

Final Report

Copyright © SELA, 26 and 27 October and 12 December 2016
All rights reserved.
Printed in the Permanent Secretariat of SELA, Caracas, Venezuela.

The Press and Publications Department of the Permanent Secretariat of SELA must authorize reproduction of this document, whether totally or partially, through sela@sela.org. The Member States and their government institutions may reproduce this document without prior authorization, provided that the source is mentioned and the Secretariat is aware of said reproduction.

C O N T E N T S

A.	RAPPORTEUR'S REPORT	1
B.	DECISIONS	19
	DECISION N° 559. WORK PROGRAMME OF THE PERMANENT SECRETARIAT FOR THE YEAR 2017	21
	DECISION N° 561. AUDIT REPORT ON THE FINANCIAL STATEMENTS OF THE PERMANENT SECRETARIAT AT 31 DECEMBER 2015	79
	DECISION N° 562. APPOINTMENT OF AUDITORS FOR THE YEAR 2016	81
	DECISION N° 563. DESIGNATION OF A MEMBER OF THE ADMINISTRATIVE TRIBUNAL OF SELA	83
	DECISION N° 564. ELECTION OF THE PERMANENT SECRETARY	85
	DECISION N° 565. BUDGET PROCESS OF SELA	87
C.	DECLARATION	89
	"ENDING THE ECONOMIC, COMMERCIAL AND FINANCIAL BLOCKADE OF THE UNITED STATES AGAINST CUBA"	91
ANNEX I.	SPEECH BY HIS EXCELLENCY AMBASSADOR ROBERTO GUARNIERI, PERMANENT SECRETARY OF THE LATIN AMERICAN AND CARIBBEAN ECONOMIC SYSTEM (SELA)	95
ANNEX II.	SPEECH BY THE HONOURABLE FERNANDO DÍAZ, GENERAL DIRECTOR FOR LATIN AMERICA AND THE CARIBBEAN OF THE PEOPLE'S MINISTRY OF FOREIGN AFFAIRS OF THE BOLIVARIAN REPUBLIC OF VENEZUELA	101
ANNEX III.	SPEECH BY HIS EXCELLENCY RAMÓN LEETS, AMBASSADOR OF NICARAGUA IN THE BOLIVARIAN REPUBLIC OF VENEZUELA AND CHAIRMAN OF THE LATIN AMERICAN COUNCIL	105
ANNEX IV.	NOTE SP-16/0513-169 CONCERNING THE ELECTION OF THE PERMANENT SECRETARY	109
ANNEX V.	LIST OF PARTICIPANTS	113
ANNEX VI.	LIST OF DOCUMENTS	131

A. RAPPORTEUR'S REPORT

1. In compliance with the provisions set forth in Article 12 of the [Panama Convention](#), the [XLII Regular Meeting of the Latin American Council](#) was held on 26 and 27 October and 12 December 2016 at the headquarters of SELA in Caracas.
2. Participants included delegations from the following Member States: Argentina, Barbados, Bolivia, Brazil, Colombia, Costa Rica, Cuba, Chile, Ecuador, El Salvador, Guatemala, Haiti Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago, Uruguay and Venezuela; the Permanent Secretary of SELA, His Excellency Ambassador Roberto Guarnieri, and officials from the Permanent Secretariat of SELA. The list of participants is included in Annex V.

ITEM I. ORGANIZATION OF WORKS

3. On 26 October a Meeting of Heads of Delegation took place prior to the formal opening of the Preparatory Stage, which considered the conformation of the Bureau of the Latin American Council.

The Preparatory Stage of the meeting was formally opened on Wednesday 26 October and the Bureau was made up as follows: His Excellency Ramón Leets, Ambassador of Nicaragua in the Bolivarian Republic of Venezuela, as Chairman of the Latin American Council; Her Excellency Marilyn Cheryl Miles, Ambassador of the Cooperative Republic of Guyana in Venezuela, as First Vice-Chairperson; His Excellency Mario López Chávarri, Ambassador of the Republic of Peru in Venezuela, as Second Vice-Chairman; and the Honourable Ramiro León Torras, Specialist of the Ministry for Foreign Trade and Foreign Investment of Cuba, as Rapporteur.

4. His Excellency Ramón Leets, Ambassador of Nicaragua in the Bolivarian Republic of Venezuela and Chairman of the Latin American Council, formally opened the Meeting and, on behalf of his government, thanked the delegations for electing him as Chairman and expressed his willingness to support the activities of the Latin American Council and the Permanent Secretariat of SELA.
5. The delegation of Bolivia apologized for the absence of Ambassador Clarems Endara, Vice-Minister of Foreign Trade and Integration, and Representative to the Latin American Council of SELA.
6. The Permanent Secretary of SELA, Ambassador Roberto Guarnieri, congratulated the members of the Bureau on their election and thanked the outgoing Bureau for its valuable work during the period 2015-2016. Then, he submitted for consideration of the delegations the [Draft Annotated Agenda and Organization of Works](#) (SP/CL/XLII.O/DT N° 2-16), which was approved without amendments and includes the following items:
 - I. Organization of Works
 - II. Annual Report of the Permanent Secretariat
 - III. Work Programme for the year 2017
 - IV. Budget of the Permanent Secretariat for the year 2017 and administrative matters
 - V. Institutional matters
 - VI. Election of the Permanent Secretary

2

VII. Other Matters

VIII. Forum: "Integration Index of SELA for Latin America and the Caribbean"

7. The delegation of Chile reiterated its proposal, previously circulated as an attachment to Note SP-16/0513-169, dated 26 October 2016, which is included in Annex IV of this report, for the election of the new Permanent Secretary to be "postponed for a Special Meeting of the Latin American Council to be held in the next few months which focuses only on this issue, according to Article 11 of the Panama Convention establishing SELA", adding that "the countries must submit their nominations no less than one month in advance, in order to facilitate reflection and consultations about them".
8. The Latin American Council approved Decision 564, "Election of the Permanent Secretary, which extends the mandate of the Permanent Secretary for a period that shall not exceed one year from the expiration of his mandate. The Permanent Secretary was instructed to convene a Special Latin American Council for the purpose of the election of the new Permanent Secretary, which must take place within the first half of 2017 and not before the first quarter of the year.
9. Afterwards, on 27 October 2016, at 5:00 pm the Ministerial Stage was opened. Participants in the opening session included Ambassador Roberto Guarnieri, Permanent Secretary of SELA; the Honourable Fernando Díaz, Director-General for Latin America and the Caribbean of the People's Ministry of Foreign Affairs of the Bolivarian Republic of Venezuela; and His Excellency Ramón Leets, Ambassador of Nicaragua in the Bolivarian Republic of Venezuela and Chairman of the Latin American Council.
10. The Permanent Secretary began the session by recalling that the organization was created on the basis of the recognition of fundamental common interests within the variety of political systems and economic organization arrangements of the member countries, while assessing the potential for joint action to promote intra-regional cooperation and economic integration, increase and improve the presence and participation of Latin America and the Caribbean in the global economy and strengthen its influence on key issues of trade organization, global finance and the international monetary system.

Guarnieri reaffirmed he was convinced that SELA is a potentially transcendent institution to trace, within its constitutional competence, an effective path towards integration, by making technical evaluations of the progress made, understanding the nature of the barriers that hinder the process, and proposing actions and public policies to overcome them, on an objective basis resulting from conceptually rigorous and systematic analyses. In order to comply with these objectives, he said, a first-class analytical unit is required, which systematically carries out, under the guidelines and priorities of the Latin American Council itself, a high-level plan with methodological excellence, as well as an thematically organized agenda through time, and a roadmap agreed upon by the Member States, in the area of regional and subregional economic integration.

He referred to what he called a continuous proliferation of regional and subregional organizations and institutional mechanisms, during which the Permanent Secretariat of SELA suffered a serious and increasingly notorious backwardness in its capacity to meet expectations and needs of its membership, particularly concerning its mandate to lead "the process towards the full integration of Latin America and the Caribbean", adding that the need for SELA's recovery had an existential connotation and urgency.

Finally, he referred to SELA's recovery plan, which has been implemented since he took office at the Permanent Secretariat, and entails a significant process of change in trends and specific achievements, based, mainly, on the Direction of Studies and Proposals. He said he was confident that, with the support received from the Latin American Council and the Ambassadors of the Member States during the frequent meetings of the Informal Working Group (IWG), such trend was irreversible, and committed himself to further strengthen it, thanks to the confidence expressed by the Latin American Council in temporarily extending his tenure as Permanent Secretary of SELA. The full text of his speech is included in Annex I.

11. Then the Director-General for Latin America and the Caribbean of the People's Ministry of Foreign Affairs of the Bolivarian Republic of Venezuela, the Honourable Fernando Díaz, greeted the audience on behalf of the Bolivarian Government and the Vice Minister, Hon. Alexander Yáñez Deleuze, who, he explained, due to prior commitments, unfortunately was not able to attend the meeting, as he had wished.

On the regional integration process in Latin America and the Caribbean, as the central objective of SELA, Díaz said that it should be based on elements such as complementarity, equality and social justice, with special emphasis on the human aspects. Finally, he reiterated the vocation of the Venezuelan people for peace and dialogue, and the willingness of the Venezuelan government to achieve integration "while thinking of the supreme happiness of our peoples". The full text of his speech is included in Annex II.

