



Work Programme for the year 2016

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F O R E W O R D

The Work Programme of the Permanent Secretariat for the year 2016 follows the guidelines established by the XXVIII Latin American Council, through Decision N° 440, according to which the activities are structured in three areas: Intra-Regional Relations, Economic and Technical Cooperation, and Extra-Regional Relations.

It must be noted that the Work Programme for the year 2016, as set forth in Decision 527, adopted in 2011 by the XXXVII Latin American Council, attaches priority to the link that must be kept between the Permanent Secretariat of SELA and the process of the Community of Latin American and Caribbean States (CELAC), particularly with respect to contributing to the fulfilment of the Caracas Action Plan 2012 and the subsequent mandates and recommendations adopted within the framework of CELAC.

The Work Programme for the year 2016 is designed in accordance with the regular budget of the Permanent Secretariat for this administrative period (SP/CL/XLI.O/DT N° 5-15), in terms of the costs indicated therein, particularly without increasing the annual quotas of the Member States. However, it does foresee supplementary financing through technical cooperation agreements with international and regional institutions. The detailed direct costs for each of the three areas and their corresponding projects can be seen in the chapter "Budget for the Work Programme 2015" of the aforementioned document.

In implementing the Work Programme for the year 2016, the Permanent Secretariat intends to continue ensuring communication, cooperation, coordination, complementarity and synergy with the other regional organizations and mechanisms referred to in the Caracas Declaration of CELAC, and particularly, to lend its cooperation and support to the Pro Tempore Presidency of CELAC, insofar as it is required.

The Work Programme for the year 2016 foresees 21 studies and 18 meetings of diverse nature and coverage, seven of which correspond to courses and seminars of the SELA-SMEs Programme. It also includes 15 workshops to move ahead with technical collaboration activities with port communities linked to Project on Digital and Collaborative Ports, being conducted under the Technical Cooperation Agreement signed with CAF-development bank of Latin America. Furthermore, 74% of the studies are expected to be carried out internally and the rest by resorting to external consultants on the basis of the terms of reference drafted by the Permanent Secretariat.

INTRODUCTION

In its tireless efforts to promote regional integration, the Latin American and Caribbean Economic System (SELA) undertakes a series of multidimensional activities in order to identify key strengths and challenges to achieve higher levels of coordination and cooperation, and establish joint working agendas to promote productive development and economic growth in the region.

The Work Programme for 2016, in accordance with Decision N° 440 of the Latin American Council (2003), focuses its actions on three fundamental areas: Intra-Regional Relations, Economic and Technical Cooperation and Extra-Regional Relations.

The area of Intra-Regional Relations comprises three programmes: i) Integration process and economic growth in Latin America and the Caribbean, ii) Trade facilitation, and iii) Information and Communications Technologies (ICTs) and knowledge society.

The first programme includes three lines of research related to the analysis of the productive structures, productive and industrial development and the assessment of the regional integration process. The study of these issues allows for recognizing achievements in the field of productive transformation and their impact on the deepening and diversification of intra-regional economic relations, with the purpose of promoting Latin American and Caribbean integration.

In this connection, the structural characteristics of foreign trade in the region's economies are evaluated in order to identify those countries that have fallen in the production and middle income trap. Additionally, by using robust quantitative techniques, a proposal is made to develop a methodology that allows for quantifying the current status and progress of the integration process in Latin America and the Caribbean.

Also, in compliance with the mandate of CELAC and according to the purpose of SELA to promote productive transformation in the region, the Permanent Secretariat intends to organize a Regional Meeting of Business Organisations on Productive and Industrial Development in Latin America and the Caribbean, as a follow-up to the First Ministerial Conference on Productive and Industrial Development and the Meeting of Business Organizations on Productive and Industrial Development of Latin America and the Caribbean, both held in Costa Rica in 2014. The results of this activity are proposed as a basis for holding a second Regional Meeting to facilitate a private-public rendezvous for exchanging views and proposals on productive and industrial development in Latin America and the Caribbean.

The second programme of the area of Intra-Regional Relations, Trade Facilitation, includes the conduction of the VIII Regional Meeting on International Trade Single Windows, as well as the continuation of the Programme for the creation of the Latin American and Caribbean Network of Digital Ports.

The Programme on Information and Communication Technologies and knowledge society focuses on the administration and maintenance of specialized portals on SELA's Web site. Another high-impact activity included in this programme is the development of an interactive system for managing data bases and economic statistics with the purpose of improving the dissemination of relevant information on the regional integration process.

The area of Economic and Technical Cooperation highlights the conduction of the XXVII Meeting of International Cooperation Directors for Latin America and the Caribbean, aimed at promoting

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greater cooperation in the areas of science, technology and innovation in the region. In addition, this area includes the Regional Meeting on Partnerships between the Public and Private Sector for Disaster Risk Reduction and the VI Annual Meeting of the Working Group on Trade and Competition of Latin America and the Caribbean.

In turn, in 2016, the SELA-SMEs Programme will continue to hold seminars and training courses to foster competitiveness, productivity and the generation of public policy recommendations to promote and support small and medium-sized enterprises. Additionally, the Permanent Secretariat has proposed to strengthen the methodological framework of the Index of Public Policies for SMEs, started under the Work Programme for the year 2015.

Finally, the area of Extra-Regional Relations, whose main objective is to strengthen the economic relations of the region with other economic blocs, foresees the monitoring and analysis of the new agreements that have emerged within the global economic context and their impact on the economic dynamics of the region. Specifically, this Work Programme focuses on the Trans-Pacific Strategic Economic Partnership Agreement and the Transatlantic Trade and Investment Partnership.

The Work Programme for 2016 includes 21 studies and 18 meetings at different levels, aimed at achieving higher levels of coordination, cooperation and articulation for strengthening the Latin American and Caribbean integration process. Through the conduction of studies with a rigorous foundation and a methodology based on quantitative techniques, and the organization of meetings on cutting-edge topics, SELA honours its commitment to contributing to the optimization of the decision-making process for the development of the region.

BACKGROUND: WORK PROGRAMME FOR THE YEAR 2015

The Permanent Secretariat of SELA submit herewith its Thirty-Ninth Annual Report of Activities, for the period from October 2014 to October 2015. The Report informs about the implementation status of the Work Programme for the year 2015, adopted by the Latin American Council by Decision No. 546, as well as other tasks and activities carried out by the organization in compliance with its institutional responsibilities.

The Latin American and Caribbean Economic System (SELA) carried out a series of multidimensional activities during 2015, including meetings, seminars, studies and distance learning courses. The primary objective of the Work Programme for 2015 was to strengthen the integration process in Latin America and the Caribbean by identifying strengths and opportunities for higher levels of articulation, cooperation and convergence among Member States.

The Work Programme for 2015 consisted of three main areas of study: Intra-Regional Relations, Economic and Technical Cooperation and Extra-Regional Relations. Each of them addressed issues of vital importance to the region, which allowed for compliance with the work of SELA as promoter of Latin American cooperation and integration.

In the area of Intra-Regional Relations, the Permanent Secretariat prepared documents that helped identify the achievements made, mainly in the field of trade in the region's countries. In this regard, the Permanent Secretariat attached special importance to Central American and Caribbean nations with the aim of promoting, expanding and diversifying trade between these subregions and the rest of Latin America and the Caribbean. In addition, the organization prepared follow-up reports on subregional integration mechanisms, which identified advances in specific areas as a result of greater regional cooperation and coordination, but several major challenges remain and are hindering efforts to achieve higher levels of integration.

SELA continued to provide the necessary technical assistance to facilitate trade among its member countries. In this connection, it organized the VII Latin American and Caribbean Regional Meeting on International Trade Single Windows, which enabled the dissemination of best practices in this field on the basis of criteria of operability, efficiency, compatibility, and security, with the aim of promoting trade among its Member States.

In addition, the Permanent Secretariat developed the Programme for the creation of the Latin American and Caribbean Network of Digital and Collaborative Ports, launched in 2014 and whose purpose is to deepen and expand the collaborative activities of countries and port communities. In 2015, the Programme included 9 countries and 15 port communities. For the development of this activity, the Permanent Secretariat receives a significant financial support, through a Technical Cooperation Agreement, from CAF-development bank of Latin America.

SELA, the Association of Caribbean States and UNCTAD organized a distance learning course on the legal aspects of electronic commerce for the Caribbean subregion. This activity aimed to build capacities of government officials responsible for developing the national regulatory frameworks in the area of ICTs, encourage their use and identify priority areas to implement the necessary reforms in the field of electronic transactions, privacy and data protection, and intellectual property rights.

In the area of Economic and Technical Cooperation, meetings on different topics were held, including the Regional Meeting on partnerships between the public and private sectors for disaster

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risk reduction in Latin America and the Caribbean, which was supported by the United Nations Office for Disaster Risk Reduction (UN/ISDR). In addition, the Permanent Secretariat conducted the XXVI Meeting of International Cooperation Directors for Latin America and the Caribbean, whose central topic was "Port cooperation in Latin America and the Caribbean: Digital ports. Status and prospects."

As regards the SELA-SMEs Programme, the Permanent Secretariat continued to develop activities that promote the participation and performance of small and medium-sized enterprises at the regional level. In addition, it prepared a document entitled "Methodological considerations for developing an Index of Public Policies for SMEs in Latin America and the Caribbean," which was presented at the Regional Meeting on Public Policies for the Promotion and Support of SMEs in April 2015 in Cartagena de Indias, Colombia. In this event, the Government of Uruguay invited the Permanent Secretariat to expound on the Index in Montevideo, with a view to implementing it in that country.

Afterwards, in June 2015, the Government of Uruguay, through the Ministry of Industry, Energy and Mining, requested the Permanent Secretariat to provide technical support in the design and implementation of an index of public policies for SMEs, whereas CAF-development bank of Latin America will finance the project.

Finally, in the area of Extra-Regional Relations, the Permanent Secretariat focused its efforts on strengthening economic relations between the region and other economic blocs. To that end, it prepared studies that highlight the opportunities for Latin America and the Caribbean in the areas of trade, investment and cooperation with the ASEAN, the Arab world and the European Union. In addition, SELA organized the Regional Seminar on economic and financial relations between Latin America and the Caribbean and the BRICS Group, which enabled participants to identify opportunities that the new Development Bank of the BRICS Group could offer to the countries in the region.

The Permanent Secretariat, through the activities developed in the Work Programme for 2015, met its commitments to contribute to the strengthening of the Latin American and Caribbean integration process, providing the Member States with the necessary tools to facilitate decision-making for the development of the region.

AREA I. INTRA-REGIONAL RELATIONS

PROGRAMME: INTEGRATION PROCESS AND ECONOMIC GROWTH IN LATIN AMERICA AND THE CARIBBEAN

PROJECT I.1. Analysis of productive structures and economic growth in the region

Activity I.1.1. Evaluation of structural characteristics of the international trade in goods in Latin America and the Caribbean

A. Background and justification

During the last few years, the Permanent Secretariat of SELA has promoted the preparation of studies that delve into the historical evolution of international trade in Latin America and the Caribbean. In this connection, the organization has identified some areas in which the region should make efforts to promote its commercial dynamism and improve the performance of intra-regional trade.

On this occasion, the Permanent Secretariat is scheduled to prepare a study that evaluates the structural characteristics of international trade in the region, transcending temporal analysis and incorporating variables and indicators that provide information on the most dynamic economic sectors, and the influence of greater productive and export diversification in the levels of productivity and insertion into international markets.

To that end, an evaluation will be made of the positioning of the region in terms of complementarity, specialization and diversification of trade compared to the rest of the world, as well as the behaviour of the integration mechanisms, according to a disaggregation of data by member countries, for the period 1995-2013.

B. Objectives

1. Analyze the structural characteristics of international trade in Latin America and the Caribbean, emphasizing, in addition to its evolution over time, the economic sectors and regions with greater dynamism.
2. Identify the influence of the productive and export diversification in productivity levels and insertion of Latin America and the Caribbean into international markets.
3. Study the positioning of the region in terms of productive and trade diversification and complementarity with respect to other regions with greater relative economic development.

