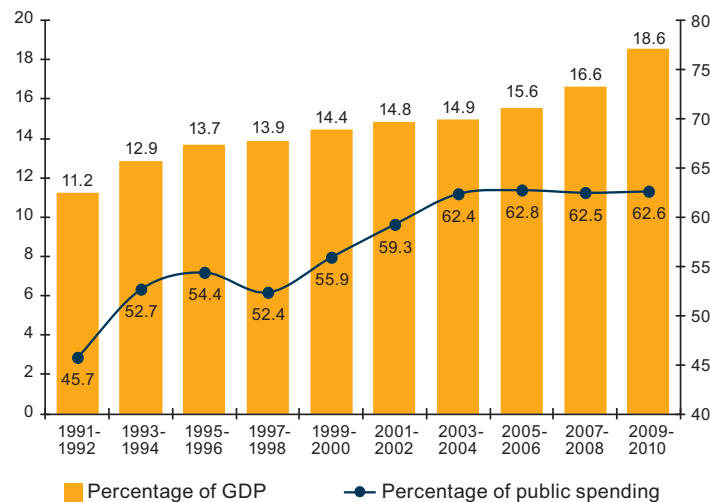
⁴ In particular, public policy had to deal with three adverse episodes, namely rising food and hydrocarbon prices in 2007-2008, the global financial crisis in 2009 and, lastly, the slowdown in the world economy and the subsequent prolongation of global uncertainty and slow growth by the eurozone crisis during the second half of 2011. In each of these episodes, the countries implemented macroeconomic and sectoral measures that ECLAC has thoroughly documented.

⁵ Detailed information on the fiscal, macroeconomic, social and employment measures adopted by the region's countries in response to these shocks of 2007-2008 and 2011 is available in ECLAC (2012e).

2. Countercyclical management of public spending with a greater emphasis on social spending and redistribution

A second shared tendency in the region that merits attention as a lesson for the future is the evolution of the amount and composition of public spending. In recent decades, the countries have also succeeded in keeping social spending on a rising trend in relation to GDP and public spending generally, particularly during the 2008-2009 crisis. The trend up to 2010 was of a real-term increase in the resources available for the financing of social services and for transfers to households. This increase was also reflected in the macroeconomic priority given to social spending: in the early 1990s, social spending as a share of GDP was 11.2%, with a systematic increase in the different biennials analysed taking it up to 15.6% in 2005-2006, 16.6% in 2007-2008 and 18.6% in 2009-2010. This development was also accompanied by greater priority for social spending within public spending. Depending on the particular case, this trend was due to higher revenues, greater priority for social spending over other items, or both: the share of such spending rose from 45.7% in 1991-1992 to 59.3% in 2001-2002 and 62.6% in 2009-2010. The evolution of public social spending had been highly procyclical up until the mid-2000s, but in the second half of the decade a number of countries began to make systematic efforts to strengthen social programmes, and particularly anti-poverty programmes, which will be addressed further on (see figures II.2 and II.3).

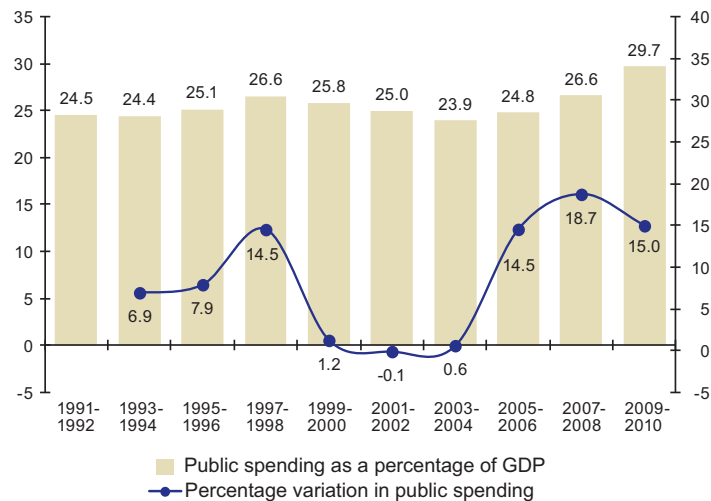
Figure II.2
LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): PUBLIC SOCIAL SPENDING AS A SHARE OF TOTAL SPENDING, 1991-1992 TO 2009-2010^a
(Percentages of GDP and of total public spending)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Social Panorama of Latin America, 2012* (LC/G.2557-P), Santiago, Chile, 2012.

^a Weighted average of the countries.

Figure II.3
**LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): TOTAL PUBLIC SPENDING
 AND BIENNIAL RATES OF CHANGE, 1991-1992 TO 2009-2010^{a,b}**
 (Percentages of GDP and percentage rates of change)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Social Panorama of Latin America, 2012* (LC/G.2557-P), Santiago, Chile, 2012.

^a Weighted average of the countries.

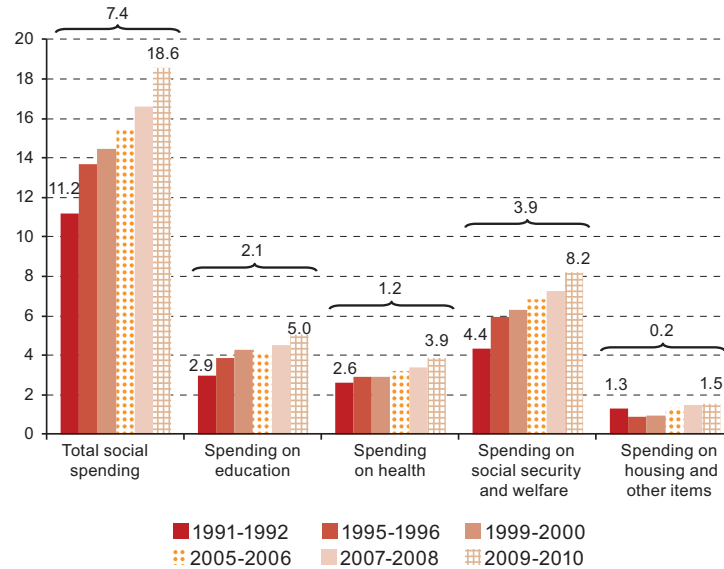
^b The total public spending figures are official figures taken in most cases from the functional classification of public spending, and may not match those obtained when the economic classification of spending is used.

Figure II.4 summarizes the main trends as regards the composition of average social spending by sector (education, health, social security and social assistance, and housing, among others) in Latin America and the Caribbean. As can be seen, the rise of 7.4 percentage points of GDP in the regional aggregate for social spending is mainly accounted for by the growth of social security (and social assistance). Progressive population ageing has led to a gradual rise in the resources used to pay social security benefits. Although many of these resources are raised by contributory social security systems (whether public or mixed), solidarity mechanisms for social security financing have also been introduced in more countries, on top of the solidarity redistribution mechanisms within these systems.

Meanwhile, although data are not available separately for the shares of social assistance and social security, the information available shows that a number of social assistance programmes were extended, mainly in the 2000s, and most particularly anti-poverty programmes involving mechanisms for direct transfers to households, whether conditional or otherwise.⁶ This has led to a steady rise in the countries' per capita social spending, although absolute spending still varies greatly between them (see figure II.5).

⁶ In Argentina the funding allocated to social welfare expanded by almost 85% (even considering the fall of almost 20% in 2002); in Brazil (Federal Government), the funds tripled during the same period; in Chile, they went up by just 5.5% (sharp falls were noted in 2003, 2004 and 2006); in Colombia they almost doubled between 2004 and 2007; and in Costa Rica, they were up by more than 75% over the 2002 level.

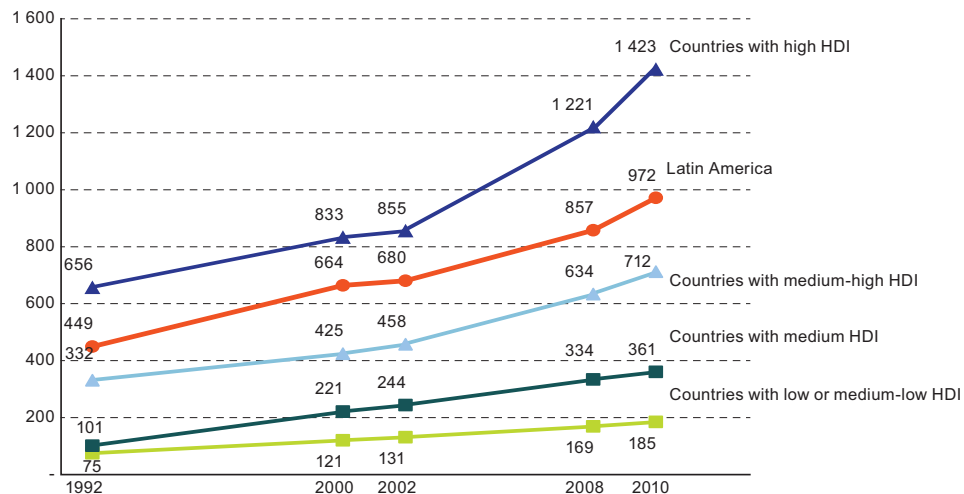
Figure II.4
LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): PUBLIC SOCIAL SPENDING BY SECTOR, 1990-1992 TO 2009-2010^a
(Percentages of GDP)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Social Panorama of Latin America, 2012* (LC/G.2557-P), Santiago, Chile, 2012.

^a Weighted average of countries.

Figure II.5
LATIN AMERICA: PER CAPITA PUBLIC SOCIAL SPENDING, 1990-2010^a
(Dollars at constant 2005 prices)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Social Panorama of Latin America, 2012* (LC/G.2557-P), Santiago, Chile, table 40, statistical annex, 2012.

^a Latin America: weighted average; country groups ranked by Human Development Index scores: simple average (see table A.4 of the annex).

The other noteworthy increase in the past 20 years was in the education sector (2.1 percentage points of GDP). This is associated with the expansion in coverage and access in the case of primary education in the poorest countries, and in the case of secondary education in the rest (both infrastructure, and above all, current expenditure, associated mainly with the increase in teacher staffing). The higher allocations to education came at the expense of the health sector, which saw its macroeconomic priority expand by just 1.2 percentage points of GDP. Budgetary constraints in this sector usually mean that investments or reinvestments in infrastructure, renewal of equipment and replacement of medical supplies are sacrificed, which causes problems in the public health sector, with a negative impact on coverage and, above all, on the quality of benefits, and it is difficult to get back to normal from these situations.

Lastly, the housing sector (which includes drinking water and sanitation, and more recently the environment) is the sector that has been given the least attention, despite the fact that practically all countries, and especially major cities, have pockets where marginal living conditions prevail. This makes it difficult to develop programmes (for the most part sanitation programmes) for resettling and eradicating marginal settlements and it affects both the low-income population and, indirectly, the health sector, owing to considerable difficulties in controlling vectors of infectious or contagious diseases that spread easily in the absence of proper drinking-water, sewerage and waste treatment systems. The scant investment in this area has also hampered or slowed environmental conservation initiatives based on the generation of areas for biodiversity conservation and on necessary measures for regulating human activity, in particular productive ventures, so as to prevent environmental degradation and pollution.

These upwards regional trends should not overshadow the diversity between countries with respect to the target, relative amount and quality of public and social spending. In part, this diversity explains the disparities observed in the level and differentiated evolution of social development in the medium and long term. In particular, where investment fell short in the past in different areas of social spending (education, health, nutrition and social protection in general) greater lags are seen with respect to various social, health, skills and productivity indicators. Thus, increased investment in social areas not only helps compensate for shortfalls and social exclusion in the immediate term, but ultimately helps boost productivity and economic development, particularly among the poorest sectors.

In summary, the trend in poverty and indigence levels in recent years has been encouraging, even though they remain considerable and high levels of inequality persist within and between countries. Despite this, two lessons have emerged:

- (i) More balanced management of the macroeconomy to mitigate the excesses of the business cycle more successfully; and
- (ii) Higher and far less procyclical public and social spending. This does not mean that the fiscal effort or the orientation of spending have been optimal, but performance has been better than in the past. Here, alongside systems to follow up the redistributive impact of spending, the design of budgets with a gender perspective represents an advance that has yet to be adopted across the board.

**C. SOCIAL ISSUES ARE NOT CONFINED SOLELY TO THE SOCIAL SPHERE:
LABOUR MARKET AND PRODUCTION DEVELOPMENT POLICIES AS
INSTRUMENTS IN THE COUNTERCYCLICAL APPROACH**

Given the role of macroeconomic growth and stability in poverty reduction, particularly through the creation of decent jobs, and the long-standing segmentation of the labour market in the region, assistance and non-contributory policies constitute just one of the pillars required to put in place minimum welfare floors and close welfare and capabilities gaps. The fact is that poverty reproduction and inequality are essentially due to the combined effects of capability accumulation gaps, including the high level of employment segregation for women that keeps them in informal and low-paid occupations, and widening income and welfare divides in the labour market, especially in the form of unequal access to and availability of low- and high-productivity jobs. In the long run, too, the financial and fiscal sustainability of social protection systems ultimately depends on a contributory pillar based on formal employment that is properly coordinated with a non-contributory pillar financed on a solidarity basis. Two instruments that are important to highlight are labour market and production development policies capable of generating higher-productivity formal employment and narrowing equality gaps in the labour market.

Work enables poor households to escape from poverty. For all the countries, whatever their development level, the key to promoting social inclusion and cohesion in a sustainable way is for there to be enough jobs available. Otherwise, when jobs and earnings are hard to come by, there will be more poor households, less growth and less human and economic development. Experience has shown that economic growth is not enough on its own. Since the start of the new century, however, Latin America has succeeded in ensuring that economic growth has had a large impact on employment, resulting in a sustained fall in the open unemployment rate and incipient improvements in employment quality (ILO, 2012), although the challenges of high levels of informal working and poor-quality employment conditions are still present, while young people and women still find it harder to participate in the labour market, among other decent work deficits. Earlier sections highlighted the role of countercyclical fiscal policy in coping with the 2008 crisis. Labour market policies prioritizing the preservation of jobs and incomes were also part of this strategy, and helped to moderate the recessionary cycle.

1. Employment and labour-market policies: lessons learned

Generating good-quality jobs is a key element in the fight against poverty, and fulfilment of the basic human right to employment is a tool for boosting long-term growth potential. In many countries the labour policy context changed dramatically between the 1990s and the 2000s. During the 1990s, the focus was on easing regulation based on legislation and negotiation and moving towards market-based regulation (making hiring more flexible, lowering the cost of layoffs, outsourcing, lowering or capping the real minimum wage and non-wage labour costs, and decentralizing collective bargaining, among others). During the 2000s, however, many countries returned to tighter legislation- and negotiation-based regulation, such as by raising the minimum wage, strengthening collective bargaining, placing restrictions on temporary hiring and outsourcing, and stepping up labour inspections, among other measures (Weller, 2009b and 2012).

The 2008-2009 crisis brought to the fore two issues linked to the measures put in place, and they yielded lessons for implementing countercyclical employment and income policies. Table II.2 provides an overview of some of the measures taken in the region during the most recent downturns. First, contrary to what happened in previous crises, real wages did not fall in 2009. In 2008, nominal wages rose sharply in response to stagnant or lower wage purchasing power caused by a surge in inflation (especially in the

price of food). The subsequent fall in inflation from 8.2% in 2008 to 4.7% in 2009 (weighted average for the region), mainly on the back of falling international food and oil prices, allowed a significant percentage of the nominal wage increases to be translated into real gains. In addition, countries pursued minimum-wage policies, which resulted in a median 3.6% increase in real minimum wages across 16 countries. Thus, the evolution of real wages, both as an average and in the lowest echelons, helped to stabilize the purchasing power of wage-earners' households (ECLAC, 2012b, p. 259). Secondly, a number of countries made an effort to protect jobs. In fact, formal employment grew slightly despite the contraction of the region's GDP in 2009. Among the contributing factors were favourable expectations on the part of many businesses that the crisis would be short-lived, plus the rapid recovery of economic activity in the region. Labour market policies that were already in place or were implemented during the crisis also played a role in protecting jobs or compensating for job loss. Unemployment insurance, emergency job programmes, and transfers or social programmes for the poorest and most vulnerable sectors helped to maintain or increase aggregate demand and shorten the contractionary phase, acting countercyclically on employment and income.

Table II.2
**LATIN AMERICA AND THE CARIBBEAN: LABOUR AND SOCIAL MEASURES ADOPTED
 IN RESPONSE TO RECENT EXTERNAL SHOCKS, 2007-2011**

	External price shock (2007-2008)	Economic and financial crisis (2008-2009)	European debt crisis (2011)
Labour measures			
Subsidies for hiring or retaining workers		AR, CL, CO, JM, MX, NI, UY	
Changes to unemployment insurance		AR, BH, BR, CL, EC, MX, UY	
Training programmes		AR, BH, BZ, CL, CO, MX, PE, UY	CR, PE, TT
Emergency job programmes		AR, BH, BO, CL, CR, MX, PE, PY, RD, SL, SV, UY	PE
Social measures			
Introduction or expansion of transfer programmes		AR, BB, BO, BR, BZ, CL, CO, CR, GT, HN, NI, PA, PY, RD, SR, SV, UY	
Pensions		AR, BB, BR, EC, PA, PY, SR, SV	PE
Food support	BO, BR, CR, EC, GT, HA, MX, NI, PA, PE, RD, SV, UY, VE	BB, BZ, CR, SV, GT, HT, JM, NI, PA, RD	

Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Economic Survey of Latin America and the Caribbean 2012* (LC/G.2546-P), Santiago, Chile, 2012, p. 60.

Another useful lesson learned that warrants further examination is that as labour market indicators improved over the past decade, many countries of the region strengthened their labour institutions, which meant a reversal of previous trends (Weller, 2009b). But there are still serious labour institution weaknesses, a number of labour market regulation issues yet to be addressed, substantial gender and age biases and significant sectors of workers not covered by core labour standards. The region's "dual" model is a major obstacle to enabling lower-income workers to benefit from productivity gains and to breaking through the barrier between insiders (formal workers) and outsiders (informal workers) that is subsequently transferred to the social protection regime. Labour institutions must then be designed in such a way that virtuous circles between productivity gains and employment quality are created and enhanced.

In view of the situation, ECLAC and the International Labour Organization (ILO) have suggested that, as with macroeconomic policies, the effectiveness of employment policies largely depends on timing and responsiveness to the economic cycle. Labour market policies should smooth the cycles so that businesses do not lose their human capital during crises and workers are not adversely affected by long periods of unemployment that result in income loss and make it harder to re-enter the job market. In this regard, some policies are more relevant and potentially effective depending on the point in the cycle. In a crisis setting, direct employment and job protection programmes are a priority in order to counter negative impacts, especially for the most vulnerable and least skilled workers. By contrast, during growth phases these policies should prioritize actions that would expand supply and demand for more productive jobs (ECLAC/ILO, 2011a).

2. Labour-market policies

It is useful to take a fresh look at lessons learned concerning policies related directly to the labour market that promote greater equality under certain conditions. This is especially true of policies and programmes in the spheres of training, protection, gender equality and labour institution-building.⁷

(a) Vocational training

A vocational training system cannot compensate for weaknesses in the education system or their harmful impact on the distribution structure, but they can help to narrow income gaps between persons with the highest levels of formal education (those whose job qualifications were acquired in tertiary education) and those who exit the education system after completing secondary education or, in many cases, earlier. Four vocational education and training areas play an important role in increasing labour market equality.

1. Lifelong learning strategies can have equalizing effects if they focus on continuing training for less-educated persons. This has positive distribution potential and is consistent with the lifelong learning approach promoted by UNESCO. In this context, it is important to develop skill certification systems that target, above all, individuals with lower levels of education and formal training and recognize the skills and knowledge acquired outside the formal education and training systems (Schkolnik, Araos and Machado, 2005).
2. Better access to good-quality education and training systems for young persons from low-resource households, which includes both formal education services and training young persons in trades that do not require a university degree, is vital, especially through dual training systems and building up the supply of training for non-university technicians.
3. Training for persons facing special employment challenges (in particular, low levels of formal education) to improve equality in the labour market. Without ignoring the need to level the education playing field for all (Weller, 2009a), programmes targeting groups that face specific challenges in relation to their labour market participation play an important role. The success of such programmes seems to be positively correlated with a narrow focus, a relatively small scale, the issuing of recognized certification that has value in the labour market and a strong link to the work being done by companies. Such schemes should be doubly relevant, both to the demand for skills in the labour market (increasing productive employment opportunities for trainees) and to the life projects of such persons, thus improving their well-being.

⁷ Followed by a new look at the findings and recommendations of Weller (2012), Weller and Roethlisberger (2011), and Weller (2009a).

4. Women's labour segregation remains an issue as the region still has high barriers to access to full and productive employment and decent jobs. Women are overrepresented in the most precarious segments of the labour market: 14 out of every 100 female workers are engaged in paid domestic work. Numerically, this accounts for the largest share of jobs for women in Latin America. The labour market still has gender gaps and high levels of job segregation, both horizontal (in terms of occupational sectors) and vertical (in terms of job hierarchy), as well as wage discrimination. It is estimated that the income gap between men and women with the same age and education levels is 17% (Atal, Ñopo y Winder, 2012). Improving access to education and health, and particularly to sex education, contraception and reproductive health services, helps to lower teenage pregnancy rates that feed into school dropout rates and make it hard for young women to access decent, good-quality employment. This shows the need for better integration of employment, health and education policies that mainstream the gender perspective in the public agenda.

(b) Income and unemployment protection mechanisms

Open unemployment and low-wage jobs exacerbate inequality. Protection mechanisms such as wage policies (especially, minimum wages) therefore have an impact that goes beyond income protection during crises. The main kinds of such protection mechanisms are unemployment insurance, complementary non-contributory protection schemes, and minimum wages.

1. The principal instrument for mitigating the negative and de-equalizing impacts of unemployment is contributory unemployment insurance, which provides temporary compensatory income and improves chances for the most productive re-entry possible. However, few countries in the region have developed such schemes, and those that exist are still beset by problems such as limited coverage, low benefits and minimal redistribution impact because they are only for workers in the formal sector. These schemes should therefore be developed to expand coverage, more closely link them to proactive labour market policies and integrate them with other protection mechanisms such as severance pay and non-contributory systems of support for low-income families.
2. Non-contributory protection schemes can complement labour policy instruments by providing supplemental income for unemployed or informal workers. Developing non-contributory unemployment insurance would expand protection in such situations. However, a non-contributory unemployment insurance system covering informal workers run in parallel to a contributory one can create disincentives to formalization and lead to monitoring issues. A single system of non-contributory insurance would eliminate such disincentives and reduce labour costs for businesses operating in the formal sector, which in turn could stimulate hiring. However, funding such a system should be considered along with other social spending areas and priorities.
3. Minimum wages reduce wage inequality by raising the formal wage structure threshold and acting as a signal for wages in the informal sector. For this to happen, the minimum wage must be set in keeping with the existing wage level and structure so that the instrument will not be rendered less effective by a high level of non-compliance or by layoffs triggered by rising labour costs that are out of sync with business production capacity, especially among smaller enterprises.
4. Work-sharing programmes provide State subsidies or temporary reductions in social security contributions in order to avoid layoffs in the formal private sector.

(c) Gender equality, discrimination and support for specific groups

The barriers and discrimination that women face in labour market access are a factor in inequality between individuals and in poverty in the case of households or persons who might otherwise be able to earn income on an equal footing. Addressing this situation calls, first of all, for mechanisms to facilitate the conciliation of productive and reproductive life within a framework of social and gender co-responsibility; to compensate for unequal participation in the networks that promote access to jobs; to train women so that knowledge- and skill-building open new employment opportunities; to promote recruitment and productive independent employment; and to combat the cultural prejudice and discrimination that bar the recruitment of women for certain occupations and impede their upward job mobility. In 2011, the female unemployment rate was 8% versus 5% for males. The female labour force participation rate was 49% —still far below the 71% recorded for males (ILO, 2011a). The unemployment gap is widest among young people (aged 15-25); the unemployment rate for young women is 17% compared with 11% among young men (IDB, 2012).

The prevalence of women in the informal sector and in situations of underemployment or unemployment means that half of the potential workforce is underutilized, resources are allocated inefficiently and human capital is wasted. In addition, only 15% of women and 25% of men aged 15-65 are covered by social security, thereby putting the population living in poverty in an even more precarious position. The high rate of informal employment in the region calls for social protection to be decoupled from the labour market in order to ensure more inclusive social security systems (United Nations, 2010).

The following instruments warrant a closer look:

1. Child-care services in community-based, commercial or neighbourhood centres and the redistribution of household tasks help to balance work and family life, reduce gaps in labour market access and working conditions and increase women's labour market participation rates and income (ECLAC/UNICEF, 2011; ECLAC/ILO, 2011b).
2. Labour standards targeting inequalities, not only with regard to paid work but also with respect to unpaid work, and especially care work, in order to narrow gaps in labour market access and working conditions. Particularly noteworthy are provisions concerning working hours, flexitime and telework with labour rights and parental and emergency leave for both sexes, promoting and facilitating greater involvement by men in care tasks and including this issue in collective bargaining in the search for appropriate solutions for specific sectors or enterprises (Giosa and Rodríguez, 2010).
3. Intermediation services and training designed to correct the disadvantages faced by many women (such as lack of access to networks for finding productive work) and address family situations and needs that are specific to women (Weller, 2009a).
4. Incentives for recruiting members of groups with special challenges for productive employment, such as women heads of household, or entrepreneurship programmes for women meeting certain conditions in terms of qualifications, access to credit and markets, care services and social protection (Maurizio, 2010; ECLAC/ILO, 2010).
5. Anti-discrimination laws to counteract unwarranted inequalities in terms of employment and wage paths. Labour inspections to identify and eliminate discriminatory practices are particularly useful (Reinecke and Valenzuela, 2011). Special attention should be paid to persons living with HIV/AIDS and other groups that are often subjected to discrimination in the workplace.

(d) Expanding formal labour institutions

The magnitude of the informal sector and gaps in productivity, income and access to social protection mean that low formal labour institution coverage in Latin America and the Caribbean remains an unresolved issue. Greater coverage from formal labour institutions would improve working conditions, especially for low-income workers, with the resulting impact on the allocation of and access to social protection. Some lines of action aimed at the formalization of enterprises and labour relations are as follows:

1. Streamlining labour and administrative procedures, in some cases temporarily (Weller and Roethlisberger, 2011).
2. Access to instruments for production development, including credit, business development services and market access tools (Chacaltana, 2009).
3. Formalization and regulatory mechanisms targeting occupations and work relations other than wage employment in private enterprises or the public sector (examples: home-based work, domestic service, outsourced work) in order to address low coverage.
4. An efficient and transparent labour inspection system. A number of countries in the region have recently made substantial efforts to improve (Bensusán, 2009) enforcement of labour standards, particularly by providing information in cases of non-compliance due to ignorance and through joint development of targeted enforcement mechanisms and sanctions in cases of abuse (Schrank and Piore, 2007).
5. Measures to make the labour market more transparent and promote the formal insertion of persons with low levels of formal education, by means of skills certification and the expansion of public employment services, incentives for hiring persons with special job challenges and support for independent work.
6. Expanded coverage under collective bargaining, which usually benefits low-income and low-skilled workers the most. Over the past few decades, unionization rates have declined (owing, among other factors, to changes in the production structure that hinder trade union organization, but in some cases also or mainly due to adverse public policies and business attitudes). However, a number of countries of the region have recently launched policies to facilitate unionization and collective bargaining (ECLAC/ILO, 2012). Of particular relevance among the strategies for increasing productivity and distributing its benefits are new labour institutions that promote participatory labour relations, boosting trade union leverage and expanding the room for negotiation and adjustment during crises and boom times alike so as to establish virtuous circles (Weller and Roethlisberger, 2011).

3. Sector-based and development policies to create more productive jobs and close labour-market equality gaps

Beyond the behaviour of the economic cycle and in relation to the substantial equality gaps that characterize the region, there is an array of policies that can help to reduce inequalities arising from the labour market while contributing to the achievement of higher levels of well-being. Reducing income inequality from within the labour market requires a virtuous combination of productive job creation (a must for sustainable improvements in the distribution of rising income levels) and the reduction of inequalities in individual asset ownership. This complements other dimensions where progress is needed in order to reduce inequality. Among the policies that have an impact on labour market inequality but operate outside labour market policies and the labour market itself are the following (Weller, 2012, pp. 43-44):

- Macroeconomic policies that provide a favourable framework for high and sustained investment rates and help to contain the volatility of this growth, which is so harmful for income distribution and sustainability. Fostering high and sustained economic growth yields a favourable environment for improving income distribution —especially by generating productive employment.
- Production development policies that help to close productivity gaps between production segments and to ensure wage equality. They are essential for narrowing and closing gaps in working conditions.
- Sectoral policies that reduce asset inequalities (human, social and cultural capital) among workers. As already noted, it is for this reason that recent reductions in inequality in the countries of Latin America have been linked to less inequality in education (López-Calva and Lustig, 2010). But the region's education systems still have substantial weaknesses in coverage, quality and segmentation that require profound reforms (Bárcena and Serra, 2011).
- Policies that reduce inequality in access to other assets and thus limit the generation of labour income or make it difficult for low-income households to build wealth, above all access to capital (credit), housing (subsidies) and, in some countries, access to land.

D. PUBLIC TRANSFERS TO VULNERABLE SECTORS: THE CONTRIBUTION OF CONDITIONAL TRANSFER PROGRAMMES AND NON-CONTRIBUTORY PENSIONS

Improvements in income distribution and poverty reduction in Latin America and the Caribbean have been achieved mainly thanks to steady economic growth in combination with sectoral policies which have boosted the income of the region's poorest. The positive results in terms of reducing poverty and inequality indicators are largely attributable to the broadening of social protection and, above all, of non-contributory social protection, which represents a major shift in the region. Conditional transfer programmes and non-contributory social pensions represent two key experiences.⁸

⁸ ECLAC maintains two detailed databases on conditional transfer programmes and social pension schemes implemented in Latin America and the Caribbean. These include data on the programmes' characteristics, coverage, sums and benefits awarded, as well as their budgets. For further information, see [online] <http://dds.cepal.org/bdptc> and <http://dds.cepal.org/bdps/>.

Box II.1

THE SOCIAL PROTECTION FLOOR INITIATIVE

Measures aimed at creating universal social protection systems highlight the role of an emerging consensus on the need to ensure social protection floors in the region. This consensus also reflects the response to the Global Initiative for a Social Protection Floor adopted in 2009 as one of nine initiatives put forth by the United Nations system in response to the financial and economic crisis (ILO, 2010). The initiative was fleshed out in the 2011 report of the Advisory Group chaired by Michelle Bachelet on the social protection floor (ILO, 2011b). It was born of the conviction that it is feasible and necessary to ensure access to essential services and social transfers for all, paying particular attention to the poor and vulnerable. The initiative takes a holistic approach to social protection that strengthens both the supply of and the demand for social protection, focusing on two dimensions: (a) a set of essential social rights and transfers, in cash or in kind, to ensure a minimum income and livelihood security for all in order to facilitate access to essential goods and services; (b) a minimum level of affordable goods and basic social services, such as health, water and sanitation, education, housing and information essential for preserving life.

The Social Protection Floor Initiative emphasizes the need to guarantee services and transfers throughout the life cycle—and from a gender perspective—by ensuring the well-being of children, workers with insufficient income, and older adults, paying particular attention to vulnerable groups (considering socioeconomic status, ethnicity, disability, people living with HIV/AIDS, migrants and populations exposed to adverse situations such as natural disasters).

Source: International Labour Organization (ILO), *Social Protection Floor for a Fair and Inclusive Globalization*, Geneva, 2011; and, “The Social Protection Floor Initiative”, Geneva, 2010.

1. Conditional transfer programmes: consolidation and contributions

Conditional cash transfer (CCT) schemes form part of a battery of programmes and tools used to broaden non-contributory social protection. ECLAC has tracked the consolidation and evolution of these schemes in order to identify their main contributions and draw attention to certain limitations.⁹ Most CCTs were developed originally as tools to combat extreme poverty, in other words, as ways to ease the social ravages of the debt crisis and the ensuing economic volatility and social spending cuts. Accordingly, CCTs attempted to channel income in a direct and targeted manner to the poorest households, while making the delivery of resources conditional upon fulfilment of various co-responsibilities by beneficiary households. The idea was to encourage households to lay aside immediate survival strategies (especially child labour) and, instead, boost the accumulation of human capital (children’s attendance at school and progression through the education system and attendance at different health check-ups and commitments). The intention was to give these individuals, especially children, better chances of participating in the labour market in the future, and of achieving better education, health and nutrition.

As well as monetary transfers, some schemes also offer benefits in kind (food supplements, school supplies, production inputs, and so forth), and access to services and programmes, especially in the areas of health, technical and professional training and support for the self-employed, as well as family counselling, psychosocial support and even upgrades to basic social infrastructure. In addition, they involve certain benefits aimed at improving the endowment, quality and performance of social services in education and health (Cecchini and Madariaga, 2011). In most cases, support is delivered to the women caring for the household’s dependent children, and they discharge the co-responsibilities required under the programmes: this is a controversial aspect which will be discussed later. Given their nature, CCTs have significant synergies with several social and economic development objectives, and especially with the Millennium Development Goals (see table II.3).

⁹ Relevant publications include Villatoro (2004 and 2005), Robles (2009), Pautassi and Zibecchi (2010), León (2007), Arriagada and Mathivet (2007), Cecchini and others (2009), Cecchini and Madariaga (2011), Rodríguez Enríquez (2011) and Hoddinott and Bassett (2012).

Table II.3
**OBJECTIVES OF CONDITIONAL CASH TRANSFERS AND THEIR LINKS
 WITH THE MILLENNIUM DEVELOPMENT GOALS**

Objectives of the conditional transfer programmes	Millennium Development Goal to which they contribute
<ul style="list-style-type: none"> - Provide an additional source of resources to the poorest families (cash transfers) - Help improve nourishment in beneficiary households (provision of food supplements and benefits for attending talks on nutrition) 	Goal 1: Eradicate extreme poverty and hunger
<ul style="list-style-type: none"> - Boost human capital endowment through school attendance by socially vulnerable children (benefit conditionality) - Reduce child labour by encouraging school attendance (benefit conditionality) 	Goal 2: Achieve universal primary education
<ul style="list-style-type: none"> - Deliver cash transfers to women to be administered and used - Central role of women in promoting and executing the programme^a 	Goal 3: Promote gender equality and empower women

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of A. León, “Progresos en la reducción de la pobreza extrema en América Latina: Dimensiones y políticas para el análisis de la primera meta del Milenio” (LC/R.2147), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), August 2008.

^a This aspect is controversial and will be discussed later.

CCTs were first introduced in the second half of the 1990s and were gradually adopted by most of the countries in the region during the first decade of the 2000s (see annex table A.5). Today, CCTs play a key role within social protection systems by shoring up the income of the poorest households and driving progress in human capital accumulation. Another hallmark of CCTs is the population coverage they have achieved in absolute and relative terms, and with respect to their fiscal cost. Around 2009, it was estimated that these programmes covered some 25 million families, or 113 million people, while mobilizing resources equivalent to just 0.4% of the region’s GDP (Cecchini and Madariaga, 2011). In 2012, such programmes were operating in 20 countries in the region. Lastly, their effectiveness depends on close cooperation between the various levels of government and public education and health services, and on sophisticated systems of management, oversight and evaluation.

Whereas some “hard conditionality” programmes (Mexico) place an emphasis on human capital accumulation as the scheme’s overriding aim, “soft conditionality” schemes (Brazil) make it a priority to channel a minimum level of income to the poorest sectors. Still others (Chile) use CCTs as points of entry to coordinated systems or networks of programmes (Cecchini and Martínez, 2011). Inasmuch as the resources target the poorest households (independently of possible inclusion or exclusion errors), CCTs have become one of the more progressive and redistributive items of public and social spending.

CCTs have been considered, sometimes over-optimistically, as a social policy best practice, and even as an instrument capable of breaking the intergenerational transmission of poverty. Accordingly, while it is worth considering their positive impacts, it is also important to bear in mind some of their limitations and the criticisms levelled against them.

2. Positive impacts and limitations¹⁰

As regards income generation and labour market integration, CCTs help to cover short-term income deficits, although their impact on beneficiary employability varies greatly. Generally speaking, although programmes include tools to help the members of beneficiary households into employment or improve their employment status, most individuals do not succeed in finding stable employment and tend to remain in the informal labour market with weak access to protection mechanisms (ECLAC/ILO, 2011b). This is because labour-market position largely depends on factors outside the scope of the programme's impact, such as constraints arising from production structure heterogeneity (especially productivity gaps between the various sectors of activity), and the dynamics of job creation and exclusions in labour markets (ECLAC, 2012c).

Impact assessments and many studies have documented positive impacts of CCTs. Overall, they are acknowledged to have a positive effect on a variety of human capacity indicators: raising school enrolment, increasing coverage of well-child check-ups and preventive medicine, and boosting nutritional indicators in children and young people, for example. They also tend to raise consumption levels in beneficiary households: in particular they produce greater (and more diversified) consumption of food, as well as inputs such as clothing and footwear, especially for children. These impacts are very important, because they have created positive synergies between countries' efforts to develop basic health and education services, encourage their use by sectors that are vulnerable or excluded owing to discrimination, poverty, poor health or socioeconomic inequality, and boost human capital development while also reducing basic well-being needs. With respect to the impacts of CCTs on child labour, outcomes are varied, since not all the programmes are explicitly designed for this purpose. Accordingly, significant impacts are not always observed.

CCTs have generated controversy, which has yet to be resolved, in relation to their effects on the status and autonomy of women. Although programmes represent an additional income source for beneficiary women and give them some power to decide how it will be used, the work and time burden associated with fulfilment of co-responsibilities reduce their options for labour market participation and/or productive enterprise, while also entrenching the traditional division of unpaid domestic work within the household (United Nations, 2013; Rodríguez Enríquez, 2011; López and Salles, 2006; Herrera and Suárez, 2011). In order to contribute to reverting gender inequality and promoting women's empowerment, CCT design would have to include components to meet women's needs within the family, encourage greater co-responsibility for care, promote women's economic and political empowerment, and prevent gender violence.