12. In turn, His Excellency Ramón Leets, Ambassador of Nicaragua in Venezuela and Chairman of the Latin American Council, said that, among other initiatives, SELA should make its best effort to promote trade and investment as instruments to achieve a fair and sustainable development, and give its Member States a special and differential treatment considering their development level and the dimension of their economies, in addition to ensuring their access to the benefits derived from the integration process.

In addition, Leets said that SELA should also promote an efficient and competitive productive specialization, which is compatible with a balanced economic development in each Member State, with strategies to fight against hunger and achieve poverty reduction, while taking into account, in particular, the preservation of the cultural identity of the peoples of the region.

Finally, he also stressed the need for the organisation to support the process of coordination of positions in the multilateral sphere and in the process of negotiation with different countries and intra and extra-regional blocs. The full text of his speech is included in Annex III.

13. On 12 December 2016 at 10:00 a.m. the Ministerial Stage of the XLII Regular Meeting of the Latin American Council was resumed. Participants included representatives of the following Member States: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Ecuador, Guatemala, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago, Uruguay and Venezuela; the Permanent Secretary, Ambassador Roberto Guarnieri, and officials of the Permanent Secretariat.

4

14. The Bureau was chaired by His Excellency Ramón Leets, Chairman of the Latin American Council and Ambassador of the Republic of Nicaragua in the Bolivarian Republic of Venezuela, who was accompanied by the second Vice-Chairman of the Latin American Council, His Excellency Ambassador Mario López, Ambassador of the Republic of Peru in the Bolivarian Republic of Venezuela; the Permanent Secretary of SELA, Roberto Guarnieri, and the Honourable Mr Lisvan Aleaga, Attaché of the Embassy of the Republic of Cuba in the Bolivarian Republic of Venezuela, as Rapporteur.

ITEM II. FORTIETH ANNUAL REPORT OF THE PERMANENT SECRETARIAT

15. The Permanent Secretariat of SELA submitted its [Fortieth Annual Report of Activities \(SP/CL/XLII.O/DT N° 03-16\)](#) for the period from October 2015 to October 2016, which details the implementation status of the [Work Programme for the year 2016](#), as well as other related tasks carried out by the organization in compliance with the mandates it has received.
16. The Chairman of the Latin American Council, His Excellency Ramón Leets, Ambassador of the Republic of Nicaragua in the Bolivarian Republic of Venezuela, thanked the Permanent Secretariat for the presentation of the aforementioned report and invited the delegations to take the floor for remarks on this matter.
17. The delegations congratulated the Permanent Secretariat on the report submitted and stressed the far-reaching scope, usefulness and importance of the tasks completed. In general, the delegations highlighted the following aspects:
 - i) The delegation of Mexico requested the Permanent Secretariat to expedite the process to complete and distribute pending reports, with special reference to the study to assess the structure of foreign trade in the region and the follow-up report on integration mechanisms. The delegate also referred to the need to update the databases on SELA's Web site and activate the database on the Pacific Alliance (PA).
 - ii) The delegation of Ecuador referred to the unfinished documents foreseen in the Work Programme for the year 2016. The delegate also noted that in the report the issue of integration is dealt with in a dispersed manner, despite the fact that, in his view, this subject constitutes the core of SELA's work, which, he said, prevents a clear reading of the status of the Latin American integration process.
18. The Permanent Secretary thanked, on behalf of SELA's officials and on his own, for the expressions of support to the report:

He agreed with the delegation of Ecuador's statement that integration is the core of SELA's work. He recalled that the Direction of Studies and Proposals was created in 2000, so that the Permanent Secretariat could make rigorous analyses of issues related to integration. He stressed that since the year 2013 SELA has been engaged in a firm and continuous manner with the analysis of that process through the Direction of Studies and Proposals. He added that most documents require a necessary time for processing since they are designed to provide an added value to the Member States.

He stressed that SELA faces budgetary limitations that hinder its work. However, he pointed out that the organization has made every effort to comply with its duties.

Finally, he expressed that he takes into account the comments made by the delegations of Mexico and Ecuador with respect to the documents and the databases, adding that the Permanent Secretariat is making its best effort to obtain results with the studies not published yet, and that he agrees with the remark regarding the delay in the delivery of some final reports of meetings carried out.

19. Since there were no further remarks from the delegates, the Chairman declared the [Fortieth Annual Report of Activities](#) corresponding to the year 2016 approved.

ITEM III. WORK PROGRAMME OF THE PERMANENT SECRETARIAT FOR THE YEAR 2017

20. The Permanent Secretariat submitted the "Draft Work Programme for the year 2017" (SP/CL/XLII.O/DT N° 4-16), the activities of which, in compliance with Decision N° 440 of the Latin American Council, were divided into three thematic areas, namely: Intra-Regional Relations, Economic and Technical Cooperation, and Extra-Regional Relations. The Permanent Secretariat also stated that during the preparation of the contents of the Work Programme, the objectives of the Work Programme for the year 2016 were assessed for compliance. Furthermore, the recommendations made by the Member States during the various activities and meetings carried out during the year were also included.
21. The Chairman thanked the Permanent Secretariat for submitting the Draft Work Programme for the year 2017 and invited the delegations to take the floor and make comments on the Draft Work Programme.
22. Then, a debate among participants took place, focusing on the following aspects:
 - i) The delegate of Peru stressed the need and importance for SELA to review the structure of its Work Programme and to consider the adoption of a planning model based on results and on the measurement of the impact of the organization's activities. In addition, he expressed his wish that the new format of SELA's Work Programme is based on a planned vision of the activities it addresses.
 - ii) The delegation of Bolivia pointed out that the issue of management by results was addressed in the previous week, during the meeting of the Sub-Group of the Informal Working Group to deal with the issue of budget by results. The proposal was that we should not lose sight of the vision and objectives that existed when SELA was created, being to favour economic integration in Latin America and the Caribbean.
 - iii) In this regard, the Permanent Secretary explained that the structure of the Work Programme, divided into three thematic areas, was approved by decision of the Latin American Council some years ago, but he accepted the proposal to modify the presentation outline of the Work Programme. He added that, although the essence of the activities of SELA has been focused on the subject of integration, the organization has participated in other peripheral activities that also contribute to integration, such as those related to Foreign Trade Single Windows, Digital and Collaborative Ports and disaster risk reduction.

6

- iv) For its part, the delegation of Brazil stressed, among other aspects, the need for the studies of the Work Programme to focus on the status of the integration process, taking into account the different national policies, and noted that the studies should not make policy recommendations to be adopted by countries, but identify issues for discussion among the member countries of SELA. This remark was supported by the delegate of Uruguay as regards the implementation of a results-based planning methodology. In his opinion, this topic should be dealt with during the meetings of the Informal Working Group.
 - v) The delegate of Mexico said that all the activities for 2017 represent a complete Work Programme. She stressed the importance of the Project on Digital and Collaborative Ports, and pointed out that 60% of studies are made by officials of the Permanent Secretariat. In addition, she stressed the need for the Work Programme to avoid duplication of efforts with other regional organizations. Finally, she supported the proposals of other delegates, in particular those of Uruguay and Bolivia.
 - vi) The delegate of Uruguay attached significant importance to the public policies related to SMEs, taking into account the policy of the country, in general. He supported the work being done by the Organization for Economic Cooperation and Development (OECD) and the Permanent Secretariat as regards the Public Policy Index for SMEs in Latin America and the Caribbean (IPPALC). In this connection, he suggested that duplication of efforts related to the work being carried out by the OECD should be avoided and instead work together.
 - vii) Meanwhile, the delegation of Chile supported Uruguay in not duplicating efforts and in optimizing resources. He also shared the diagnosis of the rest of the delegations regarding the budget linked to the Work Programme and proposed that expenses should not be increased and continuity should be given to the activities. He considered that projects should be included pursuant to their results. Finally, he expressed his disagreement with the project proposed by Bolivia.
 - viii) The delegation of Ecuador expressed his wish to meet with the writers of the document on the integration index for Latin America and the Caribbean prepared by the Secretariat, and questioned that, if the Secretariat is not dedicated to integration, to what is it dedicated then? He added that studies are important; some are prepared by the Inter-American Development Bank (IDB), the World Bank and other regional organizations, and for that reason the analysis should be diversified through different studies.
23. The Permanent Secretary welcomed the recommendations made by the delegations and stressed that SELA complies with the projects set forth in its Work Programme, indicating that the organization has made every effort to avoid duplication of efforts, but he agrees with the statement that a review of the activities should be made in order to optimize resources. He emphasized that the financial situation is difficult, and therefore he considers it appropriate not to take on excessive commitments in terms of activities that have a significant impact on the budget. In addition, he considered that the financial implications of certain activities must be carefully evaluated, including the proposal submitted by Bolivia.

24. The delegate of Chile requested the floor to express that the Work Programme of SELA should aim at achieving the objectives of the system in general and should be focused on common projects, because, in his opinion, "there cannot be a project that meets individual interests instead of those of the system". He then referred to the need to preserve the neutrality of SELA vis-à-vis matters directly or indirectly affecting the policies of its Member States, as foreseen in Article 19 of the Panama Convention, which states that the Latin American Council shall not adopt decisions affecting the national policies of the Member States.