C. Expected results

A baseline study on the evolution of the export structure of Latin America and the Caribbean and its impact on the region's productivity levels and insertion into international markets. This study is expected to encourage the generation of working papers, focused on the identification and analysis of the region's opportunities and challenges in terms of productive diversification and structural changes, in a constantly changing global economic stage. In addition, a framework of policy recommendations will be generated to boost the productive transformation of the region.

8**D. Activities and schedule**

Activities	Date
Drafting and approval of terms of reference	December
Preparation of the study	January-March
Translation and publication	April

Activity I.1.2. Production trap and middle-income trap in Latin America and the Caribbean**A. Background and justification**

In general terms, Latin American and Caribbean nations seem to be going through what the economic theory calls “middle-income trap,” a situation in which economies fail to grow at sufficiently accelerated rates to exceed a certain income threshold in a given period. In this connection, the middle-income trap is not a mere theoretical curiosity; in a deeply interconnected and changing world, economies that do not manage to overcome this situation tend to lag behind and lose important opportunities for the development of their peoples.

The middle-income trap is usually associated to the prevalence of certain productive patterns, which hardly contributes to growth in per capita income. Modern economic theory labels the set of such factors as “production trap.” In broad terms, countries that export a low amount of goods and services which – due to their little technological sophistication – lots of countries can produce and trade are often found in such production trap.

In this regard, it is necessary to move towards the production of goods and services of high technological sophistication, high added value, little ubiquity and high interconnection, so that the region can overcome the production trap and be able to grow faster in the coming years, as possibilities are provided for the region to raise its income levels.

B. Objectives

1. Based on the empirical criteria established by the economic theory, identify countries in the region going through the middle-income trap.
2. Analyze the performance of exports of the countries in the region in terms of diversification, built-in technological content, homogeneity, ubiquity, connectivity and path, in order to identify nations going through the production trap.
3. Recognize the countries in the region that are involved in both situations, middle-income and production traps.
4. Evaluate the main opportunities and challenges for the countries in the region to overcome both middle-income and production traps.
5. Present policy recommendations to promote the transformation of the productive structures of the region in order to abandon both middle-income and production traps.

C. Expected results

A pioneering document in the analysis of both middle-income and production traps in Latin American and Caribbean countries.

D. Activities and schedule

Activities	Date
Drafting and approval of terms of reference	June
Preparation of the study	July-September
Translation and publication	October
Regional Meeting	October - Argentina

Activity I.1.3. Frameworks for the protection of intellectual property rights in Latin America and the Caribbean: Accelerators or brakes for the productive transformation of the region?**A. Background and justification**

One of the fundamental aspects for the creation of value through innovation of productive and management processes is the creation of endogenous technologies, as well as adaptation of external technologies. To that end, an essential element is the framework for the protection of intellectual property rights (IPR).

It should be noted that a very lax IPR framework may reduce the incentives for companies to invest in the improvement of production processes, decreasing the rate of technological transformation of nations. On the contrary, a very strict IPR framework would limit the potential for innovation, reducing the dissemination of knowledge and the indirect transfer of technology, while mitigating the positive external effects associated with innovative processes.

In this connection, understanding how adapted IPR frameworks of Latin America and the Caribbean are to the modern economic dynamics is a necessity for the creation of a productive and exporting region.

B. Objectives

1. Review in detail existing IPR frameworks in Latin America and the Caribbean and analyze their strengths and weaknesses in terms of their function as promoters of the productive transformation of the region.
2. Evaluate international IPR frameworks and initiatives aimed at harmonizing regulations of subregional integration mechanisms in Latin America and the Caribbean.
3. Compare the IPR frameworks in the region with the best practices in the matter at the global level

C. Expected results

An analytical document aimed at assessing the status of IPRs in the region.

D. Activities and schedule

Activities	Date
Drafting of terms of reference	April
Preparation of the study	July
Translation and publication	August

10**PROJECT I.2. Assessment of Latin American and Caribbean integration processes****Activity I.2.1. Assessment of asymmetries in Latin America and the Caribbean and their impact on subregional integration processes****A. Background and justification**

The issue of asymmetries has been dealt with consistently in studies on international trade, trade negotiations and integration processes. In this connection, it is said that existing asymmetries among Latin American and Caribbean nations represent an obstacle in the path towards subregional integration.

Although there is a substantial literature on the treatment of asymmetries, there is no detailed and comprehensive review of concepts and typologies. Therefore, SELA proposes the preparation of a study containing a classification of the top asymmetries in the region that may serve as a reference for the design of precise and effective action plans for their mitigation.

B. Objectives

1. Identify and generate concepts of asymmetries, based on a multidimensional view that incorporates economic, geographic, demographic and social aspects.
2. Assess asymmetries prevailing in the region with the available statistical information.
3. Identify the impact of asymmetries observed on subregional integration processes in Latin America and the Caribbean.

C. Expected results

A conceptual document aimed at identifying existing asymmetries among countries and their impact on advances in subregional integration processes.

D. Activities and schedule

Activities	Date
Drafting of terms of reference	January
Preparation of the study	January-March
Translation and publication	April

Activity I.2.2. Integration Index of Latin America and the Caribbean**A. Background and justification**

For the analysis of the Latin American and Caribbean integration process, the Permanent Secretariat of SELA has promoted the preparation of studies on the progress of subregional integration mechanisms in the field of trade, institutions and evolution of economic and social indicators. Specifically, the Work Programmes for 2014 and 2015 included some research papers on the status of integration processes, as well as the main challenges and opportunities for greater regional articulation.

In this context, the construction of indicators arises as an option to assess the status and progress (performing updates over time) of Latin American and Caribbean subregional integration processes, according to the dimensions of integration identified by the economic theory. To that end, SELA will develop a methodology to quantify each of the considered dimensions and provide them with a weighting within a general indicator called Integration Index of Latin America and the Caribbean (IILAC).

Some of the areas to be addressed are the following: trade among mechanisms, flows of foreign direct investment, international infrastructure and logistics, remittances, mobility of factors, harmonization of economic policies, institutional framework and performance of the major macroeconomic variables (GDP, inflation, unemployment, exchange rate, debt).

B. Objectives

1. Build a periodically updated indicator to assess the behaviour of subregional mechanisms at the different stages of integration identified in economic theory.
2. Identify and describe the phases of integration in which each subregional integration mechanism is located.
3. Assess the opportunities and challenges for subregional mechanisms in the evolution of their integration processes.

C. Expected results

An analytical document aimed at developing SELA's methodology for the construction of indicators that facilitate the assessment and monitoring of regional integration processes in the dimensions established by economic theory. The final product of this document will be a periodically updated indicator.

D. Activities and schedule

Activities	Date
Drafting of terms of reference	March
Preparation of the study	April-June
Translation and publication	July
Regional Meeting	August - Mexico

Activity I.2.3. Assessment of convergence in the dynamics of the main macroeconomic variables of Latin American and Caribbean countries

A. Background and justification

This research is expected to assess decision-making systems in economic policy, as well as the evolution of the main macroeconomic variables of Latin America and the Caribbean (including: GDP, inflation, debt, real exchange rate) and prove - or reject - the existence of convergence in such variables among the countries of the region.

The document will be based on the traditional instruments for the assessment of convergence of macroeconomic variables. In particular, an assessment will be made of nominal convergence (beta convergence), as well as convergence in volatility of variables under review (sigma convergence)

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and conditional convergence (that of each nation to its long-run level). In addition, the study will incorporate modern criteria into the evaluation of convergence; in particular, it aims to analyze the convergence of export structures in the region and its consequences on the convergence of growth rates of Latin American and Caribbean nations.

B. Objectives

1. Evaluate the performance of the main macroeconomic variables of the countries in the region, in search of patterns of convergence in their performance.
2. From an empirical point of view, study the existence of statistically significant differences in the convergence of macroeconomic variables among the nations of a single subregional integration mechanism and the rest of Latin American and Caribbean nations.
3. Identify the existence of "groups of convergence" in the region, defined as specific spaces in which a strong convergence is evidenced among nations, regardless of the subregional integration mechanism to which they belong.
4. Identify the degree of harmonisation of economic decision-making systems in the region and their potential to improve the economic performance of Latin America and the Caribbean.

C. Expected results

An analytical document based on the objectives established, which will serve as a reference for decision-makers in the region.

D. Activities and schedule

Activities	Date
Drafting of terms of reference	July
Preparation of the study	August-October
Translation and publication	November

Activity I.2.4. External vulnerability in Latin American and Caribbean countries

A. Background and justification

The global economy does not seem to have escaped completely from the effects of the financial crisis of 2008. Proof of this is the fledgling and uneven growth recorded by developed economies in recent years, as well as the slowdown in emerging economies – particularly in the Chinese economy – and the high fiscal instability prevailing in some nations of the euro zone, representing significant challenges for the development of a more robust integration process.

In an unfavourable global context, it is important to assess the vulnerability of the region to shocks from external source. In this sense, a proposal is made to conduct a study that identifies the strengths and weaknesses of the main subregional integration mechanisms (AP, CAN, CARICOM, MERCOSUR and SICA) in an unfavourable external dynamics.

The study will focus on the use of parameters to identify the external vulnerability of the region, including: profiles of indebtedness; composition of debt; ratio of external debt, exports and GDP;

debt-tax revenue ratio; debt-international reserves ratio; reserves in months of import; soundness of the financial system and credit quality.

B. Objectives

1. Generate a methodology that enables the countries of the region to identify early warning signs in response to changes in the dynamics of international markets that put their internal economic stability at risk.
2. Replicate the methodology for subsequent periods and incorporate the created indicators into the database of SELA, which will be updated periodically.
3. Produce aggregate indicators for subregional integration mechanisms that will enable their member countries to identify a profile of potential external challenges for the effective progress of integration processes in Latin America and the Caribbean.

C. Expected results

An analytical document aimed at conducting a diagnostic study of the conditions and response capacity of the region to external shocks

D. Activities and schedule

Activities	Date
Drafting of terms of reference	July
Preparation of the study	August-October
Translation and publication	November

Activity I.2.5. Follow-up reports on subregional integration mechanisms

A. Background and justification

Economic reports are useful documents that contain indicators that enable a detailed follow-up of the dynamics of countries and regions. In the absence of periodic studies on the economic performance of subregional integration mechanisms, SELA proposes the conduction of reports every four months to monitor events and more meaningful statistics in the context of integration mechanisms. Reports are aimed at decision-makers, diplomatic personnel and the general public.

The four-monthly frequency responds to the frequency of updates of the main economic indicators in the Central Banks of Latin American and Caribbean countries, as well as the frequency of updates of statistics by multilateral organizations.

B. Objectives

1. Prepare descriptive reports containing six sections, one for each subregional integration mechanism and a concluding section. The latter will include a regional analysis, as well as a review of events and relevant figures of other instruments for integration of Latin America and the Caribbean not included in the preceding chapters (for example, ALBA - TCP, UNASUR and Petrocaribe).
2. Upload the follow-up reports to SELA's electronic portal.

14**C. Expected results**

Descriptive reports on the economic performance of subregional integration mechanisms that enable the reader to receive on a regular basis updated information on the regional dynamics and prospects. These reports will add value to the portfolio of SELA by enabling the Permanent Secretariat to expand its readership.

D. Activities and schedule

Activities	Date
Preparation of the study	Four-monthly frequency
Translation and publication	Four-monthly frequency

Activity I.2.6. Case studies for integration**A. Background and justification**

Case studies for integration are designed as a complementary product to the portfolio of SELA. The structure of these case studies will enable the organization to deal with various issues and reach more easily the general public.

Case studies are drafted as short articles (around 2,500 words - 3 pages long), based on rigorous analysis, but written in a less academic tone.