It is also important to put into perspective some of the criticisms which have been made in relation to the incentives generated by CCTs versus individual effort and informality. With regard to the argument that CCTs risk generating perverse incentives in terms of willingness to seek employment and engage in income-generating activities, there is no conclusive evidence to this effect, mainly because the transfers provided are not sufficient to cover the income deficit of poor households (and still less indigent ones).¹¹ The risk of generating incentives for people to remain in informal activities and jobs is also overstated, because most non-contributory programmes (including CCTs) do not directly target working-age adults, but children or older adults, nor are they targeted by labour status, but by level of income

¹⁰ The impacts mentioned in this section do not necessarily refer to all CCT programmes. Rather, attention is drawn to the specific dimensions and elements that the available studies and assessments have found to benefit from CCTs.

¹¹ According to Cecchini and Madariaga (2011), around 2009, on average, transfer sums under CCTs ranged from a minimum of 13.5% of the monthly resources deficit of the poor in urban areas and 17% in rural areas, to a maximum of 39.9% and 53.4%, respectively, of that deficit.

(low), be it in the formal or informal sector. In particular, that argument supposes that work in the informal sector, especially self-employment and own-account work (highly linked to informality), is a voluntary choice rather than the result of a lack of formal job options. ECLAC has argued that informality is above all the product of production structure heterogeneity, not a preference for self-employment arising out of a considered economic rationale on the part of workers (ECLAC, 2012c).

Another controversial aspect is the ambiguous role of strict conditionalities. Inasmuch as human capital accumulation is a long-term objective which needs continuity, the conditionality and, possibly, the suspension of benefits appear to be contradictory. Lastly, the temporary nature of cover by CCTs raises two controversial points. The first is the failure to capture the dynamic nature of poverty and, particularly, vulnerability to poverty: a household that improves its income, completes a particular period in the CCT scheme, achieves certain requirements or reaches certain thresholds and “graduates” from the programme may later slip back into poverty in the absence of protection mechanisms or steady employment opportunities. So, a key challenge for many CCTs is to implement effective graduation mechanisms under which support can be withdrawn from those households which succeed in building up their capacity to generate a steady income independently. However, the implementation of graduation schemes is often postponed or remains a pending challenge. The second controversial point relates to the establishment of eligibility deadlines. Here again, the problem arises of placing a time limit on support aimed at capacity-building and providing minimum levels of income and consumption, or even suspending it, when households have not been able to increase their capacity to generate their own income. Conditionalities also carry an additional cost in administration and oversight, and are not necessarily based on an accurate analysis of the barriers preventing families from taking their children to school or to health facilities or on the best instruments for removing these obstacles. Lastly, conditionalities assume that education and health services are available, which is not always the case, and they are seldom adapted to the different needs of ethnic minorities.

These considerations lead to the question of whether CCTs have demonstrated the ability to break the intergenerational transmission of poverty, as has sometimes been claimed. In this regard, the first point to consider is that, given the small amount of transfers in relation to the income deficit of poor and indigent households, CCTs reduce the deficit but are not enough to eliminate it entirely, even if benefits were provided indefinitely. Second, a basic limitation affects one of the underlying assumptions of many CCTs, which is that a higher level of human capital will systematically enable upcoming generations to earn higher incomes. This assumption takes for granted that jobs and income-generation opportunities will be available, which is something far outside the scope of the programmes themselves. In other words, the mechanism of intergenerational poverty and inequality transmission reflects dynamics that CCTs can mitigate but not prevent, such as productivity gaps in the various sectors of activity and duality in the labour market, the uneven quality of education and health services, the stratified evolution of dependency and fertility rates, and labour-market discrimination against women and specific groups, among other factors.

CCTs have come to form an important piece of social protection systems, but they are one more instrument that needs to be properly dovetailed with other elements of public policy. Nevertheless, although inclusive social protection neither begins nor ends with CCTs, they can be useful and effective tools insofar as they are given specific functions and objectives and the relevant areas of competence and responsibilities are well defined (Cecchini and Martínez, 2011). In this regard, CCTs play an important role as points of entry and coordination for systems of social protection that are more inclusive, solidary and based on a guarantee of a universal social protection floor. Table II.4 sums up some of the functions CCTs can play as points of entry to more inclusive social protection systems.

Table II.4
**FUNCTIONS OF CONDITIONAL TRANSFER PROGRAMMES AS HUBS
 IN MORE INCLUSIVE SOCIAL PROTECTION SYSTEMS**

Function	Description	Associated benefits and related actions
Protect and ensure income	<ul style="list-style-type: none"> - Guarantee minimum socioeconomic conditions by providing an income to populations formerly excluded from social policy, the formal labour market and contributory social protection mechanisms 	<ul style="list-style-type: none"> - Better nourishment and mobility helps families to improve their productivity - More cash in poor communities boosts commerce and services in high-poverty areas - Basic needs coverage for those who lack the capacity to meet them autonomously
Identify demand and ensure access	<ul style="list-style-type: none"> - Broaden the access of poorer groups to available social services adapted to their specific needs and lacks 	<ul style="list-style-type: none"> - Access to a range of services and programmes as well as general education and health: - Information and talks - Training and psychosocial support workshops - Upgrading of basic social or housing infrastructure
Promote decent work	<ul style="list-style-type: none"> - Promote decent work and reduce vulnerability through linkages with labour development policies 	Linking with policies and programmes in: <ul style="list-style-type: none"> - Training - Catch-up in primary and secondary education - Temporary employment - Production support and microcredit - Labour intermediation

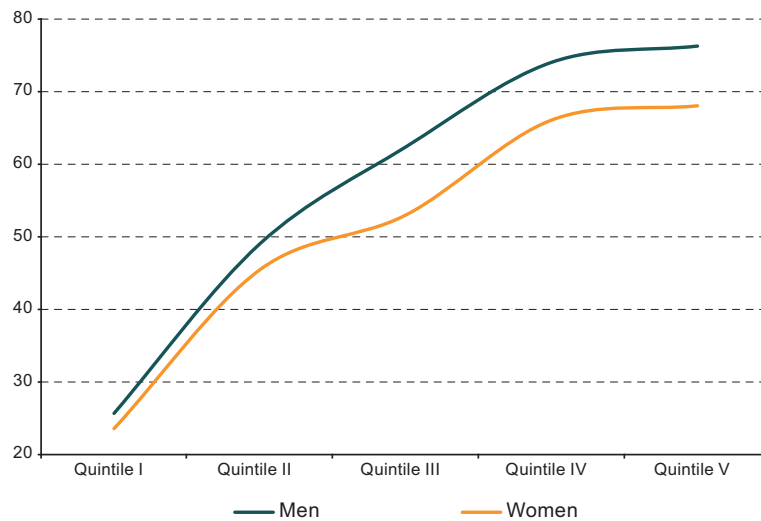
Source: Economic Commission for Latin America and the Caribbean, on the basis of S. Cecchini and R. Martínez, “Inclusive Social Protection in Latin America: A Comprehensive, Rights-based Approach”, *Libros de la CEPAL*, No. 111 (LC/G.2488-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC)/German Agency for International Cooperation (GIZ), 2011.

3. Social pensions: filling gaps in the formal social security systems and correcting exclusions built up over the life cycle

The persistence of a large informal sector, coupled with certain biases in formal employment (in relation to geography, sector, gender and generation), has historically left broad swathes of the population without social protection. Starting in the 1980s and 1990s, these disequilibria were compounded by other biases in those countries that opted for individual, privatized pension systems. Vulnerable or intermittent workers have poor coverage and insufficient contribution density, such that the payments made over their working life are not enough to guarantee a decent minimum income in the future. This is the case, especially, for many women, whose labour trajectories are cut short and usually confined to informal activities as a result of the burden of unpaid work and the labour discrimination they suffer throughout their life cycle. In most countries, the stratified and markedly gender-biased access relating to pensions, retirement benefits and health services during old age serves as a synthetic indicator of such disequilibria (see figure II.6).

To fill these vacuums, most countries have gradually developed non-contributory pension schemes, financed using general revenues, to provide a minimum income to older persons without access to pensions or retirement benefits. Annex table A.6 summarizes the main schemes now being implemented nationally along with their cost and coverage. A significant pattern is that the overwhelming majority of countries have in recent years been adopting and expanding the broad-based non-contributory mechanisms which some countries had established in the twentieth century.

Figure II.6
**LATIN AMERICA AND THE CARIBBEAN^a (18 COUNTRIES): POPULATION AGED 65 YEARS
 AND OVER RECEIVING PENSION OR RETIREMENT BENEFITS, BY SEX
 AND INCOME QUINTILE, AROUND 2009^b**
 (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Eslabones de la desigualdad. Heterogeneidad estructural, empleo y protección social* (LC/G.2539), Santiago, Chile, 2012.

^a Simple average.

^b The data for the Plurinational State of Bolivia refer to 2007 and those for Bolivarian Republic of Venezuela and Mexico, to 2008. Data for Argentina correspond to Greater Buenos Aires; those for Plurinational State of Bolivia, to eight main cities plus El Alto; those for Ecuador and Uruguay to urban areas; and those for Paraguay to Asunción and the Central Department.

Two of the most daunting challenges for the future, especially in view of the trend towards population ageing, are to find ways to finance these schemes and to enhance their complementarity with contributory schemes: by 2036, there will be more older persons than children in Latin America and the Caribbean. The challenge is huge, since lack of protection and shortage of income in old age will spread beyond the poor and indigent groups where they have been common hitherto (Prado and Sojo, 2010).

Lastly, it should be noted that the San José Charter on the rights of older persons in Latin America and the Caribbean embodies a commitment to guarantee a social protection floor during old age.¹²

¹² One of the commitments in this instrument is the progressive guarantee of the right to universal social security, guaranteeing equal access of older women and men to social security and other social protection measures, particularly when they do not enjoy retirement benefits. See the declaration [online] www.eclac.cl/celade/noticias/paginas/9/44929/CR_Carta_ENG.pdf.

E. THE GRADUAL CONSTRUCTION OF A SOCIAL PROTECTION FLOOR AS A GUARANTEE FOR CITIZENS

Most countries in the region have taken steps to guarantee a social protection floor and to close gaps in productivity, skills and well-being, albeit with resources, scope and approaches that vary significantly (see table II.5).

Table II.5
**LATIN AMERICA AND THE CARIBBEAN (SELECTED COUNTRIES): APPROACHES
TO SOCIAL PROTECTION, AROUND 2009**

Main approach	Characteristics	Countries
1. Protection as welfare and access to promotion	Non-contributory social protection targeting the poor (conditional transfer programmes)	Dominican Republic, Ecuador, Guatemala, Honduras, Jamaica, Paraguay, Peru and Trinidad and Tobago
2. Intermediate position between welfare and access to promotion and citizens' guarantees	Non-contributory social protection targeting the poor (conditional transfer programmes) In addition to conditional transfer programmes, other non-contributory social protection policies have been incorporated (targeted or universal pension and health-care policies) and efforts are being made to coordinate the different components over time	Bolivia (Plurinational State of), Colombia, El Salvador, Mexico and Panama
3. Social protection as a citizen's guarantee	Transfers and benefits as part of non-contributory social protection Increasing coordination between non-contributory and contributory social protection policies Steps are being taken to shape comprehensive, coordinated social protection systems	Argentina, Brazil, Chile, Costa Rica and Uruguay

Source: S. Cecchini and R. Martínez, "Inclusive Social Protection in Latin America: A Comprehensive, Rights-based Approach", *Libros de la CEPAL*, No. 111 (LC/G.2488-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC)/German Agency for International Cooperation (GIZ), 2011.

Productivity gaps lead to gaps in job quality, which, in turn, results in segmentation of access to social protection. Thus, the ultimate challenge is still the need to move towards a universal social protection system. This entails: (i) covering historical voids in social protection, due largely to deficiencies in the coverage of the contributory system and failure of the State to provide full coverage out of its general revenue; this has left many people unable to access protection networks on a timely basis; (ii) mitigating the effects of vulnerability caused by fluctuations in growth and the impact of economic crises; and (iii) protecting the population temporarily affected by changes in the job market amid current efforts to promote structural changes (ECLAC, 2012b).

One of the fundamental aims in building a social protection floor is to provide universal health-care coverage and to enforce access to health care as a human right. The Pan American Health Organization (PAHO) and the World Health Organization (WHO) define social protection in the area of health as the guarantee provided by society through its governmental authorities whereby an individual or group of individuals can satisfy their health-care needs and demands and obtain proper access to the services of the system or of one of the existing subordinate health subsystems irrespective of whether or not they have the capacity to pay. In this regard, universal health-care coverage consists of three

dimensions: access for all, without restriction and without economic barriers, to quality services that satisfy their various health-care requirements. Health-care systems must evolve towards reducing out-of-pocket expenditure arising from the delivery of health-care services so as to ensure that the provision of these services does not jeopardize the budget or well-being of families. Box II.2 sums up some of the lessons learned in relation to the partnerships indispensable for building models for universal access to health care.

Box II.2

PARTNERSHIPS FOR BUILDING A MODEL OF UNIVERSAL ACCESS TO HEALTH CARE AS A HUMAN RIGHT

- **With various existing systems**

Since health systems in most countries are fragmented and have different characteristics and users, the first step should be to build partnerships in order to develop unique systems that provide unrestricted, universal access to health care.

- **With different levels of government**

While responsibility for guaranteeing health care rests with national governments, such systems cannot be implemented without strategies for co-responsibility and joint management with the subnational and municipal governments, and without ensuring the human and financial resources needed for their proper management.

- **With different government sectors**

Guaranteeing universal access to health care calls for an integrated, intersectoral effort that mainstreams health care into all policies so that it becomes a reality in the everyday work of education, employment, the environment and so forth and so that the various stakeholders become jointly responsible for the health of the people.

- **With citizens**

Guaranteeing the right to health care calls for the full participation of all citizens beyond the spheres of consultation and participation in their own health care in order to incorporate a formal management mechanism into the new models of health-care coverage being developed. Citizen participation must be exercised in all cycles of the health-care policy. This participation should turn all stakeholders into active agents within the health-care system.

- **With universities, academia, research and training centres**

Appropriate training of professionals and building awareness of their role in guaranteeing the unrestricted right to health care are prerequisites for a health-care system with universal coverage. Consolidating decision-making based on scientific evidence also calls for a partnership with academia and research centres, which will ensure the sustainability of the model being developed.

- **With indigenous peoples and people of African descent**

The right to health care cannot be guaranteed without a holistic and pluralistic approach that accommodates ancestral practices and responds to their conceptions, while affording indigenous people and people of African descent access to the most up-to-date medical technology. There is also a commitment to translate information on preventive practices and treatments into the languages of these populations and to develop strategies conducive to health to enable them to assume joint responsibility for their own health.

Source: World Health Organization (WHO), *World Health Report. Health systems financing: the path to universal coverage*, Geneva, 2010; Pan American Health Organization (PAHO)/International Labour Organization (ILO), “Ampliación de la protección social en materia de salud. Iniciativa conjunta de la Organización Panamericana de la Salud y la Organización Internacional del Trabajo”, Washington, D.C., 2005.

To avert the risk of its being reduced to a basic package of benefits, social protection should be recognized as a guarantee for citizens. As such, it manifests itself in various dimensions of well-being and social policy and is not centred only on the poorest or most vulnerable but on citizens as a whole and on the fulfilment of their economic and social rights. From this perspective, the social protection system has

four essential functions: (i) to guarantee an income sufficient to sustain a basic quality of life, which implies facilitating minimum socioeconomic conditions that satisfy the right to income, food, health care, education, housing and basic services, but also to compensate for any fall in income below minimum standards; this implies access to various insurance mechanisms; (ii) to identify the unmet demand for social services (education, health care and housing, among others), and to guarantee access to these services in order to boost human capital and the population's autonomous response capacity; and (iii) to promote decent work through labour policies that help to manage risk in the labour world, guarantee fulfilment of labour rights and contribute to the progressive integration of the economically active population into the formal labour market; and (iv) to reduce the gaps between men and women throughout the life cycle, and to redistribute care work equitably on the basis of a holistic and gender-sensitive approach (ECLAC, 2010).

From an operational point of view, the functions and elements for integrating social protection require programme and financial coordination of three components: the non-contributory component, the contributory component and labour-market regulation. As noted earlier, most countries in the region have moved towards establishing a non-contributory component to fill the voids in the contributory social security system and compensate for labour-market segmentation. Nevertheless, the outstanding challenges remain considerable in terms of coverage, financing and coordination. A sustained political and fiscal commitment, as well as innovative approaches,¹³ will be needed in future. The overriding concern when defining a development agenda beyond 2015 should be to strengthen comprehensive social protection systems that guarantee rights and dignity.

¹³ An innovative approach consists in reordering and adapting social protection mechanisms from the perspective of people's care needs throughout their lifetime. This new outlook raises questions relating to social protection in terms of the functions already set forth, but it also places additional emphasis on the sexual division of paid and unpaid labour at the individual and aggregate levels. In this regard, a noteworthy experience is that of the Integrated National Care System of Uruguay, an innovative initiative which seeks to fill the voids in social protection, but also to harness multiple public-policy approaches to impact personal and family well-being, in the broad sense of the term (Rico, 2011; Sojo, 2011; Rico and Maldonado, 2011).

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III. GUIDELINES FOR A SUSTAINABLE DEVELOPMENT AGENDA

The post-2015 development agenda provides a new opportunity to promote genuine sustainable development founded on resolving the major ills that afflict humanity. Accordingly, sustainable development with equality is proposed as the guiding principle and bedrock value, with structural change as the way to achieve this. An agenda on this scale starts by recognizing the shortcomings of development based on economic growth and the indiscriminate exploitation of natural resources, and centred on the reduction of monetary poverty, which has failed to ensure the achievement of the Millennium Development Goals.

A multidimensional approach is needed to meet the challenge of poverty eradication, while recognizing that poverty is relative to each society's development level. The region's welfare thresholds are higher, given its status as a middle-income region; but they differ between countries, owing to the heterogeneity that exists between them. The approach cannot be sector-specific, since many issues of vital importance to the region are cross-cutting, among others those relating to the environment and gender equality; and it must also emanate from the countries themselves.

The region also faces critical challenges and emerging issues that require special attention. These include its demographic dynamics; the speed and autonomy of urbanization processes; the key disparities within inequality (territorial, gender, age group, among others); vulnerability to extreme natural events, exacerbated by climate change; dependency on the environment and natural resources. The present relatively positive regional economic scenario should not divert attention from recurrent economic crises and vulnerability to external shocks. These require greater resilience both economically and in terms of social protection. The strengthening of institutions and the rule of law at all levels, together with human security, are essential conditions for addressing the challenges of a new agenda. This chapter also analyses structural change for equality, and sustainable development as the path to a new sustainable development paradigm.

A. SHORTCOMINGS OF A DEVELOPMENT AGENDA CENTRED ON ECONOMIC GROWTH AND THE REDUCTION OF MONETARY POVERTY

The costs involved in eradicating extreme poverty have often been identified with the volume of monetary resources needed to raise the population's income level to the indigence threshold; and this has given rise to "poverty-gap" estimations. The resulting estimates assume that transferring resources to the persons living in poverty occurs under conditions of perfect targeting —both in selecting beneficiaries and in calculating the amounts to be transferred to each one— and without causing administrative costs (Cecchini and Madariaga, 2011). Thus, no consideration is given to the investments in employment, education, health and social protection that are needed to improve the general well-being of families living in poverty permanently, through incomes generated in the labour market. Accordingly, the cost of closing poverty gaps is much higher than the resources needed to implement a wide-ranging and interrelated set of poverty-reduction policies and programmes, and could be even higher if poverty were to be considered a multidimensional phenomenon.

With this in mind, table III.1 shows estimates of the cost of closing extreme poverty and total poverty gaps in several of the region's countries. The calculation is based on measurements performed by ECLAC using national poverty lines. In most countries, the budgets in question are higher than the

official poverty line of US\$ 1.25 (PPP) per person per day used in global assessments of progress towards target 1A of the first Millennium Development Goal.

Table III.1
LATIN AMERICA (18 COUNTRIES): POVERTY GAPS, AROUND 2011

Country	Extreme poverty gap			Total poverty gap		
	(Millions of dollars)	(Percentages of GDP)	(Percentages of public social spending)	(Millions of dollars)	(Percentages of GDP)	(Percentages of public social spending)
Honduras	904.64	5.88	48.96	3 131.26	20.34	169.48
Nicaragua	265.37	3.29	25.32	1 075.89	13.35	102.66
Guatemala	875.08	2.89	37.10	3 752.47	12.41	159.08
Paraguay	696.70	2.72	27.73	2 369.24	9.24	94.30
Bolivia (Plurinational State of)	462.38	2.67	14.49	1 476.86	8.52	46.29
El Salvador	148.81	0.69	5.34	1 105.02	5.16	39.67
Dominican Republic	581.30	1.05	14.32	2 467.10	4.44	60.77
Ecuador	379.93	0.49	5.21	1 963.64	2.51	26.95
Mexico	4 038.76	0.39	3.46	23 549.43	2.28	20.19
Colombia	911.40	0.27	2.21	7 223.43	2.17	17.49
Brazil	4 798.84	0.19	0.74	31 655.93	1.28	4.87
Panama	95.85	0.31	2.81	378.63	1.21	11.09
Costa Rica	110.46	0.27	1.20	474.36	1.16	5.14
Peru	530.99	0.29	3.19	1 007.40	0.56	6.05
Chile	192.78	0.08	0.54	886.81	0.36	2.48
Venezuela (Bolivarian Republic of)	231.21	0.00	...	946 635.44	0.30	...
Uruguay	11.63	0.02	0.11	133.68	0.29	1.23
Argentina	160.65	0.04	0.13	705.08	0.16	0.57

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

The scale of poverty persisting in Latin America and the Caribbean, and also in other developing regions of the world, means that combating it will remain a priority goal in the new development agenda, as it has been in the current one. It has already been noted that progress in poverty reduction largely reflects progress towards the other development goals. It is not surprising that changes in the incidence of monetary poverty and GDP growth have become a key indicator pair for evaluating the success of public policies. Unfortunately, the central objective of reducing the many forms of inequality and guaranteeing the population's rights has not received the same attention.¹

Nonetheless, a development agenda focused mainly on economic growth and reducing income poverty has limitations. These can be seen by considering the level poverty would reach in Latin American countries in 2015 and 2025 under two scenarios: one in which household incomes grow but their distribution remains unchanged; and the other where household incomes grow and inequality is

¹ Despite repeated references to inequality and the need to reduce it, only one of the official Millennium indicators, namely 1.3 ("the share of the poorest quintile in national consumption"), bears any relation to inequality in income distribution. The analysis of poverty trends cannot ignore changes in the income distribution and the importance of this central objective in reducing poverty.

reduced (see table III.2).² The first scenario assumed real growth in monetary income of 2.5% per year for all households, both for the coming three years and thereafter, which is lower than the 2.9% achieved in the period 2003-2011.³ The second scenario assumed annual income growth of 4% for the poorest 40% of the population —slightly less than the 4.8% recorded in the same period in the 18 countries considered.

It should be noted that the real household income growth recorded between 2003 and 2011 was achieved during what was an exceptional period for most of the region's countries. From 2003 until the outbreak of the crisis in 2008, regional GDP grew by 4.9% per year. Following the contraction in 2009, it then continued to expand at a slightly slower pace and in a less favourable global context. Projections for the next three years suggest that growth rates in the world economy and the region will be slower, and new critical situations are likely to arise. The household income growth rates used in the poverty projections are therefore highly optimistic. Furthermore, the experience of the last three decades shows that, under the prevailing development paradigm, high and sustained economic growth is a necessary condition for improving income distribution. Thus, the 4% rate used to project the income growth of the poorest 40% of households is also highly optimistic.

In the exercise different targets were adopted for different country groupings. For the group with the highest poverty levels (Dominican Republic, Guatemala, Honduras, Nicaragua, Paraguay and the Plurinational State of Bolivia) the target was to cut extreme poverty by half over the next 15 years. For countries with intermediate poverty levels (the Bolivarian Republic of Venezuela, Brazil, Colombia, Costa Rica, Ecuador, El Salvador, Mexico and Panama), it was considered appropriate to set the more demanding target of reducing total poverty by half, including extreme poverty. For the three lowest-poverty countries (Argentina, Chile and Uruguay) the proposed target is to reduce poverty to one third of its current levels, although the goal of eradication is not only desirable but also achievable in a relatively short space of time.

The projected figures suggest a worrying panorama: many countries will not achieve the target, including those with the lowest per capita income (Dominican Republic, Guatemala, Honduras, Nicaragua, Paraguay and the Plurinational State of Bolivia). Despite the progress made by those countries since 1990, extreme poverty will still be very high in 2015 (see table III.2). In the most favourable scenario —economic growth with a reduction in inequality— extreme poverty could drop by half in Nicaragua and the Plurinational State of Bolivia; but in those six countries between one sixth and almost two fifths of the population will not have the resources required to satisfy their basic food needs (see column 7 of table III.2). These national-average figures will be exceeded in rural zones and among specific population groups, particularly households headed by women. Territorial inequalities and those based on ethnic and gender differences suggest that a very large proportion of the population suffers from hunger and will continue to do so.⁴ The main cause of food insecurity in the region is not the aggregate availability of food but lack of access to it as a result of inequality in the distribution of income and consumption.

² The analysis is confined to Latin American countries because household surveys are not available for the Caribbean countries and territories. The projection period of 15 years provides a reasonable time frame for fulfilling the new poverty targets: 2030.

³ Although income growth rates in the period 2003-2011 obviously differ across countries, the average is a good reflection of variations in the group as a whole. In 12 countries, the annual rate of growth of per capita income does not depart by more than 1 percentage point from the average of 2.9%. The same is true of income growth among the poorest 40%.

⁴ Estimates made by the Food and Agriculture Organization of the United Nations (FAO) of the proportion of the population that would be below the minimum level of food energy consumption suggests that one in every four people do not satisfy their food needs. In Guatemala and Haiti the figures rise to 30% and 46%, respectively.

Table III.2
**LATIN AMERICA (18 COUNTRIES): ESTIMATES OF POVERTY IN HOUSEHOLD INCOME GROWTH SCENARIOS,
 WITH AND WITHOUT A REDUCTION IN INEQUALITY, 1990-2025**

Country ^a	Extreme poverty	MDG target 1A	Extreme poverty	Total poverty	Target simulation ^b	Extreme poverty or total poverty			
						With no improvement in distribution ^c	With an improvement in distribution ^d	With no improvement in distribution ^c	With an improvement in distribution ^d
						2015	2015	2025	2025
						(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Target: halve extreme poverty					(3) x 1/2				
Honduras	60.9	30.5	42.8	67.4	21.4	39.3	37.5	29.4	22.3
Nicaragua	51.4	25.7	29.5	58.3	14.8	25.6	23.8	15.9	10.5
Guatemala	42.0	21.0	29.1	54.8	14.6	26.2	24.4	16.7	10.6
Paraguay	33.0	16.5	28.0	49.6	14.0	24.9	23.5	16.8	12.8
Bolivia (Plurinational State of)	40.0	20.0	22.4	42.4	11.2	20.2	19.1	15.1	12.3
Dominican Republic	...	...	20.3	42.2	10.2	17.5	16.0	10.4	7.2
Target: halve poverty					(4) x 1/2				
El Salvador	26.0	13.0	16.7	46.6	23.3	41.0	38.7	26.7	18.2
Mexico	18.7	9.4	13.3	36.3	18.2	31.8	29.3	18.9	11.9
Panama	21.0	10.5	12.4	25.3	12.7	22.9	21.5	15.9	12.0
Venezuela (Bolivarian Republic of)	14.4	7.2	11.7	29.5	14.8	24.7	22.5	13.6	8.5
Colombia	26.1	13.1	10.7	34.2	17.1	30.3	28.2	19.4	13.0
Ecuador	26.2	13.1	10.1	32.4	16.2	28.0	25.6	16.0	10.3
Costa Rica	10.1	5.1	7.3	18.8	9.4	16.1	14.5	9.6	6.7
Peru	25.0	12.5	6.3	27.8	13.9	24.7	22.8	15.3	10.2
Brazil	23.4	11.7	6.1	20.9	10.5	18.5	17.0	11.3	8.0
Target: reduce poverty to one third					(4) x 1/3				
Chile	13.0	6.5	3.1	11.0	3.7	9.0	7.9	4.8	3.5
Argentina	6.8	3.4	1.9	5.7	1.9	5.0	4.6	3.5	2.9
Uruguay	3.4	1.7	1.1	6.7	2.2	5.4	4.7	2.8	1.8

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.

^a The countries are ordered by extreme poverty rates, from highest to lowest.

^b Targets established according to the level of poverty or extreme poverty in the countries in 2011.

^c A growth rate of 2.5% was assumed for household income, equivalent to the average observed in 2002-2011.

^d A growth rate of 4% was assumed for the income of the poorest 40% of households, equivalent to the average observed in 2002-2011.

Moreover, poverty measurements are based on a very low threshold, and surpassing that threshold does not mean that people are in a position to satisfy their food needs, let alone other needs. Escaping extreme poverty does not guarantee adequate satisfaction of food needs, since family income is used to satisfy a whole set of needs and therefore underestimates the proportion of the population suffering from hunger. If the post-2015 agenda proposes income-based poverty targets, the measures should use appropriate thresholds, related to a set of basic needs and, to the extent possible, to individual well-being. This is a necessary condition for indicators to reflect the extent to which rights are being fulfilled, in this case the right to food. The focus needs to shift from measuring income poverty towards a wider set of needs, recognizing the multidimensional nature of the phenomenon.

In the Bolivarian Republic of Venezuela, Brazil, Colombia, Costa Rica, Ecuador, El Salvador, Mexico, Panama and Peru, extreme poverty affects a smaller, though still significant, fraction of the population (between 6% and 17%). Of those countries, only Brazil and Peru have already attained Millennium target 1A (see columns (1) and (2) of table III.2). In these countries the non-indigent but vulnerable population (those with incomes between 0.5 and 1.25 times the poverty line) was generally more than twice the size of the population living in extreme poverty. In 2011 in Brazil, for example, extreme poverty accounted for 5.8% of the total population, whereas about 19.0% can be classified as vulnerable.⁵ In addition, a significant proportion of people who “surpass” the poverty line have very low incomes and consequently are also highly vulnerable to external shocks or family events that reduce household income still further (unemployment, illness of the main household breadwinner, among others). It is essential to use indicators that report on the population’s degree of vulnerability to changes in income.

There are just three countries (Argentina, Chile and Uruguay, which account for just over 10% of the regional population) where extreme poverty is very low (close to or below 3%); so a more appropriate target than that of the Millennium Development Goals is to eradicate it. Nonetheless, in these countries too, the incidence of poverty does not reflect the population’s high vulnerability to income fluctuations. For example, in Chile, poverty affected 11% of the population, but almost 18% were living in households with a per capita income of less than 1.25 times the poverty threshold, and 39% were in households with an income of under twice the poverty threshold —about US\$ 485 per month in a four-person household. These percentages reflect the region’s highly concentrated income distribution, in which a very large proportion of the population have very low incomes, close to the poverty threshold. Accordingly, a large percentage of the population moves out of this situation in favourable contexts, and a high proportion enters it in unfavourable periods —unless the vulnerable population is covered by the monetary transfers of a social security system or by a system of unemployment protection.⁶

As noted in the previous chapter, combating poverty and vulnerability requires a (non-contributory and universal) social protection pillar to underpin minimum levels of consumption and protect the population from income fluctuations and the negative effects of social inequality. The resources needed to fund such a pillar depend on the magnitude of the transfers involved and the implementation time frames envisaged. The cost of those transfers once the regime is in place could absorb a large share of public expenditure in individual countries; but, as noted above, their gradual application (in terms of benefits and beneficiaries) provides scope for action to target public policy towards basic protection for each individual in the population, which is essential since the coverage of protection programmes in the formal labour market is increasing.

⁵ See ECLAC (2012a).

⁶ The difference between these two situations is that exiting poverty after a recession takes considerably longer than it took for income to drop below the poverty threshold. The Latin American experience following the debt crisis provides a good illustration of this asymmetry.

What would the region's 2015 poverty panorama look like if the exceptionally favourable conditions that have prevailed in the region since 2003 were maintained? Even assuming household income grew at 4% per year—which is highly optimistic—the proportion of the population living in poverty after 25 years would be 47% in Honduras, 30% in Nicaragua, 27% in Guatemala, 26% in Paraguay, 22% in the Plurinational State of Bolivia and 21% in the Dominican Republic. In the nine countries with intermediate poverty levels, the proportion of the population living in poverty would fluctuate around 23%, except in El Salvador, where it would reach about 39%. In the three Latin American countries with the highest per capita income, poverty would affect at least 10% of the population (see table III.2).

Poverty projections to 2025 are unflattering. In the most optimistic scenario, after 35 years (i.e. since 1990), the proportion of the population in poverty in the Plurinational State of Bolivia, Guatemala, Honduras, Nicaragua and Paraguay, would fall by only one third of its 1990 level: from 54% to 33%; and over 10% of the population would continue to endure hunger.⁷ Nonetheless, in 2025, poverty measurements will no longer adequately capture the phenomenon, given the gradual obsolescence of the income threshold used to measure it. Poverty thresholds need to be adjusted to higher national income and the concomitant changes in the structure of consumption.⁸

Nonetheless, absolute poverty is not the only important issue; relative poverty is also relevant. Reducing inequality, a key objective in a new development agenda, requires the consumption-based measurement of absolute poverty to be accompanied by indicators of relative poverty.⁹ These allow for a more effective analysis of welfare trends over longer periods, and the extent to which the national income growth enables the population to participate in their countries' (average) consumption patterns.

Moreover, uniform targets, which are poorly calibrated because they ignore regional heterogeneity, diminish the significance of achievements in reducing poverty and make it difficult for a development agenda to gain national ownership. This is one of the reasons why the post-2015 agenda needs to recognize the specifics of each region. Figure III.1 illustrates the heterogeneity of poverty in Latin America and the level it would reach in 2015 under the growth-with-income-distribution hypothesis.

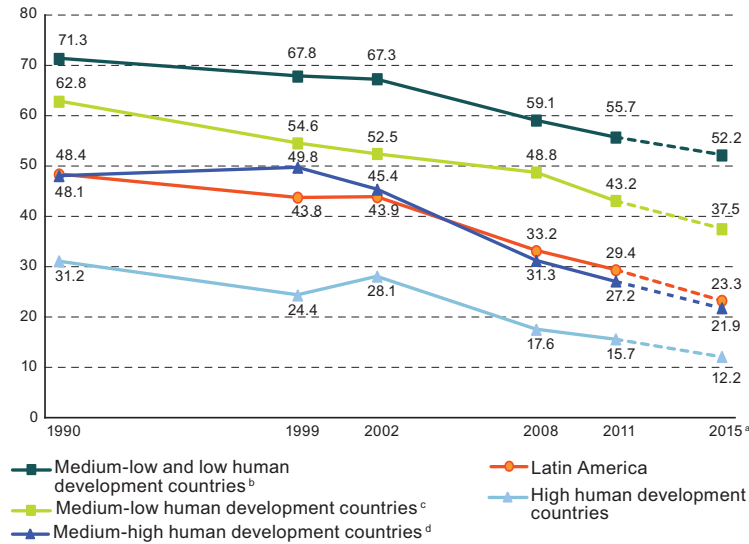
Lastly, the new regional development agenda should make the goal of equality its centrepiece, and its content should include working to eliminate absolute poverty and social exclusion. The adoption of a rights perspective involves promoting public policies that explicitly aim to reduce inequality in all of its manifestations (ethnic, gender, territorial and socioeconomic), since this ultimately results in an unequal income distribution that transmits and perpetuates poverty from one generation to the next. Using monetary-income poverty as the main indicator of progress does not take account of rights fulfilment, which is a basic pillar of a sustainable development agenda.

⁷ The percentages are calculated as simple averages.

⁸ It is also essential to recognize the links between poverty and demographic change, in particular the fertility differentials associated with socioeconomic group, with the highest fertility rates being among those with the lowest income. Thus, if no action is taken to address the factors underpinning these disparities, poverty, early reproduction and higher fertility rates generate a vicious cycle that further perpetuates inequality and exclusion.

⁹ Relative-poverty indicators quantify the proportion of the population with an income below a certain proportion of the median of the distribution (usually between 40% and 60%).

Figure III.1
**LATIN AMERICA AND THE CARIBBEAN: POVERTY TRENDS IN COUNTRY GROUPINGS
 BY HUMAN DEVELOPMENT INDEX, 1990-2011 AND PROJECTIONS TO 2015**



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations from household surveys in the respective countries.

^a Projections.

^b Guatemala, Haiti, Honduras, Nicaragua and Plurinational State of Bolivia.

^c Colombia, Dominican Republic, El Salvador and Paraguay.

^d Argentina, Chile, Costa Rica, Cuba, Mexico and Uruguay.

Furthermore, with income as the indicator, the current model also seems incapable of leading the region to a higher development status, as defined in conventional terms. For example, per capita GDP in Latin America and the Caribbean is about US\$ 12,000 (in PPP terms), thus making it a high middle-income region (US\$ 500 above the world average). Nonetheless, reaching the developed-country level (US\$ 38,342) would be equivalent to increasing world GDP by 19.3%. Doing this for every country in the world in an equivalent situation would raise the figure to 85%. Nonetheless, we are still excluding all low-income and medium-low-income countries from attaining that status. Apart from the inequities concealed by averages, as the current development model is wholly dependent on the use of energy and natural resources and is environmentally degrading, it will be unable to generate that income growth without impairing the planet's resilience and survival. We could content ourselves with solving the situation of low-income countries (which would only involve a 2.5% increase in global output); but providing everyone with a developed-country welfare level will require a complete overhaul of the development model, and sustainable development goals will be needed to steer the changes involved.