Based on Article 33 of the Regulations of the Latin American Council, he requested – in considering that Chile was exercising its right as a Member State of SELA – that the inclusion of Project I.3.1, "Study to quantify the cost of foreign trade of the countries of America Latin and the Caribbean", proposed by the delegation of Bolivia and included in the Work Programme for 2017, be put to vote and approved by consensus, in accordance with Article 17b of the Panama Convention. He added that that study is aimed at demonstrating an alleged economic prejudice against Bolivia, of which Chile is not aware, and that, therefore, the project does not fit with the technical nature of SELA, thus politicizing a technical institution and multilateralizing an issue that his delegation considered to be of a bilateral nature.

25. Responding to the delegation of Chile, the delegation of Bolivia reiterated its request, arguing that the study requested by its country would not only benefit Bolivia, but the rest of the countries of the region. The delegate recalled that such study would contain its corresponding objectives and terms of reference and said that he did not understand the reasons why Chile expressed fear towards its eventual conduction.
26. Upon a request by the Chairman, the Permanent Secretary explained that, regularly, the Permanent Secretariat, as part of its responsibility and its competence, presents a draft Work Programme, which is submitted for consideration and eventually approved, with the adjustments deemed relevant, by the Latin American Council, with the Permanent Secretariat abiding by such decisions to comply with them. Finally, he reiterated that the Permanent Secretariat does not add further projects or activities to the Work Programme after that process, and the presentation of items by a country that add up to the programme requires the approval of the Latin American Council.
27. At the request of the Chairman, the legal adviser of the Permanent Secretariat, Dr. Luis Herrera Marcano, said that the delegation of Chile had referred to Article 17b of the Panama Convention, and then, with the consent of the Chairman, he read said Article, which states: "With respect to any issue arising for decision under Article 15, subparagraph 17, if a member state informs the Council that it considers the issue to be one of fundamental importance which has implications for its own national interest, the decision on that issue shall be by consensus." Then, Herrera stressed that that is what the Convention states in this regard, and that it is not the function of the Permanent Secretariat to interpret it, because such attribution corresponds to the Latin American Council.

With regard to the consensus referred to in the aforementioned Article, Herrera said that such concept, of a general nature, refers to a decision whose adoption is not opposed by any State, strictly, and that its adoption does not necessarily imply that all countries vote in favour, but it is necessary no State opposes to it.

8

28. The Chairman proposed to approve Decision N° 559, "Work Programme for the year 2017", and Decision N° 560, "Administrative Budget for the year 2017", "taking out the issue of the study to quantify the cost of foreign trade in the countries of Latin America and the Caribbean, and assigning it to the Informal Working Group so that it is taken into account in a bilateral dialogue between Bolivia and Chile, two brothers countries, to look for a solution".

Then, he asked for the opinion of the delegations on the matter. In response, there was an intensive and extensive debate in which almost all delegations participated, repeatedly, and whose result is summarized below:

- i) Taking into consideration that the debate had evolved towards the need, expressed by different delegations, to consult with their capitals as regards the matter under discussion, most of them favoured to approve the Work Programme for the year 2017, the pending decisions and the Report on the Preparatory Stage, recognizing the opinion expressed by Chile with respect to the study requested by Bolivia and differing the case to be considered by the Special Latin American Council that should be convened by the Permanent Secretariat on the occasion of the election of the new Permanent Secretary, and that, meanwhile, they will try, with the guide and accompaniment of the Chairman, to reconsider the matter in an attempt to reach a bilateral agreement.
 - ii) The Chairman considered as approved Decisions N° 561 "Audit Report on the Financial Statements of the Permanent Secretariat at 31 December 2015", N° 562 "Appointment of Auditors for the year 2016", N° 564 "Election of the Permanent Secretary", and N° 565 "Budget Process of SELA", leaving pending the Decision N° 559 "Work Programme of the Permanent Secretariat for the year 2017", Decision N° 560 "Administrative Budget for the year 2017".
 - iii) The delegate of Chile said that he saw no inconvenience that the approval of the Bolivian proposal be postponed to a future Special Meeting of the Latin American Council. He also expressed his desire to put on record that, when a point of order in which a Member State requests to put to vote a topic considered to be of its fundamental interest and thus is directed by the Latin American Council, such motion should be respected and executed; therefore he asked that his annoyance was put on record since his right was not respected when he requested that the topic under discussion was voted and approved by consensus. Finally, he added that he agreed with the proposal made by the various delegations to postpone the vote, "provided that a new proposal is submitted on that particular study".
29. Finally, since no agreement was reached as regards the vote on the matter under discussion and in view of the insistence by an increasing number of delegates on the need to consult with their capitals, the Chairman adjourned the session until new consideration by the Member States.
30. On 12 December, the Ministerial Stage of the Latin American Council was resumed, with the reconsideration of the Work Programme and the Administrative Budget of SELA for the year 2017. The Chairman of the Latin American Council greeted and welcomed the delegates and referred to the decisions pending for approval, namely, Decision N° 559 "Work Programme of the Permanent Secretariat for the year 2017" and Decision N° 560

"Administrative Budget of the Permanent Secretariat for the year 2017". Then, he recalled that the Work Programme for the year 2017 envisages Activity I.3.1, "Study to quantify the cost of foreign trade in the countries of Latin America and the Caribbean", proposed by the delegation of Bolivia and whose conduction faces opposition by the delegation of Chile. In order to overcome the resulting *impasse*, he announced that the Latin American Council proposed to approve the two decisions mentioned above and to discuss the study requested by Bolivia in the first meeting of the Informal Working Group, during the first quarter of 2017. Another option, he said, would be a dialogue between the two parties concerned, and both options could be carried out in parallel. Then he passed the floor to the Permanent Secretary.

31. The Permanent Secretary highlighted the participation of the Honourable Alexander Yáñez, Vice-Minister for Latin America and the Caribbean of the People's Ministry of Foreign Affairs of the Bolivarian Republic of Venezuela, as well as the Honourable Sandra Noriega de Kugler, new Ambassador of Guatemala in the Bolivarian Republic of Venezuela.

With respect to the situation between the delegations of Bolivia and Chile concerning the study requested by Bolivia, he said that it is an issue of great significance for the institutional continuity of SELA, in view of its impact on the Work Programme for 2017 and on its corresponding budget.

The Permanent Secretary added that the issue could be dealt with in an acceptable way by removing it from the Work Programme of the Permanent Secretariat for 2017, which would be approved and, as a result, the Administrative Budget for 2017 would also be approved, leaving Bolivia's proposal as the sole issue for discussion at the first meeting of the Informal Working Group, which would be held before the end of the first quarter of the year 2017. The issue would be included in the corresponding draft agenda along with a brief statement of reasons for a possible recommendation to the XLIII Regular Meeting of the Latin American Council.

Finally, he noted that the way of operationally materializing the proposal, at the level of the respective documentation, would be a paragraph which, in a very precise way, is put on record and, on the basis of that paragraph agreed upon by all of us, then, we could deal with the issue, in an resolving spirit, at the meeting of the Informal Working Group that will be held before the end of the first quarter.

32. The Second Vice-Chairman praised both the efforts of the Permanent Secretariat and the Chairmanship of the Latin American Council to resolve this situation and endorsed the proposal made by the Chairman, and agreed that the Work Programme of SELA can be reviewed throughout its execution and that, in this connection, in view of the proposal made by Bolivia, an initial review of the Work Programme could be scheduled for the first quarter of 2017.
33. The delegation of Chile thanked for the convening of the meeting and reiterated its commitment with the objective of SELA as a space for integration. The delegate ratified the "serious and legitimate doubts" of his country as regards the study proposed by Bolivia. He pointed out that in view of SELA's budget it is not advisable to conduct the proposed study, stressing that there was a deficit equivalent to two annual budgets. He pointed out that there are other organizations such as ALADI and ECLAC which could conduct such a study, since both organizations, he said, have already carried out studies in this

10

connection, citing for example "The cost of being landlocked: The cases of Bolivia and Paraguay. A measurement of the incidence of the costs of international transport of goods in Relatively Less Developed Countries"

The Chilean delegate pointed out that there is no consensus on the study proposed by Bolivia and that his country attaches a high value to consensus, because integration and cooperation will be as robust as the consensus reached. He added that SELA should respect but not impose criteria. In this regard, he cited Article 17b of the Panama Convention, which states: "With respect to any issue arising for decision under Article 15, sub-paragraph 17, if a Member State informs the Council that it considers the issue to be one of fundamental importance which has implications for its own national interest, the decision on that issue shall be by consensus". He also quoted Article 19, which states: "The Latin American Council shall not take decisions adversely affecting national policies of the Member States".

Finally, the Chilean delegate reiterated that it is not possible to accept that the study be carried out because the necessary consensus has not been reached, but he noted that Chile would accept other solutions, provided that they do not envisage the conduction of the study in question, and that the country is open to the proposal made by the Permanent Secretary about the paragraph on the subject to be agreed upon by all the Member States, in order to make the relevant consultations to his capital.