These short reports aim to present different initiatives that may promote cooperation, coordination, articulation and convergence among nations and among integration mechanisms to decision-makers in the region.

Case studies will include information on the implementation of the various programmes, their preliminary results, main difficulties and challenges. In addition, the need and possibility of implementing similar initiatives in Latin America and the Caribbean will be assessed.

B. Objectives

1. Identify successful initiatives in promoting cooperation, coordination and articulation among nations and among subregional integration mechanisms.
2. Present to decision-makers a range of programmes, whose implementation or expansion may help strengthen the regional integration process.
3. Encourage the debate for the generation of innovative and high-impact initiatives to promote the integration of the region.

C. Expected results

Quarterly reports that describe successful initiatives in promoting cooperation, coordination and articulation among nations and among integration mechanisms, which may serve as a reference for making decisions that benefit the regional integration process.

D. Activities and schedule

Activities	Date
Preparation of the study	Quarterly frequency
Translation and publication	Quarterly frequency

Activity I.2.7. Report on the regional integration process**A. Background and justification**

Integration is a process that contributes to the acceleration in economic growth and social development, as it improves the allocation of resources, favours competition, encourages investment, and ultimately increases prospects for development of the member countries making up a trade bloc.

However, integration processes require countries to undertake a series of activities and commitments in a gradual and orderly manner. In this connection, it is necessary to undergo structural planning stages and phases, both at the national and international levels, which requires different periods of consolidation.

SELA is scheduled to prepare quarterly reports, which will focus on the assessment of case studies for the promotion of integration, and four-monthly reports, whose main purpose will be a detailed analysis of the regular progress of regional integration mechanisms. These regular bulletins will be characterized by a collection of notes and reviews on trade and international politics, similar to a quick guide on economic developments in the region.

In this connection, the Permanent Secretariat considers it of the utmost importance to develop a complementary document, which would offer a detailed analysis of the major trends, challenges and opportunities for greater integration in Latin America and the Caribbean, while compiling and highlighting the most relevant findings of regular reports.

B. Objectives

1. Carry out an annual report that compiles and complements the existing four-monthly and quarterly integration reports, which offer regular information in the short term. This report will be more extensive and will incorporate all the events occurred at the end of each year.
2. Provide an updated guide of the latest achievements in integration in the region, which will be useful for entities involved in decision-making within institutions run by integration mechanisms.
3. Encourage discussion within the framework of the integration forum, in order to generate ideas on the possibilities for the region to achieve greater integration.

C. Expected results

An annual report on the latest achievements in the integration process within the integration mechanisms.

16**D. Activities and schedule**

Activities	Date
Preparation of study	Annual publication
Translation and publication	Annual publication

PROJECT I.3. Productive and Industrial Development in Latin America and the Caribbean**Activity I.3.1. CELAC: Regional Meeting of business organizations on productive and industrial development in Latin America and the Caribbean****A. Background and justification**

In the Plan of Action adopted by the II Summit of Heads of State and Government of the Community of Latin American and Caribbean States (CELAC), held in Havana, Cuba, on 28 and 29 January 2014, SELA was entrusted with the task of organizing, with the support of ECLAC and CAF-development bank of Latin America, "...a Regional Meeting of business organizations on productive and industrial development in Latin America and the Caribbean. The goal of this event was to encourage representatives of unions and the private sector in the region to incorporate their analysis and proposals into the process of creation of productive and industrial development strategies within the framework of CELAC, as well as to stimulate the investment institutions and development banks to adopt or expand the financing mechanisms for the development of infrastructure and investment related to productive integration programmes in the region".

This request was ratified at the VIII Meeting of National Coordinators of CELAC, held on 9 and 10 April 2014 in San José, Costa Rica. Under this mandate, a Meeting of High-Level Officials on Productive and Industrial Development in Latin America and the Caribbean had been held on 3 and 4 October 2013 at the headquarters of the Permanent Secretariat of SELA in Caracas, leading to important recommendations for the treatment of the subject in subsequent events.

In general terms, the Meeting of High-Level Officials served as a platform for discussion of strategies aimed at the productive transformation of Latin America and the Caribbean, among which were: promotion of investment, formation of regional value chains, supplier development, public sector support for technology adequacy, development of human capital, expansion and diversification of sources of financing, modernization of public procurement systems, tariff policy and trade facilitation.

A fundamental aspect of the meeting was the consensus reached on the need to strengthen partnerships between the public and private sectors in the region, in order to develop international industrial partnerships and foster the socially equitable and competitive industrial production in the region.

As a follow-up to the Meeting of High-Level Officials, a Meeting of Ministers of Industry and Economy of CELAC was held on 10 and 11 April 2014 in San José, Costa Rica, to deal with four central topics and adopt a Plan of Action. The issues addressed include: productive and industrial development policies, value chains and partnerships, employment and productivity, and sustainable production and energy.

B. Objectives

This Regional Meeting of business organizations, development banks and investment promotion organizations has the following objectives:

1. Incorporate analyses and proposals of organizations and business representatives in the region into the design of strategies and policies for productive and industrial development.
2. Promote partnerships and formation of value chains, innovation and technology adequacy of production units in the region, and greater and better insertion in international markets.
3. Encourage public-private partnerships for the generation and implementation of initiatives that contribute to the productive and industrial development of the region.
4. Boost the adoption and expansion, by investment promotion agencies and development banks, of appropriate financing mechanisms for the development of infrastructure and investment related to programmes for productive integration in the region.

C. Expected results

A document that compiles the remarks and proposals by private business organizations on productive and industrial development in Latin America and the Caribbean, in order to incorporate them into the process of creation of productive and industrial development strategies in the region.

D. Activities and schedule

Activities	Date
Extending invitations and organizing the meeting	February - March
Conducting the regional meeting	May
Preparing and forwarding the document	June

Activity I.3.2. Regional Meeting on Productive and Industrial Development in Latin America and the Caribbean: Public and private sectors

A. Background and justification

In the Plan of Action adopted by the II Presidential Summit of CELAC, held in Havana, Cuba, on 28 and 29 January 2014, SELA was entrusted with the task of organizing, with the support of ECLAC and CAF-development bank of Latin America, a Regional Meeting of business organizations on productive and industrial development in Latin America and the Caribbean. The goal of this event was to encourage representatives of unions and the private sector in the region to incorporate their analysis and proposals into the process of creation of productive and industrial development strategies within the framework of CELAC, as well as to stimulate the investment institutions and development banks to adopt or expand the financing mechanisms for the development of infrastructure and investment related to productive integration programmes in the region.

This request was ratified at the VIII Meeting of National Coordinators of CELAC, held on 9 and 10 April 2014 in San José, Costa Rica. The next Regional Meeting, scheduled to take place with the collaboration of the Pro Tempore Presidency of CELAC in San José, Costa Rica, on 13 and 14 November 2014, was postponed after making the relevant consultations with the counterparts, taking into account the difficulties to ensure broad participation of the private business sector.

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The topics on the agenda for this event are the result of issues discussed at the Meeting of Ministers of Economy and Industries of CELAC, carried out by the Pro Tempore Presidency on 10 and 11 April 2014 in San José, Costa Rica. They include: productive and industrial development policies, value chains and partnerships, employment and productivity, and sustainable production and energy.

Against this background, the Permanent Secretariat of SELA will organize the Regional Meeting, which will bring together representatives of business organizations, authorities of public organizations related to productive development and officials of international organizations in order to exchange views and proposals from the presentations and conclusions of the two above-mentioned events.

B. Objectives

1. Encourage dialogue between the public and private sectors in the drafting and implementation of industrial policies that contribute to the productive development of CELAC countries.
2. Promote a space for encounter between representatives of the public and private sectors in the region in the field of industrialization and development so that they can exchange ideas, proposals and experiences on the priority areas of the agenda for productive and industrial development in Latin America and the Caribbean.

C. Expected results

1. Organize a Regional Meeting among representatives of the public and private sectors in the region to discuss aspects on productive and industrial development in Latin America and the Caribbean.
2. A document that compiles the conclusions and recommendations arising from the meetings on productive and industrial development conducted by the Permanent Secretariat.
3. Discuss proposals and recommendations for a regional policy on industrial and productive development.

D. Activities and schedule

Activities	Date
Extending invitations and organizing the meeting	July - August
Preparing the document	June
Conducting the meeting	October

PROGRAMME: TRADE FACILITATION**PROJECT I.4. Regional Meetings on International Trade Single Windows****Activity I.4.1. VIII Latin American and Caribbean Regional Meeting on International Trade Single Windows****A. Background and justification**

The International Trade Single Windows are strategic tools to facilitate trade and promote increases in trade flows, with potential to grow as long as progress is made in their interoperability at the regional and/or subregional level. The appropriate implementation of ICTs for the development of Single Windows is essential for business information flows to accompany efficiently the international movement of goods and contribute to greater profit and competitiveness along the international supply chain.

The WTO Trade Facilitation Agreement includes a specific provision related to the adoption of International Trade Single Windows and the need to advance in their interoperability, as effective means for streamlining, simplification, efficiency and transparency in export, import and transit transactions.

As a follow-up to the effort launched in 2010 with the First Latin American and Caribbean Regional Meeting on Foreign Trade Single Windows, jointly organized by the Permanent Secretariat of SELA and the Ministry of Trade, Industry and Tourism of Colombia, SELA has systematically promoted these annual regional meetings with the purpose of fostering coordination processes to contribute to digital inclusion in the context of regional integration processes and the permanent and proactive debate on relevant issues associated with Single Windows, in particular the regulatory, technical, technological and governance areas. The goal is to encourage governments in the region to undertake the design of public policies and instruments that favour regional efforts aimed at consolidating Single Windows throughout Latin America and the Caribbean as part of e-commerce and e-government strategies.

The VII Latin American and the Caribbean Regional Meeting on International Trade Single Windows focused on reviewing the strategic role of Single Windows in the context of the recent WTO Trade Facilitation Agreement and the mechanisms for trade integration in Latin America and the Caribbean, which showed that the appropriate development of these tools can generate favourable conditions for making strides with intra-regional trade, a crucial area to achieve higher levels of productivity and competitiveness in individual countries and in Latin America and the Caribbean as a whole.

As the aforementioned events, the VIII Regional Meeting of International Trade Single Windows has been promoted by the Permanent Secretariat of SELA to boost the analysis of strategic elements and relevant experiences in this matter, with a view to disseminating best practices and generating recommendations that contribute to the consolidation of programmes for the optimization of processes. The ultimate goal is to boost international trade in countries that have incorporated this tool and to facilitate efforts aimed at consolidating the International Trade Single Windows throughout Latin America and the Caribbean, as part of e-commerce and e-government strategies.

20**B. Objectives**

1. Discuss emerging and innovative issues with an impact on the design and development of International Trade Single Windows in Latin America and the Caribbean, as an essential tool for international trade facilitation.
2. Provide cutting-edge analytical elements that contribute to the progress and strengthening of International Trade Single Windows in Latin America and the Caribbean and their relationship with other links in the international supply chain.
3. Disseminate information about the best practices stemming from projects/programmes for the design and implementation of International Trade Single Windows, making emphasis on the methodologies, procedures and resources that have proved to be effective in the area of cross-border paperless trade, under the criteria of interoperability, efficiency, compatibility of standards and security.
4. Generate convergence for the development of International Trade Single Windows, aiming at unifying the required criteria for implementing common processes and systems with the capacity of exchanging information, intended to develop organizational and technological interoperability and harmonize data on the basis of international standards.

C. Expected results

Organization of the VIII Latin American and Caribbean Regional Meeting on International Trade Single Windows, in order to analyze critical and emerging issues related to the development of International Trade Single Windows and disseminate the most significant regional experiences in this matter. To that end, as it has been the case in all previous events, the Meeting is expected to be attended by representatives of the Member States linked to the design and implementation of Single Windows, as well as related instances such as customs, ports and ministerial bodies related to procedures for import and export of goods and services. In addition, representatives of international and multilateral organizations related to these processes are also expected to participate in this meeting.