B. MAIN LESSONS

First lesson: The Millennium Development Goal agenda was successful as a common framework for action—but it will need adapting to regional specificities with a multilevel agenda and multidimensional development monitoring within a framework of rights and equality

One virtue of the Millennium Development Goals as a development monitoring platform was that they set minimum thresholds which were fixed and comparable for all developing countries. On the other hand, this also entailed two limitations. The first was that the minimum thresholds set were not necessarily significant for all countries, particularly the more developed. The second was that because the thresholds or goals were fixed, it was hard to assess the relative progress of each country given its special characteristics and level of development. In the case of Latin America and the Caribbean, notwithstanding that huge inequalities and disparities persist within countries, some targets and indicators of the Millennium Development Goal agenda proved fairly undemanding given the region's relative development level. In particular, the poverty measure of US\$ 1.25 per person per day at purchasing power parity (PPP) was too low a threshold for many countries. Even setting more demanding thresholds, for example by using higher monetary poverty lines, has its own limitations in terms of representativeness. The fact is that poverty is about more than just income, being a multidimensional phenomenon that encompasses deprivations across a broad spectrum of human welfare dimensions. Income measures alone do not give a full picture of the poverty situation in the countries, and this is particularly obvious when a conceptualization of poverty is adopted that looks beyond material needs to include aspects such as enjoyment of rights and psychological well-being or self-acceptance, or the satisfaction of certain needs (ECLAC, 2010a; ECLAC, 2012a; ECLAC/UNICEF, 2010).

In the future, the conceptualization and measurement of poverty from a multidimensional perspective should form part of the monitoring framework for the new development agenda. Governments, international organizations and academic centres in the region have built up knowledge in this area, developing different methodologies that have variously considered the capabilities, opportunities and functioning of individuals, non-enforcement of economic, social and cultural rights, the measurement of different unmet basic needs, and even time availability (or time poverty) as a result of people's burden of paid and unpaid work. Adopting a multidimensional perspective on poverty measurement is a lesson learned that reflects the complexity of this phenomenon and of the region itself. It entails the complex task of identifying the relevant dimensions, selecting indicators to represent them and setting the thresholds of what is deemed adequate in each case. The advantage is, though, that progress and setbacks are measured in a less partial and circumscribed way than when poverty is defined in monetary and absolute terms, which has been the prevailing tendency. It particularly contributes to more harmonious integration of policies from an intersectoral and interdisciplinary perspective.

Generally speaking, it is desirable to retain a minimum common denominator with regard to poverty and to the other dimensions of well-being and development in the post-2015 agenda. But the agenda should also incorporate adjustable criteria and thresholds so that standards can be made more ambitious where feasible, as well as supplementary criteria, both absolute and relative, so that countries' progress can be measured in accordance with their point of departure, the policies and resources they have put in place over time and the results these have yielded.

Second lesson: Development is not all about the one dimension of economic growth: interdependence, transversality and the integration of efforts are essential

Sustainable development is being redefined to reflect the interdependence and synergy between social, economic and environmental policies. The United Nations Conference on Sustainable Development (Rio+20) represented a unique opportunity to confirm the commitment of the region's countries and the world to sustainable development, with poverty eradication as a primordial goal. The Conference likewise reaffirmed the need to “achieve sustainable development by promoting sustained, inclusive and equitable economic growth, creating greater opportunities for all, reducing inequalities, raising basic standards of living, fostering equitable social development and inclusion, and promoting integrated and sustainable management of natural resources and ecosystems that supports, inter alia, economic, social and human development while facilitating ecosystem conservation, regeneration and restoration and resilience in the face of new and emerging challenges” (United Nations, 2012). The Conference also revealed the diversity of views in the region about the best way of moving towards sustainable development and the need to incorporate the cultural dynamics now existing in different countries of the region into sustainable development planning. Thus, the Conference should be understood as the start of a new dynamic of collaboration and dialogue between the region's countries aimed at jointly achieving not only outstanding Millennium Development Goal challenges, but also a transition to sustainability.

Nature plays an essential role in people's health and well-being and in socioeconomic development, providing a whole array of ecosystem goods and services. Despite this, the value of the integrity of nature and its interaction with society is not fully reflected in economic decision-making, and this prevents a virtuous circle from functioning between environmental protection, human health and well-being, and economic development. There needs to be a clear understanding of these values, their transversality in human affairs and the need for them to be fully integrated into public and private decision-making. Investments in nature today can yield savings, trigger efficiencies and promote long-term economic growth (UNEP, 2011).

However, there can be no sustainable development without **equality**. Despite a sustained improvement in income distribution in most countries of the region over the past decade, key excluded and marginalized groups have been sidelined from economic growth and social protection nets. The current pattern of progress in Latin America and the Caribbean is reducing income inequalities mostly for well-educated or well-skilled working-age individuals in dynamic sectors of the economy, but less quickly for women, youth and indigenous and rural populations. Beyond income inequality, there are large and persistent inequalities in access to health, including sexual and reproductive health and HIV/AIDS services, education, housing and other social services. In addition, lack of rights of access to information, public participation and justice prevents proper consideration of the diversity of cultural processes and the concerns and needs of excluded or marginalized individuals.

In particular, **gender equality**, women's empowerment and the fulfilment of their rights at all levels are essential to achieving sustainable development with equity. One of the most important lessons learned in the last 15 years is the realization that women's empowerment is a necessary and urgent precondition for genuine sustainable development. Discrimination based on gender is the most dominant form of discrimination and inequality in all societies in the region, affecting more than 50% of the population. Such discrimination prevents women from exercising their rights and living a free and dignified life in all respects, from the ability to choose to live independently and participate in decision-making in the public and private spheres, to the security to live a life free from violence. This calls for a

comprehensive analysis of how gender inequality and the current situation of women affect the functioning of the economy and the pursuit of sustainable development with equality in all spheres.

Women in Latin America and the Caribbean have made progress, particularly in education. In most countries, the ratio of girls to boys enrolled in primary school improved to the point of parity (Goal 3, indicator 3.1), although further efforts are needed in some countries. Despite this positive scenario, increased school enrolment rates are not being translated into increased returns on education, better health (referring to sexual and reproductive health and the rights of young women) or higher employment, especially in decent jobs with access to social protection. In addition, adolescent fertility levels in the region are anomalously high and those rates have shown resistance to downward change; unwanted teenage pregnancies are also increasing steadily. Moreover, the structural roots of gender inequality are reflected in the high levels of discrimination and violence against women and girls.

While male employment has increased in the last decade, women in the region earn lower wages than men and are more likely to be engaged in vulnerable employment in the informal sector with less access to social security and protection. The share of women in wage employment in the non-agricultural sector (Goal 3, indicator 3.2) has increased, but at a slower rate than in the rest of the economy. It is therefore essential to bring in specific policies to deal with high levels of pay discrimination and occupational segregation, as well as to highlight the relative importance of unpaid work in the home. The responsibility for domestic and care work limits women's opportunities for participating in the labour market on equal terms and thus their economic empowerment and independence. Likewise, dealing with outstanding inequality issues in the region means looking at ownership and control of economic resources, access to (universal) social protection, including pensions and the provision of child-care services, and measures to reconcile work, personal and family life as key factors in achieving growth with equality.

Violence against women and girls is one of the most widespread human rights violations and constitutes a threat to democracy. One in three women experiences some form of gender-based violence during her lifetime. A comparative analysis of data from 12 countries in the region (Bott and others, 2012) shows that between 17% and 53% of women who have ever been married or partnered reported having suffered physical or sexual violence at the hands of an intimate partner. The consequences and costs of violence against women and girls are significant at the level of the individual, the family, the community and the national economy. Several countries have enacted laws, implemented comprehensive national plans and promoted women's access to justice and changes in sociocultural patterns, including second-generation laws that recognize women's right to live free from violence and protective measures against different forms of violence against women. However, impunity for violence against women is the norm rather than the exception, which indicates the need to formulate and apply inter-agency and multisectoral public policies with adequate budgets to coordinate and implement a comprehensive response to violence, including primary prevention (transforming individual and collective attitudes, beliefs and behaviours relating to gender norms and roles in the community), comprehensive care services that do not re-victimize survivors and their families, access to justice, proper investigation of these crimes and compensation.

The participation of women in decision-making is essential to securing substantive and sustainable social and economic changes in pursuit of gender equality and the empowerment of women. In recent years the region has experienced a significant quantitative increase in women's participation in politics and public life in general, so much so that Latin America and the Caribbean is the leading region in terms of the political participation of women, who hold 24% of the seats in legislative bodies. These advances are the result of years of work by women's movements and international organizations, the experiences of women in leadership roles in the governments of various countries that can generate multiplier effects

(helping to change cultural stereotypes and set new benchmarks), the implementation of temporary affirmative action measures (13 countries in the region have legislation establishing quotas or parity for the registration of candidates for national parliaments) and the creation of parliamentary commissions or groups to advocate a gender agenda. However, there remains a significant gap between women's participation at the federal or State level and that at the local level, where women still make up only a small share of representatives (according to UNDP, women hold leadership positions in only 10.6% of municipalities and only 5.6% of subnational governments). The challenge is to achieve gender parity across the board, which includes achieving the balanced representation of women and men in positions of power and redefining society to promote democracy and eradicate the structural exclusion of women.

In summary, development metrics, strategy design and policy goals must all be permeated by the gender perspective. For this, changes must be made in the accounting of social reproduction costs, the real value of labour and time and, in short, the concrete functioning of economies and societies. As a cross-cutting dimension of inequality, gender divides need to be incorporated into the analysis in all spheres in pursuit of greater equality, sustainability and effective rights implementation. A key part of the new agenda, then, must focus on guaranteeing women's economic and physical autonomy and their access to decision-making at every level (ECLAC, 2010b).

Health is an essential component of human security and equality. Universal health-care coverage includes the components of universality for prevention, promotion, treatment and rehabilitation services, protection against health risks and financial protection for the costs of these, which are particularly high relative to the incomes of the most vulnerable families. It is not simply a matter of laying down a minimum set of services to be provided, but also of creating strong, efficient health systems and reducing the amounts people pay out of pocket for the health care they receive, with the aim of achieving equality and implementing the universal right to health.

Despite multiple efforts by different countries in the region to provide health services for all their inhabitants under programmes such as Brazil's Single Health System (SUS), Mexico's People's Health Insurance, Chile's National Health Fund and Colombia's social security system, the provision of universal health care under social protection programmes for the most vulnerable continues to be a huge challenge for the post-2015 development agenda. Access to high-quality health and education services is necessary to reduce inequalities effectively and to generate opportunities, capabilities and options for the poor.

Box III.1

THE HIV/AIDS EPIDEMIC AND SEXUAL AND REPRODUCTIVE HEALTH IN LATIN AMERICA AND THE CARIBBEAN

The HIV/AIDS epidemic in Latin America remains stable and great success has been achieved in ensuring access to life-saving AIDS treatment. The goal of universal access to antiretroviral therapy (ART) for those who need it has now become a distinctly realistic one. Indeed, of all the world's lower- and middle-income areas, the Latin American and Caribbean region has made the most progress in this vital area. By the end of 2011, 68% of those requiring treatment in Latin America received it, compared with a global average of 54%. Only a modest decline in new infections has been observed, however, from 93,000 in 2001 to 83,000 in 2011 (UNAIDS, 2012). The stability of the regional epidemic is fragile and progress has been modest in relation to the region's social and economic development. The situation among young people is of particular concern, given that less than 30% of those aged 15-24 years correctly identify how to prevent sexual transmission of HIV, and condom use in this age group remains low, while only 30% of women aged 20 to 24 report using condoms the last time they had sex. This is of particular concern as approximately 13% of young people between 15-24 years of age report having had their first sexual relationship before age 15, and 20% of men aged 15 to 19 have had more than one sexual partner in the previous year. Over 20% of adolescent girls aged 15 to 19 in the region are pregnant or already have children.

Box III.1 (concluded)

The right of access to sexual and reproductive health services, including voluntary family planning methods, is still far from being met in most of the region's countries, particularly for certain groups, such as indigenous populations, poor subsistence farmers and adolescents, who continue to encounter medical, sociocultural and legal barriers in this regard. A key indicator for this equity gap is the percentage of adolescent pregnancies, which not only has not fallen in the region overall, but has even risen in some countries. Latin America and the Caribbean, with 80 births per 1,000 women aged 15-19, has the second highest adolescent fertility rate in the world, after sub-Saharan Africa. Government commitment is needed to implement public policies that recognize adolescents' rights and needs, such as access to sexual and reproductive health care, including family planning, and comprehensive sex education.

According to UNESCO, although most Latin American countries have comprehensive sex education programmes in their formal education systems, they are not properly implemented. Furthermore, few countries offer extracurricular courses for adolescents and young people who are not enrolled in a formal education programme. This is worrying since 1 in 12 young people in Latin America and the Caribbean has not completed primary education.

The region requires renewed commitment to and support for prevention, particularly among key populations, in order to reach the Millennium Development Goals and the target set by the United Nations General Assembly High-Level Meeting on HIV/AIDS in 2008 of a 50% reduction in new HIV infections by 2015. More investment is needed to increase access to sex education and to better integrate sexual and reproductive health and rights. In addition, competent and robust civil society organizations are needed to work with governments to ensure better care for key populations and to reach the target for the region.

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Joint United Nations Programme on HIV/AIDS (UNAIDS), *Report on the Global AIDS Epidemic 2012*, Geneva, 2012.

The **health** of the population is indicative of a society's development level, influences productivity and the scope for people to exercise their capabilities, and is influenced in turn by structural conditions and policies in other sectors (WHO, 2008). In that connection, healthy lifestyles, healthy food, clean air and water, consumer products uncontaminated by toxins, sustainable cities and healthy methods of transport are examples of areas where intersectoral action can be taken. Morbidity generates employment costs, worsens school performance and lowers productivity, creating real barriers to development. Consequently, health-care action that synergizes with other sectors needs to be built into a legal, financial and organizational architecture that takes these relationships into account (PAHO, 2013). The global and regional health agenda is undergoing major changes in this respect, and it therefore needs to be extended without neglecting policies to deal with traditional problems, while explicitly recognizing the socioeconomic impact of non-communicable diseases (see boxes III.1 and III.5).

Education is a catalyst for social change and justice, peace and sustainable development. The notion of the right to education has been closely linked to the idea of ensuring universal access to school through compulsory schooling laws. This basic view of the right to education as a right to schooling and obtaining a school certificate has proved to be insufficient. Educational policies and the international community have moved towards a redefinition of the right to education as a right to learn. This means that receiving a good-quality education should be considered a fundamental part of the right to education. In the spirit of the Convention on the Rights of the Child and other international instruments, a good-quality education that fulfils the right to learn should: (i) develop, to the fullest extent possible, the capacities of each individual; (ii) promote the values enshrined in the Universal Declaration of Human Rights: equality between persons, respect for diversity, tolerance and non-discrimination and the promotion of the common good; and (iii) equip pupils with the skills and knowledge needed to become socially competent individuals.

However, progress through and completion of primary education are far from optimal and there is no apparent prospect of the region being able to universalize completion of the primary level, although some countries will probably manage it.¹⁰ Furthermore, even achieving this target is far from enough and the evidence is that attention in the region needs to be focused on universalizing completion of secondary education, the minimum level needed for people to earn enough to keep out of poverty. Progress with coverage at this level has been substantial in a number of countries but inequalities in access to, progress through and completion of the secondary cycle remains a priority in the region, and one that still seems to be a long way from attainment: around 2011, just 58% of young people aged 20 to 24 had completed this cycle in Latin America. The situation is an Achilles' heel for efforts to combat poverty, raise productivity and improve economic competitiveness.

The targets of the post-2015 development agenda for the region should include completion of secondary education and the progressive incorporation into curriculums of content designed to strengthen the respectful exercise of citizenship, equality, the promotion of peace and social harmony, physical education and sport, sexuality, the use of technology and respect for the environment. Setting more ambitious and comprehensive goals in education is a key condition for enhancing long-term economic and social development within a framework of rights and equality, as well as development that respects the environment and is therefore sustainable over time. Particularly important challenges are to expand coverage of and access to initial and preschool education, apply information and communication technologies in teaching and learning, promote multicultural and intercultural education programmes that recognize and rehabilitate the meanings and significance of indigenous cultures, support adult education programmes and lifelong learning, and improve the education provided at universities and scientific and technological development institutions, and likewise technical and professional education, which should also be better integrated with the rest of the education system and particularly with the current and future requirements of the labour market and the production system more generally.

Meeting these challenges will undoubtedly require, among other aspects affecting educational processes, improvements to (continuing) teacher training, higher teacher pay and ownership of curricular content and tools that support the exercise of rights, citizen participation (including voluntary work), gender equality and respect for the environment, which are crucial to the attainment of educational goals broader than those contemplated in the Millennium Development Goals. Good-quality education helps break intergenerational cycles of poverty and promotes better living conditions, better health, greater civic awareness and political participation and better integration in society, which in turn can contribute to increased productivity and economic growth, political stability, less crime, greater social cohesion and greater income equality.

The sustainable development initiatives introduced in the region can be effective only if they succeed in bridging the gap between science and policymaking. Sound policies are contingent on evidence-based research designed to meet needs of policymakers. Where relevant, such research should include local and indigenous knowledge, an important feature of the Latin American and Caribbean region. Researchers and policymakers need to collaborate constantly to acquire the relevant information, knowledge and innovation to apply to decision-making on the environment, health and the economy.

Infrastructure has been at the heart of economic development in Latin America and the Caribbean for decades, but the region still faces a significant deficit in investment. Research has shown that

¹⁰ The percentages of young people aged between 15 and 19 who have completed primary education in El Salvador, Guatemala, Honduras and Nicaragua fall far short of the universalization goal, with figures of 83%, 63%, 84% and 73%, respectively, according to their respective household surveys.

the region would need to spend, on average, around 5.2% of GDP yearly in order to maintain the infrastructure investment flows required to meet needs up to 2020 (ECLAC, 2011). While significant infrastructure upgrading has taken place in many countries, important disparities remain within and between countries. Lack of suitable infrastructure and inefficient service provision are therefore primary obstacles in the effort to implement sustainable development policies effectively, achieve economic growth and attain integration goals. As an urban region, investments in infrastructure are particularly relevant to the region's growing cities and urban landscapes. Networked energy, transport, telecommunications, drinking water and sanitation infrastructure services are also essential to building integrated countries and regions, connecting and planning territories and taking advantage of economic efficiencies.

Investment in infrastructure and housing is a powerful instrument to counteract the negative effects of the economic crisis and foster employment, inclusiveness and better access to basic social services. Furthermore, infrastructure has been an important driver in improving access to education and health. However, social sectors have been hard hit by budgetary constraints in the region, which has often meant that investments or reinvestments in infrastructure and renewal of equipment have been sacrificed, thus diminishing the coverage and, above all, the quality of benefits. Intense and recurrent natural disasters, particularly in the Caribbean and Central America, have caused substantial losses in infrastructure.

Infrastructure remains a key instrument in improving social cohesion, tackling the remaining gaps for the Millennium Development Goals and promoting a shift of the economic model towards sustainable development. The region therefore needs to pursue sources of funding and take advantage of the opportunity to invest in sustainable infrastructure. Elements including gender, decent work, health and safety, accessibility and the protection of cultural and environmental heritage should be considered in the planning process to maximize the positive outcomes of infrastructure development and eliminate or mitigate negative impacts. Sustainable infrastructure investments would reduce short- and long-term vulnerabilities, while creating employment and generating revenues. Finally, transnational sustainable infrastructure, as a regional public good, must be developed in relation to energy, roads and broadband connectivity, among other areas, in order to foster cohesion between countries and intensify economic exchanges and integration.

Third lesson: The achievements of the past decade may be lost unless priority is given to building resilience: vulnerability and crisis prevention

While monetary poverty in Latin America and the Caribbean has fallen substantially, millions of individuals —at the indigence and poverty level, but also the region's new middle classes, which expanded from 103 million people in 2003 to 152 million in 2009— are still at risk of falling back into poverty. Economic cycles, shocks, recession and disaster risk could easily reverse present trends and/or worsen the situation of the poorest (ECLAC, 2012a). Caribbean countries are especially vulnerable to natural disasters, high levels of debt (which in some cases represents over 100% of GDP) and a narrow range of income-generating sectors, such as tourism and financial services (see box III.2).

It also needs to be recognized that one factor driving the economic expansion of recent years in the region has been the positive trend of raw material prices and the increased exploitation of these resources as a result has, in some cases, had serious environmental impacts. This should sound a warning about the vulnerability and sustainability of these positive economic results of recent years and about the need to diversify the production matrix to reduce the dependence on the extractive industry. At the same time, the prices of raw materials have created a further challenge for importing countries, where the cost of a basic basket of foodstuffs has been rising. Thus, an increase of 15% in food prices could result in a further 10 million people becoming indigent and poor.

Box III.2

THE SMALL ISLAND DEVELOPING STATES OF THE CARIBBEAN

Sustainable development in the small island developing States (SIDS) of the Caribbean has come up against many of the same challenges as exist in Latin America. Sustainable development in a SIDS context is both more challenging and more urgent due to the unique and distinctive vulnerabilities of these States: small populations; remoteness and insularity; human, financial and technical constraints; dependence on scarce natural resources, such as coastal and marine ecosystems; vulnerability to natural disasters that devastate entire sectors, including agriculture and infrastructure, and excessive dependence on international trade and susceptibility to adverse global developments.

In addition, SIDS are often unable to benefit from economies of scale (thus losing the advantages of preferential market access and competitiveness) and are adversely impacted by high transportation and communication costs. To further compound the difficulties for long-term sustainability endeavours, climate change is expected to result in extreme changes. These will pose additional risks to the Caribbean SIDS, such as rises in sea level that will inundate coastal ecosystems and negatively impact mangrove forests, sea-grass beds and coral reefs; increased opportunities for insect vectors of dengue fever and malaria to breed; and saline intrusion of groundwater aquifers. Given the challenges faced by Caribbean SIDS in managing environmental issues, these additional risks would further exacerbate the region's vulnerability to disasters.

ISSUES OF SPECIAL CONCERN TO SMALL ISLAND DEVELOPING STATES**1. Economic challenges**

Economic challenges and limited financing capacity in the subregion are of particular concern as Caribbean SIDS suffer from vulnerability to external shocks such as the recent global financial crisis, high indebtedness, vulnerability to extreme weather events and their effects on public finances and infrastructure investment needs and high dependence on increasingly costly food and fuel imports. Additional economic challenges include less favourable conditions of trade and market access, a high dependence on narrow economies or a narrow range of exports and increasing difficulties in the main economic sectors, namely financial services, tourism and agriculture.

2. Capacity constraints

Other difficulties for SIDS include constraints in institutions and technical capacity. Governance in many SIDS is organized by sector (for example, energy, agriculture and health). Consequently, a limited number of new policies are actually integrated across sectors or elicit significant public participation. Existing institutions working on sustainable development are underfunded, and the migration patterns of highly skilled and professional populations have contributed to a reliance on a project-oriented management approach that addresses short-term needs rather than a programme and resources management approach that takes a more integrated and long-term perspective.

3. International cooperation

Lower-than-expected international cooperation and the global trend of declining official development assistance have also been evident in the Caribbean SIDS: their classification as middle-income countries excludes most of them from a number of development opportunities. The criterion for allocating funds on the basis of GDP does not adequately consider the particular challenges faced by SIDS. They are increasingly considered ineligible for development aid, despite their high debt burdens.

4. Freshwater resources, water management and sea level rise

Many Caribbean countries rely almost entirely on a single source of water supply and Caribbean SIDS have considerably less available freshwater than other oceanic islands. In addition, rises in sea level result in saline intrusion into underground aquifers or groundwater, threatening these already taxed water supplies and leading some countries (Antigua and Barbuda, the Bahamas and Barbados) to use desalinated water. Tourism, agricultural use, rising urban populations and excessive drawdown are placing increased demands on these freshwater resources.

Box III.2 (concluded)

5. Waste management and chemical substances

Waste management is considered a major problem on small islands, since the limitations on the space that can be allocated to landfills increase the risks of contamination of ground, surface and ocean waters from sewage, industrial effluents and agriculture. Compounding the issue is a lack of financial, technological and legislative national capacities for managing wastewater pollution. Improper or unsafe disposal of hazardous industrial waste represents a huge social and environmental cost for SIDS, exacting a heavy toll on human health, water resources, air quality and biodiversity.

6. Coastal and marine resources and biodiversity

Marine and coastal resources are under tremendous pressure, which is only increasing with climate change effects. Warming and acidifying oceans will result in more frequent bleaching and possible destruction of Caribbean coral reefs, which are nurseries for an estimated 65% of all fish species in the basin. The combined impacts of ocean acidification and warmer sea temperatures make tropical coral reef systems vulnerable to collapse.

7. Natural disaster threats

Extreme events such as hurricanes, cyclones, flooding, drought and earthquakes are particularly common in the subregion due to its geographical and geophysical make-up. Climate change has increased the severity and frequency of such events and heightened their impact, potentially delaying what was already a fraught development process in the Caribbean, as economic, structural, ecological and human losses have combined. Countries with small and vulnerable economies, such as SIDS, not only suffer more severe economic losses; in addition, their low resilience to loss can cause major setbacks in their economic development. The gravity of future impact of physical hazards will therefore depend mainly on the region's ability to reduce its vulnerability and strengthen risk governance capacities.

Source: United Nations, *Sustainable Development 20 Years on from the Earth Summit: Progress, gaps and strategic guidelines for Latin America and the Caribbean* (LC/L.3346/Rev.1), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), 2012.

Fourth lesson: Development depends on the management capacity of institutions: a huge agenda of institutional strengthening remains to be carried out at the regional, national and subnational levels

The Latin American and Caribbean region has developed and implemented good examples of policies and approaches for economic restructuring. These are usually to be found at both the national and the subnational level and may be usefully replicated both within and outside the region. They are usually based on the effective incorporation of scientific information, knowledge and best practices; links across sectors; and strong governance mechanisms, stakeholder participation, and political will and support. Promoting the rights to access to information, transparency, participatory processes and developing the infrastructure for volunteer work and justice help strengthen the link between citizens and the various levels of government. The region has also promoted integration schemes, and South-South integration and cooperation is playing an ever-increasing role, although much more remains to be done (see box III.3).

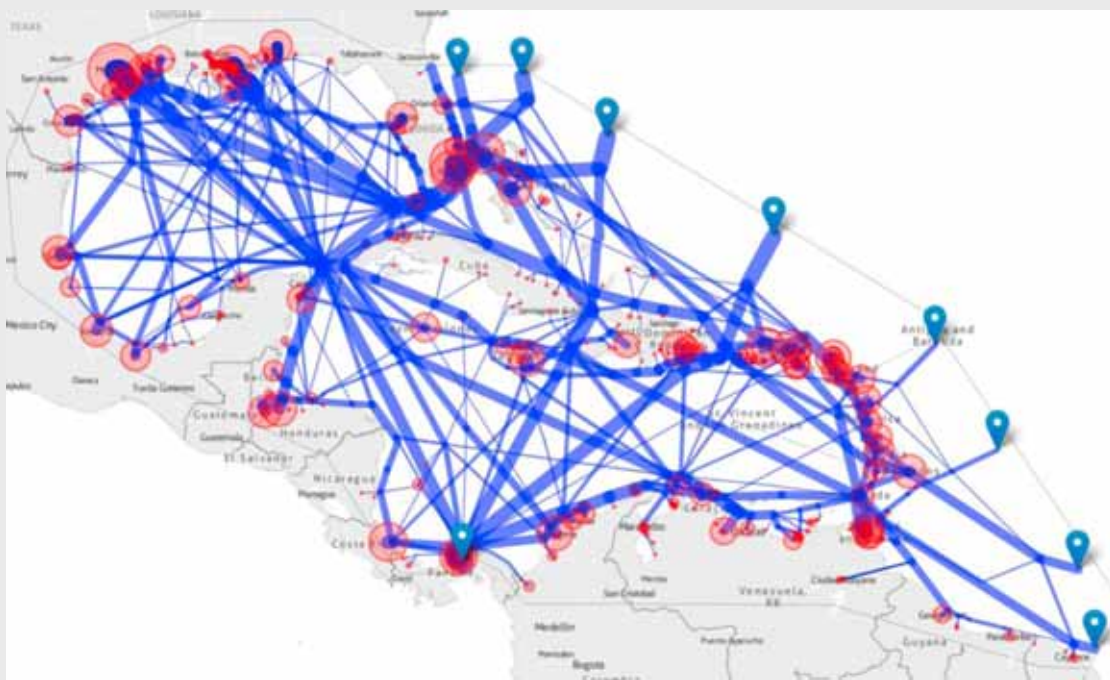
The Latin America and Caribbean region is essentially urban, and local and subregional governments are crucial actors because they are exposed to the consequences of the development model even as they directly influence the desired changes. Strengthening their handling of sustainable development issues within a framework of rights and equality is critical because they have decision-making powers over resource use, receive central government transfers while having tax-raising powers themselves, take investment decisions, provide basic services and are able to set up participatory sectoral bodies and promote political, social and economic inclusiveness. Collaboration between cities is increasingly important, in the context of both North-South and South-South cooperation.

Box III.3

INTERNATIONAL CONVENTIONS AND REGIONAL COOPERATION: MARINE TRANSPORT AND ENVIRONMENT IN THE CARIBBEAN

In Latin America and the Caribbean, shipping accounts for around 90% of trade in terms of volume and 80% in terms of value, and the region's ports handle 9% of global container throughput. Apart from forming the backbone of trade links, the sector is also, in itself, an engine for economic growth, employment and in the case of small island States it plays an important role in food security. Shipping also contributes significantly to the tourism sector, particularly in the Caribbean, where more than 45% of world cruise shipping takes place. Caribbean reefs, valued at over US\$ 50 billion, are visited by over 60% of world divers. The Caribbean Sea is also one of the world's great shipping routes, with over 14,000 ships per year inevitably passing through the Caribbean Sea on their way to or from the Panama Canal, and this traffic is predicted to double in 15 years.

OVERVIEW OF THE TOTAL VESSEL TRAFFIC CONCENTRATION (2007/2008)



Source: International Maritime Organization (IMO) (2012), *Feasibility Study on LNG Fuelled Short Sea and Coastal Shipping in the Wider Caribbean Region*, Göteborg.

In 2012, 16,000 merchant vessels (20% of the world fleet), representing nearly 29% (300 million deadweight tons) of globally deployed tonnage, were registered in Latin American and Caribbean countries. The region's countries thus play an important role in the regulation and inspection of vessels, for example, certifying equipment and crew, and issuing safety and pollution prevention documents. Ship hulls are treated with anti-fouling paints to prevent marine organisms, such as algae and molluscs, from attaching themselves to the ship, thereby slowing down the ship and increasing fuel consumption. Metallic compounds in these paints slowly leach into the sea water, and studies have shown that these compounds persist in the water, killing sea life, harming the environment and possibly entering the food chain.

One third of world oil passes through or originates in the Caribbean. In 2011, the wider Caribbean region produced on average 12.7 million barrels per day, representing 18.1% of daily world production (OPEC, 2012). Transportation of oil produced inside and outside the region by ship leads to ship ballast water exchange, which presents the risk of transferring invasive aquatic species. This is one of the four greatest threats to the world's oceans and can cause extremely severe environmental, economic and public-health impacts, including the spread and introduction of cholera.

Box III.3 (concluded)

The particular issues facing the Caribbean Sea —such as the risks associated with increased vessel traffic, the need for search and rescue operations, the exploration for and movement of oil, and the threat of invasive species— reinforce the growing importance of regional cooperation, harmonization of policies, legislation and economic instruments and further cooperation for port State control.

The International Convention for the Prevention of Pollution from Ships, 1973, the International Convention on Oil Pollution Preparedness, Response and Cooperation, the International Convention on the Control of Harmful Anti-fouling Systems on Ships, the International Convention for the Control and Management of Ships' Ballast Water and Sediments, and the International Convention relating to Intervention on the High Seas in Cases of Oil Pollution Casualties are the prime instruments used for the protection of the Caribbean Sea's sensitive resources and are essential components for ensuring their sustainability. Latin American and Caribbean States are urged to give full effect to these Conventions in their national legislation.

In order to support global initiatives and compliance with existing conventions, improving port infrastructure can be part of a concerted political effort to deliver on strategic goals. In a market-driven environment with increasing competition, differentiation of services can be a key part of port strategy. Differentiation of port infrastructure charges is one of the economic instruments that a port can use to secure its market position and also, potentially, to fulfil certain local, national or even regional policy goals. This potential has not been tapped in developing countries, and the strategic differentiation of port charges to reach environmental goals has not yet been carried out in Latin America and the Caribbean (ECLAC, 2012c).

Source: International Maritime Organization (IMO).

Fifth lesson: Solutions are not technocratic and will not come from outside: endogenous policy generation and agenda-setting are critical

One of the main criticisms of the process of drafting the Millennium Development Goals was the lack of consultation with governments and civil society, and in the case of Latin America and the Caribbean, the lack of local relevance of some of the goals for the specific needs of the region. The post-2015 framework must be more attuned to regional priorities. It will need to increase inter-organizational collaboration and provide more frequent opportunities for cross-border knowledge exchange and peer learning among practitioners. The international community faces a unique window of opportunity for creating national ownership of the post 2015 agenda consultation by promoting a real dialogue at the national and regional levels, between governments and civil society, including indigenous groups, youth and women. This process is not simply a consultation, but an opportunity for governments to appropriate the next set of goals and integrate them into their national, subnational and local priorities and their budgets.

The new development agenda ought to adopt a different perspective to the current one when it comes to setting quantitative targets so that, subject to certain general criteria, the countries themselves propose these to the international community and they are adopted in a way that matches the scale of the development problems faced. The one-size-fits-all approach of the Millennium Development Goal agenda proved inappropriate for many countries in Latin America and the Caribbean. For example, the uniform target for extreme poverty proved too demanding for some countries and very unchallenging for others with higher per capita incomes. This is one of the reasons why governments in a number of Latin American and Caribbean countries have done little to take ownership of the Millennium Development Goals.

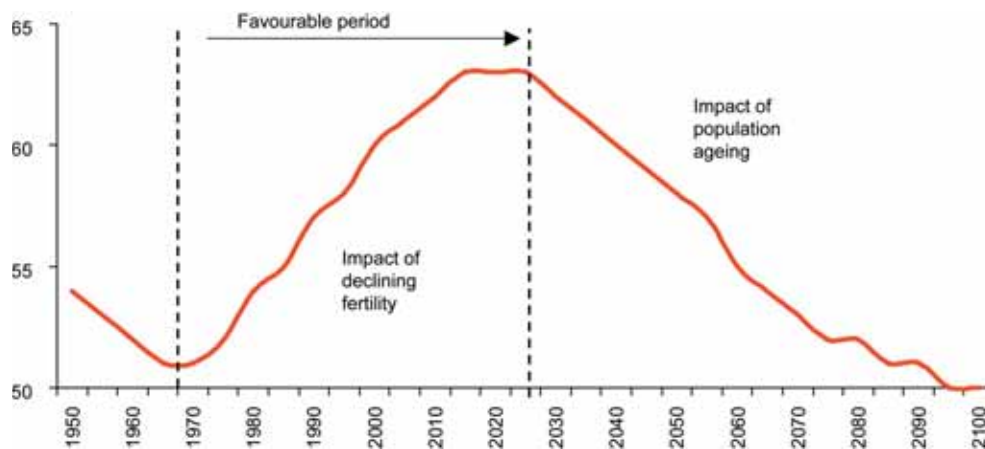
C. EMERGING ISSUES

1. The demographic transition is changing the development profile: some societies are still enjoying a demographic dividend, while others are entering the ageing process

The countries of Latin America have undergone profound demographic changes, variously manifested in reduced population growth (a total growth rate of 10 per 1,000 a year is projected for the 2010-2015 period) and zero growth that will turn negative in the second half of the twenty-first century, and a shifting age structure. The rapid drop in fertility and steady decline in mortality since the mid-twentieth century have been reflected in average life expectancy at birth of 74.2 years in the period 2010-2015. The demographic transition has been rapid everywhere in the region and has led to two major changes: a reduction in demographic dependency, and population ageing.

The reduction in the dependency ratio has given rise to a situation favourable to development (the demographic dividend), in which the burden potentially borne by people of working age is lower than in earlier and future periods. Dependency rates in the region will remain at a historic low for the next 15 years, and the population will be concentrated at active ages. However, this dividend is timebound and the dependency ratio will rise again, this time generating new requirements for older adults in terms of health care, care provision, economic security and social protection, among other factors.

Figure III.2
LATIN AMERICA AND THE CARIBBEAN: PROPORTION OF THE POPULATION AGED 15-59 YEARS, 1950-2100
 (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of United Nations, *World Population Prospects: The 2012 Revision*, 2013.

Now is the time to promote and invest in educational and employment opportunities and civic and political participation to realize the potential of the demographic dividend, improving quality of life for young people just when their absolute numbers are higher than they have ever been and offering a wide range of options to build their life projects (including their professional, physical, intellectual, emotional

and recreational ventures, among others). Similarly, there is a need to move towards implementation of a social protection floor such as that proposed by the International Labour Organization (ILO) in order to meet the growing needs of older persons and the working-age population. Failing to do so would jeopardize the future of countries in the region.

Moderate population growth is expected for the region over the coming years. However, this will take place amid tensions between economic growth, poverty reduction and efforts to reduce inequalities between higher- and lower-income populations. Furthermore, urbanization will continue, with 90 million more people expected to be living in cities by 2025. It will thus be necessary to confront the challenges created by concentration in major metropolises, given that Latin America and the Caribbean is the most urbanized and metropolitan of all developing regions.