34. The delegate of Bolivia summarized the reasons justifying the study requested, which, he reiterated, is of the interest, not only for his country, but also for the whole region. Finally, he said that he did not have received any new instructions on this particular issue, and therefore he could not issue any different opinion from that previously expressed by his country's Ambassador.
35. The delegation of Venezuela requested a clarification from the Chilean delegation on its position with respect to the proposal made by the Chairman and by the Permanent Secretary.
36. The delegation of Chile said that, in principle, it agreed with the proposal in question, provided that the following conditions are fulfilled: i) exclusion of the proposed study from the Budget for the year 2017; ii) consideration of the study by the Informal Working Group; and iii) inclusion, in the report on the meeting, of a paragraph which expresses the decision to submit the issue for consideration of the Informal Working Group. The budget would be approved, but excluding the issue under discussion, upon which the Informal Working Group would make a recommendation to the XLIII Regular Meeting of the Latin American Council, in October 2017. Finally, the delegation endorsed the possibility to consider the issue bilaterally with Bolivia.
37. The delegation of Venezuela stressed that, respecting the position of the Member States, it is important to prevent SELA from stopping operations, for which he asked for the greatest understanding, especially from the delegations of Bolivia and Chile. He said that the delegation of Chile had opened up a window by agreeing that the issue could be considered by the Informal Working Group. With respect to the Articles of the Panama Convention quoted by Chile, he said that it was safeguarding its legitimate national interests, and so was doing Bolivia, which, he added, should also be respected, but if the national interests of each State prevailed, no progress could be made.

Finally, he proposed bilateral negotiations, pointing out that if a decision is made to carry out the study, the commission in charge of conducting it should include one technical officer from each country. He added that the study would be private, of SELA, not for publication, unless both representations decide to publish it.

38. The delegation of Cuba endorsed the proposal that dialogue and understanding must prevail between the two countries and stressed that Cuba considered that the results of that study can be very useful for the region. The delegation supported the continuation of SELA's work and hailed the proposal made by the Permanent Secretariat. Finally, the delegation thanked for the solidarity towards its country following the death of Fidel Castro.
39. The delegation of Ecuador reiterated its position that the study proposed by Bolivia would help increase the knowledge which is useful for the region. It requested the Permanent Secretariat to report what would be the exact cost of the study and what was the percentage of that cost that would be covered through SELA's budget and that, additionally, it reads Articles 17b and 19 of the Panama Convention.

Then, the delegate cited verbatim what, he said, were the words of the Chilean delegation to indicate that Chile had "serious doubts, serious and legitimate doubts, about the purpose of the quantification study". It asked the Permanent Secretariat whether SELA was technically suitable for a study such as the one proposed. Finally, he referred to what he called the "not systematized" questions as regards facts, expressed by Chile and of unknown origin. However, he added, that fortunately such questions, as well as differences, will be dissipated because the goal of both brethren countries is integration.

40. The Permanent Secretary proceeded to read Article 17b and Article 19 of the Panama Convention in response to the request of the delegation of Ecuador. He recalled that SELA had had in his organization chart a Direction of Studies and Proposals since 2005, but that it became operational in 2013. Before that year, he explained, in-depth studies were conducted through external consultants, in some cases with very significant results, in others not that much. Now, he added, the organization counts on an insight with a very high conceptual and analytical level, and highlighted, as an intellectual product of such fact the Report on Economic Integration – Latin America and the Caribbean (No. 1 - March 2016), the first issue of the series *Follow-up Reports on Subregional Integration Mechanisms*, distributed among the delegations.

With respect to the suitability of SELA to conduct studies such as the one proposed by Bolivia, he said that internal resources are limited in their size due to well-known budget problems and in terms of their coverage due to the nature of the central topic, namely, the integration process and the elements linked to it, some of which, he added, have given rise, among others, to SELA programmes, such as the SELA-SMEs Programme, the Programme for the creation of the Latin American and Caribbean Network of Digital and Collaborative Ports and the Project of Regional Meetings on Foreign Trade Single Windows. He added that the Direction of Studies and Proposals is focused on conceptual issues of integration, on the asymmetries and the problems of convergence, among others.

He noted that the Permanent Secretariat is not in a position to draft a study of this nature at this moment, adding that it would be necessary to hire an external consultant to that end. As regards the cost of the proposed study, he said that he was not able to report on

12

the matter. Finally, he expressed the following: "What I can tell you is that, in a first phase of development of the study, the Permanent Secretariat could not pay more than six thousand dollars in the next year, a figure probably insufficient for making a meaningful, thorough evaluation of such complicated subject. Thus, we could neither prepare the study internally nor conclude it thoroughly as I think it should be and as SELA thinks its work should be done in the next year."

41. The delegation of Costa Rica recalled that the initial session of the Ministerial Stage had been closed with two scenarios: a study that was not approved, and a Work Programme and a budget that had to be approved. Then, considering what was said by the delegation of Chile and supported by the statement of the Bolivian delegate, according to which he had not received new instructions on the issue, the delegation of Costa Rica suggested that in the same morning, based on the proposal made by the Permanent Secretariat and on any other option that may emerge, efforts be made to receive instructions from the capitals in order to move forward and not to run the risk of repeating the "scenario of two months ago".
42. The Chairman asked the Permanent Secretariat and the Rapporteur to draft, together with the delegations of Bolivia and Chile, the special paragraph suggested by the Permanent Secretary. Then, he declared Decision N° 559 "Work Programme of the Permanent Secretariat for the year 2017" and Decision N° 560 "Administrative Budget of the Permanent Secretariat for the year 2017" adopted. Finally, he instructed the Permanent Secretariat to submit the study proposed by Bolivia for consideration of the Informal Working Group (IWG) at its first meeting of the year 2017.
43. The Second Vice-Chairman thanked the delegation of Costa Rica for its good overview of the situation, and highlighted the consensus reached on the need to advance in the adoption of the Work Programme and the corresponding budget for the year 2017, and leave the proposal made by Bolivia for a later review. He stressed that other initiatives could be considered as regards Activity 1.3.1 "Study to quantify the cost of foreign trade of the countries of Latin America and the Caribbean" when the issue is discussed by the IWG.
44. The special paragraph agreed upon by the delegations reads as follows: "After a broad participation of the distinguished Representatives, an agreement was reached to approve the Work Programme and the Budget for 2017, with the exception of Activity I.3.1, 'Study to quantify the cost of foreign trade of the countries in Latin America and the Caribbean', proposed by the Plurinational State of Bolivia, which will be considered as the first item on the agenda for the first Meeting of the Informal Working Group, during the first quarter of the year 2017, for its thorough evaluation and any corresponding recommendations, which will be submitted for consideration of the Regular Meeting of the Latin American Council, scheduled to be held in November 2017".

ITEM IV. ADMINISTRATIVE BUDGET OF THE PERMANENT SECRETARIAT FOR THE YEAR 2017 AND ADMINISTRATIVE MATTERS

a. Budget

45. The Permanent Secretariat submitted for consideration by the delegations the "Draft Administrative Budget of the Permanent Secretariat for the year 2017" (SP/CL/XLII.O/DT N°

5-16), along with its corresponding presentation. The Budget was submitted by the Chairman of the Latin American Council for consideration of the Member States.

46. In this connection, the delegation of Brazil expressed concern over the increase by 26.59% in direct costs and considered that in the preparation of the budget the relevance of the results of the activities of SELA should be taken into consideration. He recommended to expand the number of technical cooperation agreements of SELA in order to reduce direct costs and increase efficiency in the use of resources. The delegate also recognized the difficulties caused to SELA by the delays in the payment of quota contributions by debtor countries and indicated that in the case of his country the delay lies in the fiscal austerity process that it is currently carrying out.
47. For its part, the delegation of Mexico stressed the importance for SELA to receive the agreed resources to comply with its mandate.
48. The Permanent Secretary said that the results of the activities conducted by SELA depend critically on the participation of member countries, highlighting the efforts made by the Permanent Secretariat to cover the costs of international transportation and facilitate the participation of the Member States, and thus be able to assume responsibility for sending delegates to participate in SELA's activities. Finally, he underscored the relevance of Mexico's concern, stressing the importance of the cancellation of quotas by Member States and promising to carry out relevant consultations with debtor countries.
49. According to the agreements reached, reflected in the item referred to the Work Programme of the Permanent Secretariat, the Council adopted Decision N° 560, "Administrative Budget for the year 2017". The budget maintains the same amount of that for the year 2016.
50. The delegation of Peru submitted for consideration of the Latin American Council Decision N° 565, "SELA Budgetary Process", which was unanimously approved.

b. Administrative Matters

Audit Report on the Financial Statements of the Permanent Secretariat at 31 December 2015

51. The Permanent Secretariat submitted for consideration by the delegations the "Audit Report on the Financial Statements of the Permanent Secretariat at 31 December 2015" (SP/CL/XLII.O/DT N° 6-16), which was approved. In this connection, the Council adopted Decision N° 561.

c. Audit Proposal for the year 2016

52. The Permanent Secretariat submitted for consideration by the delegations the "Audit Proposal for the year 2016" (SP/CL/XLII.O/DT N° 7-16), which was approved. In this regard, the Council adopted Decision N° 562 "Appointment of Auditors for 2016".

14

ITEM V. INSTITUTIONAL MATTERS

Election of a Member of the Administrative Tribunal of SELA

53. The Permanent Secretariat submitted for consideration by the delegations the document "Election of a Member of the Administrative Tribunal of SELA" (SP/CL/XLII.O/DT N° 8-16). In this connection, the Council appointed Dr. João Grandino Rodas, of Brazil, and adopted Decision N° 563 "Designation of a Member of the Administrative Tribunal of SELA".