D. Activities and schedule

Activities	Date
Planning and organizing the VIII Latin American and Caribbean Regional Meeting on International Trade Single Windows	July – October 2016
Conducting the VIII Latin American and Caribbean Regional Meeting on International Trade Single Windows	13 and 14 October 2016

PROJECT I.5. Programme on the Latin American and Caribbean network of digital and collaborative ports: Strengthening logistic port communities, service standards and technological innovation

Activity I.5.1. Programme on the Latin American and Caribbean network of digital and collaborative ports Phase II: Expansion and institutionalization of the network

A. Background and justification

During the year 2014, some headway has been made in the first phase of the Programme for the creation of the Latin American and Caribbean network of digital and collaborative ports: Strengthening logistic port communities, service and technological innovation standards for a globalized, competitive and logistically sustainable international trade, within the framework of the non-refundable technical cooperation agreement between CAF-development bank of Latin America and the Permanent Secretariat of SELA and with the participation of the ports of Manzanillo and Veracruz, in Mexico; Buenaventura and Cartagena, in Colombia; Callao, in Peru; San Antonio and Valparaíso, in Chile; and Balboa and Colon, in Panama.

The programme Network of Digital and Collaborative Ports, started in 2014 as a support for the port-logistics sector, has undertaken the task of strengthening the various aspects of logistics competitiveness, from the institutional framework, which involves port-logistics communities, the regional public-private partnership on logistics and national logistics plans, to the operational framework, which includes best practices for synchronizing ship-maritime-land operations and collaborative information technologies such as port single windows, logistics coordination systems and logistics modules to interoperate with International Trade Single Windows.

As long as more countries and their port communities develop real trade facilitation and transport networks, with emphasis on the reference model for competitiveness of the port-logistics chain proposed in this Programme, some headway should be made in minimizing the structural flaws in our region. In addition, the Network includes a set of support subsystems, such as the strengthening of methodological support groups, made up of research and innovation centres, which provide technical support to every port community in each region and country. The Program also aims to provide the network with more regional institutions, so that there is a strategic plan that allows them to promote and influence public policies for trade facilitation and transport, digitalization of ports and greater cooperation in each country.

The second stage of this Programme started in September 2015, after the signing of a new non-refundable technical cooperation agreement between CAF-development bank of Latin America and the Permanent Secretariat of SELA. This second stage aims to expand and institutionalize the Network, which means to increase the base of the member countries and port communities (from 9 to 15 port communities and from 5 to 9 countries), promote the implementation of actions related to the Reference Model for Competitiveness of the logistics chain provided for by the Network, present proposals for the institutionalization of the Network and continue to build institutional and technological lines of action that contribute to closing gaps in logistical sustainability and competitiveness.

The second stage of this Programme will last until July 2016, when the agreement with CAF expires. In this second stage, efforts are being made to strengthen collaborative activities of countries and pioneering port communities and to make some progress with actions in the new

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regional port communities in Mexico, Peru, Ecuador, Costa Rica, Trinidad and Tobago and Uruguay, since it is highly feasible to make some headway in the replicability of preliminary results obtained in the first stage and in other Latin American and Caribbean countries through transfer of knowledge, generated recommendations and execution of agreements on regional initiatives that facilitate the sustained implementation of institutional and technological innovations at the regional level.

B. Objectives

1. Make some progress in the early stages of conceptualization, mobilization of members and strategic planning in 6 new regional port communities: Puerto de Altamira in Mexico; Port of Spain in Trinidad and Tobago; Puerto Limon in Costa Rica; Guayaquil in Ecuador; Paita in Peru; and Montevideo in Uruguay.
2. Strengthen technical support for the implementation of measures proposed by the reference model in the 9 port communities addressed in the first stage of the Programme, namely: Manzanillo and Veracruz in Mexico; Balboa and Colon in Panama; Buenaventura and Cartagena in Colombia; el Callao in Peru; and Valparaíso and San Antonio in Chile.
3. Improve the Reference Model by complementing it with an "Implementation guide for the continuous improvement of the port-logistics chain," and promote the monitoring of its implementation by communities and countries participating in the Network.
4. Advance in the institutional strengthening of the Latin American and Caribbean network of digital and collaborative ports, on the basis of a sustainability study and the consolidation of the dissemination of results and information on the Network through the development of a Web platform for Exchange of information.

C. Expected results

1. Strengthening, expansion and sustainability of the Network of Digital and Collaborative Ports, within the framework of the Programme for the creation of the Latin American and Caribbean network of digital and collaborative ports: strengthening port-logistics communities, service and technological innovation standards.
2. Development of a Web platform that promotes greater synergy in terms of a permanent exchange of information and best practices in port-logistics communities, contributes to the dissemination and management of information generated by regional and subregional institutions on this issue, and contributes to the progress of electronic governments, in the context of trade facilitation in Latin America and the Caribbean.

D. Activities and schedule

Activities	Date
Terms of reference and hiring of Consultant	September 2015
Block I – Technical cooperation activities N° 1	October – December 2015
Block II – Design activities N° 1	October 2015 – March 2016
Block III – Design activities N° 2	January 2015 – March 2016
Block IV – Technical cooperation activities N° 2	April – June 2016
Block V – Dissemination activities: VIII Meeting of International Trade Single Windows; SELA - CAF	July 2016
Final Report	August 2016

PROGRAMME: INFORMATION AND COMMUNICATIONS TECHNOLOGIES AND KNOWLEDGE SOCIETY**PROJECT I.6. Strengthening the statistical information system on SELA's Web site****Activity I.6.1. Development of an interactive system for the management of databases and economic statistics on SELA's Web site****A. Background and justification**

At present, SELA's Web site has a limited offer of statistical information. For that reason, it is necessary to change and optimize the technological tools of the organization.

In order to restructure the database of SELA, the Directorate of Studies and Proposals will provide statistical information emerging from the research work carried out. In addition, the hiring of an external provider will be required for the development of the necessary Web interface.

Thus, SELA can expand the network of users of its Web site to offer a wide range of statistical information that will be regularly updated.

B. Objectives

1. Restructure the statistical database of SELA's Web site by incorporating new quantitative information that will be provided by the Directorate of Studies and Proposals.
2. Include dynamic tools that enable better management and visualization of the database.

C. Expected results

An up-to-date and efficient technology platform that may offer greater value to the users of our Member States, providing dynamic tools for the management and presentation of statistical databases.

D. Activities and schedule

Activities	Date
Terms of reference and hiring of provider	February
Implementation of project	March and April
Incorporation of new features to the SELA's Web site	May

PROJECT I.7. Management and coordination of specialized portals**Activity I.7.1. Management and maintenance of the specialized portal on the Community of Latin American and Caribbean States (CELAC)****A. Background and justification**

The creation of this specialized portal is in compliance with Decision 527 "Support of the Permanent Secretariat of SELA and its Work Programme to the establishment of the Community of

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Latin American and Caribbean States (CELAC)," adopted at the XXXVIII Regular Meeting of the Latin American Council (Caracas, 17 to 19 October 2012).

This tool represents the most complete Web site as regards information generated by CELAC: from the [Caracas Declaration](#), signed on 3 December 2011, when the Community was established, as well as all documents ([Caracas Plan of action](#), declarations, procedures and special releases) in Spanish, English and French, signed on 2 and 3 December of that same year. It also includes the documents emanating from the three CELAC Summits and the two EU-CELAC Summits held so far, as well as the documents arising from the Meetings of National Coordinators and other bodies of the Community.

B. Objectives

Contribute to the systematization and dissemination of the character, objectives, functions, activities and the intellectual production of CELAC, especially between its Member States and the rest of the world.

C. Expected results

A Web site that provides everyone interested in CELAC, including planners, scholars and those interested in the integration and development of Latin America and the Caribbean, with relevant, up-to-date, and timely information on the region and the Community as an institution.

D. Activities and schedule

Activities	Date
Regular updating through the timely incorporation of documents produced by CELAC and information on different events organized by the <i>Pro tempore</i> Presidency of the Community.	Throughout the year

Activity I.7.2. Management and maintenance of the specialized portal on International Cooperation Directors for Latin America and the Caribbean: Promotion of South-South Cooperation

A. Background and justification

The IX Regular Meeting of the Latin American Council, in 1983, adopted Decision 156, which designates the Permanent Secretariat as the "regional focal point for the exchange of information on Technical Cooperation among Developing Countries." Later on, the XXI Meeting of International Cooperation Directors for Latin America and the Caribbean, held in Mexico in 2010, entrusted SELA with the task of creating a digital space with information resources for the International Cooperation Directors in the region.

This portal has reported on South-South Cooperation, Triangular Cooperation and the relevance they are gaining in Latin American and Caribbean countries, in view of the high potential that those instruments may have on economic and social development policies aimed at promoting well-being among the most vulnerable sectors of society.

In addition, the portal has continued to contribute to the exchange of information and documents on cooperation and technical assistance in the region. Moreover, the Permanent Secretariat publishes every two weeks the "Bulletin on South-South Cooperation", which contains information on the current situation of cooperation in the countries of the region.

B. Objectives

Collect and disseminate information and documentation on South-South cooperation in the region, especially among International Cooperation Directors in Latin America and the Caribbean, the various actors in charge of regional cooperation and the users of SELA's cooperation network.

C. Expected results

1. Maintain and develop the portal of South-South Cooperation for the International Cooperation Directors in Latin America and the Caribbean, on SELA's Web site.
2. Continue preparing and disseminating the Bulletin on South-South Cooperation among the International Cooperation Directors in Latin America and the Caribbean and the users of SELA's cooperation network.

D. Activities and schedule

Activities	Date
Adaptation and updating of the Portal of South-South Cooperation	Throughout the year
Bulletin on South-South Cooperation	Fortnightly

Activity I.7.3. Management and maintenance of the specialized portal on Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean. Directory of companies committed to risk management

A. Background and justification

The creation of partnerships between the public and private sectors for disaster risk reduction is gaining greater relevance at the regional level, in view of the enormous potential for support that can be offered by the private sector in disaster situations, which is vital to complement government action.

The issue already is part of the agenda of Latin American and Caribbean institutions specialized in risk management, particularly the United Nations Office for Disaster Risk Reduction (UN/ISDR) and the United Nations Office for the Coordination of Humanitarian Assistance (OCHA), with which the Permanent Secretariat has been working in close coordination and collaboration.

Forging strategic partnerships between the public and private sectors involves previously identified potential allies; hence the importance of further promoting the directory of private companies committed to risk management. In addition, it is necessary to continue developing the existing digital space, so that it can gather all the information and documents produced on this issue at the regional level and awareness can be raised about the importance and need to move forward in building such strategic alliances. The goal is to take action before, during and after an adverse event, whatever its type, and thus to contribute to risk management and humanitarian assistance.

26**B. Objectives**

1. Collect and disseminate information, documents and successful experiences as regards public-private partnerships for disaster risk reduction in Latin America and the Caribbean.
2. Identify enterprises and associations of the Latin American and Caribbean private sector that are interested in contributing and cooperating in disaster risk reduction and support mechanisms for humanitarian aid with a global, comprehensive and prospective approach, in coordination with the national authorities in charge of risk management.
3. Support the dissemination of the information and documents generated by regional and subregional institutions in charge of disaster risk reduction in Latin America and the Caribbean (CAPRADE, CDEMA, CEPREDENAC, REHU, CELAC, UN/ISDR and OCHA), in compliance with their mandates on the subject; as well as the "Forum for Coordination and Cooperation of the Subregional Mechanisms for Disaster Risk Management of the Americas", the "Regional Platform for Disaster Risk Reduction" and the "Regional Meetings on International Humanitarian Assistance Mechanisms".