Where international migration is concerned, there are estimated to be 30 million people of Latin American and Caribbean origin living outside their countries of birth at present, or about 5% of the region's 2010 population. International migration has come to prominence for a number of reasons, one of them being remittances, of which over US\$ 55 billion dollars come into the region every year. One of the impacts of the global recessionary crisis has been a drop in emigration to destinations outside the region, a more visible return process and instability in remittance flows. The vulnerability of many migrants, particularly women, is a matter of concern. Accordingly, international migration has become a prime issue for international relations and public policies.

2. Human settlement dynamics: megacities, medium-sized cities and new settlements contain the bulk of the continent's population, and the bulk of its poor

Rapid urbanization in the region has now produced five "megacities" (cities with over 10 million inhabitants), and over 77% of the region's population live in urban areas, something that has had severe repercussions for public safety, urban health and the environment.

As the world's most urbanized region (a higher rate than Europe's 73%), Latin America and the Caribbean requires special policies to enable its cities to fulfil their key role in attaining development goals. While cities and a moderate density contribute to more efficient use of available resources, the current growth and expansion of the region's cities has been dispersed and disjointed, with a low-density pattern that is unsustainable in the long run. On present trends, urbanization will reach 87% by about 2050, and demographic change is expected to be moderate. More cities and a growing urban landscape represent a major social and environmental challenge for the region, particularly given high infrastructure costs, informal land use and a growing ecological footprint. Latin America is also the only region where interurban migration (from city to city) accounts for about 50% of urban population growth.

Even though quite heterogeneous, the housing situation in the region reflects the general urban demands, development progress and future challenges. The insufficient progress as regards "significant improvement in the lives of at least 100 million slum dwellers, by 2020" (target 7D), reveals the unequal reality of one in four inhabitants living in slum conditions in the region. While understandings of "slum" vary worldwide, they are all associated with deplorable living and environmental conditions, precarious or inexistent water supply and sanitation, overcrowding and unsafe building, hazardous locations, insecurity of tenure, vulnerability to health risks and insecurity. To ensure sustainability, any excluded settlement must be fully integrated into the city and its benefits, particularly equal access to wealth and quality of life. It should also be noted that, while improvements to slums have been made and the

percentage of the population living in settlements identified as slums has decreased, the absolute number of slum inhabitants has increased from 106 million to 111 million.

3. Public safety has emerged as one of the main issues of concern in Latin America and the Caribbean

Today's levels of violence, crime and insecurity in Latin America are generating high costs for citizens, communities and institutions. Although quantification is difficult and imprecise, the evidence suggests a negative impact on the economy and on quality of life. For example, to take only the direct costs, estimates indicate that most of the region's countries spend over 5% of GDP on public safety and security each year, with figures in excess of 12% in some countries (World Bank, 2011). Firms, meanwhile, spend the equivalent of 2.8% of total sales on security in Latin America and the Caribbean, while in Central America the figure is 3.7% (World Bank, 2011). Furthermore, one in three Latin American citizens have changed their shopping locations and the same proportion have limited their places of recreation (Latin American Public Opinion Project, 2012). The proportion is higher still among citizens who have been the direct victims of a crime: one in two has changed where they shop and four in 10 have limited their places of recreation. This affects these countries' economies and economic growth prospects. It also reflects the impact that violence and crime have on people's freedom of movement and perception of safety.

Therefore, public safety has become one of the main concerns in Latin America and the Caribbean and must be at the heart of the post-2015 agenda consultations. In a study of 15 subregions, the percentage of homicides by firearms in 2010 was the highest in South America, the Caribbean and Central America, followed by sub-Saharan Africa. In these subregions, most of the victims are young males, from poor, densely populated areas. This phenomenon is especially serious in the Bolivarian Republic of Venezuela, Brazil, Colombia, El Salvador, Guatemala, Honduras, Jamaica and Mexico, where robbery, domestic violence, organized crime, street gangs and drug trafficking are also on the rise and are associated with very high murder rates. In the Caribbean, there exists a high risk that violent behaviour patterns will become ingrained among young people, which will affect the future of these societies and, indeed, youth crime may already be costing up to 4% of GDP (UNDP, 2012). Moreover, violence reproduces the inequitable patterns of the rest of society. For instance, Afro-descendent adolescents in Brazil are almost three times as likely as Euro-descendent adolescents to be murdered. An integrated approach to violence and injury prevention is also necessary to reduce gender-based, self-inflicted, interpersonal and social violence, as well as road fatalities. Furthermore, crimes relating to transnational organized crime, such as trafficking in persons for commercial sexual exploitation, have a disproportionate impact on women and girls, indeed, an estimated 80% of trafficking victims worldwide are women (UNODC, 2012) and more than half of the cases detected in Latin America and the Caribbean involve sexual exploitation. The inter-connections between violence against women and HIV, with violence recognized as both a root cause and consequence of HIV, are now widely acknowledged. Women living with HIV are more likely to have experienced violence, and women who have experienced violence are more likely to acquire HIV (Hale and Vazquez, 2001).

“Human security is a dynamic and practical policy framework to address widespread and cross-cutting threats in a coherent and comprehensive manner through greater collaboration and partnership among Governments, international and regional organizations and civil society and community-based actors” (United Nations, 2012b). Personal safety is being affected by a toxic mix of insecurities that is constraining freedom and the prospects for a decent life. Understood as a public good, public safety means effectively protecting inherent human rights, especially the right to life and personal integrity, the inviolability of the home and freedom of movement. The threat to personal safety is the outcome of a

chain of causal factors such as destruction of the social fabric by migration, family breakdown, discrimination and lack of job opportunities; inequality, in short. This is why the approach has to be multidimensional (PAHO, 2012). Citizen participation, community mobilization and the promotion of volunteerism are essential to public safety and recovery programmes, particularly for preventing youth and gender-based violence and fostering local security governance. Thus, the concept of public safety includes community action for crime prevention, capacity-building of security institutions, access to effective justice, values-based education, respect for the law and tolerance.

4. Climate change, vulnerability and disaster risk are emerging as critical issues for the region

Almost all countries in Latin America and the Caribbean currently experience heightened vulnerability to the effects of climate change (extreme weather events such as heavy and unseasonal rainfall, heat, cold, hurricanes) and by 2030, most countries will be at severe risk (DARA, 2012). The serious economic costs of climate change have been widely demonstrated (Stern, 2007, ECLAC, 2010e). Although still recording low levels of CO₂ emissions, hot, humid tropical and subtropical countries in Latin America and the Caribbean will be severely affected by the acceleration of climate change and disaster risk, with a negative impact on the health of their populations and an escalation in food prices. In recent years, Colombia, Ecuador and Peru have been severely affected by the phenomenon known as El Niño Southern Oscillation (which causes either unusual lack or an excess of precipitations). Most island States in the Caribbean are especially vulnerable to climate change, sea level rise, and natural and environmental hazards, owing to their size, location, coastal zone concentration within a limited land area, and in some cases, lack of institutional capacity to respond to crisis (ECLAC 2012b).

Those living below the poverty line or facing other forms of vulnerability (including women) suffer the most from disasters and environmental damage, since in a number of Latin American and Caribbean countries the scarcity of resources has given them no choice but to settle in high-risk areas and marginal land where they not only inhabit makeshift urban settlements, but intensify land degradation and desertification. This threatens not only the environment, but also their own health and safety in the event of heavy rains, landslides, or earthquakes,¹¹ as occurred in Haiti or, floods, as witnessed recently in Colombia and Brazil. If no action is taken, the current and future environmental threats could jeopardize the extraordinary progress in the Human Development Index (HDI) in recent decades¹² and the headway made towards meeting the Millennium Development Goals, especially those in relation to hunger and food security.

New development pathways must be found as a matter of urgency to ensure environmental sustainability, establish an environmentally friendly economy and reverse ecological destruction, while managing to provide a decent livelihood for all people, now and in the future (CDP, 2012). Sustainable patterns of production and consumption must be developed, and these, along with protection and management of the natural-resource base of economic and social development, are the overarching and essential requirements for sustainable development.¹³ An environmentally sustainable economy will reduce

¹¹ Statement by the Rome-based agencies at the Second Committee of the sixty-seventh United Nations General Assembly on agenda item 26 on agriculture development and food security, International Fund for Agricultural Development (IFAD), World Food Programme (WFP) and Food and Agriculture Organization of the United Nations (FAO), 5 November 2012.

¹² Declaration by delegations at the Global Human Development Forum, Istanbul, 23 March 2012 [online] <http://hdr.undp.org/en/humandev/forum2012/> [date of reference: 12 December 2012].

¹³ See “The future we want”, General Assembly resolution 66/288.

short- and long-term vulnerability, create employment and income,¹⁴ foster the development of technology and infrastructure for natural disaster prevention while protecting the environment (UNIDO, 2010).

Furthermore, ecosystem management increases the resilience of natural systems and human societies to the impact of climate change, serving as a basis for integrating climate-change adaptation and mitigation, disaster risk reduction and natural-resource conservation with strategies for poverty reduction and sustainable development. Healthy ecosystems provide natural barriers that reduce exposure to extreme events and managing them contributes to good agricultural and forestry practices, as well as schemes to reduce emissions from deforestation and degradation and to conserve carbon stocks, among other benefits (Munang and others, 2013).

Furthermore, the positive experiences developed in the region in incorporating disaster risk reduction criteria into the cost-benefit analysis of public investment projects and the wider use of financial mechanisms for transferring retained risk and avoiding fiscal imbalances need to be used more widely and consistently, as they are key factors for building resilience and reducing disaster risk. The careful study of population dynamics and human settlements also help to improve risk management over time, particularly in urban areas, and risk reduction. Similarly, the effects of climate change must also be considered in proposals for disaster prevention. In general, it is important to promote a culture of risk prevention through constant dissemination and awareness-raising efforts and through proper national, institutional and community planning.

**5. Official development assistance financing for middle-income countries is declining:
it will be very important to seek out alternative sources and create
enough fiscal space to expand social investment**

Today, most of the region's countries fall into the upper-middle-income category and by 2015 several will be classed as high-income economies. This will create challenges both for the political process of the post-2015 consultations and for the role played by the United Nations Development Group (UNDG) in Latin America and the Caribbean over the next 15 years. Despite this positive outlook at the country level, it must be stressed that, at the subnational level, there are still extremely poor municipalities comparable to the most impoverished regions of Africa and Asia. The Latin American and Caribbean region cannot be dismissed simply because overall GDP is increasing. The challenge lies in working out how best to channel official development assistance (ODA) and alternative sources of funds to the poorest areas at the subnational level, giving priority to social investment and sound public investment. In this context, it is worth highlighting the key role played by subnational governments and the importance of cooperation between cities in providing municipalities direct access to decentralized South-South cooperation projects.

Although the United Nations General Assembly adopted resolution 66/223 recognizing the centrality of middle-income countries (UNDP, 2011), allocations by donor countries and multilateral institutions have shifted, particularly since the 2008 economic crisis. A higher proportion of the budget is being channelled towards economies classified as low-income, at the expense of middle-income countries (United Nations, 2010). Recent data on ODA to Latin American and the Caribbean show a drop from 7.3% in 1990 to 1.8% of gross national income (GNI) in 2010.¹⁵ This trend reflects, on one hand, the decision to concentrate international cooperation funds on combating poverty and its most immediate

¹⁴ Ibid.

¹⁵ OECD (Aggregate Aid Statistics) and World Bank.

effects, and thus to give priority to lower-income countries, despite the fact that 70% of the world's poor live in middle-income countries, which still face major development challenges in terms of democratic governance, institutional frameworks, transparency, accountability, environmental sustainability, security and justice systems, inequalities and social exclusion. On the other hand, the channelling of funds to lower-income countries reflects the assumption that, as countries increase their per capita incomes, they will have more resources and tools for combating poverty and for financing their own development. Consequently, middle-income countries would supposedly need less support from the international cooperation system. Some authors have referred to this process as “graduation” (ECLAC, 2012d).

At this juncture it is appropriate to highlight the progress that has been made in recent years in diversifying funding sources, actors and cooperation modalities and moving beyond the traditional framework of development cooperation. In addition to ODA, development cooperation has extended to areas such as trade, investment, migration, environment, security and technology on an international scale. As noted in the Monterrey Consensus and at subsequent global forums, in order to take on the challenges of development financing, developed countries must respect the commitment to allocate 0.7% of their income to ODA and the additional financial resources needed must be mobilized, but fundamentally, those resources must be used more efficiently, effectively, transparently and fairly. The private sector and civil society organizations also have an active part to play and, lastly, the more robust South-South and triangular cooperation have assumed a key role as an effective mechanism to advance the development agenda in the region's countries.

In Latin America and the Caribbean, domestic resource mobilization has been the primary source of sustainable financing for supporting the Millennium Development Goals and will, therefore, be the primary financing source of the new post-2015 goals.¹⁶ Various studies have documented the poor redistributive impact of fiscal transfers and taxes in the region. Post-fiscal income (which includes taxes, subsidies, and in-kind and monetary transfers) shows that the Latin American and Caribbean region trails behind OECD countries by as much as 20 percentage points. In the process of income distribution, taxes often cancel out transfers, making the post-fiscal impact very weak. On the one hand, progressive taxes are needed to avoid heavy burdens on those goods and services that low-income households consume disproportionately. On the other, existing expenditures need to be made more progressive to reach the lowest-income deciles of the population with net contributions, as well as to ensure that expenditures are distributed evenly over all sectors of society. By combining spending in key social policy areas with tax system reforms, strengthening national and subnational capacities in order to correct inequalities, distortions and negative externalities and enhance redistribution, governments will be better able to reach the most vulnerable populations in a sustainable way.

D. STRUCTURAL CHANGE FOR EQUALITY AND SUSTAINABLE DEVELOPMENT: THE WAY FORWARD

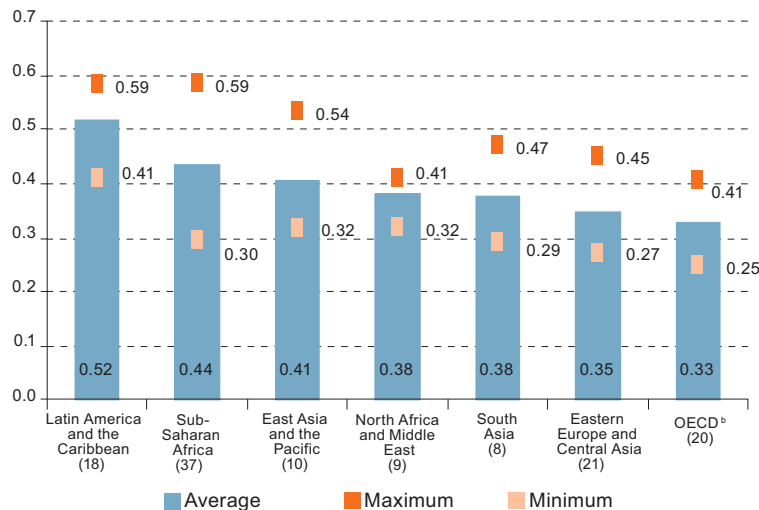
Given the shortcomings of a development agenda centred on economic growth and the reduction of monetary poverty and taking into account the lessons learned and the new challenges facing the region, the concept of equal rights provides a fundamental framework for sustainable development that serves as a basis for social covenants that generate more opportunities for the have-nots. Equality as a condition for citizenship therefore requires a deliberative democratic order in which multiculturalism is respected and

¹⁶ In Latin America and the Caribbean, for example, the HIV response in 2011 was funded mainly out of domestic resources, which represented more than 85% of total spending on HIV (UNAIDS, 2012).

all stakeholders take part and are heard. The State has a central role to play here, in safeguarding those rights by taking action in relation to participation, recognition of diversity, non-discrimination, and through provision of incentives, redistribution, regulation and oversight (ECLAC, 2010c).

In a region as plagued by inequality as Latin America and the Caribbean (see figure III.3), putting equality and environmental sustainability front and centre means breaking with the economic paradigm that has prevailed in the region for at least 30 years. This change comes at a good time for many of the countries of Latin America and the Caribbean, with (i) pent-up citizen demands that have redrawn the region's political map over the past 10 years and an increase in social demands and socioenvironmental conflicts; (ii) States and governments that are more inclined to make social investments and draw on redistributive mechanisms, as seen in the systematic increase in social spending and in countercyclical policies, especially those deployed to cushion the social costs of the 2008 global financial crisis and its aftermath; (iii) States and governments that are more aware of the interactions between the economy, society and the environment; (iv) the growing set of rights-based, more universalist policies taking shape in spheres including employment, health, pensions and retirement; and (v) international summits and a global democratic imaginary with equality of rights at the top of the agenda.

Figure III.3
**LATIN AMERICA AND THE CARIBBEAN AND OTHER REGIONS OF THE WORLD:
GINI CONCENTRATION COEFFICIENT, AROUND 2009^a**



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries; World Bank, World Development Indicators [online].

^a The regional data are expressed as simple averages, calculated using the latest observation available in each country for the 2000-2009 period.

^b Organisation for Economic Cooperation and Development.

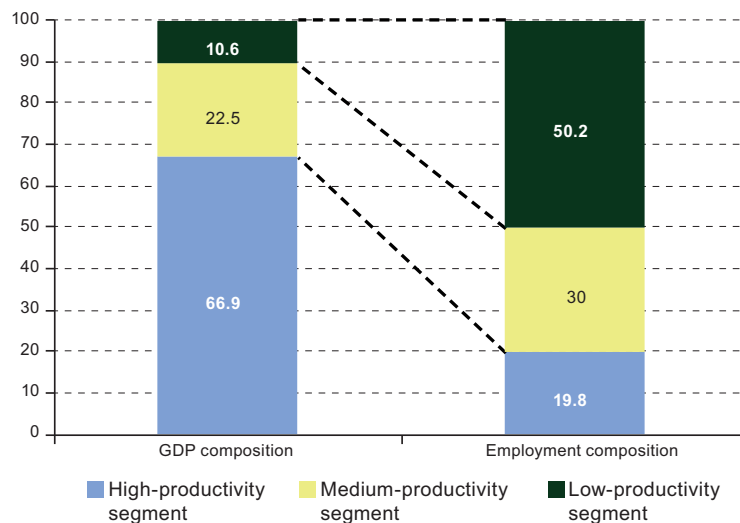
Putting equality on the agenda is more than raising the issue of minimum income thresholds, it means discussing long-neglected matters of social justice. Among them: how assets, benefits and resources are distributed throughout society; what the redistributive role of the State is as the main guarantor and promoter of equality; how productivity gains in the economy are distributed among stakeholders; how to fashion an economic-, social-, cultural- and environmental-rights oriented regulatory

framework; how to guarantee access to and the quality of public services and the public sphere; and what spheres of development see a negative or positive impact on equality.

In an integrated approach to development, equality is forged in a virtuous dynamic of economic growth and steady gains in productivity with social inclusion and environmental sustainability. The development agenda should draw on this integrated approach and virtuous circle, strengthened by an understanding of the underlying sociodemographic dynamics. Public policy has an essential role to play in implementing a model that will foster the fulfilment of these major sustainable development objectives.

First, on the social front the challenge lies in the State taking on a more robust, firmer role in charting a universalist policy course. Intrinsic to the equality of rights agenda is a minimum standard of well-being for all citizens that is progressive over time and is in step with the positive impacts of structural change.¹⁷ Income inequality arises in the labour market (see figure III.4) not only because of differences in productivity and level of schooling (see figure III.5), but also as a result of discrimination and exclusion, as well as the differential in returns on labour and capital as a result of weak representative structures and the limited spaces for negotiation available to workers. Public policies are needed to offset the difficulties associated with entering the labour market or productivity differentials, for example, such policies could include vocational training to enhance the capacities of the most disadvantaged. In short, a universalist social policy requires all citizens to have guaranteed access to a good-quality education, as a fundamental condition for structural change.

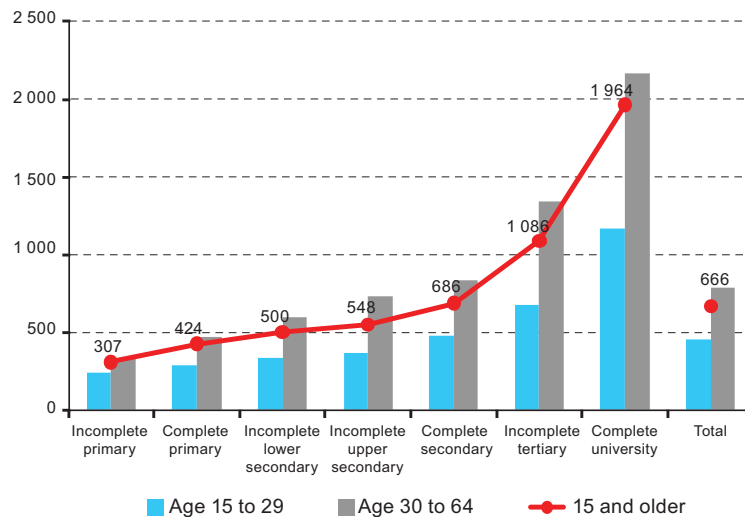
Figure III.4
LATIN AMERICA (18 COUNTRIES): STRUCTURAL HETEROGENEITY INDICATORS,
AROUND 2009
(Percentages)



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

¹⁷ Equal rights refers not only to legal or formal equality, but also equality in the use and enjoyment of rights.

Figure III.5
**LATIN AMERICA (18 COUNTRIES): MONTHLY LABOUR INCOME OF THE EMPLOYED
 POPULATION, BY AGE GROUP AND LEVEL OF SCHOOLING**
(Dollars at 2000 prices, PPP)



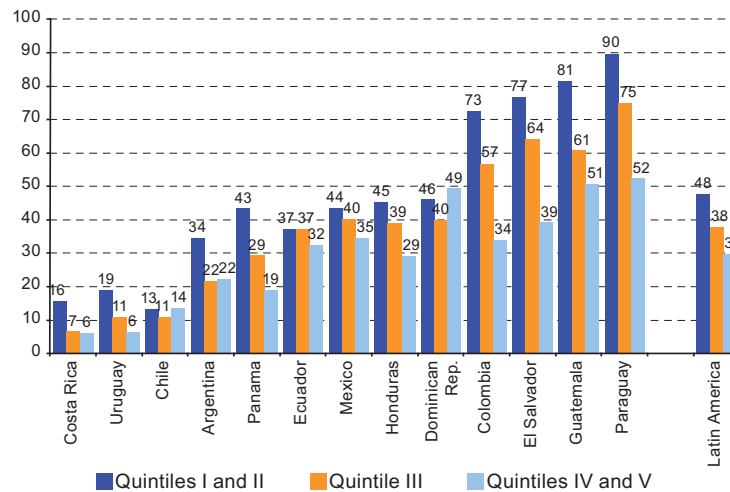
Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Social Panorama of Latin America, 2010* (LC/G.2481-P), Santiago, Chile, 2011. United Nations publication, Sales No. E.11.II.G.6.

In this connection, advantage must be taken of the growth cycles of the economy and specific public policies must be implemented. First, during periods of sustained economic growth sufficient jobs must be created to absorb new workers seeking to enter the market, progressively integrate discouraged jobseekers, make full use of the potential of the involuntary underemployed and incorporate women who have remained on the margins. If the chronic shortfall in job creation persists, the chances of changing the distributive structure are much lower. Second, it is important to bolster collective bargaining and its protagonists—social actors—in order to achieve a more just distribution. This includes extending the coverage and content of negotiations. Third, improving distribution requires renewed efforts to formalize employment by addressing institutional aspects, systems of incentives and sanctions and labour inspection in coordination with other public services (taxes and social security) to achieve better compliance with labour legislation. Lastly, these efforts should be supported through vocational training, active minimum wage policies, anti-discrimination policies and incentives for hiring disadvantaged workers, among other measures.

Contributory transfers (pensions) and non-contributory transfers are important sources of total family income, and whether they contribute to greater equality depends on how progressive they are. Similarly, direct taxation, on natural resources and externalities, can also contribute to greater equality of disposable household income if it is progressive and in tune with a life-cycle approach.

The State and tax policy should therefore play an increasingly robust role in providing social protection networks that are more inclusive, progressive and integrated. The classical contributory equation between employment and social protection does not balance because the large proportion of informal employment limits the possibilities for increasing productivity and contributory social protection for much of the working population (see figure III.6). As a result, the non-contributory pillar of social protection, which in developed countries was intended to cover a residual sector of the population, has come to occupy a central role.

Figure III.6
LATIN AMERICA (14 COUNTRIES): POPULATION LIVING IN HOUSEHOLDS WITHOUT SOCIAL SECURITY MEMBERSHIP AND WHICH DO NOT RECEIVE ANY PENSION OR PUBLIC WELFARE TRANSFERS, BY INCOME QUINTILE, 2009
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Social Panorama of Latin America 2011* (LC/G.2514-P), Santiago, Chile, 2012. United Nations publication, Sales No. E.12.II.G.6.

Social policy is also a necessary investment for the required structural change, as it will give workers the mobility they need. A dynamic economy that boosts the average productivity of society requires training and education, as well as domestic demand that follows environmentally sustainable consumption patterns to foster that paradigm shift in production structure.

Second, environmental sustainability cannot continue to be a second-class issue on the development agenda. It must be coupled with structural change and a pattern of sector diversification that is in tune with sustainability. A region with remarkable natural-resource diversity whose indigenous peoples have such a wealth of knowledge about the use of biodiversity and ecosystems has a competitive advantage that, if valued, researched and safeguarded, would enable it to reduce poverty, protect the environment and create sectors that are at the leading edge internationally. The need to provide better services and infrastructure in the region, closing the gap between those already in place and those required for an increasingly dynamic economy, offers a great opportunity for environmentally sustainable investments. Doing so calls for social covenants where the State plays a key role in promoting the environmental dimension as a part of public policy, in particular, industrial policy and land management policy. In sum, the need to transition to a development model whose guiding principle is equality and that progresses simultaneously towards social development, economic growth and environmental sustainability, poses an imperative for change for the region and the world. Forging a paradigm for sustainable development with equality would converge with structural change if there are effective mechanisms for managing the economy that take into account the cost of the environmental degradation, biodiversity loss and large carbon footprints that are putting global climate security at risk, and that correct the unfair distribution of environmental burdens.

Sustainable development needs an industry structure that is quite different from the one currently in place in most countries. The current development model depends on static comparative advantages consisting of exploiting abundant natural resources. This channels investment, innovation and

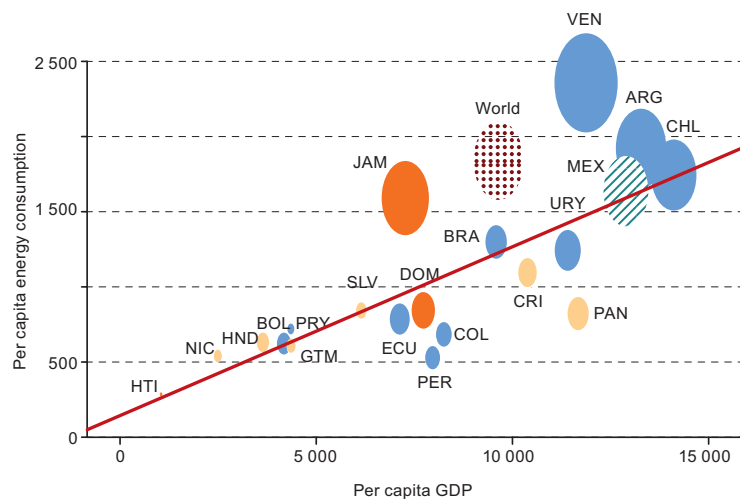
technological development in that direction and encourages energy intensity (especially the use of fossil fuels). This is why there is such a strong correlation between GDP growth, energy consumption and pollutant emissions (see figure III.7). This bias towards the dominant pattern, together with a failure to account for and internalize the costs of deteriorating natural resources and ecosystems, has held back structural change towards more efficient and knowledge-intensive activities with a smaller environmental and health impact.

During paradigm shifts when patterns are still flexible and alternate paths still open, it falls to the political will of societies to steer production, consumption, infrastructure and technology on a course that considers environmental and human health, future generations and the long term. This opens ample space for legitimacy and international cooperation.

The most promising strategy for ensuring future prosperity lies in decoupling economic growth from the rising rates of natural-resource use and the environmental impacts that occur in both consumption and production stages of product life cycles. Sustainable consumption and production represent an opportunity to transit to sustainable development and move away from the current unsustainable patterns. Effective governance systems for achieving sustainable development must include the effective governance of natural resources and ecosystems, which forms the basis for the sustainability of any economy. To be sustainable, the region's natural capital needs to be managed in an integrated manner across sectors. This will help the region deal with some of its persistent environmental and associated socioeconomic problems, including poverty, inequity and social conflict. A well-designed and robust regulatory framework can create incentives to scale up private sector initiatives. Effective engagement of the private sector on the path to sustainable development can be supported by fostering public-private partnerships, enhancing national regulatory and policy frameworks, designing appropriate finance mechanisms and promoting capacity-building and information exchange.

Figure III.7
LATIN AMERICA AND THE CARIBBEAN: PER CAPITA GDP AND PER CAPITA ENERGY CONSUMPTION, 2008^a

(Kilograms of oil equivalent and 2005 purchasing power parity dollars)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Structural Change for Equality: An Integrated Approach to Development* (LC/G.2524(SES.34/3)), Santiago, Chile.

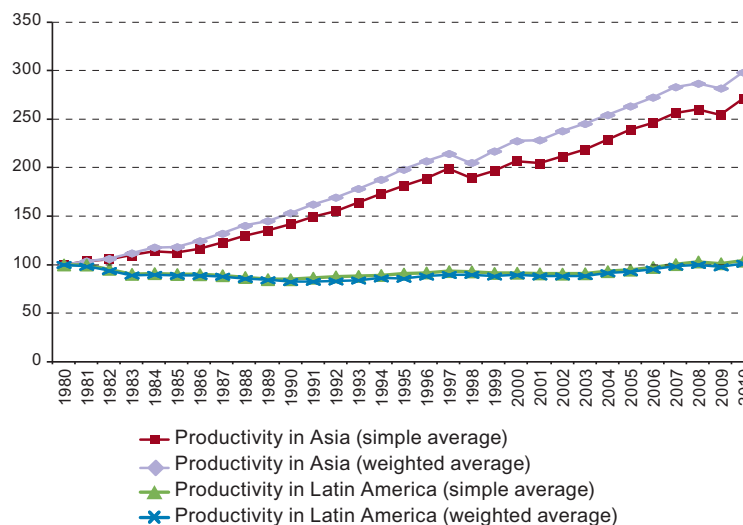
^a The size of the circles indicates the level of each country's per capita emissions. The colours correspond to the different subregions: blue for South America, red for Central America, and orange for the Caribbean.

The transition towards sustainable development will help to reduce vulnerability in the short and long term, create jobs and income, develop technology and infrastructure for disaster risk reduction, and protect the environment (UNIDO, 2010). The good practices developed in Latin America and the Caribbean in terms of incorporating disaster risk reduction criteria into the cost-benefit analysis of public investment projects, as well as the financial risk-transfer mechanisms in place to prevent fiscal imbalances caused by natural disasters, should be used more widely as key tools for reducing vulnerability and increasing resilience to disasters.

Third, industrial and productive development policy should play a leading role in steering development in order to narrow the technology, productivity and competitiveness gaps with economies on the technology frontier (see figure III.8). The lock-in of specialization patterns and technology paths based on static comparative advantages calls for a new set of incentives to redirect investment and transform the production structure by incorporating greater value added, targeting sectors on the basis of productivity leaps that radiate out to society as a whole, promoting sectors, activities and technology paths that are environmentally sustainable and disseminating technological innovation faster and more systemically.

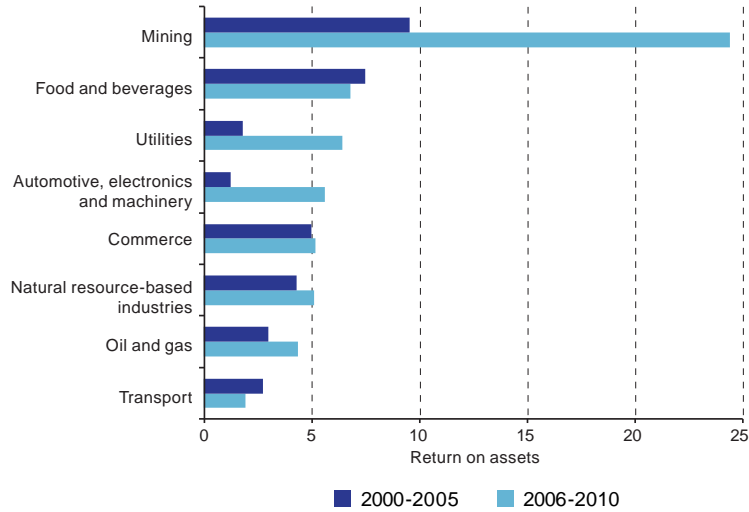
The production specialization dynamic depends on economic incentives and the behaviour of the agents of production, which is, in turn, heavily influenced by economic policy. Differences in sector returns determine where investments will go (see figure III.9). If higher returns are associated with less knowledge-intensive sectors, the production structure will remain locked in a technologically less dynamic path (see figure III.10). And if due account is not taken of negative environmental externalities, cost and return signals skew the growth model in an unsustainable direction. This blocks the development of new technologies that would, for example, open up less carbon-intensive energy alternatives for transport, urban development and production that put less pressure on the environment.

Figure III.8
LATIN AMERICA AND ASIA: PRODUCTIVITY GROWTH, 1980-2010
(Index 1980=100)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Structural Change for Equality: An Integrated Approach to Development* (LC/G.2524(SES.34/3)), Santiago, Chile.

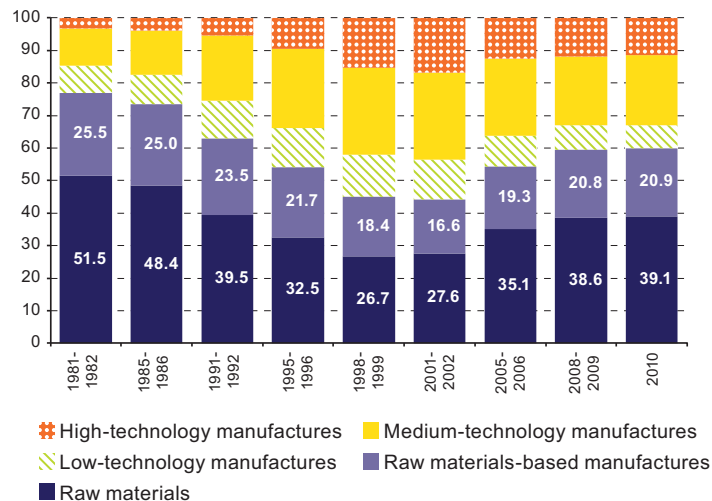
Figure III.9
LATIN AMERICA: RETURN ON ASSETS BY SECTOR, WEIGHTED AVERAGE,
2000-2005 AND 2006-2010^a
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Structural Change for Equality: An Integrated Approach to Development* (LC/G.2524(SES.34/3)), Santiago, Chile.

^a Weighting based on each company's share of sector sales. Natural resource-based industries include cement and aluminium, iron and steel, chemicals, petrochemicals, paper and pulp, and agribusiness.

Figure III.10
LATIN AMERICA AND THE CARIBBEAN: EXPORT STRUCTURE
BY TECHNOLOGY INTENSITY, 1981-2010^a
(Percentages of the total)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Structural Change for Equality: An Integrated Approach to Development* (LC/G.2524(SES.34/3)), Santiago, Chile.

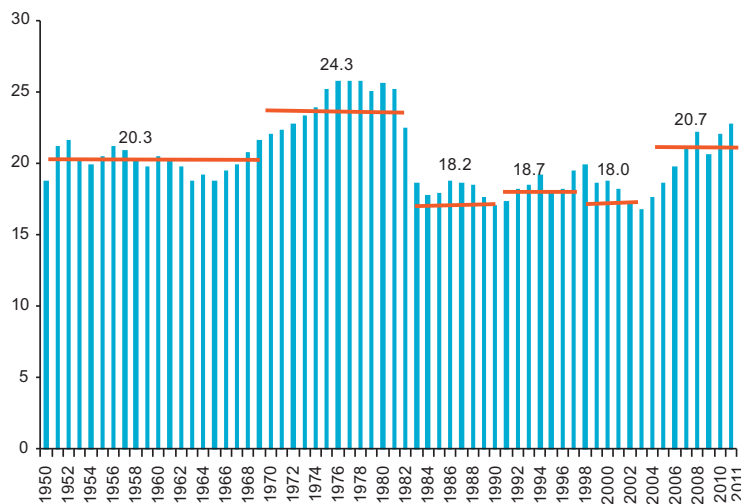
^a Data for Antigua and Barbuda refer only to 2007, and data for the Bolivarian Republic of Venezuela only to 2008; data for Honduras do not include 2008; data for Belize, Dominican Republic, Saint Kitts and Nevis, Saint Lucia, Suriname and Grenada (exports only) do not include 2009.

Industrial and productive development policy points in two complementary directions: boosting the capacities and competitiveness of existing sectors with obvious potential for growth and for incorporating technological progress; and diversifying the production structure by creating new, high-productivity sectors that are more environmentally sustainable and efficient. Added to this is the pressing need to foster greater productivity among microenterprises and small and medium-sized businesses (SMEs), especially in view of their capacity to create jobs and to become hubs for the dissemination of knowledge and the appropriation of technology. Training human resources and, in particular, the need to invest in adolescents and young people so that they can take advantage of the opportunities arising from the acquisition of new knowledge and skills are vital to this process.

Fourth, there can be no avoiding the adoption of research and development policies. Today, industrial policy is set within an industrial revolution encompassing new information and communication technologies, biotechnology and nanotechnology. Industrial policy should dovetail with developments on the scientific and industrial frontier, where new knowledge turns into new production modes at an ever increasing speed. Advantage should therefore be taken of structural change for environmental sustainability, especially by incorporating the technology revolution. Investment is the means of achieving this, with levels still falling short of those achieved in the years prior to the 1980s (see figure III.11).