ITEM VI. ELECTION OF THE PERMANENT SECRETARY

54. Pursuant to the contents of paragraph 8 of this report, the Council adopted Decision N° 564, "Election of the Permanent Secretary", which extends the mandate of the Permanent Secretary of SELA, Ambassador Roberto Guarnieri, for a period that shall not exceed one year from the expiration of his mandate. The Permanent Secretary was instructed to convene a Special Meeting of the Latin American Council for the purpose of the election of the new Permanent Secretary, which must take place within the first half of 2017 and not before the first quarter of the year.

ITEM VII. OTHER MATTERS

Declaration "Ending the economic, commercial and financial blockade of the United States against Cuba"

55. The Chairman submitted for consideration the Declaration "Ending the economic, commercial and financial blockade of the United States against Cuba", and then passed the floor to the delegate of Cuba, who thanked for the support provided to the Declaration within the framework of the Latin American Councils, but also in the United Nation General Assemblies, which on 26 October approved the Resolution in this regard in an unpredictable manner, by 191 votes in favour, 2 abstentions and 0 votes against it. Finally, the Declaration was submitted for its final approval, and was unanimously approved.
56. The delegations did not refer to any other items to discuss.

ITEM VIII. FORUM: INTEGRATION INDEX OF SELA FOR LATIN AMERICA AND THE CARIBBEAN

57. The Forum started with the participation of Humberto Soto de la Rosa, Social Affairs Officer of the Economic Commission for Latin America and the Caribbean (ECLAC), through a connection by videoconference with the Subregional Headquarters of the organization in Mexico. He made a presentation entitled "Composite indices and their application to measure regional integration", which focused on the description of conceptual and methodological elements of composite indices and their application to measure integration as a socio-economic phenomenon, highlighting the advantages and disadvantages of this technique and its implementation in areas such as environment, social development, technology and economy.

He compared, in conceptual and methodological terms, some of the reference indicators which, in his view, have been used to measure regional integration in Africa, Europe and Asia, as an example of calculations in other regions. Finally, he stressed the need to define the purpose or “what for” when using this type of technique and to keep in mind that composite indices aim to determine the process of a certain phenomenon, but not its relevance or impact.

58. Then, the Permanent Secretary of SELA thanked and congratulated the speaker on his presentation, highlighting his contribution in expounding so clearly the conceptual and methodological foundations of the composite indices and their application to measure regional integration. He stressed the usefulness of this type of technique for the identification of those integration areas in which the greatest difficulties are found, which, he said, would give an insight into the planning of tasks by SELA and its Member States.
59. For their part, the delegations of Mexico, Ecuador and Peru highlighted the usefulness of the presentation by Soto de la Rosa to measure the status of integration in Latin America and the Caribbean, considering the difficulties inherent in this process.
60. Then, Nelson Salazar, Head of the Research and Analysis Department of the Secretariat for Central American Economic Integration (SIECA), spoke about the “Regional Central American Economic Integration Index (IRIEC)”. His presentation focused on the conceptual and methodological foundations of the IRIEC and the results obtained during the year 2015.

He stressed, *inter alia*, that the IRIEC is a composite index that aims to determine the intensity of economic integration in Central America, on the understanding that economic integration is a phenomenon that includes the economic convergence, management and links of countries making up the region. He highlighted that, for 2015, the IRIEC reports an intermediate intensity of Central American integration, as a result of existing disparities among the countries in the region concerning the topics of convergence, management and links.

Finally, he stressed that the IRIEC provides the possibility to compare objectively countries; promotes the academic debate on integration in the region; provides the public with a source of reliable information on integration and determines the impact of integration policies in Central America.

61. Javier Rodríguez, Analyst of the Direction of Studies and Proposals of SELA, presented the “Integration Index for Latin America and the Caribbean.” His presentation dealt with the methodological and conceptual foundations of the Integration Index for Latin America and the Caribbean (IINTALC) and the results obtained from 1990 to 2014, showing the specific values for 2005, 2010 and 2014 for comparison.

He said that the IINTALC is a composite index that aims to measure the heterogeneity and convergence of Latin American and Caribbean countries, based on the economic, social, political, environmental and cultural dimensions of integration, with the countries of the

16

region being grouped by subregional integration mechanism based on the market, according to the disparities within their own integration processes.

In addition, he presented the results obtained from the construction of the IINTALC, highlighting the absolute and relative progress made by Latin American and Caribbean countries in the field of integration during the period considered in this report. He showed a set of statistical tests that have largely allowed validation of the results of the IINTALC and pointed out the statistical difficulties that persist in the measurement of integration in the countries making up the Caribbean Community (CARICOM). Finally, he stressed that the IINTALC is a first approach to the measurement of integration in the region, which offers a solid basis for discussion of the status and progress of the integration process in Latin America and the Caribbean.

62. Then, the delegations commented on the presentations made, highlighting, among others, the following aspects:

- i) The need to expand the approach to the study of integration considered by the speakers and to incorporate the impacts of globalization and the qualitative elements of integration in the research on this topic.
- ii) The usefulness of indices presented on the basis of more effective and relevant public policy decisions to be taken by the Member States.
- iii) The importance of incorporating all visions of regional integration into the measurement of this process, considering, for example, different mechanisms such as ALBA-TCP or CELAC, and the need to include the human dimension in the measurement of Latin American and Caribbean integration.
- iv) The reconsideration of the definition of integration in order to better interpret what is being measured through the indices, with a view to ensuring that key aspects of this process are not left aside and considering all its dimensions, with particular reference to the social and human ones.

63. In response to the remarks and comments expressed by the delegations, the speakers made the following observations:

- i) Humberto Soto de la Rosa thanked the delegates for their remarks about his presentation and appealed for consideration of components of integration indices, since they precisely provide answers on the performance of the regional integration indicator.
- ii) Nelson Salazar recognized the relevance of the comments made by the delegates and said that the limitations in the IRIEC, concerning the measurement of the Central American integration, are largely due to SIECA's institutional approach, which focuses on the economic aspects of Central America and the existing limitations of information systems in some countries of the region.
- iii) Javier Rodríguez referred to the comments on the IINTALC by saying that there is still some work to be done as regards the measurement of the Latin American and Caribbean integration. That is why, in the future, the methodological challenge of

incorporating the observations made by the delegations will be taken into account so as to offer a tool that could be more useful for the Member States of SELA.

64. Then, the Permanent Secretary said that the integration indices presented during the Forum are just a first, but relevant, approach to a work that begins and aims to represent the situation of the Latin American and Caribbean integration process.

He added that the limitations and assumptions arising from these indicators should be taken into account, and encouraged participants to continue working on the development of integration indices so as to gain a more accurate and comparable view on the status of integration between countries and mechanisms in the region.

He stressed the importance of reviewing the definitions of integration that are behind the construction of these indicators to avoid inappropriate interpretations of the measurements arising from the implementation of these tools.

Finally, he said that it is necessary to reflect on the usefulness of these indicators, so that they effectively help Member States recognize the status of the regional integration process and formulate public policies in this area.

CLOSING SESSION

65. The Chairman thanked all representatives, extended his warm Christmas greetings to them and declared the XLII Regular Meeting of the Latin American Council closed.

B. DECISIONS

DECISION N° 559**WORK PROGRAMME OF THE PERMANENT SECRETARIAT FOR THE YEAR 2017****THE LATIN AMERICAN COUNCIL,****HAVING SEEN:**

Article 5, paragraph 2, of the Panama Convention;

Article 15, paragraph 6, of the Panama Convention, and

The document "Draft Work Programme for the year 2017" (SP/CL/XLII.O/DT N° 4-16).

CONSIDERING:

The contents and spirit of Decision N° 440, adopted by the Latin American Council at its XXVIII Regular Meeting, held in Caracas in April 2003;

The work carried out by the Permanent Secretariat of SELA during this year, in compliance with Decision No. 551 of the Latin American Council, regarding the Work Programme for the year 2016;

The scope of Decisions N° 527 and 539 regarding the technical support that the Permanent Secretariat should provide to the Work Programme of the Community of Latin American and Caribbean States (CELAC),

DECIDES:

Article 1: To approve the Work Programme of the Permanent Secretariat of SELA for the year 2017, taking into account the debates carried out during the Council Meeting, as reflected in the Report.

Article 2: In carrying out the various activities foreseen in its Work Programme, the Permanent Secretariat of SELA will keep regular contact with the members of the Bureau of the Latin American Council and the other representatives of the Member States.

FOREWORD

The Work Programme of the Permanent Secretariat for the year 2017 is based on the guidelines established by the XXVIII Regular Meeting of the Latin American Council, through Decision No. 440, according to which the activities of SELA are structured into three major thematic areas, namely: Intra-Regional Relations, Economic and Technical Cooperation and Extra-Regional Relations.

Based on Decision 527, adopted by the XXXVII Regular Meeting of the Latin American Council (Caracas, 19 to 21 October 2011), the Work Programme for the year 2017 attaches greater relevance to the linkage between the Permanent Secretariat of SELA and the process of the Community of Latin American and Caribbean States (CELAC), particularly with the purpose of contributing to the compliance of the Caracas Action Plan 2012 and the subsequent mandates and recommendations adopted within the framework of CELAC.