C. Expected results

1. Maintenance and updating of the Portal on Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean.
2. Development and updating of the directory of enterprises and private associations concerned and sensitive to the issue of disaster risk reduction in Latin America and the Caribbean, and to promote dissemination of information among those stakeholders.
3. Support for regional and subregional institutions in charge of disaster risk reduction in Latin America and the Caribbean, including CAPRADE, CDEMA, CEPREDENAC, REHU, CELAC, UN/ISDR and OCHA in complying with their mandates.

D. Activities and schedule

Activities	Date
Maintenance and updating of the Portal on Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean	Throughout the year

Activity I.7.4. Management and maintenance of the specialized portal on Free Trade Zones in Latin America and the Caribbean**A. Background and justification**

The Permanent Secretariat launched this specialized portal in compliance with the mandate emanated from the First Conference of Government Authorities of Free Trade Zones in Latin America and the Caribbean (Cali, Colombia, 20 and 21 September 2012), concerning the need to create a space for the exchange of information and knowledge about industrial, services and free trade zones in Latin America and the Caribbean.

B. Objectives

Collect and disseminate information on free trade zones in Latin America and the Caribbean.

C. Expected results

A portal containing relevant and up-to-date information on the operation of free trade zones in Latin American and Caribbean countries.

The portal on [free trade zones](#) includes a general directory of free trade zones by country, the definition of free trade zone adopted, the text of the main national legal instruments governing the matter, benefits derived from free trade zones and links to national authorities in the area. In addition, it includes three additional directories, namely: unions; government policies; and free trade zones by country, city and type (trade, industry, manufacturing and services). It should be noted that this tool collects the most up-to-date relevant documentation produced on the issue of free trade zones in Latin America and the Caribbean.

D. Activities and schedule

Activities	Date
Regular updating in terms of new free trade zones created or eliminated, the emergence of new legislation and new public policies governing the free trade zones in different countries.	Throughout the year

Activity 1.7.5. Management and maintenance of the specialized portal on SELA-SMEs

A. Background and justification

Initially, the information on SMEs was managed by SELA through the portal on the Programme of Institutional Cooperation for the Development of SMEs (IBERPYPME), which was suspended in 2011. At present, that information is managed through the Web page of the SELA-SMEs Programme, which includes a selection of the contents of the IBERPYPME Programme, among other things.

In 2014, the process of creating a new specialized portal on the SELA-SMEs Programme started, and in 2015 the portal was launched. This portal specialized in SMEs provides information and documents on various topics, namely: public policies; productive articulation; internationalization; innovation, ICT, competitiveness and productivity; financing and guarantees; entrepreneurship; gender equity; social responsibility, among others. In addition, it provides links to regional and international institutions related to the issue of SMEs, as well as a directory of business and governmental focal points of SMEs in the Member States of SELA.

This specialized portal also includes a compilation, by country, of the major laws and legal frameworks relating to SMEs in the Member States of SELA.

B. Objectives

1. Collect and disseminate information and documents on small and medium-sized enterprises (SMEs) in Latin America and the Caribbean, in accordance with the areas defined in the SELA-SMEs Programme: innovation, entrepreneurship, partnership, internationalization, and access to financing, with special emphasis on the dissemination of strategies and public policies for SMEs applied in the countries of the region.

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2. Support the cooperation actions of the Permanent Secretariat for creating and strengthening small and medium-sized enterprises (SMEs) in Latin America and the Caribbean.
3. Expand the network of contacts with public and private entities to facilitate the location of officials responsible for public policies, as well as the representatives of the sector in the Member States.

C. Expected results

1. Manage and keep the specialized portal on SMEs up to date, making use of inputs provided by the SELA-SMEs Programme, to facilitate the dissemination of information and knowledge about the main developments in the field of SMEs in the Member States of SELA.
2. Develop and disseminate the SME newsletter among business and governmental focal points of SMEs in Latin America and the Caribbean and the network of experts in the field.

D. Activities and schedule

Activities	Date
Permanent update of the portal	January-December
SME newsletter	Bimonthly

Activity I.7.6. Design, development and maintenance of the specialized portal on the Network of Digital and Collaborative Ports**A. Background and justification**

Within the framework of the Non-Refundable Technical Cooperation Agreement with CAF-development bank of Latin America, the second stage of the Programme for the creation of the Network of Digital and Collaborative Ports was launched in August 2015. This stage includes the process of design and construction of the specialized portal on the Network of Digital and Collaborative Ports and aims to help preserve, systematize, manage and disseminate knowledge, information and documents generated by the various instances pertaining or relating to the Network.

Thus, increasing visibility and having the possibility to disseminate, transfer and share knowledge and information generated in the context of this Programme and other related instances is a key element to advance towards the institutionalization of the Network of Digital and Collaborative Ports promoted by SELA.

This activity is under way, with the stages of design and hiring of suppliers for the construction of the portal having been completed. The process will conclude in the first quarter of 2016.

B. Objectives

Carry out the design, construction and launch of the specialized Portal on the Network of Digital and Collaborative Ports, in order to disseminate, transfer, and share knowledge and information generated within the framework of this Programme and other related instances. This specialized portal represents a key element to advance towards the institutionalization of the Network of Digital and Collaborative Ports promoted by SELA and to close links with the different port

communities, methodological support groups, public and private institutions, and general public who participate in the Programme.

C. Expected results

1. Specialized portal as a key tool for the institutionalization of the Network of Digital and Collaborative Ports.
2. Maintenance and updating of the specialized portal.

D. Activities and schedule

Activities	Date
Terms of reference and hiring	October 2015
Execution of the contract – Designing and construction of the specialized portal	October – May 2016
Maintenance and updating of the specialized portal	From May 2016 onwards

AREA II. ECONOMIC AND TECHNICAL COOPERATION

PROGRAMME: SUPPORT TO ECONOMIC AND TECHNICAL COOPERATION AMONG LATIN AMERICAN AND CARIBBEAN COUNTRIES

PROJECT II.1. Strengthening economic and technical cooperation in Latin America and the Caribbean

Activity II.1.1. Study for updating the Index of Public Policies for SMEs in Latin America and the Caribbean

A. Background and justification

This study aims to complement the methodological work carried out by the Permanent Secretariat in 2015 for developing the Index of Public Policies for SMEs in Latin America and the Caribbean. In particular, this study will focus on the preparation of a detailed procedural framework for the evaluation of the Index. This contribution shall rely on the experience of Uruguay as the first country to implement this tool in the region.

In addition, the study will incorporate a list of possible specific indicators for the measurement of the dimensions making up the Index. Indicators will be built based on parameters used in the previous implementation of the Index in other regions of the world, as well as on parameters of particular importance for the region. The objective of the disaggregation of indicators is to facilitate the implementation of the Index in nations that are interested in the tool, but have fewer technical and financial resources to implement it.

30**B. Objectives**

1. Complement the theoretical study prepared by the Permanent Secretariat in 2015 with the incorporation of recommendations arising from the implementation of the methodology by the Government of Uruguay.
2. Prepare a detailed methodological document for the implementation and evaluation of the Index, with a view to expanding its use in other countries of the region.

C. Expected results

A document containing a procedural framework for the implementation and evaluation of the Index, as well as subregional meetings to present the benefits of the tool.

D. Activities and schedule

Activities	Date
Preparation of study	April-June
Translation and publication	July
Subregional meetings	Venues to be defined.

Activity II.1.2. Workshop on implementation of Index of Public Policies for SMEs in Latin America and the Caribbean (IPPALC)

A. Background and justification

The design and implementation of efficient public policies for promoting and developing business initiatives is an area of particular interest, in view of the participation of small and medium-sized enterprises in the economic dynamics of Latin America and the Caribbean. Aware of this reality and committed to the boost of productive development in the region, the Permanent Secretariat prepared in 2015 the study "Methodological considerations for developing an index of public policies for SMEs in Latin America and the Caribbean."

This document makes a disaggregated analysis of the dimensions that must be taken into account for the development of an indicator that quantifies the impact of public policies to promote SMEs. On the basis of the experience of the Index of Public Policies of the OECD, the study considers the structural characteristics of the region to obtain a rigorous methodological framework that can be extended to Latin America and the Caribbean.

In this connection, the Permanent Secretariat presented this document at the Regional Meeting on Public Policies for Promotion and Support of SMEs, held in April 2015 in Cartagena de Indias, Colombia. In this event, the Government of Uruguay, specifically the Ministry of Industry, Energy and Mining - through the National Directorate of Crafts, Small and Medium-sized Enterprises - invited the Permanent Secretariat to expand details of the proposed methodology in Montevideo.

In June 2015, the Government of Uruguay, through the Ministry of Industry, Energy and Mining, asked the Permanent Secretariat to provide technical support in the design and implementation of an index of public policies for SMEs in that country, to be financed by CAF-development bank of Latin America.

The Work Programme of SELA for 2016 includes the design of an Index of Public Policies for SMEs in Latin America and the Caribbean (IPPALC) in the "Study for updating the Index of Public Policies for SMEs in Latin America and the Caribbean." The main objective of this document is to obtain a tool that may assess the impact of policies and to identify areas of action that may require special attention to improve the performance of SMEs. For the dissemination of this instrument, the Permanent Secretariat is scheduled to organize two regional meetings, in which the technical details of its structure will be expounded for its adoption by the member countries.

In order to optimize the adoption of the IPPALC, the Permanent Secretariat considers it necessary to organize a workshop for the successful implementation of the index as analytical tool for the design of public policies. It should be noted that the adoption of these common approaches and visions, shared by the different countries of the region, will make it possible to compare results and use them for the design of long-term strategies aimed at the integration of markets and improvements in productivity.

B. Objectives

1. Disseminate a standard methodology for the implementation of the Index of Public Policies for SMEs in Latin America and the Caribbean.
2. Promote the use of the instrument, providing a reference framework shared among the countries of the region and focused on the advantages of the tool for the design of public policies.

C. Expected results

1. Technical training to calculate, update and understand the Index of Public Policies for SMEs.
2. Identify specific opportunities to adapt and/or share experiences that methodologically enrich the Index

D. Activities and schedule

Activities	Date
Planning and organization of the Workshop on implementation of Index of Public Policies for SMEs in Latin America and the Caribbean (IPPALC)	August
Conduction of the Workshop on implementation of Index of Public Policies for SMEs in Latin America and the Caribbean (IPPALC)	September

Activity II.1.3. XXVII Meeting of International Cooperation Directors for Latin America and the Caribbean: Cooperation in science, technology and innovation in Latin America and the Caribbean

A. Background and justification

The Meeting of International Cooperation Directors for Latin America and the Caribbean has been organized annually within the framework of SELA since 1987 as a meeting of cooperation directors and organizations of Latin American and Caribbean countries for the exchange of ideas, experiences and best practices regarding relevant issues on the agenda for cooperation and

development assistance, from the Latin American and Caribbean perspective. In this connection, the annual meetings held recently have been focused on a central subject of great topicality and relevance to the region, among other aspects of interest for directors. The 2015 meeting addressed the issue of "Port cooperation in Latin America and the Caribbean: Digital ports. Status and prospects."

In this context, the Latin American Council of SELA has adopted two decisions to strengthen this space for encounter. Decision 156, of 1983, designated SELA as the "regional focal point for the exchange of information on Technical Cooperation among Developing Countries", and Decision 538, of 2012, on the "Meetings of International Cooperation Directors for Latin America and the Caribbean ", further supported this meeting.

In 2016, the XXVII Meeting of International Cooperation Directors is expected to address the issue of "Cooperation in science, technology and innovation in Latin America and the Caribbean." This event will be held with the co-sponsorship of the Pérez-Guerrero Trust Fund (PGTF) of the Group of 77, as well as other bodies specialized in the subject.

Technological innovation has been considered a subject of great importance on the agendas of Latin American and Caribbean countries. Through innovation, production processes of each country can achieve high levels of productivity and competitiveness. Expressions of interest in relation to this issue can be found in the Action Plan of the Community of Latin American and Caribbean States (CELAC) for the year 2015.