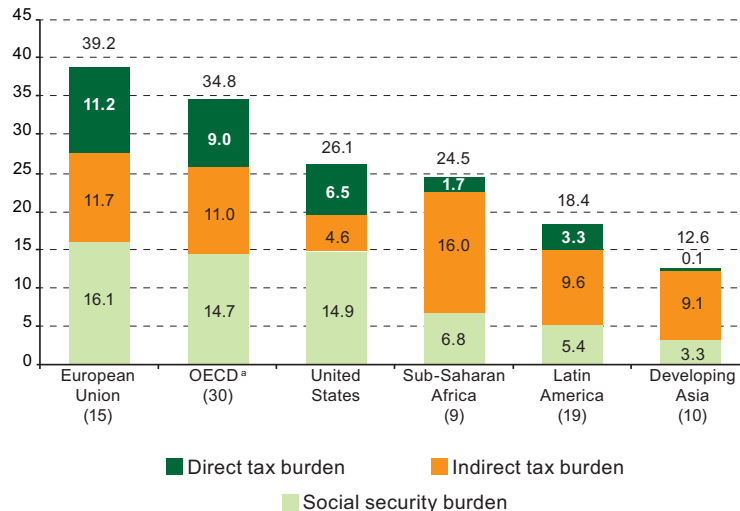
Fifth, macroeconomic policy must be coordinated to build synergies between the short and the long term. On the macroeconomic front, fiscal, monetary and exchange-rate policy should encourage long-term investment, production structure diversification and greater productivity convergence throughout the economy. Increased production diversification with greater incorporation of technological progress, smaller productivity gaps and improved energy and environmental efficiency are crucial for shielding the economy in the face of external shocks. A fiscal covenant that enhances the redistributive effects of tax structures and tax burdens and corrects externalities, and strengthens the role of the State and public policy in ensuring respect for the welfare threshold, is also part of the agenda for equality and environmental sustainability (see figure III.12).

Figure III.11
LATIN AMERICA: GROSS FIXED CAPITAL FORMATION, 1950-2011
(Percentages of GDP, in dollars at constant 2005 prices)



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

Figure III.12
INTERNATIONAL COMPARISON OF THE LEVEL AND STRUCTURE OF THE TAX BURDEN
(Percentages of GDP)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Structural Change for Equality: An Integrated Approach to Development* (LC/G.2524(SES.34/3)), Santiago, Chile.

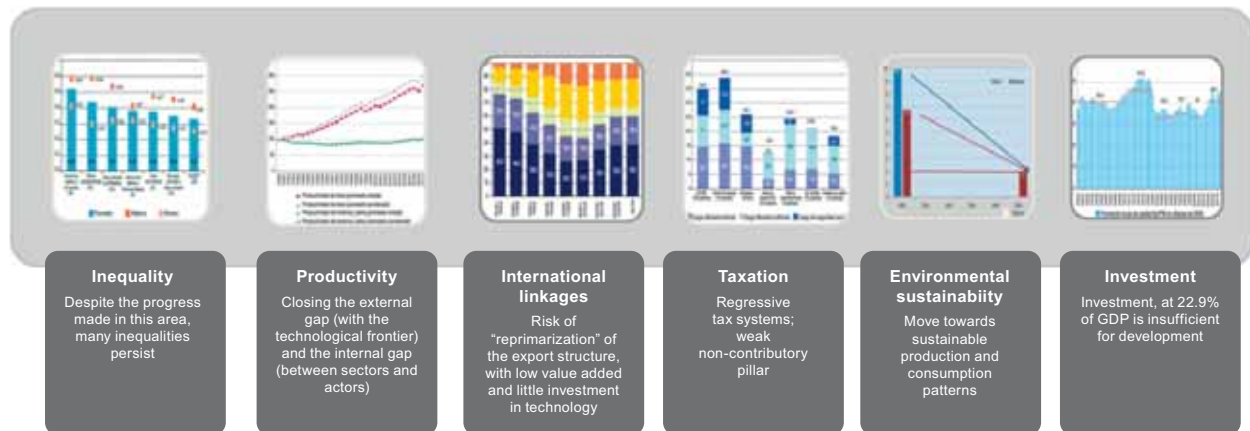
^a Organisation for Economic Cooperation and Development.

Among other functions, fiscal policies provide an essential set of instruments for building low-carbon, resource-efficient and socially inclusive economies. They are key tools for reflecting environmental side effects in the prices of energy and transportation services. In addition, they can provide a significant source of new revenue. Governments have a variety of instruments at their disposal: taxing fossil fuel use or emissions in different sectors; reforming energy subsidies that promote unsustainable economic activity; reforming agricultural subsidies that promote deforestation; and supporting the shift towards a green economy through fiscal incentives. Knowledge-sharing and good fiscal policy reform practices hold the key to achieving a successful transition to a green economy and a sustainable development path.

In short, this proposal is grounded in structural change as the path, public policy as the instrument and equality and sustainability as the core values steering the course of change (ECLAC, 2012e).

The sustainable development goals should underpin all policies (industrial, macroeconomic, social, labour and environmental) in order to advance towards virtuous structural change that can combine a shift in the production matrix towards sectors that are more productive and environmentally sustainable by incorporating technological progress and narrowing gaps between sectors; proactive macroeconomic policy to encourage productivity and investment; and social and labour policies that team structural change with redistributive impacts, improvements in the working world and fairer distribution of productivity gains among the factors and sectors of production (see diagram III.1).

Diagram III.1
GAPS IMPEDING THE ACHIEVEMENT OF SUSTAINABLE DEVELOPMENT



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

In the integrated vision of development proposed here, the targets and indicators associated with the sustainable development goals will indicate the progress made towards this new development model.

E. TRANSITION TO SUSTAINABLE DEVELOPMENT: THE GOALS

The model for sustainable development and *The future we want* (United Nations, 2012) are contingent upon equality. This principle must underpin the agenda for development beyond 2015 and, in particular, the sustainable development goals. It must also be the underlying value and prerequisite for the goals and their definition.

If we recognize poverty eradication as an indispensable prerequisite, equality as a guiding principle of sustainable development and a change in model as the path, then the development agenda and the sustainable development goals must move on from meeting basic needs—which is a necessary but not a sufficient condition—towards aspiring to sustainable development. Essentially, sustainable development goals must be what guides and compels us towards integrated development paths with synergies between inclusion, social protection, human security, risk reduction and environmental protection, while promoting gender equality and empowering women and redressing the gaps affecting certain ethnic groups, territorial differences and other factors of exclusion, based on the coordination and coherence of public action and participatory processes.

The goals must be guided by the considerations set out in *The future we want*: “The goals should address and incorporate in a balanced way all three dimensions of sustainable development and their interlinkages..., should be action-oriented, concise and easy to communicate, limited in number, aspirational, global in nature and universally applicable to all countries, while taking into account different national realities, capacities and levels of development and respecting national policies and priorities”.

The goals should enable the above-mentioned gaps to be closed while decoupling socioeconomic development from its environmental externalities. They should bring about permanent changes in

behaviour and should be measurable and verifiable. Thus, it will be necessary to frame enabling goals geared towards the national and international contexts and underpinning the broad priority objectives. This is not a new approach, bearing in mind that one of the Millennium Development Goals is “to develop a global partnership for development” (Goal 8), in order to rally international forces to promote fulfilment of the other goals.

1. Enabling goals at the national level

The change of model calls for a series of social covenants and agreements in order to achieve a sustainable reduction in the above-mentioned gaps. A central component of the national enabling goal is the pursuit of equality and environmental sustainability through the fiscal structure in the countries: progressive taxation and expenditure; elimination of subsidies that are harmful to the environment or to health; taxation of externalities; and the application of royalties to natural-resource extraction and their allocation to boost other capital stocks. This fiscal structure will help, for example, to eliminate the distortions caused by counterproductive social and environmental subsidies, such as those on fossil fuel and electricity consumption that are applied instead of direct transfers to the poorest segments of the population.

Another essential component is national investment. This should take into account the damage to the environment and health and the depletion of natural resources, for which no cost is currently assigned in the economy. These negative externalities therefore conceal the true cost of the economic activity and divert investments towards unsustainable activities. The type of investment will determine the future production structure and its socioenvironmental sustainability.

Changes thus induced by fiscal policy, investment and other factors could have a positive impact on critical environmental phenomena such as land-use changes, climate change, the pollution of bodies of water and of urban air and loss of biodiversity, without it being necessary to treat them separately in the composition of the sustainable development goals.

Change in fiscal policy and in investment practices is measurable and can be gauged by indicators and deadlines. By incorporating these concepts, national accounting should be able to guide decision makers towards more sustainable patterns of development within a reasonable time frame.

A robust and enabling institutional framework, based within a rights framework, which facilitates the coordination and consistency of public action is essential. Regulatory frameworks, appropriate channels for the free exercise of all rights, provision of and access to information, appropriate participation channels, transparency, accountability and access to justice contribute to the efficiency and effectiveness of public policy in support of sustainable development goals with equality.

2. Enabling goals at the global level

The global partnership for development should be deepened and implemented in an effective manner. Once again, the handout approach is inadequate to address the ills caused by global inequality. Nevertheless, official development assistance (ODA) —although it is not considered a basic pillar of the post-2015 agenda and is by and large an unfulfilled promise— will continue to be a significant source of development financing for several countries in the region, especially the poorest. This assistance should not focus on the social sectors alone: it should also go to the production sectors which generate income for the population on a permanent basis.

Each country's development model is set within a global economic model and it is well nigh impossible to make a national development model sustainable in the absence of an enabling global context. In order to move towards sustainability on a global scale, steps must be taken to address global ills under the principle of common but differentiated responsibilities and to fortify essential global public goods such as fair trade, a stable international financial system and the accessibility of technologies that are critical for health and environmental sustainability. To this end, global covenants should be developed for sharing tools, standards and policies.¹⁸

The need to strengthen regional public goods must not be overlooked, either. Integration schemes for energy and infrastructure, macroeconomic coordination including fiscal issues, and agreements to address transboundary pollution, are some examples of processes that can facilitate sustainable development and offer comparative advantages at the regional level.

3. Priority objectives

The critical aspects of sustainable development need to be identified while ensuring that the needs captured in existing development goals are fulfilled. The Millennium Development Goals call basically for increases in coverage and quantity. This makes them largely ineffective for driving a paradigm shift towards sustainable development. Sustainable development objectives must provide the qualitative leap that is required. For example, with regard to achieving resilient and sustainable human settlements, a key objective in Latin America and the Caribbean, as the planet's most urbanized region, must include aspects of drinking water supply and sanitation and the eradication of slums, but also aspects related to sustainable transport and construction, waste management and recycling, control of atmospheric pollution and efficient use of resources, land-use planning and resilience to extreme events, among others. Achieving quality energy for sustainable development would include access to energy for all, along with aspects of efficiency, cleanliness and renewability (see box III.4). As well as eradicating child and maternal mortality and combating HIV/AIDS, malaria and tuberculosis, achieving a "healthy life" must involve tackling aspects of universal access to health care, including sexual and reproductive health care, malnutrition and diseases associated with sedentary lifestyles (see box III.5).

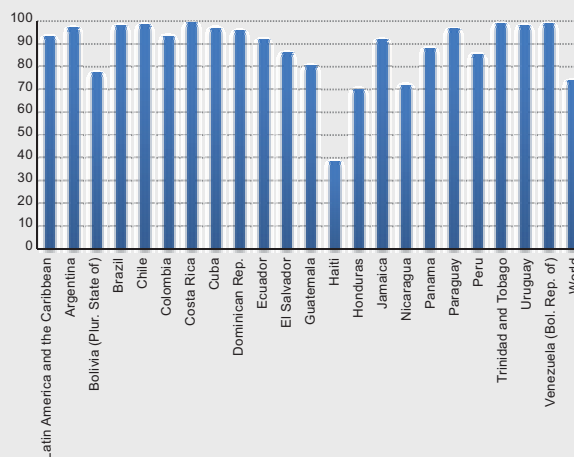
Many problems that affect different sectors and that are seemingly unrelated (such as the increased use of pesticides, urban pollution, marine eutrophication, congestion and non-communicable diseases) may share a cause and, therefore, may also be addressed with the same robust, cross-cutting and transformative development solutions. Such is the case for the factors determining energy use and health (see boxes III.4 and III.5). For example, the effects of changing the relative prices of fossil fuels, in order to reflect their environmental and health externalities, would go far beyond the energy sector: for example, it would incentivize improvements in the quality of energy sources and greater efficiency in production processes; it would reduce the harm caused by petroleum-based pesticide use and its adverse consequences on health and ecosystems, including the marine environment; it would encourage a more integrated and healthy urban design; it would discourage offshoring of production while fostering greater local consumption; and it would change people's approach to mobility, making them less sedentary (thus promoting a healthier lifestyle) on the local scale and contributing to the use of information and communication technology on the global scale. Thus, a small number of global development goals, well chosen for their potential to foster sustainability, are preferable to a whole host of disjointed and weak objectives.

¹⁸ For example, the international financial system can be reformed in order to guarantee greater transparency, while macroprudential norms may be adopted along with agreements for taxing short-term capital movements and eliminating tax havens.

Box III.4
QUALITY ENERGY FOR SUSTAINABLE DEVELOPMENT

In Latin America and the Caribbean, as in the rest of the world, large numbers of people lack access to energy. Although most of the region's countries have achieved coverage levels of over 80% and the regional average tops 90%, there are large disparities between countries and some 35 million to 40 million people still have no access to the basic energy services (modern electric power and fuels) they need to leave poverty behind. Almost 75% of the region's poor lack access to energy.

Figure 1
LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): ACCESS TO ELECTRICITY, 2009
(Percentages of the population)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of World Bank, World Development Indicators [online database].

The poor consume less energy than other social strata, but spend a higher proportion of their income on energy. Often, the poor are driven to use firewood as a basic fuel, because of the difficulties and cost of accessing services through electricity or natural gas distribution networks. This has major impacts—especially for women and children—on health owing to indoor pollution, and in terms of the time needed to collect it. So, although guaranteeing 100% coverage is necessary, it is not enough: energy must also be of good quality and efficiently used.

Although the desired goal is to gradually reduce the amount of energy used per unit of output, energy intensity has been declining more slowly in Latin America and the Caribbean than in other regions (which started from relatively lower levels). The slow pace of progress in this respect is attributable to the production patterns discussed above, the use of consumption and production subsidies, and the low priority afforded to energy efficiency policies, among other factors.

Programmes aimed at promoting energy efficiency have made a great deal of progress, but the lack of sufficient funding has hampered their outcomes. Another crucial factor for the success of energy efficiency policies and programmes is proper coordination among different governmental sectors to ensure coherence between policies pursuing different objectives. Subsidies based on economic considerations that fail to take the environmental costs of energy use into account are at cross-purposes with the countries' energy efficiency programmes.

Fuel subsidies for private vehicles and for cargo and transit services stand in the way of energy intensity improvements and place an added burden on fiscal accounts. Some of these subsidies are also regressive, since the top income quintile accounts for a substantial proportion of expenditure on fuel for automobiles (Acquatella and Altomonte, 2010). These subsidies have been on the rise since 1992 due to the fact that most of them are based on international oil prices, which have been climbing sharply, especially since 2003. Expressed in terms of potential alternative uses of those funds—such as for health care—fuel subsidies represent a heavy burden on fiscal spending. Cutting these subsidies would not only reduce the use of fossil fuels and their adverse environmental and health impacts, as well as boosting the profitability of alternative energy sources, but would also free up government funds for use in other areas, such as education and health.

Box III.4 (continued)

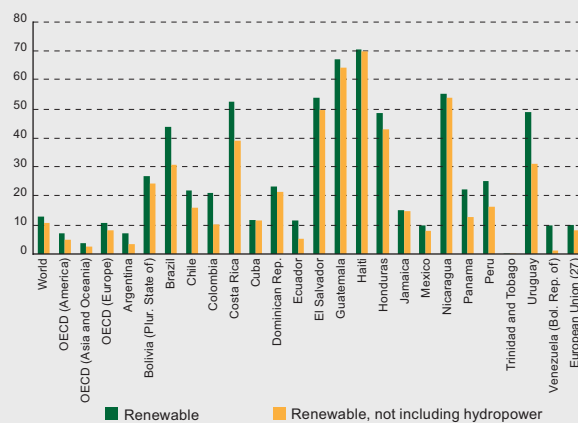
Table 1
**LATIN AMERICA (SELECTED COUNTRIES): FOSSIL FUEL SUBSIDIES
 AND PUBLIC SPENDING ON HEALTH, 2008-2010**
(Billions of dollars and percentages of GDP)

	Subsidies on fossil fuels						Public spending on health (percentages of GDP)	
	2008	2009	2010	2008	2009	2010		
	<i>(billions of dollars)</i>			<i>(percentages of GDP)</i>				
Argentina	18.1	5.9	6.5	5.5	1.9	1.8	5.3	(2008)
Colombia	1.0	0.3	0.5	0.4	0.1	0.2	1.9	(2009)
Ecuador	4.6	1.6	3.7	8.4	3.1	6.7	1.3	(2006)
El Salvador	0.0	0.0	1.2	0.0	0.0	5.6	3.4	(2007)
Mexico	22.5	3.4	9.5	2.1	0.4	0.9	2.8	(2008)
Peru	0.6	0.0	0.0	0.5	0.0	0.0	1.2	(2008)
Venezuela (Bolivarian Republic of)	24.2	14.1	20.0	7.8	4.3	5.1	1.8	(2006)

Source: Economic Commission for Latin America and the Caribbean (ECLAC) on the basis of the subsidies on fossil fuels published in International Energy Agency (IEA), *World Energy Outlook 2011* [online] <http://www.iea.org/subsidy/index.html>; Economic Commission for Latin America and the Caribbean (ECLAC), official GDP figures and social expenditure database for public health-care spending.

For the region as a whole, the renewable portion of the energy supply is approaching 25%. This figure is high compared to the global average, but it has been falling over the past few years. The contribution of renewable energies to the overall energy supply varies greatly between countries, however: from over 67% in Paraguay to 0.1% in Trinidad and Tobago. Hydropower makes up a large part of Brazil's energy matrix, and the country has implemented a very successful long-term strategy to develop its biofuels industry. Non-conventional renewables still make up a small proportion (4%) of the region's energy matrix, but they are growing steadily.

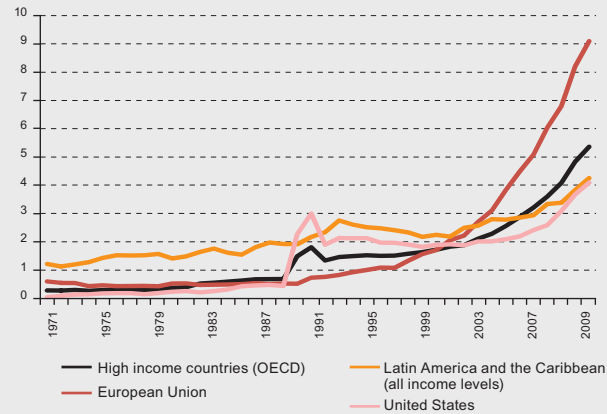
Figure 2
**LATIN AMERICA AND THE CARIBBEAN: SHARE OF RENEWABLE SOURCES
 IN THE ENERGY MATRIX, 2010**
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of World Energy Statistics and Balances dataset, OECDiLibrary.

Box III.4 (continued)

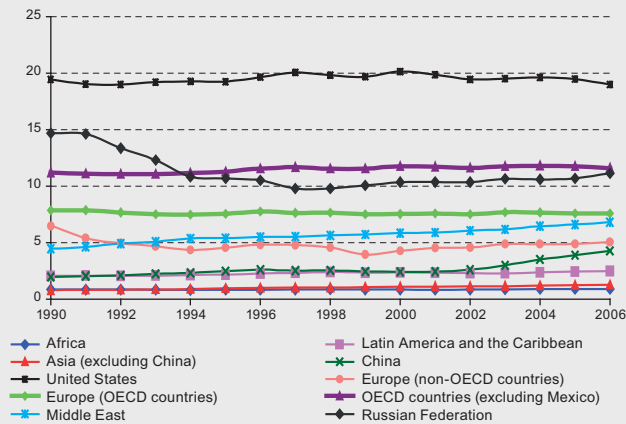
Figure 3
WORLD (SELECTED COUNTRY GROUPINGS): ELECTRICITY PRODUCTION FROM RENEWABLE SOURCES, NOT INCLUDING HYDROPOWER, 1971-2009
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of World Energy Statistics and Balances dataset, OECDiLibrary.

Carbon dioxide (CO₂) emissions per capita from fossil fuel burning are relatively low in Latin America and the Caribbean, compared with the global average, and they have held fairly steady (see figure 4). However, the differences between countries are considerable.

Figure 4
WORLD: CO₂ EMISSIONS PER CAPITA FROM FOSSIL FUEL BURNING, BY REGION, 1990-2006
(Metric tons)

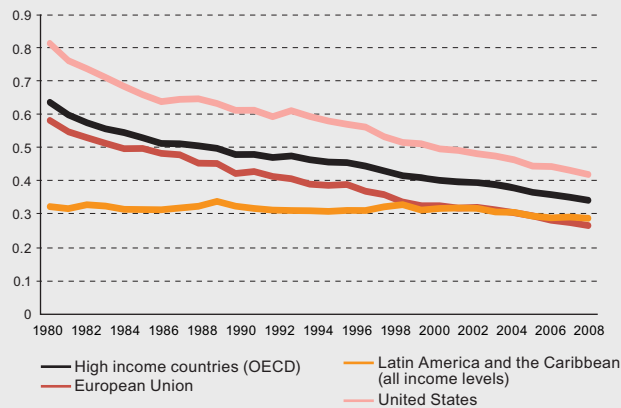


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the International Energy Agency (IEA) [online] www.iea.org.

However, CO₂ emissions are quite strongly coupled with output growth, which makes it likely that the region's emissions from energy sources will continue to rise.

Box III.4 (concluded)

Figure 5
WORLD (SELECTED COUNTRY GROUPINGS): CO₂ EMISSIONS PER UNIT OF GDP, 1980-2008
(Kilograms of CO₂ per unit of GDP in dollars at 2005 prices, in PPP)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of World Bank, World Development Indicators [online database].

Box III.5

UNIVERSAL HEALTH COVERAGE

Despite progress in health care, millions of people are still barred from health services by economic or geographical factors, in addition to the social and environmental determinants mentioned in this document. This highlights a key challenge to the region's development agenda represented by health equity. In Latin America and the Caribbean, the mortality rate continues to fall and life expectancy is trending upwards. Child mortality fell from 42 per 1,000 live births in 1990 to 16 in 2011. Nevertheless, child mortality, particularly of newborns, remains a challenge. Maternal mortality shows large variations between and within countries. The most dramatic case is Haiti, with 630 maternal deaths per 100,000 inhabitants (2006). Family planning coverage has risen, and contraceptive use has reached 67%, a similar figure to the developed countries, although demand for contraceptive methods still exceeds supply, particularly in marginalized populations and among adolescents. Gauging antenatal coverage by prenatal check-ups alone shows apparent progress, since on average women receive 4 to 5 check-ups during pregnancy. However, quality of care is poor and maternal mortality remains a pending challenge in the region. Immunization rates in 1-year-old children average 93%, bringing significant achievements as regards the elimination or reduction of diseases preventable by vaccination.

The Latin American and Caribbean region's epidemiological profile reflects a triple disease burden. First, non-communicable chronic diseases, which carry a high mortality rate and create heavy burdens on health services through recurring acute episodes and growing disabilities. Second, infectious diseases, which show a falling mortality rate, but still high rates of morbidity. And, third, the disease burden from external causes. This burden is being worsened by rapid urbanization processes, which lead to the development of rings of poverty lacking basic services. In these areas, violence, poor road safety and drug addiction push up mortality and morbidity rates.

Non-communicable diseases are the leading cause of death and disability worldwide, causing about 75% of deaths in Latin America and the Caribbean and affecting over 20 million people. In the region, they already represent a direct cost burden on health services and individuals, limiting the coverage of the former and plunging the latter into poverty. Unless measures are taken, non-communicable diseases will cost the low- and medium-income countries an estimated US\$ 500 billion per year, or 4% of GDP in today's terms. In Latin America and the Caribbean, diabetes alone represents an estimated cost of US\$ 65 billion per year. In Brazil and Mexico, adult obesity is projected to rise by between 13% and 17% between 2010 and 2030, driving up the associated yearly health-care costs by between US\$ 400 million and US\$ 600 million. Achieving an average reduction of between 1% and 5% in body mass index in this period would bring yearly savings of between US\$ 100 million and US\$ 200 million (PAHO, 2012b).

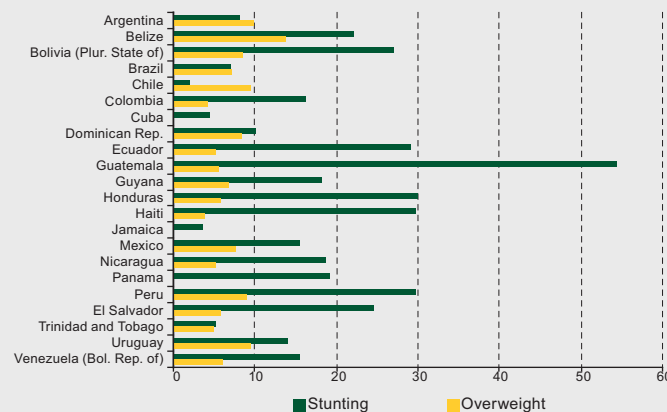
Box III.5 (continued)

With regard to controlling infectious diseases, malaria prevalence has fallen by over 50% and there are other examples of success in reining in neglected tropical diseases such as onchocerciasis (river blindness), lymphatic filariasis and schistosomiasis. As well, the transmission of Chagas' disease in the household environment has also been eradicated in several countries in the region. More efficient and timely early warning systems are needed, as demonstrated by the emergence of rapid-spread communicable diseases such as influenza A(H1N1), the recurrence of outbreaks of leptospirosis, yellow fever and other viral haemorrhagic fevers and the resurgence of cholera in Haiti. Dengue is an unresolved challenge: the number of cases has risen constantly. What is needed is a thorough revision of preventive and control measures based on better-integrated ecosystem and public health strategies. The HIV/AIDS epidemic and access to sexual and reproductive health services in Latin America and the Caribbean must be included under universal health coverage.

Emerging challenges, such as changes in eating habits, climate change, the destruction of ecosystems, water shortages and land-use changes, among others, are bringing new pressures to bear on health and, here again, the most vulnerable populations suffer the most severe effects. One of the main health risks in urban areas is atmospheric pollution. Some megacities, such as Mexico City, São Paulo and Santiago, have measures in place to manage contaminant emissions, but most cities of over 100,000 inhabitants lack air-quality surveillance or monitoring systems. This has significant health impacts for the exposed populations. The Pan-American Health Organization (PAHO) estimates that close to 100 million of the region's inhabitants are exposed in their daily lives to concentrations of ambient air pollutants in excess of the maximum permissible levels established in the air quality guidelines published by the World Health Organization (WHO). It is calculated that, yearly, air pollution costs the lives of around 35,000 people and the loss of 276,000 life years in Latin America and the Caribbean. As well as air pollution, chemical contamination is a serious problem in the region. The extractive industry (mining and oil drilling) is growing in the region, and many countries do not have measures to control industrial waste. More intensive use of insecticides and other toxins in agriculture also increases the risks of direct human exposure through consumption of food or contaminated water. Few countries practise control and oversight of chemicals in water and food.

The region is undergoing an epidemiological transition: on the one hand, long-standing risks have not been adequately reduced while, on the other, new problems are on the rise, including tobacco addiction, alcoholism, physical inactivity and poor diet, uncoordinated public transport, unsustainable agriculture, uneven socioeconomic development and environments which discourage healthy behaviours. Thus, undernutrition and overweight coexist in the region (see the figure below).

**LATIN AMERICA AND THE CARIBBEAN: UNDERNUTRITION AND OVERWEIGHT
IN CHILDREN UNDER AGE 5, 2000-2009**
(Percentages)



Source: United Nations, *Sustainable development 20 years on from the Earth Summit: Progress, gaps and strategic guidelines for Latin America and the Caribbean* (LC/L.3346/Rev.1), Santiago, Chile, ECLAC, 2012.

Box III.5 (concluded)

Growing global interdependence, characterized by ever-increasing travel and trade, as well as other emerging factors, have made global and national health protection a collective responsibility. Yet, most of the region's countries have requested to postpone until 2014 the implementation of the International Health Regulations (IHR). Successful and efficient implementation of the Regulations depends increasingly on strengthening coordinated action between sectors, and on surveillance, monitoring and communication mechanisms that enable responses to all types of risks, whether they are infectious, chemical, radioactive or multiple in origin, or the result of extreme environmental events.

In the past few years the Latin American and Caribbean countries have made progress towards achieving universal coverage in health systems, through reforms and policy changes, approaching the right to health as both a social and an individual right. Nevertheless, a number of challenges remain, especially inequitable distribution of resources and services. One major challenge is to move towards integrated coverage of services including primary care, reducing or eliminating co-payments and other out-of-pocket expenses and ensuring that the entire population has access to similar benefits. Universal coverage and access to health are understood in the broad sense reflecting work on the social and environmental determinants of health, not only access to health-care services. The demographic transition documented in this chapter imposes the future challenges of an increasingly aged society. In this regard, it is essential to make use of the opportunity presented by the demographic dividend in order to promote decent employment, social protection and savings capacities for today's youth. The pillars of the recent social protection efforts made by several governments in the region include non-contributory pensions, which have helped to provide greater economic security to vast groups of the adult population who were excluded from the existing pension systems.

Universal health coverage is also understood from an integrated perspective to include prevention, promotion, care and rehabilitation, as well as financial protection as a component of health-related social protection. There is a risk in the region of the definition of social protection becoming reduced to basic packages of benefits or other predetermined models. Social protection must ensure that public institutions provide the necessary conditions for guaranteeing the right to health.

Approached in this manner, universal coverage could become one of the objectives of the new development agenda beyond 2015. The point is to ensure the right to health for all. Universal health coverage therefore represents the target towards which health systems should aim. It has two main components: access for all to integrated health services based on needs, and financial protection against risks arising from loss of health. Progress in this dynamic process can be expedited by working on three dimensions: (i) the proportion of the population with access to health services, (ii) the range and quality of the services provided, and (iii) reducing or eliminating financial barriers to access. Universal health coverage is a key component of sustainable development, as well as a practical means of ensuring equity and fulfilment of health rights.

Source: Prepared by the authors.

In sum, the current model must embrace more ambitious values: reducing poverty by bringing about greater equality, and advancing from the provision of the minimum dietary energy requirement to quality nutrition, from the focus on diseases of poverty to ensuring a healthy life, from basic education to the full development of capacities and opportunities, and from basic access to necessities such as water, energy and housing to good-quality habitats and human settlements.

Latin America and the Caribbean, a middle-income region, can and must make progress towards meeting the Millennium Development Goals, as discussed in chapters I and II. But the next step along the path of development cannot be taken without a shift towards sustainability, as outlined in the arguments made in this chapter.

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IV. CONCLUSIONS

The discussion on the post-2015 development agenda offer a unique opportunity to promote genuine sustainable development founded on resolving the major ills and challenges facing humanity. The analysis of the advances recorded to date, together with the old and new challenges for sustainable development in Latin America and the Caribbean, underscores the need for a post-2015 development agenda that is more ambitious and more consistent with the region's potential. Economic growth and the reduction of monetary poverty are not enough; what is needed is a multidimensional approach. Growth in the Latin American and Caribbean region can sustain greater levels of inclusion, protection, participation and social, economic and political equality, promotion and fulfilment of human rights, less exposure to the negative impacts of external volatility, higher levels of investment in productive activities, increased generation of decent, good-quality employment and greater environmental sustainability and disaster resilience.

The following messages sum up the content and principal findings of this document and are designed to draw the attention of governments in the region to the possibilities and broad orientations that could shape the new development agenda.

Message 1: The focus must stay on the remaining gaps in achievement of the Millennium Development Goals.

While some of the Millennium Development Goals and associated targets proved to pose little challenge for the region, others have still not been met. The disparities, gaps and inequalities within and between countries continue to hamper advances in human well-being in all the dimensions covered by the Goals.

While the region may be considered to be middle-income, progress has been highly uneven from one country to another; several countries lag way behind in all dimensions of well-being and these demand urgent attention. The region will therefore need to consolidate the advances and achievements recorded and focus its efforts on overcoming the gaps in meeting outstanding targets —and in addressing the structural causes of those gaps. It should be guided by the principles of human rights, equality and sustainability and give priority to the groups that face greater obstacles to the full enjoyment of their rights and well-being (children, young people and women). These efforts must be made with full cognizance of the demographic trends peculiar to the region and bearing in mind the advanced degree of urbanization, which poses new public policy challenges.

The persistent inequalities and new gaps emerging in most countries —not only between rural and urban areas but also between different ethnic and intra-urban groups— call for integrated responses. These will have huge implications for subnational policies. The efforts and resources invested in follow-up to, and fulfilment of, the agenda for the Millennium Development Goals have provided valuable experience over more than a decade and will serve as the basis for a forward-looking, post-2015 agenda that responds to the need for sustainable development.

Message 2: The region is changing.

Emerging issues should be addressed in the new development agenda.

A common criticism levelled against the agenda of the Millennium Development Goals is that it fails to address a number of important dimensions of well-being. Each region (indeed, every country)

faces a set of challenges that are not reflected in the basic agenda comprising the eight global goals. The new post-2015 development agenda will have to take into account and reflect these missing dimensions.

As a middle-income region, Latin America and the Caribbean will be facing new challenges: the end of the demographic dividend and the onset of population ageing, the challenges associated with non-communicable diseases and growing tensions arising in relation to the need to ensure universal access to a good-quality diet and health care; lack of opportunities for young people and difficulties in access to sexual and reproductive health services; criminality and violence, including gender-related violence; discrimination and territorial inequalities; and climate change and vulnerability to extreme natural events. Notwithstanding the inequality in the region, it must be borne in mind that people in all regions, including disadvantaged and vulnerable groups, are entitled to a standard of living that ensures their well-being and, therefore, satisfying human rights means promoting public policies aimed explicitly at reducing inequality in all its forms (ethnic, gender, territorial and socioeconomic).

The affirmation of new identities and of multiculturalism provides new opportunities for exercising citizenship and strengthening the participation of individuals, including through voluntary efforts, in building the egalitarian future we want.

Message 3: Addressing new challenges as well as old ones calls for a new development model based on a structural change for equality and environmental sustainability.

Economic growth is not sufficient. The limitations of the status quo must be recognized and a new model based on satisfying human rights, equality and environmental sustainability is needed. The economic sphere is one of the main areas in which inequality is generated and reproduced, since labour income—especially wage income—accounts for the greater part of household income, even in the case of the poorest groups. Income distribution can scarcely be improved without strong, sustained economic growth over time and a structural change in the existing development model. However, growth is not the only requirement; sustainable development is not purely economic, but encompasses social, political and environmental dimensions as well. Experience to date has shown that sustainability cannot be achieved while the focus remains primarily on socioeconomic development, with the environment treated as a secondary consideration. Moreover, this approach has a negative impact on quality of life in the medium term and the well-being of future generations.

Message 4: Minimum levels of well-being have risen.

This change is grounded in good-quality, rights-based universalist State policies on social protection, health, education and employment.

As economic growth progresses in Latin America and the Caribbean, so does the threshold for significant political action. The Millennium Development Goals agenda is based on a single set of thresholds for global goals. Nevertheless, many middle-income countries have introduced higher multiple thresholds for the Goals, applicable at the national or subnational level. Multiple thresholds recognize the different paces and capacities of individuals and groups in these countries. A significant policy innovation taking place in the region—the establishment of universal social protection floors—could be a useful milestone for moving towards a system of multiple thresholds in the future. The target is to establish universal development goals that are sufficiently flexible to enable all countries in the region to commit to achieving them.

The sharp inequalities that are a hallmark of the region's societies and the vulnerability of the majority of the population to poverty, disease, unemployment, together with the volatility of the economy

and financial flows worldwide, and the negative implications of urban sprawl and unbridled industrial development, fluctuations in food prices, climate change and natural disasters, make it crucial to have a universal social protection floor. The high levels of informality and labour segmentation, along with unequal and intermittent access to formal social security mechanisms (in particular for women), make it imperative to strengthen a non-contributory and redistributive social protection pillar. The financial sustainability of more inclusive social protection systems calls for a long-range political commitment and a new fiscal covenant in which all social sectors assume responsibility for ensuring collective well-being and building less unequal societies.

Message 5: Policy and institutions matter.

The shift towards sustainable development requires appropriate regulation, enforcement, funding and governance. The private sector has a shared responsibility.

Democracy, good governance, robust institutions, a strong notion of citizenship, the empowerment of the population to participate in decision-making and the rule of law are fundamental conditions for ensuring that the new model is sustainable over time. The State must act as guardian, defining clear rules of play, norms, instruments and agreements conducive to sustainable development, while promoting accountability mechanisms, transparency and access to information, participation and access to justice. Economic policies, in particular fiscal policies, must be aligned with these actions taken by the State in pursuit of its universalist, progressive and environmentally sustainable aims. An inter-agency architecture and the engagement of the private sector are necessary in order to respond to the challenges.

Message 6: It is key to measure better.

A wider variety of ways to measure progress is needed to complement GDP and thus better inform decision-making for sustainable development.

Conventional economic indicators, such as GDP, fail to reflect the wide range of elements that are fundamental for improving the population's standard of living. As often pointed out, while GDP reflects the economic benefit of rising sales of tobacco, fast food and motor vehicles (as an increase in production), it does not show the harmful impact that these increases have on the quality of life of people in terms of more serious health problems, traffic congestion and pollution. In a more general sense, the measurements used currently to assess progress can be misleading since they do not take into account elements that are crucial for quality of life: subjective well-being from the perspective of opportunities and capacities, including psychological well-being, empowerment and participation, security, human dignity, a sense of equality, time use and a series of innovative environmental and sustainable development indicators. Furthermore, since national averages are used, most measurements do not reflect the situation in isolated areas, or that of their populations.