The Work Programme for the year 2017 is outlined in accordance with the Draft Administrative Budget of the Permanent Secretariat (SP/CL/XLII.O/DT N° 5-16), and with the terms of the costs indicated therein, particularly without increasing the annual quotas of the Member States, even though it envisages complementary financing through technical cooperation agreements with regional and international organizations. The details about the direct costs corresponding to each one of the three thematic areas and their respective projects can be seen in the chapter "Budget for the Work Programme for 2017 –Direct Costs", of the aforementioned document.

In executing the Work Programme for the year 2017, the Permanent Secretariat aims at continuing to strengthen cooperation, coordination and complementarity with other regional organizations and mechanisms, and particularly, to collaborate with the Pro Tempore Presidency of CELAC and support it, whenever it is so required.

INTRODUCTION

Following the guidelines of Decision 440 of the Latin American Council for the year 2003, the Permanent Secretariat structures its Work Programme for the year 2017 into three major thematic areas: Intra-Regional Relations, Economic and Technical Cooperation, and Extra-Regional Relations. Special interest is attached to complying with the mandates of CELAC, which considers, among others, top-priority activities such as the search for economic convergence, complementarity and productive transformation.

In this connection, the planning of activities for 2017 has been designed to give continuity to some of the topics that were developed and presented in the programme for 2016; for example, the lines of work related to the analysis of productive structures, productive and industrial development and the assessment of the regional integration process. In addition, the activities associated with the SELA-SMEs Programme, which has been evolving and growing year after year, has incorporated improvements based on the suggestions of the focal points who have participated in the meetings that have been held. Such continuity can also be seen in the cooperation activities concerning, particularly, the issue of natural disasters, which this year will focus on the topic of public-private partnerships – an essential requirement to optimally overcome the effects of such events. Also, the Permanent Secretariat reinforces cooperation with its contributions in such an important area as trade and the competition, and provides technical support to trade facilitation programmes.

24

Thus, the Secretariat is carrying out an effort to offer a biannual planning horizon. Partial results for the first year of this process have already shown and the final results shall be provided at the end of 2017. These results will not only be better developed and perfected from the methodological standpoint, but they may also have a broader applicability throughout the region. This dynamics facilitates the dissemination and assimilation of the knowledge gained in areas of special interest for the development of the integration process.

Also, on this occasion, the Permanent Secretariat has deemed it interesting to include emerging subjects that respond to the current global economic situation and/or foster institutional synergies among integration mechanisms such as the activities foreseen in the Programme on Information and Communications Technologies (ICTs) and the Knowledge Society.

It should be noted that the year 2017 poses important challenges for the economies of the region. According to the World Economic Outlook report, Latin America and the Caribbean could reverse the decline in economic activity recorded in 2015, when economic activity decreased -0.4%. Indeed, the latest update of the IMF projections points to a light increase of 1.6% in aggregated GDP. In case this comes true, it would be higher than the growth recorded in 2014 (1.4%), but still well below that of low-income countries (5.1%).

In order to help understand the regional dynamics within the integration process, the Work Programme includes a series of activities that will allow for analysing productive structures, unveiling new challenges and opportunities to strengthen trade. The case study analyses and the follow-up reports on the regional integration are two complementary contributions of a regular nature that will contribute to continue with the study of achievements in this matter.

The institutional effort envisaged for 2017, as reflected in this document, not only addresses elements that have often been the subject of academic and political interest, such as productivity of factors or the composition of trade; during 2017, SELA will start delving into subjects that have received little attention but are of unquestionable relevance, such as the analysis of determinants in migration flows in the region and their impact on labour markets.

By complying with the Work Programme for 2016 and with the initiatives of the Work Programme for 2017, SELA expects to contribute to substantially strengthen the region's capacity to search for higher and better spaces for coordination of the integration processes and the formulation of more relevant public policies. This Work Programme evidences the firm commitment of SELA in terms of complying with its institutional mandates and its desire to contribute to improve the quality of life of our peoples.

BACKGROUND: WORK PROGRAMME FOR THE YEAR 2016

During 2016, the Permanent Secretariat of SELA conducted the activities envisioned in its Work Programme, as adopted at the XLI Regular Meeting of the Latin American Council (Caracas, 25 to 27 November 2015), including various initiatives such as meetings, workshops, seminars, digital courses, studies and specialized portals, among others.

Activities were aimed at strengthening the regional cooperation and integration process, and supporting best practices and successful experiences in outlining and implementing public policies in different sectoral areas in the countries of Latin America and the Caribbean.

According to Decision No. 440 adopted by Latin American Council at its XXVIII Regular Meeting (Caracas, 07 to 09 April 2003), the activities contained in the Work Programme for 2016 are grouped into three major thematic areas: Intra-Regional Relations, Economic and Technical Cooperation and Extra-Regional Relations. Each of these thematic areas includes activities identified as priority and interest by Member States.

In terms of the activities developed in the **Area of Intra-Regional Relations**, the Permanent Secretariat deepened its studies and follow-up of the regional integration process, as well as the evaluation and analysis of economic growth and trade facilitation in Latin America and the Caribbean.

In the group of activities associated with economic and structural aspects, the following activities are envisaged: i) a study on the structural characteristics of foreign trade in Latin America and the Caribbean, taking as a sample the period 1995-2014, which represents a significant contribution to understanding the main trends in the region in terms of the behaviour of its trade flows; ii) a study and a meeting on the "middle income trap", which is an extraordinary opportunity to discuss about the conditions that will allow for access to higher stages of industrial sophistication and the production of goods with higher technological contents; and iii) the development of a series of indicators for early warning about external shocks that will facilitate the design of counter-cyclical policies, which can be very useful for identifying systemic risks.

In turn, the activities associated with strategic and institutional aspects include: i) an assessment of the frameworks for protection of intellectual property rights in Latin America and the Caribbean and their degree of adaptation to the dynamics of modern economy; ii) a regional meeting to assess the economic and cooperation relations among Central America, the Caribbean and Mexico; and iii) a regional Latin American and Caribbean meeting on Foreign Trade Single Windows.

With respect to empirical conceptual aspects, the Permanent Secretariat includes some ambitious activities from the standpoint of conceptual development: i) the preparation of a definition of "asymmetries" that can serve as a reference to determine the progress of each country with respect to their peers in the various integration mechanisms; ii) the integration index of Latin America and the Caribbean, which allows for quantifying the achievement of integration within each mechanism and in comparative terms; and iii) the study on the assessment of convergence in the dynamics of the main macroeconomic variables of Latin American and Caribbean nations.

New contributions were made in 2016 for the consolidation of integration through the follow-up reports of subregional integration mechanisms, case studies on integration and the annual report on the regional integration process.

The Secretariat also continues to implement Phase II of the Programme for the Creation of the Network of Digital and Collaborative Ports, which is being executed with the co-sponsoring of CAF-development bank of Latin America.

In the area of knowledge society and information and communication technologies the following activities are included: i) development of an interactive system for management of databases and economic statistics on SELA's Web site; ii) management and maintenance of the specialized portal on the Community of Latin American and Caribbean States (CELAC); iii) management and maintenance of the specialized portal on International Cooperation Directors for Latin America and the Caribbean: Promotion of the South-South Cooperation; iv) management and

26

maintenance of the specialized portal on Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean; v) management and maintenance of the specialized portal on Free Trade Zones in Latin America and the Caribbean; vi) management and maintenance of the specialized portal SELA-SMEs, and vii) design, construction and maintenance of the specialized portal on the Network of Digital and Collaborative Ports.

In the **Area of Economic and Technical Cooperation**, actions and initiatives have been planned to promote the support and strengthening of cooperation among the countries of Latin America and the Caribbean, including: i) a Workshop on the implementation of the index of public policies for SMEs in Latin America and the Caribbean (IPPALC); ii) the Meeting of International Cooperation Directors for Latin America and the Caribbean on Cooperation in Science, Technology and Innovation in Latin America and the Caribbean); iii) the Regional Meeting on public-private partnerships for disaster risk reduction in Latin America and the Caribbean; iv) the Annual Meeting of the Working Group on Trade and Competition of Latin America and the Caribbean); v) the Regional Latin American and Caribbean Programme for small and medium-sized enterprises (SELA-SMEs Programme), in which the following activities are scheduled: the seminar-workshop on internationalization of SMEs, the pilot workshop on adoption of innovation processes in SMEs, the seminar-workshop on entrepreneurship, the seminar on strategies and methodologies for productive articulation: "clusters" and export consortiums, and the seminar on strategic support to micro and traditional enterprises.

Finally, in the **Area of Extra-Regional Relations**, the Permanent Secretariat continued to deepen knowledge and analysis on the scope of linkages of Latin America and the Caribbean with other economic blocs, in order to take advantage of opportunities in trade, investment and cooperation. This area highlights the activities to monitor and analyse the new preferential trade agreements signed between countries outside the region which could influence their economic relations, trade and investment with countries of Latin America and the Caribbean, including the Multilateral Free Trade Agreement called the Trans-Pacific Partnership (TPP), the Transatlantic Partnership for Trade and Investment (T-TIP), and the Association of Southeast Asian Nations (ASEAN).

Through the activities of the Work Programme for 2016, the Permanent Secretariat of SELA complied and maintained its commitment to contribute to strengthening the process of Latin American and Caribbean integration; through increased cooperation, coordination and reaffirming the complementarity with other regional and international bodies, as well as with the various regional cooperation and integration mechanisms, especially with the Pro Tempore Presidency of the Community of Latin American and Caribbean States (CELAC). Thus, it continued to provide Member States with the necessary tools to facilitate decision-making that favour the development of the region and increase regional integration.