Other expressions of interest presented by organizations in the region include the following: the South American Council of Science, Technology and Innovation created in 2012 within the framework of UNASUR; the Grannational Project "ALBA Centre for a fair, decent, humanitarian, complementary and socially-inclusive science, technology and innovation;" and the Commission for the Scientific and Technological Development of Central America, Panama and the Dominican Republic (CTCAP), a specialized agency of the Central American Integration System (SICA).

B. Objectives

The XXVI Meeting of International Cooperation Directors has the following general objectives:

1. Provide a space for encounter between authorities and national focal points responsible for international cooperation to exchange experiences and best practices in the field of science, technology and innovation (STI).
2. Identify actions and initiatives that may increase the coordination and synergy among the various actors in international cooperation at the regional and subregional levels, related to the exchange of knowledge on National Innovation Systems and collaboration among them.
3. Analyze and systematize successful experiences and best practices of cooperation in science, technology and innovation (STI) at the intra and inter-regional levels.
4. Promote the identification of bilateral and multilateral sources of cooperation for the countries in the region, as well as opportunities for cooperation that can be exploited to support the exchange of technological knowledge among countries.
5. Identify proposals and policy recommendations for the strengthening of international cooperation, South-South Cooperation and Triangular Cooperation in the area of science, technology and innovation.

C. Expected results

1. Evaluation of public policies, initiatives, programmes and projects implemented in the field of science, technology and innovation in Latin America and the Caribbean, and a survey of the main initiatives presented by countries and regional and subregional institutions.
2. Compilation of information on opportunities for international cooperation, South-South cooperation and Triangular Cooperation that are available to the countries in the region in the field of cooperation in science, technology and innovation in Latin America and the Caribbean.
3. Identification of proposals and mechanisms for better use and coordination of international cooperation in the field of science, technology and innovation.

D. Activities and schedule

The XXVII Meeting of International Cooperation Directors for Latin America and the Caribbean will last two days. Participants will include representatives from national focal points responsible for international cooperation, regional and international organizations, bilateral and multilateral development agencies, as well as experts and other actors specialized in the area of science, technology and innovation.

Activities	Date
Preparation of a study on "Cooperation in science, technology and innovation in Latin America and the Caribbean"	January -February
Convening the XXVII Meeting of International Cooperation Directors for Latin America and the Caribbean"	March
Conduction of the XXVII Meeting of International Cooperation Directors for Latin America and the Caribbean"	April

Activity II.1.4. Regional Meeting on Partnerships between public and private sectors for disaster risk reduction in Latin America and the Caribbean

A. Background and justification

The construction of strategic partnerships between the public and private sectors for strengthening resilience of nations and communities through disaster risk reduction is a priority on the agenda of Latin American and Caribbean institutions specialized in risk management. The topic is particularly relevant this year, following the recent adoption of the *Sendai Framework for Disaster Risk Reduction 2015-2030* by the United Nations, which is the global benchmark in the field of comprehensive risk management.

This agenda is supported by the United Nations Office for Disaster Risk Reduction (UN/ISDR), through its Regional Office for the Americas, and the United Nations Office for the Coordination of Humanitarian Affairs (OCHA), with which the Permanent Secretariat has worked in close coordination and collaboration.

The issue of humanitarian aid is also one of the priorities of the Community of Latin American and Caribbean States (CELAC), which has promoted and supported the regional meetings on International Humanitarian Assistance Mechanisms (MIAH). One of the objectives of MIAH Action

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Plan is “to encourage strategic partnerships with the private sector”, which are coordinated by SELA.

During the Third UN World Conference on Disaster Risk Reduction (WCDRR), held in March 2015 in Sendai, Japan, participants adopted the *Sendai Framework for Disaster Risk Reduction 2015-2030*, stressing the need for the public and private sectors to work more closely and to create opportunities for collaboration. In addition, companies must integrate disaster risk into their management practices.

In its activities to promote public-private partnerships for natural disaster risk reduction, emphasis has been made on the need to continue strengthening cooperation and complementary relationship between both sectors, thus allowing for enhancing the capacity of society and its institution to prevent disasters and respond to them, and, above all, to promote the construction and consolidation of resilient communities and societies.

In 2016, the Permanent Secretariat is scheduled to conduct the V Regional Meeting “Partnerships between the public and private sectors for disaster risk reduction in Latin America and the Caribbean.” This activity will be held jointly with the Regional Office for the Americas of the United Nations Office for Disaster Risk Reduction (UN/ISDR) and the national counterpart in the host country.

B. Objectives

1. Continue to promote the creation of public-private partnerships for disaster risk reduction.
2. Identify and analyze successful experiences in risk management and disaster prevention from the perspective of enterprise and corporate social responsibility.
3. Further support the coordination and cooperation of the work performed by the UN/ISDR and OCHA in the field of strategic alliances between the public and private sectors for disaster risk reduction.
4. Further promote the continuity of Government and continuity of business and operations during disasters, from a regional, comprehensive and forward-looking perspective.

C. Expected results

V Regional Meeting on Partnerships between the public and private sectors for disaster risk reduction in Latin America and the Caribbean.

D. Activities and schedule

Activities	Date
Preparation of a study	February-May
Preparation and convening of Regional Meeting	July – September
Conduction of the V Regional Meeting on Partnerships between the public and private sectors for disaster risk reduction in Latin America and the Caribbean	October - Chile

Activity II.1.5. Latin American and Caribbean cooperation in the area of trade and competition. UNCTAD-SELA joint project. VI Annual Meeting of the Working Group on Trade and Competition (WGTC)

A. Background and justification

The Permanent Secretariat of SELA has dealt with the issue of competition policy and its interaction with trade in the region since 2008, holding regional seminars with substantial participation of trade and competition authorities of the Member States. In 2010, by Decision No. 519 of the Latin American Council of SELA, the Working Group on Trade and Competition (WGTC) was formally established as executive and technical secretariat of the Permanent Secretariat of SELA and the General Secretariat of UNCTAD.

The V Annual Meeting of the WGTC, scheduled for 2, 3 and 4 December 2015 in Manta, Ecuador, will focus, for the first time, on the interaction between trade and competition policy in the context of the Latin American and Caribbean integration, with the participation of representatives of regional and subregional integration schemes.

As for the Andean Community, Decision 608 of 2005 establishes the "Standards for the protection and promotion of free competition;" the Common Market of the South (MERCOSUR) has created a Competition Committee (CCM) and a Committee for the Defense of Competition (CDC), both derived from the MERCOSUR Protocol for the Defense of Competition in 1996, main standard sanctioned by the organs of this scheme in this matter. In 2010, the MERCOSUR Agreement for the Defense of Competition was signed.

The Caribbean Community (CARICOM) established in 2008 the Competition Commission, under the mandate of the competition policy set out in the Treaty of Chaguaramas (2001). Meanwhile, Central America established the Central American Competition Forum, which has held seven annual meetings with participation of El Salvador, Costa Rica, Honduras, Nicaragua, Panama, Dominican Republic, and officials of the Central American Integration System (SICA).

B. Objectives

Hold the V Annual Meeting of the Working Group on Trade and Competition in Latin America and the Caribbean (WGTC), jointly with the General Secretariat of UNCTAD. It will include an exchange of experiences among competition and trade authorities on some of the issues suggested at the V Meeting of the WGTC and those that may arise throughout the year.

C. Expected results

1. Based on conclusions and recommendations of the V Meeting of the WGTC, this meeting aims to prepare an analytical study on the status and evolution of interaction between competition policy and trade within the framework of different subregional integration schemes in Latin America and the Caribbean, as a significant contribution of SELA to the VI Meeting of the WGTC.
2. Organization of the VI Annual Meeting of the Working Group on Trade and Competition in Latin America and the Caribbean (WGTC).

D. Activities and schedule

Activities	Date
Study on the evolution of interaction between competition policy and trade within the framework of different subregional integration schemes in Latin America and the Caribbean	September- October
Organization of the VI Annual Meeting of the Working Group on Trade and Competition in Latin America and the Caribbean (WGTC)	Second half

PROGRAMME: SELA-SMEs**PROJECT II.2. Latin and American and Caribbean Programme for Small and Medium-sized Enterprises****A. Background and justification**

In October 1998, during the VIII Ibero-American Summit held in Porto, Portugal, the creation of the Institutional Cooperation Programme for the Development of SMEs (IBERPyme) was approved. It was managed and implemented by the Permanent Secretariat for 13 years, during which the dissemination of the SMEs-related strategies and public policies implemented in the countries in the region was encouraged.

Circumstances related to the economic crisis in Spain prevented the Spanish Agency for International Development Cooperation (AECID) from continuing to provide the annual subsidy it gave to SELA to support the activities of the IBERPYME Program, so it had to be suspended.

Based on the successful experience of the SELA-IBERPyme Programme, the Latin American Council, at its XXXVIII Regular Meeting, held in Caracas, Venezuela, from 17 to 19 October 2012, approved the SELA-SMEs Programme,¹ intended to ensure continuity of the cooperation activities carried out by the Permanent Secretariat for the creation and strengthening of small and medium-sized enterprises (SMEs) in Latin America and the Caribbean.

In addition to the activities carried out by the IBERPYME Programme for the Member States in Latin America, the Permanent Secretariat had made a huge effort for implementing a special programme for the Member States in the Caribbean through seminars and forums

During the past 15 years, the Permanent Secretariat has encouraged the dissemination of strategies, programmes and public policies implemented in the countries of the region to promote SMEs in issues related to public policies, productive articulation (partnerships, clusters, business networks, export consortiums); innovation, productivity and competitiveness; financing and guarantee systems for SMEs; and entrepreneurship, among others.

In 2016, the Permanent Secretariat is planning to carry out a series of activities focused on deepening training and promotion of public policies to support SMEs; strategies and methodologies for productive articulation; promotion and creation of guarantee systems in the region; and dissemination of methodologies for the promotion of innovation mechanisms to improve productivity and competitiveness of SMEs, as well as the promotion and training of

¹ Document SP/CL/ XXXVIII.O/DT N° 10-12

entrepreneurs as a strategy for expanding and strengthening the entrepreneurial base in the region.

B. Objectives

The SELA-SMEs Programme aims to contribute to the strengthening of the entrepreneurial development of SMEs in the 28 Member States of SELA and the remaining five Caribbean States that are members of the Organization of Eastern Caribbean States (OECS), by deepening institutional capacities of business and government focal points, outlining projects to encourage the creation of new productive units and consolidate existing ones, technological transformation, inclusion in international markets and productive articulation of SMEs through national and international strategic partnerships.

Similarly, efforts will be made to promote the creation and development of financial systems, particularly those intended to create and strengthen national and regional guarantee systems with a view to facilitating access to credit for small and medium-sized enterprises.

One of the issues considered to be of utmost importance by the Permanent Secretariat is Public Policies for SMEs, due to its cross-cutting relationship with other areas. Thus, based on the conduction in 2014 of three (3) workshops in Bolivia, Honduras, and Trinidad to gain knowledge about the experiences on public policies of the countries in the region, the generated information was gathered and served as the basis for the preparation of the study "Public policies to support MSMEs in Latin America and the Caribbean" (SP/CL/XLLO/Di N° 20-14). This document was presented at the Regional Meeting on Public Policies for the Promotion and Support to SMEs, held in Cartagena, Colombia, in April 2015.

Also in 2015, other events have been held to analyze several topics, such as innovation and export consortiums. In July, a second workshop on the fashion and garment industry and economic development in the Caribbean took place. In addition, pre-feasibility studies on regional guarantee systems for SMEs in Central America and the Caribbean were prepared.

Based on these results, the Permanent Secretariat has planned a series of activities for 2016 that will be focused on strengthening the promotion of public policies to support the SMEs sector, productive articulation strategies, promotion of guarantee systems in the region and dissemination of innovation mechanisms to improve the competitiveness of SMEs, as well as entrepreneurship activities.