Moving beyond GDP has been a good starting point for measuring human progress. Advances have been made thanks to innovative work on national accounts of well-being, net adjusted saving, research on happiness, time use, subjective well-being and a series of micro- and macroindicators of human progress.

In order to mainstream social inclusion, gender and environmental sustainability into policymaking, the methods used to measure development and its sustainability must be improved and perfected; in particular, these methods must take into account the value of time and of both paid and unpaid work, as well as the negative externalities of economic activity, the population's quality of life and the enjoyment of rights and freedoms. Planning for development must be reinforced, together with the linkages between science and politics, by compiling more accurate data and information on the

environment and establishing more varied ways of measuring advances that complement GDP, with a view to informing better decision-making in relation to sustainable development that is more in tune with national and subnational contexts.

This will necessitate further efforts to develop and adopt multidimensional methodologies for measuring well-being, poverty, the quality of education, food and nutritional security, health, inequality and economic activity. The post-2015 development agenda must incorporate follow-up mechanisms that better reflect social, economic and environmental sustainability.

Message 7: Global governance for sustainable development has to be built.

Priority should be given to consistent global policies for sustainable development, fair trade, technology transfer, international finance reform and new funding mechanisms, in addition to promoting South-South cooperation and enhancing mechanisms for social participation.

The content of the global development agenda will need to be different and more demanding if it is to be effective. It must include a review of the principles governing international migration and new international financial architecture with institutions and mechanisms capable of regulating speculative capital movements, more sustainable production systems and the international transfer of financial risks resulting from technological and industrial dependence and the assimilation of patterns of consumption. The new agenda must also provide for a redefinition of the terms under which official development assistance is granted, as well as the amount of that assistance, and for the implementation of measures to incorporate the principles of sustainable development. The new development agenda must be conceived as a global issue, to be addressed by all countries, and not just by developing countries. We have only one planet and there is only one human species.

Annex

Table A.1
**LATIN AMERICA (20 COUNTRIES): PROGRESS TOWARDS ERADICATION
 OF POVERTY, 1990-2011^a**

	Extreme poverty					Poverty ^b				
	Level		Progress ^c 1990-2011 (percentages)	Progress at 2011	Achievement gap ^d (percentages)	Level		Progress ^c 1990-2011 (percentages)	Progress at 2011	Achievement gap ^d (percentages)
	1990	2011				1990	2011			
Latin America^e	22.6	11.5	98.2	MODERATE	0.2	48.4	29.4	78.5	HIGH	5.2
Low and medium-low human development countries^f	48.6	31.0	72.6	VERY HIGH	6.7	71.3	55.7	43.7	VERY HIGH	20.1
Haiti	...	...	...	...	...	...	...	...	...	...
Guatemala	42.0	29.1	61.4	VERY HIGH	8.1	69.4	54.8	42.1	VERY HIGH	20.1
Honduras	60.9	42.8	59.4	VERY HIGH	12.4	80.8	67.4	33.2	VERY HIGH	27.0
Nicaragua	51.4	29.5	85.2	VERY HIGH	3.8	72.0	58.3	38.1	VERY HIGH	22.3
Bolivia (Plurinational State of)	40.0	22.4	88.0	HIGH	2.4	63.1	42.4	65.6	VERY HIGH	10.9
Medium human development countries^f	28.4	18.9	66.6	HIGH	4.7	62.8	43.2	62.7	VERY HIGH	11.7
Colombia	26.1	10.7	118.0	MODERATE	0.0	56.1	34.2	78.1	HIGH	6.2
El Salvador	26.0	16.7	71.5	HIGH	3.7	70.4	46.6	67.6	VERY HIGH	11.4
Paraguay	33.0	28.0	30.3	VERY HIGH	11.5	62.0	49.6	40.0	VERY HIGH	18.6
Dominican Republic	...	20.3	...	HIGH	...	...	42.2	...	VERY HIGH	...
Medium-high human development countries^f	22.0	9.3	115.3	MODERATE	0.0	48.1	27.2	86.9	MEDIUM-LOW	3.1
Brazil	23.4	6.1	147.9	LOW	0.0	48.0	20.9	112.9	MEDIUM-LOW	0.0
Ecuador ^g	26.2	10.1	122.9	MODERATE	0.0	62.1	32.4	95.7	HIGH	1.4
Venezuela (Bolivarian Republic of)	14.4	11.7	37.5	MODERATE	4.5	39.8	29.5	51.8	HIGH	9.6
Peru	25.0	6.3	149.6	LOW	0.0	47.5	27.8	82.9	MEDIUM-LOW	4.1
Panama	21.0	12.4	81.9	MODERATE	1.9	43.0	25.3	82.3	MEDIUM-LOW	3.8
High human development countries^f	10.4	5.3	97.3	LOW	0.1	31.2	15.7	99.3	LOW	0.1
Mexico	18.7	13.3	57.8	MODERATE	4.0	47.7	36.3	47.8	HIGH	12.5
Costa Rica	10.1	7.3	55.4	LOW	2.3	26.3	18.8	57.0	MEDIUM-LOW	5.7
Cuba	...	...	...	...	...	...	...	...	...	...
Argentina ^g	6.8	1.9	144.1	LOW	0.0	25.4	5.7	155.1	LOW	0.0
Chile	13.0	3.1	152.3	LOW	0.0	38.6	11.0	143.0	LOW	0.0
Uruguay ^g	3.4	1.1	135.3	LOW	0.0	17.9	6.7	125.1	LOW	0.0

	Target met
	On track towards the target
	Not on track towards the target

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

^a Percentages of poverty and indigence are based on national lines estimated by ECLAC.

^b Includes indigent population.

^c Ratio between the number of percentage points by which poverty and indigence decreased and half the rate for 1990.

^d Number of percentage points required to meet the target of halving extreme poverty between 1990 and 2015.

^e Weighted average.

^f Simple average.

^g Urban areas.

Table A.2 (concluded)

Country or territory	Goal 1		Goal 2	Goal 3	Goal 4	Goal 5		Goal 7		
	Target 1A	Target 1C		Target 2A	Target 3A	Target 4A	Target 5A	Target 5B	Target 7C	
	Extreme poverty	Undernutrition	Undernourishment	Completion of primary schooling	Women in parliament	Child mortality	Maternal mortality	Prenatal care coverage (1c)	Access to drinking water	Access to sanitation
Guyana		VERY HIGH	LOW		MODERATE	HIGH	VERY HIGH	HIGH	HIGH	MODERATE
Cayman Islands										
Turks and Caicos Islands								VERY HIGH	VERY HIGH	VERY HIGH
British Virgin Islands								VERY HIGH	VERY HIGH	VERY HIGH
United States Virgin Islands										
Jamaica	LOW	LOW	MODERATE		VERY LOW	MODERATE	VERY HIGH	VERY HIGH	MODERATE	LOW
Martinique										
Montserrat								VERY HIGH	VERY HIGH	HIGH
Puerto Rico							LOW			
Saint Kitts and Nevis			HIGH		VERY LOW	VERY LOW		VERY HIGH	VERY HIGH	HIGH
Saint Vincent and the Grenadines			VERY LOW		LOW	MODERATE		VERY HIGH		
Saint Lucia			HIGH		LOW	LOW		VERY HIGH	HIGH	LOW
Suriname		HIGH	HIGH		VERY LOW	HIGH	VERY HIGH	MODERATE	MODERATE	MODERATE
Trinidad and Tobago			MODERATE		MODERATE	HIGH	MODERATE	VERY HIGH	HIGH	HIGH

	Target met or very close to being met
	On track: target will be met if prevailing trend continues
	Off track: target will not be met if prevailing trend persists
	No progress or deterioration
	Missing or insufficient data

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

Table A.3
**LATIN AMERICA AND THE CARIBBEAN: PROGRESS TOWARDS THE MILLENNIUM
 DEVELOPMENT GOALS^a**

Goal 1, Target 1.A

Country or territory	Goal 1						
	Eradicate extreme poverty and hunger						
	Target 1.A Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day						
	Indicator 1.1 Proportion of population below \$1 (PPP) per day ^e			Indicator 1.2 Poverty gap ratio		Indicator 1.3 Share of poorest quintile in national consumption	
Level 1990	Level 2011	Progress to 2011	Level 1990	Level 2011	Level 1990	Level 2008	
Latin America and the Caribbean^b	22.6	11.5	98.2	9.1	4.3	3.1	3.7
Latin America^b	22.6	11.5	98.2	9.1	4.3	3.1	3.7
Low and medium-low human development countries^c	48.6	31.0	72.6	23.2	13.5	2.3	3.1
Haiti	...	...	...	...	...	...	...
Guatemala	42	29.1	61.4	18.5	11.3	2.6	2.8
Honduras	60.9	42.8	59.4	31.5	20.1	2.4	2.6
Nicaragua	51.4	29.5	85.2	24.3	11.7	2.0	4.0
Bolivia (Plurinational States of)	40	22.4	88.0	18.6	11.0	2.0	2.8
Medium human development countries^c	28.4	18.9	66.6	10.5	7.3	3.2	3.4
Colombia	26.1	10.7	118.0	9.8	3.8	3.6	3.2
El Salvador	26	16.7	71.5	9.1	5.2	3.4	4.6
Paraguay	33.0	28	30.3	14.1	12.2	2.6	2.8
Dominican Republic	...	20.3	...	8.8	7.9	3.2	3.0
Medium-high human development countries^c	22.0	9.3	115.3	8.1	3.7	2.9	4.0
Brazil	23.4	6.1	147.9	9.7	3.1	2.0	2.8
Ecuador ^d	26.2	10.1	122.9	7.9	4.5	3.2	4.6
Venezuela (Bolivarian Republic of)	14.4	11.7	37.5	5.0	4.2	4.2	5.4
Peru	25.0	6.3	149.6	10.1	1.8	3.0	4.4
Panama	21	12.4	81.9	7.6	4.7	2.2	3.0
High human development countries^c	10.4	5.3	97.3	3.9	2.2	4.2	4.6
Mexico	18.7	13.3	57.8	5.9	4.1	3.8	4.4
Costa Rica	10.1	7.3	55.4	4.8	3.0	4.2	3.8
Cuba	...	...	...	...	...	...	...
Argentina ^d	6.8	1.9	144.1	...	...	...	...
Chile	13.0	3.1	152.3	4.4	1.3	3.6	4.2
Uruguay ^d	3.4	1.1	135.3	0.6	0.3	5.0	6.0
The Caribbean^b							
Anguilla	...	...			
Antigua and Barbuda	...	...			
Netherlands Antilles	...	...			
Aruba	...	...			
Bahamas	...	...			
Barbados	...	...			
Belize ^f	9.1	...					
Dominica	...	...			

Goal 1, Target 1.A (concluded)

Country or territory	Goal 1						
	Eradicate extreme poverty and hunger						
	Target 1.A Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day						
	Indicator 1.1 Proportion of population below \$1 (PPP) per day ^e			Indicator 1.2 Poverty gap ratio		Indicator 1.3 Share of poorest quintile in national consumption	
Level 1990	Level 2011	Progress to 2011	Level 1990	Level 2011	Level 1990	Level 2008	
Grenada	...	...			
Guadeloupe	...	...			
French Guiana	...	...			
Guyana ^f	6.9						
Cayman Islands	...	...			
Turks and Caicos Islands	...	...			
British Virgin Islands	...	...			
United States Virgin Islands	...	...			
Jamaica ^f	1.3	0.2					
Martinique	...	...			
Montserrat	...	...			
Puerto Rico	...	...			
Saint Kitts and Nevis	...	...			
Saint Vincent and the Grenadines	...	...			
Saint Lucia ^f	20.9	...					
Suriname ^f	15.5	...					
Trinidad and Tobago ^f	4.2	...					

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the United Nations Millennium Development Goals indicators database [online] <http://mdgs.un.org/unsd/mdg/Default.aspx>.

^a The indicators are presented in numerical order; those for which there is no comparable information have not been included. Unless otherwise stated, the figures correspond to percentages.

^b Weighted averages.

^c Simple averages.

^d The figures for indicators 1.1, 1.2 and 1.3 correspond to urban areas.

^e Excluding the Dominican Republic. The levels in 1990 are not comparable with those for 2000 onwards.

^f Corresponds to the proportion of the population with income below one purchasing power parity (PPP) dollar per day. Data available on the official United Nations site for the Millennium Development Goals indicators [online] <http://mdgs.un.org/unsd/mdg/Default.aspx>.

Goal 1, Target 1.B

Goal 1								
Eradicate extreme poverty and hunger								
Target 1.B Achieve full and productive employment and decent work for all, including women and young people								
Country or territory	Indicator 1.4 Growth rate of GDP per person employed		Indicator 1.5 Employment-to- population ratio		Indicator 1.6 Proportion of employed people living below \$1 (PPP) per day		Indicator 1.7 Proportion of own- account and contributing family workers in total employment	
	Level	Level	Level	Level	Level	Level	Level	Level
	1992-1999	2004-2010	1990-2000	2004-2010	1989-1995	2006-2011	1990-1997	2005-2010
Latin America and the Caribbean^b	-0.5	0.0	55.0	61.9	14.5	6.3	30.7	32.6
Latin America^b	-0.5	0.0	55.1	62.2	14.5	6.3	30.7	32.6
Low and medium-low human development countries^c	-9.7	-3.2	44.3	61.2	32.0	24.1	46.1	51.3
Haiti	...	...	50.2	...	...	...	...	...
Guatemala	...	-1.2	...	...	30.8	20.2	48.5	49.9
Honduras	-6.2	0.1	45.5	58.0	50.4	35.8	48.9	53.3
Nicaragua	...	-9.6	44.4	56.0	34.4	21.4	43.2	47.1
Bolivia (Plurinational State of)	-13.3	-2.0	36.9	69.5	12.3	18.8	43.9	54.9
Medium human development countries^c	-7.1	1.1	50.6	59.1	13.3	11.5	31.1	41.4
Colombia	-1.4	1.0	56.0	59.3	19.1	6	28.3	48.6
El Salvador	-10.9	2.8	47.1	59.0	13.5	10.8	34.5	37.7
Paraguay	-18.8	-1.1	54.8	65.6	7.2	20.5	22.9	42.3
Dominican Republic	2.7	1.7	44.3	52.3	...	8.6	38.6	37.1
Medium-high human development countries^c	-1.5	-0.4	53.8	61.1	10.8	5.8	33.1	33.7
Brazil	1.4	-0.2	54.7	62.9	15.9	2.8	29.3	25.1
Ecuador	-2.4	-4.4	60.4	61.1	17.2	9.1	31.9	41.8
Venezuela (Bolivarian Republic of)	-3.3	-0.4	52.2	60.0	5.5	5.2	31.8	32.8
Peru	-0.6	1.0	...	...	...	5.1	36.2	39.6
Panama	-2.4	2.2	47.8	60.3	4.7	6.7	36.5	29.3
High human development countries^c	1.1	0.4	49.6	57.8	5.5	2.8	25.2	22.9
Mexico	-2.4	-0.9	56.1	57.3	12.8	8.7	25.9	29.2
Costa Rica	-0.6	0.1	47.7	55.8	4.6	3.4	25.3	20.2
Cuba	...	...	44.9	67.4	...	...	...	...
Argentina	3.2	3.2	...	...	1.6	0.6	25.6	18.6
Chile	3.8	-0.6	49.8	50.5	6.6	0.9	26.8	24.4
Uruguay	1.6	0.0	...	...	1.7	0.4	22.5	22.2
The Caribbean^b	-1.8	3.2	48.5	48.0			32.9	26.8
Anguilla	...	...	66.2	...			...	7.8
Antigua and Barbuda	...	...	...	...			...	...
Netherlands Antilles	...	...	...	...			8.1	11.3
Aruba	...	...	57.0	62.4			...	...
Bahamas	-2.6	3.4	64.6	46.1			14.8	...
Barbados	-1.2	1.3	57.3	62.7			11.7	14.0
Belize	-5.6	-4.9	51.7	54.3			25.5	23.5
Dominica	...	...	...	...			...	...

Goal 1, Target 1.B (concluded)

Goal 1								
Eradicate extreme poverty and hunger								
Target 1.B Achieve full and productive employment and decent work for all, including women and young people								
Country or territory	Indicator 1.4 Growth rate of GDP per person employed		Indicator 1.5 Employment-to-population ratio		Indicator 1.6 Proportion of employed people living below \$1 (PPP) per day		Indicator 1.7 Proportion of own-account and contributing family workers in total employment ^d	
	Level	Level	Level	Level	Level	Level	Level	Level
	1992-1999	2004-2010	1990-2000	2004-2010	1989-1995	2006-2011	1990-1997	2005-2010
Grenada			14.1	...
Guadeloupe
French Guiana
Guyana
Cayman Islands	76.7	80.8			...	...
Turks and Caicos Islands	73.0			...	...
British Virgin Islands	74.2	...			7.0	...
United States Virgin Islands
Jamaica	...	-0.5	58.7	56.3			42.3	36.5
Martinique
Montserrat	57.7	...			12.6	...
Puerto Rico	41.4	36.7			...	...
Saint Kitts and Nevis	41.6	...			...	...
Saint Vincent and the Grenadines			20.2	...
Saint Lucia
Suriname	0.2	...	46.8	...			15.6	...
Trinidad and Tobago	-1.1	4.9	44.8	60.5			21.9	15.6

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the United Nations Millennium Development Goals indicators database [online] <http://mdgs.un.org/unsd/mdg/Default.aspx>.

^a The indicators are presented in numerical order; those for which there is no comparable information have not been included. Unless otherwise stated, the figures correspond to percentages.

^b Weighted averages.

^c Simple averages.

Goal 1, Target 1.C

Country or territory	Goal 1					
	Eradicate extreme poverty and hunger					
	Target 1.C Halve, between 1990 and 2015, the proportion of people who suffer from hunger					
	Indicator 1.8			Indicator 1.9		
	Prevalence of underweight children under-five years of age			Proportion of population below minimum level of dietary energy consumption		
	Level 1989/1999	Level 2004/2010	Relative progress	Level 1990/1992	Level 2010/2012	Progress to 2010/2012
Latin America and the Caribbean^b	7.6	3.9	180.9	14.6	8.3	86.3
Latin America^b	7.6	3.9	180.9	13.6	7.7	86.8
Low and medium-low human development countries^c	16.4	10.1	128.6	38.2	25.7	65.1
Haiti	23.9	18.9	62.5	63.5	44.5	59.84
Guatemala	21.0	13.0	143.3	16.2	30.4	-175.3
Honduras	17.5	8.6	210.2	21.4	9.6	110.3
Nicaragua	10.0	5.7	172.9	55.1	20.1	127.0
Bolivia (Plurinational State of)	9.6	4.5	150.7	34.6	24.1	60.7
Medium human development countries^c	6.3	4.2	100.1	21.2	16.5	44.8
Colombia	7.6	3.4	158.5	19.1	12.6	68.1
El Salvador	8.4	6.6	69.9	15.6	12.3	42.3
Paraguay	2.8	3.4	-47.6	19.7	25.5	-58.9
Dominican Republic	6.6	3.4	173.4	30.4	15.4	98.7
Medium-high human development countries^c	6.1	4.1	109.7	21.7	11.7	92.4
Brazil	4.9	2.2	203.3	14.9	6.9	107.4
Ecuador	...	6.2	0.0	24.5	18.3	50.6
Venezuela (Bolivarian Republic of)	6.1	3.7	107.4	13.5	< 5	100.0
Peru	7.3	4.5	122.5	32.6	11.2	131.3
Panama	6.3	3.9	156.0	22.8	10.2	110.5
High human development countries^c	4.6	2.7	175.5	8.0	< 5	100.0
Mexico	10.0	3.4	313.0	< 5	< 5	100.0
Costa Rica	...	1.1		5.0	6.5	-60.0
Cuba	...	...		11.5	< 5	100.0
Argentina	3.2	2.3	118.8	< 5	< 5	100.0
Chile	0.7	0.5	121.5	8.1	< 5	100.0
Uruguay	...	6.0		7.3	< 5	100.0
The Caribbean^b	8.5	4.4	227.5	28.5	17.8	75.1
Anguilla						
Antigua and Barbuda				18.5	20.5	-21.6
Netherlands Antilles				9.8	< 5	100.0
Aruba						
Bahamas				11.3	7.2	72.6
Barbados				< 5	< 5	100.0
Belize	...	4.9		9.2	6.8	52.2
Dominica				< 5	< 5	100.0
Grenada				17.3	17.9	-6.9
Guadeloupe						
French Guiana						
Guyana	13.2	11.1	45.0	19.7	5.1	148.2

Goal 1, Target 1.C (concluded)

Goal 1						
Eradicate extreme poverty and hunger						
Target 1.C Halve, between 1990 and 2015, the proportion of people who suffer from hunger						
Country or territory	Indicator 1.8			Indicator 1.9		
	Prevalence of underweight children under-five years of age			Proportion of population below minimum level of dietary energy consumption		
	Level 1989/1999	Level 2004/2010	Relative progress	Level 1990/1992	Level 2010/2012	Progress to 2010/2012
Cayman Islands						
Turks and Caicos Islands						
British Virgin Islands						
United States Virgin Islands						
Jamaica	6.6	1.9	292.5			
Martinique						
Montserrat						
Puerto Rico						
Saint Kitts and Nevis				15.8	14.0	22.8
Saint Vincent and the Grenadines				19.2	< 5	100.0
Saint Lucia				11.9	14.6	-45.4
Suriname	11.4	7.5	246.5	17.7	11.4	71.2
Trinidad and Tobago	4.4	...		13.6	9.3	63.2

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the United Nations Millennium Development Goals indicators database [online] <http://mdgs.un.org/unsd/mdg/Default.aspx>.

^a The indicators are presented in numerical order; those for which there is no comparable information have not been included. Unless otherwise stated, the figures correspond to percentages.

^b Weighted averages.

^c Simple averages.

Goal 2, Target 2.A

Goal 2									
Achieve universal primary education									
Target 2.A Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling									
Country or territory	Indicator 2.1			Indicator 2.2			Indicator 2.3		
	Net enrolment ratio in primary education (adjusted rate)			Proportion of pupils starting grade 1 who reach last grade of primary			Literacy rate of 15-24 year-olds, women and men		
	Level 1989-2002	Level 2005-2011	Progress to 2005-2011	Level 1992	Level 2009/2011	Relative progress	Level 1990-2004	Level 2005-2010	Relative progress
Latin America and the Caribbean^b	90.9	96.2	58.1	83.3	93.0	73.4	94.1	97.2	65.8
Latin America^b	90.9	96.3	59.5	83.3	93.0	73.4	94.1	97.2	67.0
Low and medium-low human development countries^c	76.6	95.2	79.3	60.3	78.4	63.5	85.3	88.2	24.4
Haiti	57.0	...	...	...	...		81.6	72.3	-202.2
Guatemala	74.0	98.0	92.3	52.2	62.6	35.7	76.0	87.0	60.2
Honduras	88.8	97.3	75.9	61.7	83.7	73.4	88.9	95.2	88.3
Nicaragua	67.5	93.9	81.2	60.2	72.8	42.8	86.2	87.0	20.3
Bolivia (Plurinational State of)	95.8	91.4	-104.8	67.1	94.4	112.3	93.9	99.4	122.0
Medium human development countries^c	80.6	90.6	51.4	77.3	90.2	69.8	91.3	97.4	87.3
Colombia	71.0	90.1	65.9	85.6	94.7	76.5	90.5	98.1	103.5
El Salvador	75.6	95.8	82.8	69.0	83.1	58.1	84.9	96.0	93.9
Paraguay	91.9	84.2	-95.1	78.3	92.9	81.4	95.6	98.6	87.1
Dominican Republic	83.9	92.2	51.6	76.3	90.2	71.0	94.2	96.8	72.8
Medium-high human development countries^c	89.5	96.7	68.7	87.0	95.1	76.4	95.3	98.1	73.8
Brazil	92.3	95.6	42.9	82.2	94.0	80.2	94.2	98.1	112.1
Ecuador	90.2	98.6	85.7	89.8	96.0	77.7	96.2	98.7	82.2
Venezuela (Bolivarian Republic of)	86.6	94.8	61.2	88.3	94.9	68.3	95.4	98.5	88.7
Peru	87.1	97.1	77.5	85.4	95.8	86.2	95.4	97.4	68.3
Panama	91.4	97.5	70.9	89.3	94.9	63.4	95.1	97.6	63.8
High human development countries^c	94.3	98.3	70.6	91.6	96.8	74.9	98.1	98.9	55.6
Mexico	99.4	99.6	33.3	86.7	95.8	87.4	95.4	98.4	81.5
Costa Rica	87.5	...	...	84.6	95.6	86.5	97.6	98.2	37.5
Cuba	92.5	98.4	78.7	...	...		100.0	100.0	...
Argentina	100.0	99.4	-366.7	95.2	96.0	20.2	98.3	99.2	66.9
Chile	...	94.4	...	95.5	98.9	91.5	98.4	98.9	42.3
Uruguay	92.1	99.8	97.5	96.2	97.5	41.4	98.6	98.8	19.4
The Caribbean^b	96.2	88.1	-215.8				93.8	93.0	-15.9
Anguilla	99.3	92.9	-914.3				...	...	...
Antigua and Barbuda	...	86.0	...				...	...	...
Netherlands Antilles	97.5	...	...				97.0	98.4	59.6
Aruba	98.4	99.7	81.3				99.0	99.1	15.0
Bahamas	88.6	97.8	80.7				...	...	...
Barbados	98.5	95.1	-226.7				...	...	...
Belize	91.5	97.4	69.4				76.4	...	...
Dominica	98.4	96.2	-137.5				...	...	...

Goal 2, Target 2.A (concluded)

Goal 2									
Achieve universal primary education									
Target 2.A Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling									
Country or territory	Indicator 2.1			Indicator 2.2			Indicator 2.3		
	Net enrolment ratio in primary education (adjusted rate)			Proportion of pupils starting grade 1 who reach last grade of primary			Literacy rate of 15-24 year-olds, women and men		
	Level 1989-2002	Level 2005-2011	Progress to 2005-2011	Level 1992	Level 2009/2011	Relative progress	Level 1990-2004	Level 2005-2010	Relative progress
Grenada	83.2	96.5	79.2				...	...	...
Guadeloupe	...	...	...				...	...	...
French Guiana	...	...	...				...	...	...
Guyana	98.5	82.7	-1 053.3				...	...	...
Cayman Islands	95.8	...	...				...	98.9	...
Turks and Caicos Islands	91.3	80.7	-121.8				...	...	...
British Virgin Islands	98.3	89.7	-505.9				...	...	...
United States Virgin Islands	...	...	...				...	...	...
Jamaica	98.9	82.4	-1 500.0				91.6	95.4	65.8
Martinique	...	...	...				...	...	...
Montserrat	99.9	96.2	-3 700.0				...	...	...
Puerto Rico	...	...	...				93.2	86.9	-115.8
Saint Kitts and Nevis	99.3	87.3	-1 714.3				...	...	...
Saint Vincent and the Grenadines	99.5	98.5	-200.0				...	...	...
Saint Lucia	95.6	88.1	-170.5				...	...	...
Suriname	98.2	90.9	-405.6				94.9	98.4	125.8
Trinidad and Tobago	90.9	97.4	71.4				99.3	99.6	53.6

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the United Nations Millennium Development Goals indicators database [online] <http://mdgs.un.org/unsd/mdg/Default.aspx>.

^a The indicators are presented in numerical order; those for which there is no comparable information have not been included. Unless otherwise stated, the figures correspond to percentages. The sources, years and other particulars corresponding to each indicator are provided at the end of the table.

^b Weighted averages.

^c Simple averages.

Goal 3, Target 3.A

Goal 3 Promote gender equality and empower women														
Target 3.A Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015														
Country or territory	Indicator 3.1 Ratio of girls to boys in primary education			Indicator 3.1 Ratio of girls to boys in secondary education			Indicator 3.1 Ratio of girls to boys in tertiary education			Indicator 3.2 Share of women in wage employment in the non- agricultural sector		Indicator 3.3 Proportion of seats held by women in national parliament		
	Level 1990- 1999	Level 2002- 2011	Progress ^d	Level 1990- 1999	Level 2002- 2011	Progress ^d	Level 1990- 2001	Level 2002- 2011	Progress ^d	Level 1990- 1997	Level 2001-2010	Level 1991	Level 2012	Progress to 2012
Latin America and the Caribbean^b	0.97	0.97	100.0	1.06	1.06	100.0	1.15	1.28	100.0	36.3	41.4	7.7	22.4	45.6
Latin America^b	0.97	0.97	100.0	1.06	1.06	100.0	1.15	1.27	100.0	36.1	41.3	5.3	23.3	52.0
Low and medium-low human development countries^c	0.97	0.98	100.0	1.06	1.06	100.0	0.91	1.02	100.0	39.40	36.63	9.0	20.5	37.3
Haiti	0.96	...	...	...	...	...	...	...	...	44.20	...	3.6	4.2	1.7
Guatemala	0.87	0.96	100.0	0.89	0.92	100.0	...	1.00	100.0	36.80	30.00	7.0	13.3	19.1
Honduras	1.01	1.00	100.0	1.23	1.22	2.9	0.75	1.15	100.0	41.40	41.90	10.2	19.5	31.3
Nicaragua	1.07	0.98	100.0	1.18	1.10	100.0	1.07	1.09	100.0	...	38.10	14.8	40.2	100.9
Bolivia (Plurinational State of)	0.93	0.99	100.0	0.93	0.98	100.0	...	0.84	...	35.20	36.50	9.2	25.4	52.5
Medium human development countries^c	1.02	0.95	100.0	1.14	1.07	100.0	1.05	1.31	-186.3	39.95	43.93	7.3	17.9	32.3
Colombia	1.15	0.96	100.0	1.19	1.09	100.0	1.07	1.10	100.0	41.80	46.40	4.5	12.1	21.5
El Salvador	0.99	0.95	100.0	1.12	1.00	100.0	0.93	1.14	100.0	45.50	48.00	11.7	26.2	51.2
Paraguay	0.96	0.96	100.0	1.03	1.05	100.0	0.84	1.40	-79.4	41.00	39.50	5.6	12.5	20.1
Dominican Republic	0.97	0.91	100.0	1.24	1.13	45.6	1.34	1.59	-71.9	31.50	41.80	7.5	20.8	40.8
Medium-high human development countries^c	0.97	0.98	100.0	1.07	1.06	100.0	1.25	1.35	-334.9	35.20	40.46	6.6	17.6	32.9
Brazil	0.94	0.94	100.0	...	1.10	100.0	1.10	1.29	100.0	35.10	41.60	5.3	8.6	9.5
Ecuador	0.99	1.00	100.0	1.02	1.02	100.0	...	1.15	100.0	30.90	38.70	4.5	32.3	78.2
Venezuela (Bolivarian Republic of)	0.99	0.97	100.0	1.24	1.09	100.0	1.46	1.69	-50.1	35.20	41.60	10.0	17.0	23.2
Peru	0.97	0.99	100.0	0.94	0.99	100.0	0.95	1.09	100.0	31.40	37.50	5.6	21.5	46.3
Panama	0.96	0.97	100.0	1.07	1.08	100.0	1.49	1.54	-9.7	43.40	42.90	7.5	8.5	2.9
High human development countries^c	0.98	0.98	100.0	1.09	1.07	100.0	1.31	1.37	-19.2	38.78	42.60	12.7	28.9	59.5
Mexico	0.96	0.99	100.0	0.99	1.07	100.0	0.81	0.97	100.0	36.50	39.40	12.0	26.2	50.7
Costa Rica	0.99	0.99	100.0	1.05	1.05	100.0	...	1.29	100.0	37.20	43.30	10.5	38.6	95.3
Cuba	0.96	0.98	100.0	1.13	0.99	100.0	1.40	1.64	-58.3	42.30	44.80	33.9	45.2	185.6
Argentina	0.99	0.98	100.0	1.11	1.11	-3.5	1.64	1.51	20.4	37.10	45.00	6.3	37.4	92.1
Chile	0.98	0.97	100.0	1.05	1.03	100.0	0.85	1.07	100.0	37.30	37.60	7.5	14.2	20.5
Uruguay	0.99	0.97	100.0	1.19	1.14	26.9	1.84	1.73	13.0	42.30	45.50	6.1	12.1	17.8
The Caribbean^b	0.99	0.97	100.0	1.06	1.07	100.0	1.43	1.99	-129.5	44.5	46.1	25.6	15.9	-67.3
Anguilla	0.95	1.00	100.0	1.19	0.95	100.0	...	5.01	...	42.80	48.80			
Antigua and Barbuda	0.95	0.93	100.0	1.03	0.98	100.0	...	1.97	...	...	50.60	...	10.5	
Netherlands Antilles	0.95	0.98	100.0	1.20	1.10	100.0	1.13	1.43	-2 353.7	44.00	51.00			
Aruba	0.98	0.95	100.0	1.06	1.02	100.0	1.15	1.35	-913.6	44.00	48.60			
Bahamas	1.01	1.02	100.0	1.02	1.05	100.0	2.71	...	...	49.60	50.20	4.1	13.2	25.2
Barbados	0.98	0.98	100.0	0.90	1.12	4.4	1.50	2.46	-1 91.9	46.80	50.70	3.7	10.0	17.4
Belize	0.92	0.92	100.0	1.00	0.97	100.0	1.62	1.59	3.4	33.90	37.70	...	3.1	
Dominica	0.94	0.99	100.0	1.20	1.07	100.0	0.81	...	...	39.70	43.80	10.0	12.5	8.3

Goal 3, Target 3.A (concluded)

Goal 3 Promote gender equality and empower women														
Target 3.A Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015														
Country or territory	Indicator 3.1 Ratio of girls to boys in primary education			Indicator 3.1 Ratio of girls to boys in secondary education			Indicator 3.1 Ratio of girls to boys in tertiary education			Indicator 3.2 Share of women in wage employment in the non- agricultural sector		Indicator 3.3 Proportion of seats held by women in national parliament		
	Level 1990- 1999	Level 2002- 2011	Progress ^d	Level 1990- 1999	Level 2002- 2011	Progress ^d	Level 1990- 2001	Level 2002- 2011	Progress ^d	Level 1990- 1997	Level 2001-2010	Level 1991	Level 2012	Progress to 2012
Grenada	0.99	0.97	100.0	1.11	1.03	100.0	...	1.36	...	40.40	...	20.0	13.3	-33.4
Guadeloupe	...	...	...	...	...	...	...	...	...	...	...	...	...	...
French Guiana	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Guyana	0.96	1.04	100.0	0.99	1.10	100.0	0.72	2.39	-240.3	38.50	34.70	36.9	31.3	-179.4
Cayman Islands	0.93	...	...	0.96	...	...	...	...	...	50.00	50.50	...	...	...
Turks and Caicos Islands	...	1.04	100.0	...	0.94	100.0	...	0.90	...	...	38.10	...	...	...
British Virgin Islands	0.97	0.94	100.0	0.91	1.03	100.0	2.40	1.64	54.2	49.90	49.10	...	...	...
United States Virgin Islands	...	...	...	...	...	...	...	...	...	48.30	...	...	...	...
Jamaica	0.99	0.95	100.0	1.06	1.03	100.0	1.82	2.29	-56.4	47.30	48.20	5.0	12.7	22.0
Martinique	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Montserrat	0.65	1.12	72.9	0.75	1.02	100.0	...	...	...	43.40	...	...	...	...
Puerto Rico	...	1.04	100.0	...	1.04	100.0	...	1.45	...	46.50	46.30	...	...	...
Saint Kitts and Nevis	0.95	1.02	100.0	1.03	1.04	100.0	1.16	2.10	-19 007.4	...	...	6.7	6.7	0.0
Saint Vincent and the Grenadines	0.99	0.93	100.0	1.24	1.02	100.0	2.17	...	...	...	...	9.5	17.4	25.9
Saint Lucia	0.95	0.98	100.0	1.52	0.97	100.0	1.50	1.74	-47.1	51.80	47.50	...	16.7	...
Suriname	1.10	0.96	100.0	1.28	1.31	-12.7	1.22	1.72	-7 615.4	41.00	36.30	7.8	11.8	12.3
Trinidad and Tobago	1.02	0.97	100.0	1.02	1.07	100.0	0.77	1.28	100.0	35.60	43.90	16.7	28.6	50.9

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the United Nations Millennium Development Goals indicators database [online] <http://mdgs.un.org/unsd/mdg/Default.aspx>.

^a The indicators are presented in numerical order; those for which there is no comparable information have not been included. Unless otherwise stated, the figures correspond to percentages. The sources, years and other particulars corresponding to each indicator are provided at the end of the table.

^b Weighted averages.

^c Simple averages.

^d For indicator 3.1, progress by initial and final values in relation to a predefined parity range.