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. Composition of foreign trade and its impacts on the evolution of the sectoral labour market

A. Background and justification

The dynamics of international trade and foreign direct investment flows have significant effects on the evolution of the labour market. During the 1990s and early 2000s, the unemployment rate in Latin America and the Caribbean experienced an important increase, reaching 11.2% between 1999 and 2002. However, since 2004 the unemployment rate in the region has registered a remarkable decline, down to 6% in the year 2014.

Recently published figures indicate that the number of unemployed people at the regional level was 6.6% in 2015 and the figure is expected to grow by the end of 2016. Such scenario has apparently been caused by a decline of the economic activity in the countries of the region, coupled with a deterioration in the composition of employment. During 2015, an increase of employment in low productivity activities was recorded, specifically in self-employment, which has an impact on labour productivity.

It should be noted that fluctuations in the economic activity lead to a variation in the composition of trade, which in turn leads to restructurings. Thus, enterprises start to shut down and leading to job losses in some sectors of the economy. Otherwise, new businesses could emerge, as well as investments to increase production and create new jobs in other sectors. In this way, the dynamics of trade is associated both with the destruction and the creation of employment.

For the World Trade Organization (WTO), the relationship between trade and employment is complex, and states that "certainly, trade can generate jobs, but also it is also true that the competition of imports can be a pressing factor for producers, which may force them to dismiss workers". On the other hand, market competition tends to be an incentive for companies to innovate and produce at lower costs. While technology transfers and increased access to export markets promote the productivity of enterprises, this process can result in producing more with less productive factors, which can create labour displacements. This phenomenon was called by Joseph Schumpeter "creative destruction": even though trade brings real advantages to the majority of the population – both consumers and producers – there are some who are adversely affected by variations in trade.

In this connection, it is important to identify short and long term relations between the dynamics of foreign trade and the labour market. To do so, the evolution of these variables will be analysed during the period 1990-2015, as well as the changes in labour laws at the regional level and the most significant changes made in the commercial sector.

28

B. Objectives

1. Study, from an empirical point of view, the existence of statistically significant relationships between trade and labour variables.
2. Identify those commercial structures (exports) that favour the levels of productivity of the labour factor.
3. Identify the best practice experiences at the regional level.

C. Expected results

An analytical document that allows for making a diagnosis of the impact of foreign trade on the evolution of the labour market.

D. Activities and schedule

Activities	Schedule
Preparation of Terms of Reference	August-
Preparation of study	September - December
Translation and publication	December

Activity I.1.2. Database for strengthening regional trade and productive integration

A. Background and justification

Integration is a living process. It adapts itself and constantly changes in response to the conditions of the macroeconomic situation, the legal standards or the social and political environment of the time. Due to its dynamic nature, it is necessary to make a regular monitoring of the main trade measures in the region, which is flexible and timely. With this initiative, the Permanent Secretariat of SELA intends to create a system of indicators that can be periodically used to assess the degree of interdependence of national markets and that can also respond to information needs so as to support decision-making by enterprises in both the public and the private sectors.

Such systems of indicators can be developed at two levels. A micro or middle level, which merges information by company or industrial sectors, and a macro level, which deals with the behaviour of large conglomerates. Therefore, this activity is inseparably combined with the statistical information system for the creation of clusters, trade promotion and support to the activities of SMEs. In this regard, both initiatives are complemented in order to generate an information flow between data and indicators, and vice versa.

These indicators regional have various characteristics. Some of them are: the index of intensity of intra-regional trade, the shares of intra-regional trade, the regional trade introversion index, the relative commercial opening-up and the index of propensity to intra-regional trade. At the industrial level, the generation of these indices can be adapted to the particular needs of each country depending on the data available and the objectives pursued. If the dynamics of work and information flows are swift enough, it is possible to move towards the creation of chaining indices or indicators based on network analyses.

In principle, a proposal is made to carry out this activity in two stages. The first stage would be based on COMTRADE databases (statistical database of the United Nations for international

trade) or the CEPII (Centre d'Études Prospectives et d'Informations Internationales). The second stage envisages the preparation of the versions of these indicators based on micro and sectoral data.

B. Objectives

1. Create a series of indicators for evaluation and monitoring of regional trade.
2. Adapt the system to the specific needs of each country in order to facilitate decision-making and encourage regional productive integration processes.

C. Expected results

A document containing the indicators proposed, with a working methodology that allows for expanding and maintaining the database required for the periodic generation of such indicators.

D. Activities and schedule

Activities	Schedule
Preparation of the Terms of Reference	January
Preparation of the study	March - June
Translation and publication	June
Regional Meeting	July

Activity I.1.3. Determinants of the changes in the total productivity factors in the countries of Latin America and the Caribbean

A. Background and justification

Over the past two decades, the economic growth in Latin America and the Caribbean has been moderate. During the period 1990-2015, the region's economy grew at an average rate of 3.04%, while average growth rates of the global economy and the developing economies stood at 3.58% and 5.16%, respectively.

The explanation of these disparities in the performance of the economies has been one of the main areas of study within economic theory. Specifically, the theory of economic growth has focused its efforts on recognizing and analysing those factors conditioning the economic activity of countries.

For the neoclassical theories of growth, the economic dynamics is due to changes in productivity resulting from technological changes and the productive and industrial organization. In turn, for endogenous growth theories, the explanation of the economic performance of countries lies in the accumulation of productive factors derived from investments in physical and human capital and in research and development activities.

According to the classical economic theory, a country's economy can be represented by using a production function that includes capital and labour as factors. However, it has been determined that there is a component of economic growth, which the economic theory has called Total Factor Productivity (TFP), which is not explained by the use of production factors. In this sense,

30

the TFP can be defined as a measure of efficiency in the use of productive resources that allows for the movement of the production function of the economy without an increase in allocations of capital and labour.

Empirically, the calculation of productivity allows for distinguishing those variations in the product that are driven by technological change from those caused by variations in the factor endowments. The pioneering study by Robert Solow (1957) entitled "Technical change and the aggregate production function" determined that increases in efficiency or productivity explained approximately 80% of the economic growth of the United States, while the remaining 20% can be attributed to the increase in the endowment of production factors.

Latin America and the Caribbean – despite the increases in capital investment and in the active population evidenced over the past five decades – has failed to reduce gaps in per capita income with respect to other regions with higher levels of relative economic development, because the levels of productivity in the region are lagging behind.

Estimates of productivity levels for 2014 show that the average of the region reached 54.5% of that reported by the United States, 76.7% of the efficiency in the use of resources by Japan, and 86.8% of the productivity of South Korea. For such reason, reaching higher levels of productivity has become a top priority target for Latin American and Caribbean countries so as to achieve better economic performance.

To this end, it is necessary to identify the variables that have an impact on the changes in Total Factor Productivity. Empirical studies in this area of economic theory have recognized that macroeconomic stability and the quality of government institutions are some of the factors that can help explain the variations in the efficiency of the use of productive resources. This study will identify and analyse the determinants of the changes in Total Factor Productivity.

B. Objectives

1. Estimate the levels of Total Factor Productivity for the countries of the region, based on available information.
2. Identify the main factors conditioning the changes in Total Factor Productivity.
3. Conduct a comparative analysis of the result obtained for the countries, recognizing the common variables that have a more robust relationship associated with variations in the Total Factor Productivity.

C. Expected results

A working reference document for the analysis of the determinants of Total Factor Productivity for some countries, with rigorous methodological foundations, and that can be replicated in the rest of the countries of the region.

D. Activities and schedule

Activities	Schedule
Preparation and approval of the working plan	August
Preparation of the working document	September - December
Translation and publication	December

PROJECT I.2. Assessment of the Latin American and Caribbean integration process**Activity I.2.1. Prospective vision of Latin American and Caribbean integration****A. Background and justification**

With a view to evaluating the integration process in America Latin and the Caribbean, the Permanent Secretariat of SELA has promoted the conduction of research to deepen knowledge as regards the achievements of the subregional integration mechanisms in all the areas of interest, evaluating the political, commercial, institutional, regulatory, migration and labour dimensions, among others. Thus, as part of the execution of the Work Programmes for the years 2014 and 2015 several studies were conducted to gain knowledge about the status of the integration processes, the major challenges and opportunities facing the region.

In 2016, the Permanent Secretariat dealt with three issues of particular relevance to understanding the integration process in the region, which also allowed for making a quantitative and comparative diagnosis of the reality of the various integration mechanisms. The analysis of asymmetries not only provided a compilation of a series of definitions drawn from various analyses associated with the evaluation of the conditions for integration, but confirmed that there is a conceptual gap that – beyond making a description of the types of asymmetries – prevents from providing a definition that serves as a reference framework and contributes to quantify the asymmetries in the analysis of regional integration.

Along this line of thought, in the year 2016 the Permanent Secretariat submitted a proposal based on a statistical and economic foundation according to which certain economic, social or geographic dimensions are symmetrical in a series of countries, when the variables that quantify those dimensions are located within some ranges or thresholds that can be determined by using statistical criteria. Such criteria are established in order to obtain the maximum and minimum levels of acceptance of the non-asymmetry hypothesis, depending on the variability of the data for a group of countries. Symmetry occurs when the difference of a particular variable with respect to its most likely or likely behaviour can be considered significant within those previously defined ranges. Obviously, it is possible to characterize the behaviour of the asymmetries in a dynamic manner.