C. Expected results

1. Strengthening of capacities of focal points in SELA's Member States in charge of programmes for the development of SMEs in matters related to internationalization, innovation, productive articulation and access to financing.
2. Exchange of institutional experiences as regards programmes to promote improvements in the supply of products and services of SMEs.
3. Support to the creation of exchange networks of officials and experts in specific issues related to SMEs.
4. Timely and concrete technical assistance in accordance with the demands of Member States for cooperation in developing projects for SMEs.
5. Preparation of bimonthly Bulletin on SMEs (SELA-SMEs Programme).
6. Inventory of institutions and experts specialized in various issues related to SMEs.

Activity II.2.1. Seminar-Workshop on internationalization of SMEs**A. Background and justification**

Small and medium-sized enterprises face the challenge of exporting, which makes them formulate strategies with defined long-term objectives in order to find new markets, with trained staff at all levels acting in a coordinated manner and establishing various forms of sectoral linkages.

The experience gained by SELA in this area is recognized, since courses and workshops on SMEs internationalization have been held and supported by experts of public and private organizations in several countries of the region and other regions. A significant number of them have successfully promoted strategies, programmes and instruments to facilitate the inclusion of their SMEs in international markets. For example, in coordination with UNIDO, a Latin American Network of Export and Origin Consortiums was created, made up of Latin American public and private institutions that promote the development of consortiums. This Network aims to promote the exchange of experiences and best practices for the promotion of export and origin consortiums in Latin America and the Caribbean.

B. Objectives

1. Promote strategies and methodologies for the development of programmes to facilitate SME access to international markets.
2. Adopt best practices to achieve success in internationalization efforts.
3. Promote the creation of export consortiums of SMEs to develop export capabilities.
4. Identify and implement successful methodologies for the preparation of assessments, which may detect the potential of SMEs for developing export capabilities, their limitations and restrictions in order to overcome them.

C. Expected results

1. Training of Latin American officials and entrepreneurs on strategies and methodologies of the internationalization process.
2. Direct assistance to officials and entrepreneurs from the countries in the region who require technical support to implement strategies and programmes for internationalization of SMEs, creation of consortiums and partnerships.
3. Dissemination of information on methodologies and best practices for internationalization of SMEs.
4. Adoption of organization and operation methodology of export consortiums.

D. Activities and schedule

Activities	Date
Identification of institutions and experts with recognized expertise in internationalization and export consortiums.	April-June 2016
Conduction of a Training Seminar-Workshop on internationalization of SMEs in Latin America and the Caribbean.	July 2016 - Ecuador

Activity II.2.2. Pilot Workshop on adoption of innovation processes in SMEs**A. Background and justification**

SMEs should consider constant improvements in their products and services. Therefore, encouraging innovation processes is of the essence. In most cases, such processes involve the implementation of technological and organizational changes to meet the issues of competition and changing markets. Additionally, ongoing technological changes have contributed to a rapid jump to a “real time” economy, which leads to improved business productivity.

In order to meet the demands of entrepreneurs and governments on this issue, SELA has organized courses, seminars and other training activities, in an attempt to convey the concepts and methodologies to promote innovation and boost productivity and competitiveness, thus favouring a more efficient business management by SMEs.

In 2013, the Permanent Secretariat conducted the Seminar on Technology Transfer Mechanisms for SMEs, in Lima, Peru. This activity was organized jointly with the Small Industry Committee of Peru (COPEI). During the activity, a review was made on the progress achieved, the strategies and tools to support the process of effective technology transfer. Information about the main successful stories in the Andean Region has been disseminated, in order to promote innovation as a strategic tool to support the improvement of SMEs competitiveness and productivity. In addition, Brazil, Colombia, Chile, Mexico and Peru shared their experiences.

In mid-October 2014, a “Seminar on Innovation for SMEs” was conducted, which was supported by the National Direction of Handicrafts, Micro and Small-sized Enterprises of Uruguay (DINAPYME). The meeting evaluated the progress as regards this issue in the region and presented the study “Identification of Successful Experiences for the Implementation of Innovation Processes in Companies” (SP/STGIP/DT N° 2), prepared by the Permanent Secretariat.

In May 2015, the Regional Meeting on Innovation, Competitiveness and Productivity was held in Lima, Peru. In this event, the final version of the aforementioned study was presented. According to the results of this study, emphasis is made on the new public policy instruments to foster innovation and improve productive business efficiency for the implementation of business innovation processes.

As a contribution to debates, the Permanent Secretariat presented the study “Identification of successful experiences in implementing business innovation processes” (SP/RRICP/DT N° 2-15). This study makes a critical review of policies and programmes to help increase the effectiveness of investments in innovation in SMEs of the region, particularly with reference to existing companies in the industrial sector, and reviews some successful cases in business innovation, most of them showing incremental innovations with a low impact on the competitiveness and growth of enterprises. In addition, the study analyzes conceptual and methodological aspects related to the topic of innovation in SMEs in the region and proposes strategies and methodologies to promote innovation processes and knowledge management inside enterprises, in order to increase and sustain their growth and competitiveness.

B. Objectives

1. Develop a pilot training workshop to support the process of effective promotion of innovation within enterprises.

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2. Ensure the participation of entrepreneurs in the development of innovation processes to improve competitiveness and productivity in SMEs.
3. Present and disseminate successful cases in promoting innovation processes in enterprises.
4. Boost the development of government programmes to support the promotion of innovation.

C. Expected results

1. Disseminate concepts, working methodologies and design of strategies to stimulate innovation processes.
2. Ensure the participation of the Latin American Network of Innovation and Entrepreneurship for the dissemination and implementation of methodologies to incorporate innovation as a strategic factor for improving competitiveness and productivity in enterprises.
3. Uploading of documents on successful experiences in innovation onto the Web Portal of the SELA-SMEs Programme.

D. Activities and schedule

Activities	Date
Organization of the Pilot Workshop on adoption of innovation processes in SMEs.	May- August 2016
Hiring of instructors for the Workshop.	July 2016
Conduction of the Pilot Workshop on adoption of innovation processes in SMEs.	September 2016 - Chile

Activity II.2.3. Seminar-Workshop on entrepreneurship**A. Background and justification**

Entrepreneurship is an opportunity for people excluded from society's formal work to insert in the national or local productive chain, increasing not only the value added of goods and services in the economy, but also the quality of life of its inhabitants by inserting them in the productive chain and thus reducing poverty.

Most programmes and public policies to promote entrepreneurship focus only on the last stage of the entrepreneurial process once the company is set up. Therefore, it is advisable to design public policies that consider business development beyond the development of SMEs, such as, for example, the creation of second-generation business incubators, training, and promotion of business networks, among others.

SELA has come a long way on this issue, conducting for example Courses on Entrepreneurial and Business Development Strategies in Guatemala, at the end of 2011; Cartagena, in 2012; and Caracas, headquarters of the Permanent Secretariat of SELA, and Barquisimeto, where information was provided to representatives of universities and public and private promoters of entrepreneurship on successful methods in some countries of the region.

Studies on entrepreneurship are prepared annually through a methodology called Global Entrepreneurship Monitor (GEM), which is used around the world since 1999 and whose results refer specifically to input and output indicators of companies, but also includes indicators of

entrepreneurial activity according to motivation. These indicators compare companies that are created to capture an opportunity with those that are established in response to a need or as a means of basic subsistence of the entrepreneur. This comparison is relevant to the countries in the region included in the study, since the percentage of entrepreneurs that respond to a need is very high in several of them. The study highlights some Latin American countries with different activities, including Chile, Peru, Mexico, Brazil and Argentina, among others.

In addition, the Kauffman Foundation, based in Kansas City, Missouri, promoted the creation of the Global Entrepreneurship Week, which, through a link by country, stimulates the organization and registration of activities on entrepreneurship during the month of November around the world. These activities include courses, lectures, press conferences, presentation of projects, meetings of entrepreneurs, etc., whose information is collected. Then, a global report on the activities carried out during this week is presented.

Many actions are taken by national and local governments, international and regional institutions, as well as foundations of different types to promote the entrepreneurial culture, stimulate entrepreneurial activities and support entrepreneurs.

B. Objectives

1. Promote an exchange of experiences accumulated in various programmes for development of entrepreneurs.
2. Analyze the progress made on entrepreneurship at the regional level, evaluating the causes of its development.
3. Encourage business organization in sectors that represent economic and social opportunities and promote the creation, among other mechanisms in entrepreneurship, of national systems of business incubators.
4. Consider features and prospects for dynamic enterprises.
5. Consider and suggest new mechanisms for financing the entrepreneurial process, such as seed capital funds, networks of angel investors and venture capital funds.

C. Expected results

1. Promotion of business training programmes and national systems of incubation in sectors that represent economic and social opportunities in the countries of the region.
2. Conduction of a Regional Seminar-Workshop on entrepreneurship and development of projects for the creation of business incubators in the countries of the region.
3. Identification of successful institutions that promote business development programmes.
4. Dissemination of business development strategies and programmes.

D. Activities and schedule

Activities	Date
An analytical study on the status of entrepreneurship in the region and the role of business incubators for its development	May- June 2016
Hiring of a consultant to prepare the study.	April 2016
Conduction of a Seminar-Workshop on entrepreneurship.	August 2016 - Barbados

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Activity II.2.4. Seminar on productive articulation strategies and methodologies: clusters and export consortiums

A. Background and justification

One of the fundamental characteristics of SMEs is their flexibility to respond to the changing demands of the market. This feature, in terms of generation of economies of scale, limits their ability to be competitive in world markets. As a solution, all analyses and successful experiences conclude that “partnership” is the suitable way forward.

Opportunities offered by partnership are presented as a collective learning, which expands on innovative management processes and is derived from the articulation of models that impact long-term economic growth and competitiveness.

SELA has conducted seminars and workshops on inter-firm cooperation and partnership, with a view to strengthening the productive articulation capacities of SMEs in value chains and encouraging the formation of sectoral productive linkages. Small and medium-sized enterprises face the challenge of exporting, which makes them formulate strategies with long-term objectives in order to find new markets, with trained staff at all levels acting in a coordinated manner and establishing forms of linkage among the various sectors involved in the SMEs chain.

The experience gained by SELA in this area is recognized, since courses and workshops on internationalization of SMEs have been held and supported by experts of public and private organizations in several countries of the region and other regions.

In this connection, during the year 2013, two events on the subject were held in Santo Domingo, Dominican Republic, and in Barranquilla, Colombia. At these events, concepts, types and formation of export consortiums were taken into consideration.

The event in Dominican Republic was directed primarily to Caribbean countries and aimed to promote productive development strategies, formation of export consortiums and internationalization of SMEs for their foray into regional and international markets, as well as to stimulate exchange among Latin American and Caribbean countries, with the aim of strengthening the productive integration of the region.

The event held in Barranquilla, Colombia, focused on handicraft SMEs, which are particularly important to the region due to the cultural wealth that they involve. They are also linked to the ancestral skills inherited from a significant part of the population involved in the production of handicrafts.

Crafts are defined as essentially handmade products. Since the loss of the nature of crafts involves serious risks, the modernization policies by way of increased productivity –involving either an increase in fixed capital to the detriment of crafts or standardized mass production- should be implemented carefully.

In May 2014, a Workshop on Export Consortiums was held in the cities of Piura and Lima, Peru, with the support of the regional government of Piura and the Committee on Small Industry of Peru. It was aimed exclusively at representatives of the Caribbean countries that participated in the event conducted in Dominican Republic in 2013, so as to allow them to visit export consortiums

underway, meet entrepreneurs and artisans to learn first-hand their techniques and processes, and outline proposals for the creation of export consortiums in the Caribbean.

In September 2014, the Permanent Secretariat held a Second Workshop on the development of Handicraft SMEs in Quito, Ecuador, which informed about the progress in creating consortiums of the crafts sector in Brazil, Colombia, Ecuador, Mexico and Peru. Also in 2014, a Seminar on the fashion and garment industry was held in Barbados. This event stressed the need for micro and small-sized companies related to this sector to strengthen their productive capacities to access international markets, but they have to form clusters, export consortiums and regional and global value chains.