Goal 4, Target 4.A

Goal 4									
Reduce child mortality									
Target 4.A Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate									
Country	Indicator 4.1			Indicator 4.2			Indicator 4.3		
	Under-five mortality rate			Infant mortality rate			Proportion of 1 year-old children immunized against measles		
	Level 1991	Level 2009	Progress to 2009	Level 1990	Level 2011	Progress to 2011	Level 1990	Level 2010	Progress to 2010
Latin America and the Caribbean^b	69.0	37.5	68.5	42.1	16.2	103.4	75.9	93.4	72.7
Latin America^b	80.0	43.4	68.6	42.2	16.2	103.7	76.0	93.6	73.2
Low and medium-low human development countries^c	92.3	39.6	85.7	66.1	31.2	81.6	64.8	85.8	59.7
Haiti	143.0	70.0	76.6	99.2	52.9	68.6	31.0	59.0	40.6
Guatemala	78.0	30.4	91.5	55.5	24.2	90.1	68.0	93.0	78.1
Honduras	55.0	21.4	91.6	42.9	18.2	93.1	90.0	99.0	90.0
Nicaragua	66.1	25.6	91.9	50.4	21.6	92.0	82.0	99.0	94.4
Bolivia (Plurinational State of)	119.5	50.6	86.5	82.7	39.3	81.0	53.0	79.0	55.3
Medium human development countries^c	51.4	20.0	91.6	40.2	17.1	92.6	79.8	88.3	42.0
Colombia	34.3	17.7	72.6	27.8	15.4	64.5	82.0	88.0	33.3
El Salvador	60.2	15.2	112.1	46.5	13.1	136.2	98.0	92.0	-300.0
Paraguay	52.6	22.4	86.1	41.3	19.1	83.9	69.0	94.0	80.6
Dominican Republic	58.3	24.7	86.4	45.2	20.9	83.9	70.0	79.0	30.0
Medium-high human development countries^c	49.9	18.2	95.3	39.0	15.4	100.3	67.2	93.0	78.7
Brazil	58.0	15.6	109.7	48.8	13.9	135.0	78.0	99.0	95.5
Ecuador	52.4	22.8	84.7	40.8	19.6	79.8	60.0	98.0	95.0
Venezuela (Bolivarian Republic of)	30.9	15.0	77.2	25.7	12.9	75.1	61.0	79.0	46.2
Peru	75.1	18.1	113.8	53.6	14.1	143.3	64.0	94.0	83.3
Panama	33.3	19.5	62.2	26.0	16.7	48.5	73.0	95.0	81.5
High human development countries^c	24.8	10.8	84.7	20.6	9.3	86.9	91.0	94.0	33.3
Mexico	48.8	15.7	101.7	38.1	13.4	112.9	75.0	95.0	80.0
Costa Rica	17.2	10.1	61.9	14.5	8.6	57.1	90.0	83.0	-70.0
Cuba	13.3	5.8	84.6	10.6	4.5	93.0	94.0	99.0	83.3
Argentina	27.6	14.1	73.4	24.4	12.6	72.1	93.0	99.0	85.7
Chile	18.7	8.7	80.2	15.7	7.7	77.6	97.0	93.0	-133.3
Uruguay	23.1	10.3	83.1	20.2	8.7	91.5	97.0	95.0	-66.7
The Caribbean^b	37.4	22.0	61.6	31.4	19.1	54.4	75.2	91.1	64.2
Anguilla	...	...	...	...	...	...	...	...	...
Antigua and Barbuda	26.8	7.6	107.5	22.7	6.4	136.1	89.0	98.0	81.8
Netherlands Antilles	...	...	...	...	...	...	...	...	...
Aruba	...	...	...	...	...	...	...	...	...
Bahamas	21.9	16.2	39.0	17.9	14.1	26.3	86.0	94.0	57.1
Barbados	17.9	19.7	-15.1	15.7	17.7	-13.3	87.0	85.0	-15.4
Belize	43.9	16.9	92.3	35.2	14.5	96.2	86.0	98.0	85.7
Dominica	17.4	11.8	48.3	14.1	10.7	30.4	88.0	99.0	91.7
Grenada	21.0	12.8	58.6	16.9	10.3	54.2	85.0	95.0	66.7
Guadeloupe	...	...	...	...	...	...	...	...	...
French Guiana	...	...	...	...	...	...	...	...	...
Guyana	63.0	35.9	64.5	48.4	29.4	54.6	73.0	95.0	81.5

Goal 4, Target 4.A (concluded)

Goal 4									
Reduce child mortality									
Target 4.A Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate									
Country	Indicator 4.1			Indicator 4.2			Indicator 4.3		
	Under-five mortality rate			Infant mortality rate			Proportion of 1 year-old children immunized against measles		
	Level 1991	Level 2009	Progress to 2009	Level 1990	Level 2011	Progress to 2011	Level 1990	Level 2010	Progress to 2010
Cayman Islands	...	...	...				...	...	...
Turks and Caicos Islands	...	...	...				...	...	...
British Virgin Islands	...	...	...				...	...	...
United States Virgin Islands	...	...	...				...	...	...
Jamaica	34.5	18.3	70.4	28.4	15.7	64.7	74.0	88.0	53.8
Martinique	...	...	...				...	...	...
Montserrat	...	...	...				...	...	...
Puerto Rico	...	...	...				...	...	...
Saint Kitts and Nevis	28.3	7.4	110.8	22.1	6.1	138.3	99.0	99.0	0.0
Saint Vincent and the Grenadines	26.5	20.9	31.7	21.2	19.5	9.2	96.0	99.0	75.0
Saint Lucia	22.5	15.6	46.0	17.9	13.8	28.6	82.0	95.0	72.2
Suriname	51.9	29.5	64.7	44.1	26.0	57.8	65.0	89.0	68.6
Trinidad and Tobago	36.8	27.7	37.1	32.1	24.5	29.7	70.0	92.0	73.3

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the United Nations Millennium Development Goals indicators database [online] <http://mdgs.un.org/unsd/mdg/Default.aspx>.

^a The indicators are presented in numerical order; those for which there is no comparable information have not been included. Unless otherwise stated, the figures correspond to percentages. The sources, years and other particulars corresponding to each indicator are provided at the end of the table.

^b Weighted averages.

^c Simple averages.

Goal 5, Target 5.A and 5.B

		Goal 5 Improve maternal health													
		Target 5.A Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio						Target 5.B Achieve, by 2015, universal access to reproductive health							
Country or territory	Indicator 5.1 Maternal mortality ratio		Indicator 5.2 Proportion of births attended by skilled health personnel			Indicator 5.3 Contraceptive prevalence rate		Indicator 5.4 Adolescent birth rate		Indicator 5.5 Antenatal care coverage (at least one visit)		Indicator 5.5 Antenatal care coverage (at least four visits)		Indicator 5.6 Unmet need for family planning	
	Level	Relative	Level	Level	Progress to ^d	Level	Level	Level	Level	Level	Level	Level	Level	Level	Level
	1990	2010	1990-1999	2003-2010	2010	1990-1996	2002-2010	1990-1995	2000-2009	1990-1999	2004-2010	1990-1998	2004-2010	1990-1998	2002-2010
Latin America and the Caribbean^b	140	81	78	91	60.2	66.4	74.7	88.1	77.6	84.0	96.3	69.9	87.5	15.0	9.4
Latin America^b	141	81	76	91	60.7	66.4	74.7	88.3	78.0	83.9	96.3	69.9	87.5	15.0	9.4
Low and medium-low human development countries^c	324	171	42	58	27.2	38.0	54.7	115.8	93.3	66.4	89.1	67.5	71.1	28.7	21.9
Haiti	620	350	21	26	6.9	18.0	32.0	78.6	68.6	67.7	84.5	52.0	53.8	44.7	37.3
Guatemala	160	120	35	51	25.5	31.4	43.3	120.0	92.1	52.5	93.2	85.7	...	28.1	27.6
Honduras	220	100	47	67	37.7	46.7	65.2	136.0	108.0	87.8	91.7	32.0	...	80.8	18.0
Nicaragua	170	95	61	74	32.6	48.7	72.4	148.0	109.0	71.5	90.2	65.6	77.7	23.9	7.5
Bolivia (Plurinational State of)	450	190	47	71	45.3	45.3	60.5	96.4	88.7	52.5	85.8	70.1	48.0	28.9	20.1
Medium human development countries^c	165	106	85	93	55.2	56.1	76.0	97.2	77.7	83.1	96.6	79.6	88.0	16.6	8.2
Colombia	170	92	94	98	100.0	66.1	79.1	91.8	85.1	82.7	97.0	82.7	88.6	13.7	8.0
El Salvador	150	81	87	96	64.3	53.3	72.5	102.0	64.8	68.7	94.0	80.8	78.3	15.8	8.9
Paraguay	120	99	66	82	46.8	48.4	79.4	107.0	63.0	83.9	96.3	77.0	90.5	17.4	4.7
Dominican Republic	220	150	92	98	100.0	56.4	72.9	88.0	98.0	96.9	98.9	100.0	87.6	19.4	11.1
Medium-high human development countries^c	139	83	80	93	61.8	62.6	75.8	88.6	86.4	74.1	93.4	74.5	80.3	16.6	6.8
Brazil	120	56	70	97	90.2	76.7	80.3	88.0	71.4	85.7	98.2	100.0	75.9	10.8	6.0
Ecuador	180	110	99	98	100.0	56.8	72.7	101.0	99.6	74.7	84.2	37.5	63.6	15.2	7.4
Venezuela (Bolivarian Republic of)	94	92	95	95	0.0	58.0	...	105.0	101.0	...	94.1	...	...	18.9	...
Peru	200	67	53	84	65.9	59.0	74.4	61.0	72.0	63.9	94.7	85.3	47.0	92.9	21.6
Panama	100	92	86	89	19.0	...	...	87.9	88.2	72.2	95.8	...	...	...	...

Goal 5, Target 5.A and 5.B (continued)

		Goal 5 Improve maternal health														
		Target 5.A Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio						Target 5.B Achieve, by 2015, universal access to reproductive health								
Country or territory	Indicator 5.1 Maternal mortality ratio		Indicator 5.2 Proportion of births attended by skilled health personnel			Indicator 5.3 Contraceptive prevalence rate		Indicator 5.4 Adolescent birth rate		Indicator 5.5 Antenatal care coverage (at least one visit)		Indicator 5.5 Antenatal care coverage (at least four visits)		Indicator 5.6 Unmet need for family planning		
	Level	Level	Relative progress	Level	Level	Level	Level	Level	Level	Level	Level	Level	Level	Level	Level	
	1990	2010		1990-1999	2003-2010	Progress to 2010	1990-1996	2002-2010	1990-1995	2000-2009	1990-1999	2004-2010	1990-1998	2004-2010	1990-1998	2002-2010
High human development countries^c	60	49	23.8	96	98	100.0	69.1	74.3	76.9	64.6	94.2	96.2	35.0	90.3	10.6	12.0
Mexico	92	50	60.9	84	94	61.1	63.1	70.9	95.4	87.4	86.1	95.8	69.8	86.3	16.1	12.0
Costa Rica	38	40	-7.0	98	99	100.0	75.0	82.2	91.8	67.3	95.0	89.9	-102.0	85.8	5.0	...
Cuba	63	73	-21.2	100	100	100.0	...	72.6	76.3	51.0	100.0	100.0	100.0	100.0	...	...
Argentina	71	77	-11.3	96	98	100.0	...	78.9	68.3	68.2	95.0	99.2	100.0	89.3	...	...
Chile	56	25	73.8	99	100	100.0	...	64.2	64.7	54.0	95.0	...	...	...	...	...
Uruguay	39	29	34.2	100	100	100.0	...	77.0	64.7	59.7	94.0	96.2	36.7	90.0	...	...
The Caribbean^b	68	82	-26.7	96	97	33.6	66.9	72.4	79.6	58.3	97.5	97.8	12.4	90.3	10.6	12.0
Anguilla	...	...	...	...	...	...	...	43.0	58.0	42.8	...	...	...	...	...	...
Antigua and Barbuda	...	...	...	100	100	100.0	...	...	86.2	66.8	82.0	100.0	100.0	...	...	...
Netherlands Antilles	...	...	...	...	...	...	...	...	53.2	33.2	...	...	...	...	...	...
Aruba	...	...	...	...	...	...	...	...	57.0	35.9	...	...	...	...	...	...
Bahamas	52	47	12.8	99	99	100.0	...	...	69.9	40.5	...	98.0	100.0	...	...	...
Barbados	120	51	76.7	100	100	100.0	...	...	57.1	49.5	100.0	100.0	100.0	...	...	...
Belize	71	53	33.8	84	95	68.5	46.7	34.3	129.0	90.3	96.0	94.0	-50.0	...	25.7	...
Dominica	...	...	...	100	100	100.0	...	...	114.0	48.2	90.0	100.0	100.0	...	...	...
Grenada	...	...	...	99	99	100.0	54.3	...	99.2	53.1	100.0	100.0	100.0	...	...	...
Guadeloupe	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
French Guiana	...	...	...	...	...	-62.0	...	...	...	...	...	...	...	...	...	...
Guyana	180	280	-74.1	95	92	0.0	38.2	42.5	95.5	97.0	...	92.1	...	78.5	...	28.5
Cayman Islands	...	...	...	...	...	...	...	...	87.7	31.7	...	...	...	...	...	...
Turks and Caicos Islands	...	...	...	100	100	100.0	...	...	...	25.5	100.0	100.0	100.0	...	...	...

Goal 5, Target 5.A and 5.B (concluded)

		Goal 5 Improve maternal health													
		Target 5.A Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio						Target 5.B Achieve, by 2015, universal access to reproductive health							
Country or territory	Indicator 5.1 Maternal mortality ratio		Indicator 5.2 Proportion of births attended by skilled health personnel			Indicator 5.3 Contraceptive prevalence rate		Indicator 5.4 Adolescent birth rate		Indicator 5.5 Antenatal care coverage (at least one visit)		Indicator 5.5 Antenatal care coverage (at least four visits)		Indicator 5.6 Unmet need for family planning	
	Level	Relative	Level	Level	Progress to ^d	Level	Level	Level	Level	Level	Level	Level	Level	Level	Level
	1990	2010	1990-1999	2003-2010	1990-2010	1990-1996	2002-2010	1990-1995	2000-2009	1990-1999	2004-2010	1990-1998	2004-2010	1990-1998	2002-2010
British Virgin Islands			100	100	100.0	...	...	28.4	27.4	100.0	99.0	100.0	...	...	...
United States Virgin Islands			...	...	...	...	78.4	73.7	51.7	...	...	...	...	...	...
Jamaica	59	110	95	98	100.0	62.0	69.0	94.5	72.0	99.0	99.0	100.0	87.2	...	13.0
Martinique			...	...	...	...	...	...	...	...	...	...	...	...	...
Montserrat			...	100	100.0	...	...	53.6	33.5	100.0	100.0	100.0	...	...	...
Puerto Rico	33	20	...	...	...	77.7	84.1	75.4	54.5	...	...	...	...	...	4.0
Saint Kitts and Nevis			99	100	100.0	...	...	82.4	67.4	100.0	100.0	100.0	...	...	...
Saint Vincent and the Grenadines			99	99	100.0	...	...	98.6	70.0	91.8	99.5	100.0	...	...	...
Saint Lucia			100	100	100.0	...	...	98.8	49.3	100.0	99.2	100.0	...	...	...
Suriname	84	130	...	90	...	48.0	45.6	75.4	65.8	91.0	89.9	...	...	...	...
Trinidad and Tobago	86	46	99	98	100.0	...	42.5	58.3	32.6	...	95.7	...	...	...	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the United Nations Millennium Development Goals indicators database [online] <http://mdgs.un.org/unsd/mdg/Default.aspx>.

^a The indicators are presented in numerical order; those for which there is no comparable information have not been included. Unless otherwise stated, the figures correspond to percentages. The sources, years and other particulars corresponding to each indicator are provided at the end of the table.

^b Weighted averages.

^c Simple averages.

^d For indicator 5.2, a progress rate of 100% is attributed to rates of 98% or over.

Goal 6, Target 6.A (concluded)

Goal 6 Combat HIV/AIDS, malaria and other diseases													
Target 6.A Have halted by 2015 and begun to reverse the spread of HIV/AIDS													
Country or territory	Indicator 6.1 HIV prevalence among population aged 15-24 years (series available 15-49 year)		Indicator 6.2 Condom use at last high-risk sex (women)		Indicator 6.2 Condom use at last high-risk sex (men)		Indicator 6.3 Proportion of population aged 15-24 years with comprehensive correct knowledge of HIV/AIDS (women)		Indicator 6.3 Proportion of population aged 15-24 years with comprehensive correct knowledge of HIV/AIDS (men)		Indicator 6.4 Ratio of school attendance of orphans to school attendance of non-orphans aged 0-14 years		
	Level 1990	Level 2011	Level 1996/2000	Level 2003/2010	Level 1996-2000	Level 2005-2009	Level 1996-2000	Level 2001-2010	Level 1996-2000	Level 2006-2009	Level 1994-1998	Level 2000-2007	
The Caribbean^b	0.9	1.6	...	...	...	...	...	...	...	...	...	...
Anguilla	...	...	...	...	...	...	...	...	...	...	...	...
Antigua and Barbuda	...	...	...	...	...	...	...	...	...	...	...	...
Netherlands Antilles	...	...	...	...	...	...	...	...	...	...	...	...
Aruba	...	...	...	...	...	...	...	...	...	...	...	...
Bahamas	3.9	2.8	...	...	...	...	...	...	...	...	...	...
Barbados	0.4	0.9	...	...	...	...	...	...	...	...	...	...
Belize	1.0	2.3	...	49.5	...	...	39.7	...	...	...	...	...
Dominica	...	...	...	...	...	...	...	...	...	...	...	...
Grenada	...	...	...	...	...	...	...	...	...	...	...	...
Guadeloupe	...	...	...	...	...	...	...	...	...	...	...	...
French Guiana	...	...	...	...	...	...	...	...	...	...	...	...
Guyana	0.6	1.1	...	70.6	...	67.6	35.6	54.1	28.7	46.6	...	...
Cayman Islands	...	...	...	...	...	...	...	...	...	...	...	...
Turks and Caicos Islands	...	...	...	...	...	...	...	...	...	...	...	...
British Virgin Islands	...	...	...	...	...	...	...	...	...	...	...	...
United States Virgin Islands	...	...	...	...	...	...	...	...	...	...	...	...
Jamaica	0.9	1.8	...	...	...	...	...	59.8	...	...	...	...
Martinique	...	...	...	...	...	...	...	...	...	...	...	...
Montserrat	...	...	...	...	...	...	...	...	...	...	...	...
Puerto Rico	...	...	...	...	...	...	...	...	...	...	...	...
Saint Kitts and Nevis	...	...	...	...	...	...	...	...	...	...	...	...
Saint Vincent and the Grenadines	...	...	...	...	...	...	...	...	...	...	...	...
Saint Lucia	...	...	...	...	...	...	...	...	...	...	...	...
Suriname	1.6	1.0	...	48.9	...	...	26.5	41	19.7	...	...	...
Trinidad and Tobago	0.2	1.5	...	51.2	...	...	33.5	53.6	30.2	...	...	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the United Nations Millennium Development Goals indicators database [online] <http://mdgs.un.org/unsd/mdg/Default.aspx>.

^a The indicators are presented in numerical order; those for which there is no comparable information have not been included. Unless otherwise stated, the figures correspond to percentages. The sources, years and other particulars corresponding to each indicator are provided at the end of the table.

^b Weighted averages.

^c Simple averages.

Target 6, Goal 6.B y 6.C

		Goal 6 Combat HIV/AIDS, malaria and other diseases												
		Target 6.C Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases												
Country or territory	Indicator 6.5 Proportion of population with advanced HIV infection with access to antiretroviral drugs		Indicator 6.8 Proportion of children under 5 with fever who are treated with appropriate anti-malarial drugs		Indicator 6.9 Incidence rates associated with tuberculosis		Indicator 6.9 Prevalence rates associated with tuberculosis		Indicator 6.9 Death rates associated with tuberculosis		Indicator 6.10 Proportion of tuberculosis cases detected under directly observed treatment short course		Indicator 6.10 Proportion of tuberculosis cases cured under directly observed treatment short course	
	Level	Year	Level	Year	Level	Year	Level	Year	Level	Year	Level	Year	Level	Year
Latin America and the Caribbean ^b	60.0	62.7	128.1	92.3	128.1	92.3	17.2	10.6	65.2	85.3	66.1	77.3	66.1	77.3
Latin America ^b	61.1	63.3	90.0	43.2	90.0	43.2	12.3	3.4	61.9	76.9	65.1	78.5	65.1	78.5
Low and medium-low human development countries ^c	51.6	54.0	161.0	104.0	161.0	104.0	21.9	12.1	61.4	67.0	62.6	83.8	62.6	83.8
Haiti	50.0	51.0	247	230	247	230	37.0	29.0	57	62	70	79	70	79
Guatemala	51.0	53.0	74.0	62.0	74.0	62.0	4.4	3.9	57	37	62	83	62	83
Honduras	45.0	51.0	125.0	51.0	125.0	51.0	16.0	5.2	60	74	34	86	34	86
Nicaragua	95.0	95.0	108.0	42.0	108.0	42.0	16.0	2.6	66	100	81	85	81	85
Bolivia (Plurinational State of)	17.0	20.0	251.0	135.0	251.0	135.0	36.0	20.0	67	62	66	86	66	86
Medium human development countries ^c	57.0	57.8	82.8	43.8	82.8	43.8	12.8	4.0	60.3	76.0	63.8	82.8	63.8	82.8
Colombia	19.0	34.0	54.0	34.0	54.0	34.0	4.8	2.8	70	72	74	77	74	77
El Salvador	94.0	59.0	63.0	28.0	63.0	28.0	4.6	0.9	70	96	64	89	64	89
Paraguay	53.0	66.0	66.0	46.0	66.0	46.0	5.9	4.2	77	77	46	80	46	80
Dominican Republic	62.0	72.0	148.0	67.0	148.0	67.0	36.0	8.2	24	59	71	85	71	85
Medium-high human development countries ^c	46.0	56.5	131.4	59.0	131.4	59.0	20.1	5.4	62.8	78.8	65.8	78.4	65.8	78.4
Brazil	67.0	70.0	84.0	43.0	84.0	43.0	8.9	2.6	60	88	70	72	70	72
Ecuador	39.0	63.0	174.0	65.0	174.0	65.0	21.0	6.7	46	51	39	75	39	75
Venezuela (Bolivarian Republic of)	...	...	35.0	33.0	35.0	33.0	2.8	2.8	79	66	68	84	68	84
Peru	...	57.0	317.0	106.0	317.0	106.0	53.0	6.1	55	100	81	81	81	81
Panama	32.0	36.0	47.0	48.0	47.0	48.0	15.0	8.6	74	89	71	80	71	80
High human development countries ^c	79.3	79.3	40.8	17.6	40.8	17.6	4.8	1.1	62.5	84.2	67.5	71.3	67.5	71.3
Mexico	81.0	78.0	61.0	16.0	61.0	16.0	13.0	0.8	28	110	63	86	63	86
Costa Rica	65.0	65.0	8.5	13.0	8.5	13.0	0.7	1.1	88	78	81	54	81	54
Cuba	95.0	95.0	25.0	9.3	25.0	9.3	1.8	0.3	21	79	86	90	86	90
Argentina	82.0	79.0	60.0	27.0	60.0	27.0	4.8	1.9	63	66	9	46	66	46
Chile	95.0	88.0	62.0	19.0	62.0	19.0	6.4	1.6	75	75	83	72	83	72
Uruguay	58.0	71.0	28.0	21.0	28.0	21.0	1.8	1.1	100	97	83	80	83	80

Target 6, Goal 6.B y 6.C (concluded)

		Goal 6 Combat HIV/AIDS, malaria and other diseases																						
		Target 6.C Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases																						
		Target 6.B Achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it				Indicator 6.5 Proportion of population with advanced HIV infection with access to antiretroviral drugs				Indicator 6.8 Proportion of children under 5 with fever who are treated with appropriate anti-malarial drugs		Indicator 6.9 Incidence rates associated with tuberculosis		Indicator 6.9 Prevalence rates associated with tuberculosis		Indicator 6.9 Death rates associated with tuberculosis		Indicator 6.10 Proportion of tuberculosis cases detected under directly observed treatment short course		Indicator 6.10 Proportion of tuberculosis cases cured under directly observed treatment short course				
Country or territory		Level	2009	2010	Level	2010	2000/2001	2006	Level	1990	2010	Level	1990	2010	Level	1990	2010	Level	1990-1999	2006-2010	Level	1994-1999	2005-2009	
The Caribbean^b		55.0	59.8	16.9	21.7	16.9	21.7	21.7	2.7	2.0	2.0	68.5	93.7	67.3	75.9	...	...	...	...	...	...	...	...	...
Anguilla	...	...	...	24.0	21.0	24	21	21	2.4	2.0	2.0	88	31	...	...	...	...	...	...	...	...	...	...	...
Antigua and Barbuda	...	...	...	2.6	4.9	2.6	4.9	4.9	5.3	0.4	0.4	63	140	50	67	...	...	...	...	...	...	...	...	...
Netherlands Antilles	...	...	...	0.4	27.0	0.4	27	27	0.2	8.4	8.4	87	87	...	...	...	...	...	...	...	...	...	...	...
Aruba	...	...	...	...	...	...	...	...	0.4	0.4	0.4	...	...	...	...	...	...	...	...	...	...	...	...	...
Bahamas	...	...	...	21.0	11.0	21	11	11	1.9	0.9	0.9	85	79	77	81	...	...	...	...	...	...	...	...	...
Barbados	...	...	...	2.4	1.7	2.4	1.7	1.7	0.5	0.2	0.2	81	130	100	100	...	...	...	...	...	...	...	...	...
Belize	48.0	...	...	40.0	40.0	40	40	40	6.0	4.9	4.9	75	120	72	83	...	...	...	...	...	...	...	...	...
Dominica	...	...	...	15.0	13.0	15	13	13	1.8	3.4	3.4	57	90	100	100	...	...	...	...	...	...	...	...	...
Grenada	...	...	...	4.6	4.1	4.6	4.1	4.1	2.4	0.3	0.3	23	93	75	50	...	...	...	...	...	...	...	...	...
Guadeloupe	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
French Guiana	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Guyana	81.0	...	...	89.0	111.0	89	111	111	23.0	13.0	13.0	26	85	44	70	...	...	...	...	...	...	...	...	...
Cayman Islands	...	...	...	10.0	8.2	10	8.2	8.2	0.8	0.7	0.7	76	87	100	50	...	...	...	...	...	...	...	...	...
Turks and Caicos Islands	...	...	...	0.0	21.0	0	21	21	0.0	1.3	1.3	87	75	71	67	...	...	...	...	...	...	...	...	...
British Virgin Islands	...	...	...	19.0	9.7	19	9.7	9.7	1.5	0.9	0.9	110	44	...	...	...	...	...	...	...	...	...	...	...
United States Virgin Islands	...	...	...	4.5	...	4.5	...	...	0.3	...	...	87	...	50	...	...	...	...	...	...	...	...	...	...
Jamaica	53.0	...	...	6.5	6.6	6.5	6.6	6.6	0.5	0.6	0.6	79	72	67	70	...	...	...	...	...	...	...	...	...
Martinique	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Montserrat	...	...	...	7.9	9.9	7.9	9.9	9.9	0.7	0.0	0.0	120	360	50	...	...	...	...	...	...	...	...	...	...
Puerto Rico	...	...	...	5.9	2.2	5.9	2.2	2.2	0.4	0.2	0.2	76	96	68	81	...	...	...	...	...	...	...	...	...
Saint Kitts and Nevis	...	...	...	2.7	7.6	2.7	7.6	7.6	0.4	4.7	4.7	44	50	60	80	...	...	...	...	...	...	...	...	...
Saint Vincent and the Grenadines	...	...	...	27.0	24.0	27	24	24	4.8	2.0	2.0	6.8	56	86	100	...	...	...	...	...	...	...	...	...
Saint Lucia	...	...	...	19.0	7.9	19	7.9	7.9	4.0	1.8	1.8	50	65	67	57	...	...	...	...	...	...	...	...	...
Suriname	38.0	...	...	66.0	145.0	66	145	145	1.7	2.8	2.8	30	26	14	66	...	...	...	...	...	...	...	...	...
Trinidad and Tobago	...	...	...	11.0	19.0	11	19	19	2.0	2.8	2.8	87	87	60	69	...	...	...	...	...	...	...	...	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the United Nations Millennium Development Goals indicators database [online] <http://mdgs.un.org/unsd/mdg/Default.aspx>.

^a The indicators are presented in numerical order; those for which there is no comparable information have not been included. Unless otherwise stated, the figures correspond to percentages. The sources, years and other particulars corresponding to each indicator are provided at the end of the table.

^b Weighted averages.

^c Simple averages.

Goal 7, Target 7.A and 7.B

		Goal 7 Ensure environmental sustainability												
		Target 7.A Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources										Target 7.B Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss		
Country or territory	Indicator 7.1 Proportion of land area covered by forest	Indicator 7.2 CO ₂ emissions (total)		Indicator 7.2 CO ₂ emissions (per capita)		Indicator 7.2 CO ₂ emissions (per dollar of GDP at constant 2000 prices)		Indicator 7.3 Consumption of ozone-depleting substances (disaggregated)		Indicator 7.5 Proportion of total water resources used		Indicator 7.6 Proportion of terrestrial and marine areas protected (disaggregated)		
		Level	Level	Level	Level	Level	Level	Level	Level	Level	Level	Level	Level	
	1990	2010	1990	2009	1990	2009	1990	2009	1990	2011	1990/1995	2000	1990	2010
Latin America and the Caribbean^b	52.0	47.4	994 161	1 585 903	2.3	2.7	0.6	0.6	74 652	4 522	9.0	6.9	9.2	19.8
Latin America ^b	51.4	46.7	962 166	1 519 267	2.2	2.6	0.6	0.5	73 554	4 465	6.8	4.4	9.3	20.1
Low and medium-low human development countries^c	43.2	35.7	16 726	44 128	0.5	0.9	0.5	0.7	447	340	7.5	8.6	11.0	19.8
Haiti	4.2	3.7	994	2 270	0.10	0.20	0.20	0.50	...	4.2	7.5	8.6	0.1	0.1
Guatemala	43.8	33.7	5 086	15 203	0.60	1.10	0.30	0.50	361	221.0	...	2.6	24.3	29.5
Honduras	72.7	46.4	2 593	7 704	0.50	1.00	0.50	0.70	...	109.4	...	1.2	10	13.9
Nicaragua	37.2	25.7	2 549	4 463	0.60	0.80	0.70	0.60	87	5.4	...	0.7	11.9	36.8
Bolivia (Plurinational State of)	57.9	52.7	5 504	14 488	0.80	1.50	1.00	1.30	...	...	...	0.3	8.8	18.5
Medium human development countries^c	42.1	32.1	71 789	102 383	1.0	1.4	0.5	0.4	2 153	295	14.3	5.7	11.5	12.9
Colombia	56.3	54.5	57 337	71 231	1.70	1.60	0.60	0.40	2 153	217.4	0.4	0.6	18	20.5
El Salvador	18.2	13.9	2 618	6 300	0.50	1.00	0.30	0.30	...	9.6	2.9	5.5	1.1	1.4
Paraguay	53.3	44.3	2 263	4 518	0.50	0.70	0.40	0.50	...	16.8	...	0.1	2.9	5.4
Dominican Republic	40.8	40.8	9 571	20 334	1.30	2.10	0.60	0.50	...	50.8	39.7	16.5	24.1	24.1
Medium-high human development countries^c	56.7	56.1	372 189	637 244	2.3	2.9	0.6	0.6	45 957	1 268	1.7	1.3	15.4	27.8
Brazil	69.0	62.4	208 887	367 147	1.40	1.90	0.30	0.40	39 337	1 046.4	0.7	0.7	8.9	26
Ecuador	49.9	35.6	16 835	30 102	1.60	2.10	0.70	0.70	649	...	4.0	3.6	16.1	38
Venezuela (Bolivarian Republic of)	59.0	52.5	122 162	184 795	6.20	6.50	1.20	1.00	4809	165.1	...	0.7	37.1	50.2

Target 7, Goal 7.A and 7.B (continued)

		Goal 7 Ensure environmental sustainability												Target 7.B Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss	
		Target 7.A Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources													
Country or territory	Indicator 7.1 Proportion of land area covered by forest	Indicator 7.2 CO ₂ emissions (total)		Indicator 7.2 CO ₂ emissions (per capita)		Indicator 7.2 CO ₂ emissions (per dollar of GDP at constant 2000 prices)		Indicator 7.3 Consumption of ozone-depleting substances (disaggregated)		Indicator 7.5 Proportion of total water resources used		Indicator 7.6 Proportion of terrestrial and marine areas protected (disaggregated)			
		Level 1990	Level 2010	Level 1990	Level 2009	Level 1990	Level 2009	Level 1990	Level 2011	Level 1990/1995	Level 2000	Level 1990	Level 2010		
Peru	54.8	21 170	47 356	1.00	1.60	0.50	0.50	893	32.5	1.0	1.0	4.6	13.1		
Panama	50.9	43.7	7 844	1.30	2.30	0.40	0.40	270	23.8	1.1	0.3	10.3	11.5		
High human development countries^c	23.9	501 462	735 512	2.6	3.2	0.6	0.5	24 997	2 562	6.1	6.9	6.4	9.0		
Mexico	36.2	33.3	446 237	3.80	4.00	0.60	0.50	21489	1 565.6	...	15.8	2.1	11.9		
Costa Rica	50.2	51.0	8 317	1.00	1.80	0.30	0.30	...	127.9	5.1	2.4	16.1	17.6		
Cuba	18.7	26.1	33 340	3.10	2.80	0.90	0.60	978	14.3	13.7	19.8	2.7	5.3		
Argentina	12.7	10.7	112 614	3.50	4.40	1.00	0.80	1515	831.2	3.5	4.0	4.4	5.3		
Chile	20.4	21.7	34 143	2.60	3.90	0.60	0.50	1016	...	2.2	1.2	12.8	13.3		
Uruguay	5.3	10.0	3 993	1.30	2.30	0.30	0.40	...	23.6	...	2.6	0.2	0.3		
The Caribbean^b	81.1	31 995	66 636	5.4	9.7	1.0	1.3	1 098	57	13.4	15.1	3.7	8.4		
Anguilla	...	...	...	...	...	...	...	...	...	...	...	...	...
Antigua and Barbuda	22.7	301	462	4.80	5.30	0.50	0.40	426	0.4	3.3	...	0.7	1		
Netherlands Antilles	...	...	...	...	...	...	...	...	...	...	...	...	...
Aruba	...	...	...	...	...	...	...	...	...	...	...	...	...
Bahamas	51.4	1951	2 585	7.60	7.60	0.30	0.30	...	3.1	...	...	0.5	1
Barbados	18.6	1074	1 573	4.10	5.80	0.30	0.40	26	2.7	58.3	76.1	0.1	0.1		
Belize	69.5	61.1	414	1.60	1.40	0.60	0.30	...	1.9	0.6	0.8	8.5	20.6		
Dominica	66.7	60.0	128	0.80	1.90	0.20	0.30	...	0.2	...	...	3.6	3.7
Grenada	50.0	50.0	246	1.10	2.40	0.30	0.40	...	0.2	...	...	0.1	0.1
Guadeloupe	...	...	...	...	...	...	...	...	...	...	...	...	...
French Guiana	...	...	...	...	...	...	...	...	...	...	...	...	...
Guyana	77.2	77.2	1 555	1.60	2.10	1.40	1.00	19	2.4	0.6	0.7	2.8	4.8		

Target 7, Goal 7.A and 7.B (concluded)

		Goal 7 Ensure environmental sustainability											
		Target 7.A Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources										Target 7.B Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss	
Country or territory	Indicator 7.1 Proportion of land area covered by forest	Indicator 7.2 CO ₂ emissions (total)		Indicator 7.2 CO ₂ emissions (per capita)		Indicator 7.2 CO ₂ emissions (per dollar of GDP at constant 2000 prices)		Indicator 7.3 Consumption of ozone-depleting substances (disaggregated)		Indicator 7.5 Proportion of total water resources used		Indicator 7.6 Proportion of terrestrial and marine areas protected (disaggregated)	
		Level 1990	Level 2009	Level 1990	Level 2009	Level 1990	Level 2009	Level 1990	Level 2011	Level 1990/1995	Level 2000	Level 1990	Level 2010
Cayman Islands	...	...	...	...	...	...	...	...	...	...	...	...	...
Turks and Caicos Islands	...	...	...	...	...	...	...	...	...	...	...	...	...
British Virgin Islands	...	...	...	...	...	...	...	...	...	...	...	...	...
United States Virgin Islands	...	...	...	...	...	...	...	...	...	...	...	...	...
Jamaica	31.9	7 965	8 573	3.40	3.10	0.80	0.80	431	5.7	9.9	6.2	2.3	7.3
Martinique	...	...	...	...	...	...	...	...	...	...	...	...	...
Montserrat	...	...	...	...	...	...	...	...	...	...	...	...	...
Puerto Rico	...	...	...	...	...	...	...	...	...	...	...	...	...
Saint Kitts and Nevis	42.3	66	260	1.60	5.00	0.30	0.50	...	0.5	...	...	0.8	0.8
Saint Vincent and the Grenadines	64.1	81	202	0.80	1.80	0.20	0.30	...	0.3	...	...	1.2	1.2
Saint Lucia	72.1	165	385	1.20	2.20	0.30	0.40	...	1.1	...	...	2	2
Suriname	94.7	1 811	2 472	4.50	4.80	1.70	1.40	...	4.0	...	0.5	4.6	12.2
Trinidad and Tobago	47.0	16 960	47 781	14.00	35.80	2.40	2.50	197	34.3	7.7	6.0	7.4	9.6

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the United Nations Millennium Development Goals indicators database [online] <http://mdgs.un.org/unsd/mdg/Default.aspx>.

^a The indicators are presented in numerical order; those for which there is no comparable information have not been included. Unless otherwise stated, the figures correspond to percentages. The sources, years and other particulars corresponding to each indicator are provided at the end of the table.

^b Weighted averages.

^c Simple averages.