A proposal was made to conduct a second seminar on the fashion and garment industry in 2015, which enabled participants to reiterate the need to create export consortiums and clusters. In addition, a "Regional Meeting on export consortiums" was organized in October in Mexico. This event analyzed the achievements made in the creation of such consortiums in several countries of the region, whose policies in this area are more developed.

In 2015, the Regional Meeting on export consortiums was held in Mexico and aimed to the following general objectives: i) Contribute to the building and strengthening of business and governmental institutional capacities for the development of productive coordination projects, such as clusters and productive consortiums; ii) Disseminate information about productive articulation strategies, as well as the development of clusters, linkages, local productive developments and industrial districts among other successful strategies; iii) Identify best practices for outlining and launching export consortiums; iv) Exchange experiences via Internet; and v) Provide online assistance for creating export consortiums.

B. Objectives

1. Contribute to the building and strengthening of business and governmental institutional capacities for the development of productive coordination projects, such as clusters and export consortiums in Latin America and the Caribbean.
2. Disseminate information about productive articulation strategies, as well as the development of clusters, linkages, local productive developments and industrial districts among other successful strategies in the region.
3. Identify productive articulation projects in the Caribbean countries that require direct technical assistance or through cooperation that encourages partnerships among SMEs in the region and contribute to the creation of export consortiums and clusters.

C. Expected results

1. Training of officials and representatives of the private sector in productive articulation projects on production and export consortiums.
2. Collection and dissemination of documents on experiences related to different productive articulation instruments and arrangements.
3. Identification of current and potential productive articulation projects.
4. Mobilization of institutional capacities and experts from countries of the region with greater experience to assist applicant countries through cooperation.
5. Conduction of a Seminar-Workshop on productive articulation projects, including export consortiums and clusters.

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Activities	Date
Organization of two (2) Seminar on productive articulation strategies and methodologies: clusters and export consortiums	June-August
Conduction of two (2) Seminar on productive articulation strategies and methodologies: clusters and export consortiums	April – Nicaragua June – Trinidad & Tobago
Preparation of technical assistance on productive articulation at the request of the Member States	April – October 2016

Activity II.2.5. Seminar on strategic support to traditional and micro-enterprises**A. Background and justification**

During the "Regional Meeting on Innovation, Competitiveness and Productivity ", held in Lima on 5 and 6 may 2015, organized by the Permanent Secretariat of SELA within the framework of the Regional Latin American and Caribbean Programme for Small and Medium-sized Enterprises (SELA-SMEs Programme), emphasis was made on the importance of incorporating innovation and technological development in micro, small and medium-sized enterprises in order to sustain and increase their competitiveness and productivity.

Micro, small and medium-sized enterprises face difficulties and limitations to efficiently incorporate resources for innovation and technological development of their companies, and therefore public policies to support them in this regard should ensure that the resources invested in innovation are efficiently used for greater growth and business sustainability of this type of companies. It is essential for governmental focal points related to small and medium-sized enterprises help MSMEs to identify innovations and technological developments that may have a positive impact on the development of the entrepreneurial activity and even carry out the business restructuring or reorientation on the basis of the new opportunities offered by the incorporation of innovation and use of new technologies.

B. Objectives

1. Train officials and entrepreneurs in the development of innovation and improvement processes that encourage competitiveness and enhance productivity in small and medium-sized enterprises.
2. Carry out a review of those public and private sector programmes aimed at encouraging and promoting innovation activities of the companies.
3. Study successful programmes for the implementation of activities and support to traditional SMEs, which imply lower costs and increase the number of enterprises in the process of improvement.
4. Promote an exchange of best practices carried out in other regions for the development of programmes to support traditional enterprises.

C. Expected results

1. Promote the creation of a network for exchange of programmes to support SMEs and entrepreneurship.

2. Organize a Seminar with government representative of Latin America and the Caribbean, in order to define concrete actions to support the incorporation of innovation processes and technologies in micro and medium-sized enterprises.

D. Activities and schedule

Activities	Date
Organization of the Seminar on strategic support to traditional and micro-enterprises	July-September
Conduction of the Seminar on strategic support to traditional and micro-enterprises	October 2016 - Mexico

AREA III. EXTRA-REGIONAL RELATIONS

PROGRAMME: EVALUATION AND PROMOTION OF EXTRA-REGIONAL ECONOMIC RELATIONS OF LATIN AMERICAN AND CARIBBEAN COUNTRIES

PROJECT III.1. Monitoring and analysis of new preferential trade agreements entered into among extra-regional countries that could influence their economic, trade and investment relations with Latin American and Caribbean nations

Activity III.1.1. Monitoring and analysis of the multilateral free trade agreement called Trans-Pacific Strategic Economic Partnership Agreement (TPP)

A. Background and justification

The process of negotiation of the Trans-Pacific Partnership Agreement (better known as TPP Agreement) is aimed at creating a platform for a potential economic integration in the Asia-Pacific region. The countries participating in the negotiations of the TPP intend to outline a comprehensive, high quality agreement that lays the groundwork for economic growth, development and generation of employment in the member countries and serves as the basis for a future Free Trade Agreement of Asia-Pacific (FTAAP).

The negotiations for this important free trade agreement began in 2010 and concluded in 2015 with the signing of the agreement, which involves twelve (12) States: Australia, United States, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Vietnam.

With more than 26 chapters of negotiation, the agreement covers a great number of subjects, including agricultural products and foodstuff; manufactured goods; labour standards; public procurement; competition; intellectual property and copyrights; direct investments; and environment, among others.

B. Objectives

The main objective of this activity is to develop an analysis on the potential effects of the Trans-Pacific Partnership Agreement on international trade of Latin American and Caribbean countries.

46**C. Expected results**

1. An analytical document on the potential effects of the so-called TPP agreement on international trade of Latin American and Caribbean countries.
2. The conduction of a Regional Seminar on this matter.

D. Activities and schedule

Activities	Date
Terms of reference for the study	July
Preparation of the study	August-September
Submittal to Member States	October
Regional Seminar	June-July

Activity III.1.2. The Transatlantic Trade and Investment Partnership (T-TIP) and its possible impact on Latin America and the Caribbean

A. Background and justification

The Transatlantic Trade and Investment Partnership (T-TIP) is a free trade agreement (FTA) between the United States (U.S.) and the European Union (EU), which covers the largest preferential trade area in the world, with almost half of global trade and GDP and around three-quarters of global financial markets.² The T-TIP has been under negotiation since June 2013, and by July 2015, up to 10 negotiation rounds have been conducted among authorities of the 29 participating countries.

The topics that have been addressed thus far are: trade in goods and services, textiles, non-tariff barriers, rules of origin, e-commerce, investment, trade facilitation, public procurement, environment, intellectual property, labour market, State companies, small and medium-sized enterprises (SMEs), transparency and competition.

For Latin America and the Caribbean, the economies participating in this agreement represent trade and economic partners that deserve special attention. The United States is the first trade and investment partner for Mexico, Central America and much of the Caribbean, including FTAs with 12 countries in the region. In the case of the European Union, which is the main source of investment in the region,³ LAC has FTAs with 10 countries, and the Common Market of the South (MERCOSUR) has been conducting a negotiation process for an FTA with the EU for almost a decade.

Therefore, in view of these close trade and economic relations with Latin American and Caribbean countries, the conclusion of an FTA between the U.S. and the EU with such a broad scope is expected to bring about significant results for the relations with most countries in the region.

² SELA (2015). Economic and cooperation relations of Latin America and the Caribbean with the European Union (Update of the study conducted in 2014).

³ SELA (2014). Economic and cooperation relations between Latin America and the Caribbean and the countries of the European Union: Status and prospects ahead of the II CELAC-EU Summit 2015.

B. Objectives

The essential objective of this activity is to identify the economic, commercial and trade implications of the T-TIP for both, the economies of the region's countries and the integration mechanisms in Latin America and the Caribbean.

C. Expected results

An analytical study on the impact of the Transatlantic Trade and Investment Partnership on both, Latin American and Caribbean countries and regional integration schemes, in the economic, trade and investment areas.

D. Activities and schedule

Activities	Date
Terms of reference for the study	March
Hiring of consultant	April
Preparation of the study	April-May

Activity III.1.3. Analysis of the economic relations between Latin America and the Caribbean and the ASEAN**A. Background and justification**

This activity, scheduled to take place in October 2015 and aimed at analyzing the study "Analysis of the economic relations of Latin America and the Caribbean with the Association of Southeast Asian Nations (ASEAN)," was postponed to a certain time in 2016. The document, prepared by the Directorate of Studies and Proposals of the Permanent Secretariat of SELA, was completed and forwarded to the Member States of the organization on 23 September 2015.

Founded in 1967, the Association of Southeast Asian Nations, is made up by Indonesia, Philippines, Malaysia, Singapore, Thailand, Viet Nam, Brunei Darussalam, Cambodia, Laos and Myanmar. This block represents 11% of the GDP of Asia-Pacific (with a growth rate above 5% since 1990), 24% of the region's exports, 23% of its imports and 17 % of its population. From the political point of view, its importance lies in the role that the group plays as a coordinator of dialogue and integration in Asia-Pacific through initiatives such as the following:

1. ASEAN + 3, including China, Japan and South Korea.
2. The East Asia Summit (EAS), along with China, Japan, South Korea, United States, India, Russia, Australia and New Zealand.
3. The ASEAN Regional Forum (ARF), together with China, Japan, United States, India, Australia, New Zealand, Canada, Russia, European Union, North Korea, South Korea, Mongolia, Bangladesh, Pakistan, Papua New Guinea, Sri Lanka and East Timor.
4. Seven of its members belong to the Asia-Pacific Economic Cooperation Forum: Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore, Thailand and Viet Nam.

As a result, the strategic location of these countries and the articulation of their economies with the major economies of Asia make ASEAN a significant part of Asia, a region that has an increasingly significant impact on the generation of global product and trade.

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Therefore, it is clear that the Southeast Asian countries and their integration and cooperation institutions, such as ASEAN, must be regarded as a counterpart of relevant interest for the Latin American and Caribbean economies.

However, as shown by the statistics of trade flows and direct investment, Latin America and the Caribbean has a relatively very low participation in trade and investment in the ASEAN region. Exports from Latin America and the Caribbean continue to be focused on raw materials and manufactures based on natural products, with a strong impact of cyclical factors, very low contribution to value chains in the region, and a very precarious reception of FDI originating in that region. Changing this reality and ensuring that our region can take advantage of the opportunities provided by the development and growth prospects of ASEAN depends on the analysis of the constant political and economic coordination that takes place in that region, in which the ASEAN plays an important role as a means of inclusion and linkage. In this connection, if Latin America and the Caribbean achieve a deeper insertion into global value chains, the interaction with the ASEAN will increase.

B. Objectives

The central objectives of this activity are: to carry out an analysis of the economic, trade and investment relations between Latin America and the Caribbean and the countries that make up the Association of Southeast Asian Nations (ASEAN), with the purpose of developing policy proposals, with a medium and long term perspective, and to evaluate future opportunities and challenges faced by the Latin American and Caribbean region and diversify such relations.

C. Expected results

A Regional Meeting on the economic relations of Latin America and the Caribbean with ASEAN, in which the document "Analysis of the economic relations of Latin America and the Caribbean with the Association of Southeast Asian Nations (ASEAN)," prepared by the Directorate of Studies and Proposals of the Permanent Secretariat of SELA during the year 2015, will serve as the basis for discussion.

An analytical document of the current status of trade exchanges and FDI flows between Latin America and the Caribbean and Southeast Asia with policy proposals to promote them and diversify them. These analyses would be discussed during a regional meeting convened by SELA.

D. Activities and schedule

Activities	Date
Regional Meeting	March