Goal 7, Target 7.C and 7.D

Goal 7 Ensure environmental sustainability								
Country or territory	Target 7.C Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation						Target 7.D By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers	
	Indicator 7.8 Proportion of population using an improved drinking water source			Indicator 7.9 Proportion of population using an improved sanitation facility			Indicator 7.10 Proportion of urban population living in slums	
	Level 1990	Level 2010	Progress to 2010	Level 1990	Level 2010	Progress to 2010	Level 1990	Level 2001-2009
Latin America and the Caribbean^b	85.0	94.0	120.0	68.0	79.0	68.8	37.1	25.0
Latin America^b	84.8	93.5	114.5	66.2	78.7	74.0	37.1	25.0
Low and medium-low human development countries^c	72.0	84.2	87.1	39.8	50.2	34.6	75.8	47.3
Haiti	59.0	69.0	48.8	26.0	17.0	-24.3	93.4	70.1
Guatemala	81.0	92.0	115.8	62.0	78.0	84.2	58.6	38.7
Honduras	76.0	87.0	91.7	50.0	77.0	108.0	...	34.9
Nicaragua	74.0	85.0	84.6	43.0	52.0	31.6	89.1	45.5
Bolivia (Plurinational State of)	70.0	88.0	120.0	18.0	27.0	22.0	62.2	47.3
Medium human development countries^c	75.8	88.0	101.0	63.0	79.5	89.2	36.9	20.7
Colombia	89.0	92.0	54.5	67.0	77.0	60.6	31.2	14.3
El Salvador	74.0	88.0	107.7	75.0	87.0	96.0	...	28.9
Paraguay	52.0	86.0	141.7	37.0	71.0	107.9	...	17.6
Dominican Republic	88.0	86.0	-33.3	73.0	83.0	74.1	27.9	14.8
Medium-high human development countries^c	82.0	92.6	118.5	66.2	80.4	92.5	51.6	27.9
Brazil	89.0	98.0	163.6	68.0	79.0	68.8	36.7	26.9
Ecuador	72.0	94.0	157.1	69.0	92.0	148.4	...	21.5
Venezuela (Bolivarian Republic of)	90.0	93.0	60.0	82.0	91.0	100.0	...	32
Peru	75.0	85.0	80.0	54.0	71.0	73.9	66.4	36.1
Panama	84.0	93.0	112.5	58.0	69.0	52.4	...	23
High human development countries^c	90.0	96.7	130.4	84.2	92.8	93.8	26.8	13.8
Mexico	85.0	96.0	146.7	64.0	85.0	116.7	23.1	14.4
Costa Rica	93.0	97.0	114.3	93.0	95.0	57.1	...	10.9
Cuba	82.0	94.0	133.3	80.0	91.0	110.0	...	...
Argentina	94.0	97.0	100.0	90.0	90.0	0.0	30.5	20.8
Chile	90.0	96.0	120.0	84.0	96.0	150.0	...	9
Uruguay	96.0	100.0	200.0	94.0	100.0	200.0	...	...
The Caribbean^b	91.2	93.9		82.7	84.4	19.7		
Anguilla							...	40.6
Antigua and Barbuda	91.0	91.0	0.0	95.0	95.0	0.0	...	6.9
Netherlands Antilles							...	...
Aruba							...	...
Bahamas							...	...
Barbados	100.0	100.0	*	100.0	100.0	*	...	...
Belize	74.0	98.0	184.6	77.0	90.0	113.0	...	18.7
Dominica	95.0	95.0	0.0	81.0	81.0	0.0	...	14.0

Goal 7, Target 7.C and 7.D (concluded)

Goal 7								
Ensure environmental sustainability								
Target 7.C Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation							Target 7.D By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers	
Country or territory	Indicator 7.8 Proportion of population using an improved drinking water source			Indicator 7.9 Proportion of population using an improved sanitation facility			Indicator 7.10 Proportion of urban population living in slums	
	Level 1990	Level 2010	Progress to 2010	Level 1990	Level 2010	Progress to 2010	Level 1990	Level 2001-2009
Grenada	94.0	94.0	0.0	97.0	97.0	0.0	...	6.0
Guadeloupe							...	...
French Guiana							...	...
Guyana	94.0	94.0	0.0	78.0	83.0	45.5	...	33.2
Cayman Islands							...	...
Turks and Caicos Islands	100.0	100.0	*	97.0	98.0	66.7	...	...
British Virgin Islands	98.0	98.0	0.0	100.0	100.0	*	...	...
United States Virgin Islands							...	...
Jamaica	93.0	93.0	0.0	80.0	80.0	0.0	...	60.5
Martinique							...	...
Montserrat	100.0	100.0	*	96.0	96.0	0.0	...	...
Puerto Rico							...	...
Saint Kitts and Nevis	99.0	99.0	0.0	96.0	96.0	0.0	...	...
Saint Vincent and the Grenadines							...	...
Saint Lucia	94.0	96.0	66.7	58.0	65.0	33.3	...	11.9
Suriname	88.0	92.0	66.7	80.0	83.0	30.0	...	3.9
Trinidad and Tobago	88.0	94.0	100.0	93.0	92.0	-28.6	...	24.7

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the United Nations Millennium Development Goals indicators database [online] <http://mdgs.un.org/unsd/mdg/Default.aspx>.

^a The indicators are presented in numerical order; those for which there is no comparable information have not been included. Unless otherwise stated, the figures correspond to percentages. The sources, years and other particulars corresponding to each indicator are provided at the end of the table.

^b Weighted averages.

^c Simple averages.

Goal 8, Target 8.F

Goal 8						
Develop a global partnership for development						
Target 8.F In cooperation with the private sector, make available the benefits of new technologies, especially information and communications						
Country	Indicator 8.14		Indicator 8.15		Indicator 8.16	
	Fixed telephone lines per 100 inhabitants		Mobile cellular subscriptions per 100 inhabitants		Internet users per 100 inhabitants	
	Level 1990	Level 2011	Level 2000	Level 2011	Level 2000	Level 2011
Latin America and the Caribbean^b	6.3	18.2	12.2	107.0	3.9	38.9
Latin America^b	6.0	18.2	12.1	107.0	3.8	38.8
Low and medium-low human development countries^c	1.7	6.6	3.9	90.2	0.9	15.3
Haiti	0.6	0.5	0.6	41.5	0.23	8.37
Guatemala	2.1	11.0	7.6	140.4	0.71	11.73
Honduras	1.8	7.9	2.5	104.0	1.20	15.90
Nicaragua	1.1	4.9	1.8	82.2	0.98	10.60
Bolivia (Plurinational State of)	2.7	8.7	7.0	82.8	1.44	30.00
Medium human development countries^c	4.3	11.6	10.4	102.7	2.0	29.4
Colombia	7.3	15.2	5.7	98.5	2.21	40.40
El Salvador	2.3	15.3	12.5	125.9	1.18	17.69
Paraguay	2.7	5.6	15.4	99.4	0.75	23.90
Dominican Republic	4.7	10.4	8.2	87.2	3.70	35.50
Medium-high human development countries^c	6.0	17.6	11.7	128.0	3.5	39.2
Brazil	6.3	21.9	13.3	123.2	2.87	45.00
Ecuador	4.8	15.1	3.9	104.6	1.46	31.40
Venezuela (Bolivarian Republic of)	7.6	24.9	22.4	97.8	3.36	40.22
Peru	2.6	11.1	4.9	110.4	3.08	36.50
Panama	8.9	15.2	13.9	203.9	6.55	42.70
High human development countries^c	8.0	22.0	11.9	98.6	7.6	42.4
Mexico	6.4	17.2	14.1	82.4	5.08	36.15
Costa Rica	9.2	31.5	5.4	92.2	5.80	42.12
Cuba	3.2	10.6	0.1	11.7	0.54	23.23
Argentina	9.3	24.9	17.6	134.9	7.04	47.70
Chile	6.6	19.5	22.1	129.7	16.60	53.89
Uruguay	13.4	28.6	12.4	140.8	10.54	51.40
The Caribbean^b	17.0	21.1	19.9	103.8	7.1	43.3
Anguilla	32.9	39.9	19.5	166.3	22.41	48.60
Antigua and Barbuda	25.7	39.6	28.3	181.6	6.48	82.00
Netherlands Antilles	24.7	44.9	16.6	...	1.10	...
Aruba	30.1	32.6	16.6	122.6	15.44	57.07
Bahamas	27.3	38.3	10.6	86.1	8.00	65.00
Barbados	27.8	51.4	10.6	127.0	3.97	71.77
Belize	9.1	9.1	6.7	63.9	5.96	14.00
Dominica	16.4	22.9	1.7	164.0	8.81	51.31
Grenada	15.8	27.2	4.2	116.7	4.06	33.46
Guadeloupe	...	...	...	...	...	...
French Guiana	...	...	...	...	...	...
Guyana	2.2	20.2	5.4	68.6	6.61	32.00

Goal 8, Target 8.F (concluded)

Goal 8						
Develop a global partnership for development						
Target 8.F In cooperation with the private sector, make available the benefits of new technologies, especially information and communications						
Country	Indicator 8.14		Indicator 8.15		Indicator 8.16	
	Fixed telephone lines per 100 inhabitants		Mobile cellular subscriptions per 100 inhabitants		Internet users per 100 inhabitants	
	Level 1990	Level 2011	Level 2000	Level 2011	Level 2000	Level 2011
Cayman Islands	47.3	65.6	26.6	167.7	...	69.47
Turks and Caicos Islands	24.6	9.7	39.3	...	...	...
British Virgin Islands	39.3	115.5	37.8	201.4	...	37.00
United States Virgin Islands	45.7	69.5	32.3	...	13.82	...
Jamaica	4.5	9.9	14.2	108.1	3.12	31.50
Martinique	...	...	...	...	...	...
Montserrat	34.5	43.4	9.9	70.1	...	26.90
Puerto Rico	27.8	22.1	34.6	83.0	10.47	48.00
Saint Kitts and Nevis	23.8	37.8	2.6	152.7	5.86	76.00
Saint Vincent and the Grenadines	12.2	20.8	2.2	120.5	3.25	43.01
Saint Lucia	12.3	20.4	1.6	123.0	5.09	42.00
Suriname	9.0	16.2	8.8	178.9	2.51	32.00
Trinidad and Tobago	13.6	21.7	12.5	135.6	7.72	55.20

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the United Nations Millennium Development Goals indicators database [online] <http://mdgs.un.org/unsd/mdg/Default.aspx>.

^a The indicators are presented in numerical order; those for which there is no comparable information have not been included. Unless otherwise stated, the figures correspond to percentages. The sources, years and other particulars corresponding to each indicator are provided at the end of the table.

^b Weighted averages.

^c Simple averages.

Table A.4
**LATIN AMERICA AND THE CARIBBEAN: GROUPS OF COUNTRIES BY HUMAN
 DEVELOPMENT INDEX (HDI), INEQUALITY ADJUSTED, 2011**

Country or territory ^a	HDI values	Life expectancy at birth (years)	Average years of schooling	Expected years of schooling	Per capita gross national income (GNI)	Ratio of average per capita income		Population ^b (percentages)
					(PPP dollars at 2005 prices)	20% richest vs. 20% poorest ^c	5% richest vs. 20% poorest ^c	
Latin America and the Caribbean ^d	0.726	74.4	7.8	13.5	10 112	16.1	33.3	100.0
Latin America ^d	0.726	74.4	7.8	13.5	10 102	16.1	33.3	98.1
Low and medium-low human development countries ^e	0.581	69.4	6.1	10.8	3 044	19.7	40.2	8.2
Haiti	0.454	62.1	4.9	7.6	1 123			
Guatemala	0.574	71.2	4.1	10.6	4 167	22.0	49.7	
Honduras	0.625	73.1	6.5	11.4	3 443	24.0	47.9	
Nicaragua	0.589	74.0	5.8	10.8	2 430	13.0	24.7	
Bolivia (Plurinational State of)	0.663	66.6	9.2	13.7	4 054	19.9	38.3	
Medium human development countries ^e	0.684	72.9	7.4	12.4	6 764	17.5	35.9	11.8
Colombia	0.710	73.7	7.3	13.6	8 315	18.2	38.1	
El Salvador	0.674	72.2	7.5	12.1	5 925	11.1	19.5	
Paraguay	0.665	72.5	7.7	12.1	4 727	20.8	44.1	
Dominican Republic	0.689	73.4	7.2	11.9	8 087	19.9	41.8	
Medium-high human development countries ^e	0.733	74.7	8.1	13.6	9 826	14.4	28.2	46.1
Brazil	0.718	73.5	7.2	13.8	10 162	20.8	45.5	
Ecuador	0.720	75.6	7.6	14.0	7 589	11.3 ^f	20.3 ^f	
Venezuela (Bolivarian Republic of)	0.735	74.4	7.6	14.2	10 656	8.4	13.4	
Peru	0.725	74.0	8.7	12.9	8 389	11.6	21.1	
Panama	0.768	76.1	9.4	13.2	12 335	20.0	40.4	
High human development countries ^e	0.779	77.9	9.0	14.9	11 709	12.3	23.6	32.1
Mexico	0.770	77.0	8.5	13.9	13 245	12.1	23.3	
Costa Rica	0.744	79.3	8.3	11.7	10 497	14.7	27.1	
Cuba	0.776	79.1	9.9	17.5	5 416			
Argentina	0.797	75.9	9.3	15.8	14 527	13.6 ^f	26.9 ^f	
Chile	0.805	79.1	9.7	14.7	13 329	13.4	27.7	
Uruguay	0.783	77.0	8.5	15.5	13 242	7.9 ^f	13.2 ^f	
The Caribbean ^d	0.724	72.5	9.0	13.1	11 006	11.6		1.9
Anguilla								
Antigua and Barbuda	0.764	72.6	8.9	14.0	15 521			
Aruba								
Bahamas	0.771	75.6	8.5	12.0	23 029			
Barbados	0.793	76.8	9.3	13.4	17 966			
Belize	0.699	76.1	8.0	12.4	5 812	17.6 ^g		
British Virgin Islands								
Cayman Islands								
Dominica	0.724	77.5	7.7	13.2	7 889			

Table A.4 (concluded)

Country or territory ^a	HDI values	Life expectancy at birth (years)	Average years of schooling	Expected years of schooling (years)	Per capita gross national income (GNI)	Ratio of average per capita income		Population ^b (percentages)
					(PPP dollars at 2005 prices)	20% richest vs. 20% poorest ^c	5% richest vs. 20% poorest ^c	
French Guyana								
Grenada	0.748	76.0	8.6	16.0	6 982			
Guadeloupe								
Guyana	0.633	69.9	8.0	11.9	3 192			
Jamaica	0.727	73.1	9.6	13.8	6 487	9.6 ^g		
Martinique								
Montserrat								
Netherlands Antilles								
Puerto Rico								
Saint Kitts and Nevis	0.735	73.1	8.4	12.9	11 897			
Saint Lucia	0.723	74.6	8.3	13.1	8 273			
Saint Vincent and the Grenadines	0.717	72.3	8.6	13.2	8 013			
Suriname	0.680	70.6	7.2	12.6	7 538	17.9 ^g		
Trinidad and Tobago	0.760	70.1	9.2	12.3	23 439			
Turks and Caicos Islands								
United States Virgin Islands								

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of United Nations Development Programme (UNDP), *Human Development Report 2011*, New York, Oxford University Press, 2011.

^a The names given to the country groupings are not used in the classification given in the *Human Development Report 2011* but correspond to categories chosen by the authors.

^b Population data obtained from ECLAC, CEPALSTAT database.

^c Data obtained from special tabulations of household surveys conducted by the respective countries.

^d Weighted averages.

^e Simple averages.

^f Urban areas.

^g Figures from the CEPALSTAT database. Data refer to 1999 for Belize and Suriname, and to 2004 for Jamaica.

Table A.5
**LATIN AMERICA AND THE CARIBBEAN: CONDITIONAL CASH TRANSFER PROGRAMMES
 IMPLEMENTED AT THE NATIONAL LEVEL, AROUND 2012**

Country	Name	Year introduced ^a	Coverage (number of persons) ^b	Coverage (percentage of the population) ^c	Amount (dollars) ^b	Amount (percentage of GDP)	Description
Argentina	Universal Child Allowance for Social Protection ^d	2009 (2002)	3 540 717 (2012)	8.6	2 883 780 726 (budget for 2012)	0.63	This programme aims to improve the quality of life and access to education of children and adolescents. Since May 2011, the programme has been contributing to reducing the infant mortality rate (deaths of children aged under 1 year) and improve the situation of women during pregnancy. It targets families with children aged under 18 years; pregnant women who are unemployed or working in the informal economy; domestic employees earning less than the minimum wage; and those paying into a simplified tax regime for small taxpayers ("monotributistas sociales"). 20% of the monthly amount is withheld in an account under the recipient's name until the recipient satisfies the programme's health and education conditions. The transfer amounts and the programme's budget and coverage have positioned it as one of the most significant assistance programmes in the region.
Belize	Building Opportunities for Our Social Transformation (BOOST)	2011	8 600 (2012)	2.7	142 096 (budget for 2012)	0.01	The BOOST programme is a co-responsibility cash transfer programme that provides small cash assistance to poor households subject to specific conditionalities concerning education (minimum school attendance of 85%) and health (immunization of children aged under 5 years and antenatal check-ups for pregnant women).
Bolivia (Plurinational State of)	Juancito Pinto Grant ^e	2006	1 925 000 (2011)	19.0	53 491 879 (budget for 2012)	0.20	The aim of this programme is to eliminate child labour and boost school attendance. It targets children and adolescents under 18 years of age studying up to the eighth grade of regular education and alternative youth education. It also covers students in special education regardless of age.
	Juana Azurduy de Padilla Mother-and-Child Grant	2009	717 282 (2012)	7.0	25 548 004 (budget for 2011)	0.11	This programme aims to enforce the fundamental rights to access to health and comprehensive development, to reduce maternal mortality and infant mortality and chronic malnutrition in children aged under 2 years.
Brazil	<i>Bolsa Familia</i> ^f	2003	56 458 390 (2012)	28.5	8 805 679 997 (2011)	0.34	This is the largest conditional cash transfer programme in the region in terms of coverage. It was created in 2003 with the unification of the several existing conditional cash transfer programmes and includes components on education, nutrition, vocational training and microcredit.
	<i>Bolsa Verde</i> ^g	2011	94 300 (programmed for 2012)	0.05	5 298 308 (budget for 2011)	0.0002	The <i>Bolsa Verde</i> programme (its official name is the Environmental Conservation Support Programme) is part of the Brazil without Poverty plan. It aims to promote the conservation of ecosystems, encourage citizenship practices, improve the living conditions of households in extreme poverty and encourage beneficiaries to participate in environmental, social, educational, technical and professional development activities.
Chile	Solidarity Chile	2002	1 108 779 (2011)	6.4	332 150 837 (spending in 2011)	0.13	Although classified as a conditional cash transfer programme, this programme is somewhat particular owing to its psychosocial approach and the importance of family support through the <i>Puente</i> programme. More specifically, it is a structure that seeks to coordinate a whole range of social services for its beneficiaries. New components were added in April 2011 targeting families living in extreme poverty (Ethical Family Income Grant Programme).
	Ethical Family Income Grant Programme	2012	640 000 (programmed for 2012)	3.7	400 500 000 (budget for 2012)	0.15	The Ethical Family Income Grant Programme consists of a series of cash transfers to supplement the independent incomes of households living in extreme poverty. The programme combines unconditional and conditional transfers. The programme also provides psychosocial support to participating families, as well as social vocational training.

Table A.5 (continued)

Country	Name	Year introduced ^a	Coverage (number of persons) ^b	Coverage (percentage of the population) ^c	Amount (dollars) ^b	Amount (percentage of GDP)	Description
Colombia	Families in Action ^h	2001	11 719 319 (coverage in 2012)	24.9	773 400 799 (budget for 2011)	0.23	This conditional transfer programme targets families living in extreme poverty, including indigenous families and families displaced by violence. It includes grants for food and education.
	Income for Social Prosperity ⁱ	2011	2 284 (2012)	0.01	696 850 (2012)	0.002	This programme seeks to strengthen the income-generation capabilities and competencies of the family members belonging to the <i>Unidos</i> Network, promoting the development of work habits that will contribute towards the achievement of goal 6 of the Network.
	<i>Unidos</i> Network (Former <i>Juntos</i> Network)	2007	6 588 365 (2011)	14.0	123 786 878 (budget for 2012)	0.33	This programme is a comprehensive and coordinated intervention strategy that provides family and community support to families and facilitates beneficiaries' access to the full range of State social services with a view to achieving the programme's 45 basic goals.
Costa Rica	<i>Avancemos</i>	2006	185 214 (2010)	4.0	93 558 560 (budget for 2009)	0.26	This programme focuses on preventing school dropouts in secondary education. It targets families with young members aged between 12 and 25 years old who are struggling to keep their children in the education system owing to economic reasons.
Dominican Republic	Solidarity programme	2005	2 947 164 (2011)	29.4	134 419 952 (2011)	0.24	This programme was set up following the economic crisis that hit the country in 2003. It is part of the Social Protection Network of the Government of the Dominican Republic. It has facilitated the implementation of new cash transfers to different target groups through the Solidarity Card and the Administrator of Social Subsidies (ADESS). It has also contributed to the creation of a social provision network (small businesses or commercial establishments) in priority poor areas, to which the beneficiaries of the programme have access, ensuring the availability of items from the basic food basket and strengthening small businesses by boosting their income and fostering their integration into the formal banking system.
Ecuador	Human Development Grant ^l	2003 (1998)	6 418 479(2012)	43.1	775 339 085 (budget for 2012)	0.90	Under this programme, monitoring has not been carried out to ensure that the conditions that apply for these transfers to households are being met. The programme is part of the Social Protection Programme (PPS) of the Ministry of Economic and Social Inclusion and it links beneficiaries with microcredit programmes and vocational training and also provides protection in the case of emergencies and natural disasters.
	Zero Malnutrition	2011	299 617 (programmed for 2011)	2.0	19 142 304 (budget for 2012)	0.02	The overall objective of this programme is to combat infant malnutrition (from newborn up to 1 year of age). It is part of the Action Nutrition strategy of the Ministry of Social Development Coordination. In addition to the advisory services and educational talks provided, it includes a transfer conditional on providing evidence of having attended medical check-ups.
El Salvador	Solidarity in Communities (formerly the Solidarity Network)	2005	634 315 (coverage in 2011)	10.2	86 421 880 (budget for 2011)	0.37	Known as Solidarity in Communities since 2009, this programme retains its original structure, focusing on human capital (cash transfers), basic services (expansion of local infrastructure) and income generation and productive development (microcredit programmes and training with an emphasis on food security), with the addition of new transfers and a fourth component on territorial management to strengthen the local management of municipal governments and their communities.
Guatemala	<i>Mi Bono Seguro</i> ^k	2012	757 765 (programmed for 2012)	5.0	426 199 (budget for 2012)	0.20	This programme is coordinated by the Ministry of Social Development and targets households living in poverty and extreme poverty. Its purpose is to improve the school enrolment rate and improve children's health and nutrition. It is part of the Government of Guatemala's Zero Hunger campaign.

Table A.5 (continued)

Country	Name	Year introduced ^a	Coverage (number of persons) ^b	Coverage (percentage of the population) ^c	Amount (dollars) ^b	Amount (percentage of GDP)	Description
Haití	<i>Ti Manman Chéri</i>	2012	100 000 (programmed for 2012)	0,1	13 000 000 (budget for 2012)	0,17	<i>Ti Manman Chéri</i> is a conditional cash transfer programme aimed at covering the opportunity cost of schooling for children living in extreme poverty. It has the following objectives: (i) reducing the financial burden of education for families; (ii) boosting school attendance rates; (iii) improving the quality of education; (iv) empowering women; and (v) inject liquidity into the local economy. The programme consists of a monthly transfer to mothers living in extreme poverty on the condition that their children are enrolled in school and attend regularly.
Honduras	<i>Bono 10.000</i> programme for education, health and nutrition	2010	409 555 (coverage in 2010)	1.1	10 642 347 (spending in 2010)	0.07	The purpose of the <i>Bono 10,000</i> programme is to help break the intergenerational cycle of poverty by creating opportunities and developing skills and competencies to improve the education, health and nutrition of families living in extreme poverty.
	Family Allowance Programme (PRAF)	1990	660 790 (programmed for 2010)	8.7	32 129 083 (budget for 2010)	0.21	This programme began in 1990 as an emergency programme funded by the Government of Honduras to deliver subsidies without conditionalities. Between 1998 and 2006, it operated in parallel with the pilot project PRAF/IDB II, financed by the Inter-American Development Bank (IDB), which targeted different beneficiaries and offered its own transfers. In its current form, it delivers a variety of grants to various population groups. In 2006, it became part of the Solidarity Network, an initiative aiming to improve the intersectoral coordination of public benefits. In 2007, efforts began to streamline its operating structure and benefits with the recently launched PRAF/IDB III programme.
Jamaica	Programme of Advancement Through Health and Education (PATH)	2001	320 617 (2011)	11.7	46 676 787 (budget for 2011)	0.32	This programme places an emphasis on vulnerable groups and was created in an attempt to rationalize three previously existing income transfer programmes: food stamps, outdoor poor relief and public assistance. In 2008 the programme added an education transfer similar to that of the <i>Oportunidades</i> programme, as well as an additional grant (similar to that provided in Mexico through the Youth with Opportunities education grant) for students who finish secondary education and enrol in higher education.
Mexico	<i>Oportunidades</i> (Human Development Programme, formerly <i>Progresa</i>)	1997	31 200 000 (coverage in 2012)	27.2	4 346 755 994 (2012)	0.37	This programme is one of the largest in the region. It was set up in 1997 under the name <i>Progresa</i> (Education, Health and Nutrition Programme) and focused solely on rural areas. In 2001, it changed to its current name and began its expansion into semi-urban and urban areas. That year changes were made to the management of the programme and new benefits were added. Since its inception, it has been rated as one of the programmes with the highest impact in several areas. In recent years new cash transfers have been incorporated, such as the energy subsidy, support for older adults and the <i>Vivir Mejor</i> food support component, which aimed to alleviate the consequences of higher international food prices. Since 2010, <i>Oportunidades</i> has been operating the Food Support Programme (PAL), an umbrella programme covering all food support elements.
Panama	Opportunities Network	2006	148 298 (coverage in 2012)	4.1	44 500 000 (spending in 2011)	0.14	This programme seeks to reduce extreme poverty and has a specific component for rural and indigenous areas (a programme of grants for families to buy food). It also includes family support components and seeks to improve the local provision of social services.
Paraguay	<i>Tekoporâ</i>	2005	498 628 (coverage in 2011)	7.6	25 596 077 (spending in 2011)	0.10	This is one of the social protection programmes of the Department for Social Action, along with the programmes <i>Ñopytyvo</i> and PROPAS II. It provides nutrition and education support, support for older persons and persons with disabilities, as well as guidance for families.

Table A.5 (concluded)

Country	Name	Year introduced ^a	Coverage (number of persons) ^b	Coverage (percentage of the population) ^c	Amount (dollars) ^b	Amount (percentage of GDP)	Description
Peru	<i>Juntos</i> (National Programme of Direct Support to the Poorest)	2005	3 413 200 (coverage in 2012)	11.4	229 634 851 (budget for 2012)	0.13	Since 2007 this programme, with its emphasis on nutrition, has been part of the <i>Creceer</i> national strategy whose objective is to combat poverty and chronic child malnutrition, coordinating social programmes on the basis of three pillars: restitution of fundamental rights, promotion of productive development and the social safety net.
Trinidad and Tobago	Targeted Conditional Cash Transfer Program (TCCTP)	2005	35 906 (2011)	2.7	39 389 507 (budget for 2010)	0.19	This programme's emphasis is on psychosocial work with beneficiary families. It is the successor to the Social Help and Rehabilitative Efforts (SHARE) programme and its design is strongly influenced by Chile's <i>Puente</i> programme. It facilitates links between beneficiary families and the network of public services and programmes, especially in relation to social promotion (training, income generation).
Uruguay	Family Allowances ^l	2008	549 295 (2011)	16.2	215 816 796 (spending in 2011)	0.45	Targeting children and adolescents from socioeconomically vulnerable households, this programme is part of the Equity Plan and focuses primarily on education. The aim of the cash transfer is to help alleviate situations of poverty and indigence, and at the same time encourage children and young persons to remain in the formal education system or, in case of dropouts, to return to it.
	Food card	2006	348 720 (coverage in 2010)	11.1	30 709 398 (budget for 2009)	0.10	The main objective of this programme is to enable the most disadvantaged to access the products of the basic basket, allowing them to make choices according to their needs and the make-up of their households. Since the National Social Emergency Response Plan (PANES) came to an end, the Food Card programme has been part of the Equity Plan and its coverage was extended in June 2009.

Source: Economic Commission of Latin America and the Caribbean (ECLAC), Database on non-contributory social protection programmes in Latin America and the Caribbean, [online], <http://dds.cepal.org/bdptc/> [date of reference: 8 January 2013].

^a The year in which the current programme was introduced. The year in brackets indicates when previous programmes were introduced at the national level.

^b Refers to the actual amount and coverage where that information is available; otherwise the figures correspond to the projected amount and coverage.

^c Refers to the coverage of the programme as a percentage of the estimated total population for the same year.

^d Succeeded the Unemployed Heads of Household (2002-2005) and Families for Social Inclusion (2005-2009) programmes (which were, in turn, a reformulation of the Human Development Income (IDH) component of the Vulnerable Groups Assistance Programme (PAGV) (1996).

^e Preceded by the *Bono Esperanza* grant implemented by the municipal government of El Alto in the department of La Paz between 2003 and 2005.

^f Unified the existing sectoral conditional cash transfer programmes: *Bolsa Escola* education grant (2001-2003), *Bolsa Alimentação* food grant (2001-2003), *Cartão Alimentação* food card (2003) and *Auxílio-Gas* energy subsidy. In 2005, it also incorporated the benefits of the Child Labour Eradication Programme (PETI) (1997-2005).

^g Initially introduced only in the Amazonia Legal region in 2011; there are plans to expand the programme to the rest of the country in 2012.

^h Part of the *Juntos* Network, a system coordinating various social services components, since 2006.

ⁱ A component of the *Unidos* Network (formerly the *Juntos* Network).

^j Successor to the Solidarity Grant (2003-2006) (see [online] <http://dds.cepal.org/bdptc/programa/?id=36>).

^k Replaced *Mi familia progresa* (2008-2011).

^l Replaced the citizen income programme of the National Social Emergency Response Plan (PANES).

Table A.6
**LATIN AMERICA: NON-CONTRIBUTORY SOCIAL PENSIONS CURRENTLY IMPLEMENTED
 AT THE NATIONAL LEVEL, AROUND 2012**

Country	Name	Year ^a	Coverage (number of persons) ^b	Coverage (percentage of the population aged over 60 years) ^c	Amount (dollars) ^a	Amount (percentage of GDP)	Description
Argentina	Non-contributory Pension Programme	1948	1 220 256 (2012)	19.8	3 774 552 884 (budget for 2012)	0.55	This programme was introduced in the mid-twentieth century. The main beneficiaries are people living in socially vulnerable situations who are not entitled to retirement funds or a pension, who do not own property or have an income or other resources that would enable them to support themselves, nor relatives who are legally obliged to provide them with food. This type of pension does not require contributions. The beneficiaries and their families are also covered by a health plan.
Bolivia (Plurinational State of)	Universal Old-Age Pension (Dignity Pension)	2008 (1996)	929 686 (2012)	>100	258 303 674 (2011)	1.08	This cash transfer programme for older persons is a non-contributory lifelong pension that aims to protect the income of persons aged over 60 years. The Dignity Pension was preceded by <i>Bonosol</i> (introduced in 1996), which was an annual cash transfer granted to all adults aged 65 years or older.
Brazil	Continuous Benefit Programme	1996	3 600 000 (2012)	24.7	3 286 798 409 (2011)	0.55	This non-contributory pension guarantees the right to a sum equivalent to the minimum wage for adults, as established in the 1988 Constitution and regulated by the Social Assistance Organization Act (LOAS). The amount is paid monthly to older persons without a pension and persons with disabilities living in extreme poverty.
	Rural Welfare	1993	8 460 710 (2011)	58.1	1 754 289 881 (2011)	0.07	This non-contributory pension programme targets rural workers in the informal sector aged over 60 years in the case of men and over 55 years for women. It was directly preceded by the rural version of the Lifetime Monthly Income, introduced by the military government in 1974 and is part of the General Social Security Regime (RGPS). It consolidates various social security gains made in this area since 1971 and satisfies the regulatory guidelines of the 1988 Constitution, guaranteeing a basic pension equivalent to the minimum wage for workers who are not part of any pension or retirement system.
Chile	Basic Solidarity Pension (formerly PASIS)	2008	1 126 093 (2012)	46.5	1 326 284 937 (2011)	0.52	This non-contributory pension is given to older persons with high levels of social vulnerability. The beneficiaries are all individuals who are not entitled to a pension under another pension system and meet the requirements established by law. It is a component of Solidarity Chile.
Colombia	Social Protection Programme for Older Adults	2003	593 448 (2010)	1.3	217 300 336.2 (budget for 2010)	0.10	This non-contributory pension programme aims to ensure a minimum income for older persons living in extreme poverty who cannot cover their basic needs independently. It also supports the provision of basic and additional social services according to the requirements of the recipient. It consists of a direct and an indirect economic subsidy.
Costa Rica	Basic Non-contributory Pension Scheme	1974	91 238 (2011)	19.5	13 443 670 (2011)	0.03	This non-contributory pension aims to support those who are excluded from Costa Rica's social protection system with a view to reducing poverty among older adults and persons with disabilities. The target population includes older persons, persons with disabilities, widows and widowers, orphans and indigents.

Table A.6 (concluded)

Country	Name	Year ^a	Coverage (number of persons) ^b	Coverage (percentage of the population aged over 60 years) ^c	Amount (dollars) ^a	Amount (percentage of GDP)	Description
El Salvador	<i>Nuestros Mayores Derechos</i>	2011	15 300 (2012)	2.5	9 200 000 (budget for 2012)	0.04	This programme aims to satisfy the demand for non-contributory social protection for older persons. Its objective is to promote family and community participation and the social integration of older persons through a series of interventions, taking a comprehensive approach that provides access to a variety of services promoting the enjoyment of an active, healthy and full life (includes the promotion of health and economic autonomy, rights and citizenship, culture, habitability and education).
Mexico ^d	"70 and over" programme	2007	3 000 000 (2012)	26.5	1 122 366 919 (budget for 2011)	0.09	This programme seeks to improve the living conditions of adults aged 70 and over (older adults) through actions to foster their social protection (includes direct economic support, activities to mitigate the deterioration of physical and mental health and social protection actions).
Panama	Special Economic Assistance Programme for Pensionless Older Adults aged over 70 years ("100 at 70")	2009	70 800 (2012)	19.0	91 953 812 (2011)	0.29	Under this special programme of cash transfers to older adults (men and women), persons who are aged 70 or over and who do not have retirement funds or a pension receive a twice monthly transfer of 100 balboas.
Peru	Minimum Old-Age Pension	2001	3 785 (2011)	0.1	5 697 086 (2009)	0.004	This pension is equivalent to the minimum amount to which Peruvian workers with 20 years of contributions into a private or public pension system are entitled. It is paid only to persons aged over 65 years. If a worker's contributions accumulated in the Individual Capitalization Account and Recognition Grant are less than the minimum wage, he or she can opt for the minimum pension.
	National Solidarity Assistance Programme ("Pension 65")	2011 (2006)	25 902 (2011)	0.9	13 119 476 (budget for 2011)	0.01	This programme is the successor to the Gratitude pilot programme executed during the last months of Alan Garcia's second government (2006-2011). It seeks to boost the income of older persons living in extreme poverty and was first introduced in the departments of Amazonas, Ancash, Apurímac, Ayacucho, Cajamarca, Callao, Cusco, Huancavelica, Huanuco, Junín, La Libertad, Lima, Piura, and Puno.
Uruguay	Non-contributory old-age and disability pension	1919	84 027 (2011)	13.2	20 283 282 (2011)	0.04	This programme set an important historical precedent for the design of inclusive protection systems for older persons. It aims to provide economic support to any person who, owing to age or illness, cannot generate income and who lacks the resources to meet their basic needs. Its target population consists of adults aged 70 years and persons with disabilities without an income. In 2007, the old-age assistance was extended to cover adults aged over 65 years and under 70 years who do not receive social security benefits.

Source: Economic Commission for Latin America and the Caribbean (ECLAC), Database on non-contributory social protection programmes in Latin America and the Caribbean, [online] <http://dds.cepal.org/bdps/> [date of reference: 9 January 2013].

^a Indicates the year in which the current programme was introduced. The year in which any previous programme was launched at the national level is included in brackets.

^b Refers to the actual amount and coverage where that information is available; otherwise the figures correspond to the amount and coverage projected in the most recent budget.

^c Refers to coverage with respect to the population aged 60 years and over. Some programmes may have an older target population.

^d In December 2012 the Government of Mexico announced that it will expand the "70 and over" programme with a view to guaranteeing a basic universal pension for all adults aged over 65 years who do not have access to a pension or other retirement funds. See [online] http://www.sedesol.gob.mx/en/SEDESOL/Sintesis_Informativa?uri=http%3A%2F%2Fwww.SEDESOL.swb%23swbpress_Content%3A1826&at=http%3A%2F%2Fwww.SEDESOL.swb%23swbpress_Category%3A1.

This report presents the progress made and gaps outstanding in relation to the achievement of the Millennium Development Goals in Latin America and the Caribbean as a starting point for reflecting on an ambitious sustainable development agenda for the coming decades. In a middle-income region, the shortcomings of a development agenda centred on economic growth and the reduction of monetary poverty are analysed in a regional context marked by inequality, demographic transition, high rates of urbanization, growing insecurity and vulnerability to environmental degradation, climate change and natural disasters. The proposal for transitioning towards a sustainable development model is grounded in structural change as the path, public policy as the instrument and a rights-based approach promoting equality and sustainability as the core values steering the course of change. The capacity for global governance in relation to sustainable development must be built in order to enable that transition to take place. The paper concludes with seven key messages to contribute to the discussion on the post-2015 development agenda.



“The post-2015 process is a chance to usher in a new era in international development —one that will eradicate extreme poverty and lead us to a world of prosperity, sustainability, equity and dignity for all. A world where all people have the opportunity to fulfil their potential. A world of inclusive solutions for inclusive growth. A world that keeps the needs of people and our planet at the centre. Let us continue to shape that world together and build the future we want.”

Remarks to the General Assembly on the *Report of the High-Level Panel of Eminent Persons on the Post-2015 Development Agenda*, Secretary-General Ban Ki-moon, General Assembly, 30 May 2013.