When, in the long term, the variable in question approaches to the most representative values for the group of countries, it can be affirmed that asymmetries are reducing, and vice versa. In case that the dimensions under study show a gradual but significant reduction and enter the area of symmetry in the long term, it can be said that the series of countries are ushering into a process of convergence.

The integration index helped create a regularly updated indicator which describes the phases of integration that each one of the subregional mechanisms is going through, quantifying the performance at the different stages of integration identified in the economic theory. This indicator can serve to measure compliance with the explicit objectives of each agreement, by monitoring the degree of integration for each country and assessing the opportunities and challenges faced by each economy to make strides with the integration process.

Issues such as asymmetries, the integration index and the assessment of convergence have paved the way for the Permanent Secretariat to plan, in 2017, the design of a tool that allows for generating various reference scenarios of the medium and long term prospects for the different integration schemes.

32

B. Objectives

1. Develop scenarios as regards the prospects for integration based on the concepts generated by the Permanent Secretariat during 2016.
2. Assess the long-term trends of integration mechanisms.
3. Carry out a follow-up and assessment of the possibilities for the region to achieve higher levels of convergence

C. Expected results

A document to explore the prospects and the long-term vision of integration, from the standpoint of various subregional integration mechanisms, as well as the conduction of a Seminar-Workshop where the indicator as well as various methods for measuring integration will be submitted, from the perspective of SELA.

D. Activities and schedule

Activities	Schedule
Preparation of the plan for the study	April
Preparation of the study	May - August
Translation and publication	August
Seminar-Workshop	September

Activity I.2.2. Integration Index of Latin America and the Caribbean. Updates and follow-up of new results of the Index

A. Background and justification

In 2016, the Permanent Secretariat began to develop an indicator whose main target was to quantify the degree of integration among the different integration mechanisms of the region, namely: the Pacific Alliance (AP), the Common Market of the South (MERCOSUR), the Central American Integration System (SICA), the Andean Community (CAN) and the Caribbean Community (CARICOM).

This study was drafted for a Regional Meeting on the Integration Index for Latin America and the Caribbean, held in Guatemala in the headquarters of the Secretariat for Central American Economic Integration (SIECA). At that time, the Permanent Secretariat of SELA explained the methodology proposed for creating this indicator, which facilitates measurement of the phases of integration for each of the subregional mechanisms, and also quantifies the behaviour at different stages of integration, as identified in economic theory. Based on this analysis, it will be possible to monitor compliance with the agreements and their explicit objectives, assessing opportunities and challenges facing each economy to make strides with the integration process.

This index was made up on the basis of simple indicators that incorporate different levels of disaggregation, so that they may include variables within the economic, social, political, environmental and cultural sectors, which are also associated with regional integration, for a sample covering the period 1990-2014. With the development of this indicator, SELA provides a tool to follow up the regional achievements in the area of integration.

In 2017, the Permanent Secretariat aims at continuing with the creation of the indicator and generate new results with a view to using them to explain certain behaviours in each one of the dimensions used for its calculation. Thus, it will monitor the dimensions in a disaggregated manner. Such dimensions consist of variables and indicators that show the impact that the integration processes have had on each area, namely: i) Economic dimension: It includes the main indicators on economic activity referred to trade in goods and services, capital mobility, financing capacity, as well as the convergence of per capita income and the inflation rate; ii) Social dimension: It covers indicators on the level of poverty, income and the situation of the labour market; iii) Political dimension: This dimension assesses the status of the institutions in each country, and values the treaties and agreements facilitating the mobility of production factors; iv) Cultural dimension: It provides access to media to facilitate the dissemination of culture; and v) Environmental dimension: It collects data on the coordination among the countries in their policies for preservation of the environment and sustainable growth.

Assessment and monitoring of each of these dimensions will help to outline public policies aimed at guiding policy-makers as regards the control variables that can be used and should be adopted in order to improve the instruments that will lead them to the achievement of the objectives.

B. Objectives

1. Continue with the regular update in order to quantify the behaviour of the subregional mechanisms in the different stages of integration identified in the economic theory.
2. Identify the dimensions that provide signals for an optimum management of public policies oriented towards subregional integration.

C. Expected results

A document updating the Index, that provides possible instruments for the optimal management of public policies aimed at integration.

D. Activities and schedule

Activities	Schedule
Preparation of the Terms of Reference	March
Preparation of the study	May - August
Translation and publication	August

Activity I.2.3. Determinants of migration flows in the region and their impact on the labour market

A. Background and justification

Migration processes are, perhaps, the last and deepest manifestation of the regional integration processes. Their impacts cover a great variety of aspects such as urbanism, the labour market, capital movements and citizen security. However, its importance transcends any of these elements because, above all, migratory processes put to test the capacity of adaptation of the peoples so that they mutually recognize themselves as being equal and, based on this, build relations of co-existence and tolerance.

34

Although it is a variable of enormous significance there are not many studies that analyse its determinants and evaluate their impact on the region. Fundamentally, this is due to two reasons. Firstly, the lack of studies on migration is explained by the statistical difficulties to obtain quality information from databases on cross-border flows of persons. The information available often poses consistency problems and, in general, is incomplete.

Secondly, studies on migration have emerged as complementary information to the integration processes where the emphasis of the governments has been rather on the analysis of intra-regional trade. Interestingly, intra-regional trade continues to be relatively small, since the economies of Latin America and the Caribbean have integrated in a deeper way with extra-regional markets.

The region's economies do not escape the processes of globalization and productive transformation, which open up new opportunities for the integration of labour markets. These trends are expressly reflected in the Articles of incorporation of the integration mechanisms. MERCOSUR, for example, envisages the harmonization of economic and social policies. Specifically, the Asunción Treaty of 1991 specifies in its first Article "the free movement of goods, services and production factors among countries".

Thus, with respect to mobility of factors and migratory aspects, the Agreement of Residence as a fundamental step of the integration process stands out, since it sets the MERCOSUR nationality as the main requirement to get the legal residence in the party States, offering an equal treatment in terms of labour legislation and working conditions. Similarly, SICA has promoted programmes for recognition of higher education diplomas in order to promote the free circulation of labour force and exploitation of human resources.

But beyond the legal aspects associated with the treatment of persons in the different integration mechanisms, there is a series of economic incentives that affect migration processes. Thus, this activity aims at estimating the elasticities of migration flows and their impact on the labour markets of Latin American and Caribbean countries. Also, this work will allow for reviewing, comparing and characterizing the available databases on migration movements in the region.

B. Objectives

1. Estimate the elasticities of migration flows and their impact on the labour markets in the countries of Latin America and the Caribbean.
2. Compare and characterize the available databases on migration movements in the region.
3. Nurture SELA's database system with new statistics.

C. Expected results

A document that collects the indicators proposed, with a working methodology that allows for expanding and maintaining the database required on the process of migration flows in the region.

D. Activities and schedule

Activities	Schedule
Preparation of the Terms of Reference	April
Preparation of the study	May-August
Translation and publication	August
Regional Meeting	September

Activity I.2.4. Follow-up reports on subregional integration mechanisms

A. Background and justification

In 2016, the Permanent Secretariat began to prepare follow-up reports of the integration mechanisms. These reports offer the reader synthesized information on the regional dynamics of Latin America and the Caribbean, making emphasis on the analysis of the macroeconomic environment and the variables of the external sector of the five subregional integration mechanisms, namely: the Pacific Alliance (PA), the Common Market of the South (MERCOSUR), the Central American Integration System (SICA), the Andean Community (CAN) and the Caribbean Community (CARICOM).

With a four-monthly frequency, the reports collect updated statistics of the regional situation. Having a simple structure, the reports include a description of the main events of interest that have occurred during the quarter as well as the situation of the mechanism with respect to the region, data on the population, life expectancy, size of the economy and per capita income. They also review the main facts about the macroeconomic performance and evolution of each mechanism during the period between the year 2010 and the first quarter of the year 2016, and analyse variables such as economic growth, the composition of the Gross Domestic Product (GDP) considering expenditures via the added internal demand (specifically consumption and investment in the fundamental identity of the GDP), inflation and unemployment. Finally, they include the main impressions on the performance of the external sector, which emphasize the behaviour of the balance of trade, its composition, and foreign direct investment, both in flows and balances, public debt and the net international reserves.

In 2017, the Permanent Secretariat will continue with the regular updates of these reports, according to the availability of data and the access to official information from the countries.

B. Objectives

1. Prepare descriptive reports that analyse the situation of key economic indicators, within the context of each subregional integration mechanism.
2. Create a consistent database on these economic follow-up variables.
3. Keep the Member States, and the public in general, up to date on the economic situation of the countries of the region, through SELA's electronic portal.

C. Expected results

Descriptive reports on the economic performance of sub-regional integration mechanisms that allow readers to be regularly updated on the region's dynamics and prospects. These reports will add value to the portfolio of SELA by allowing the Permanent Secretariat to expand its base of readers.

D. Activities and schedule

Activities	Schedule
Preparation of the study	Every four months
Translation and publication	Every four months

36

Activity I.2.5. Case studies for integration

A. Background and justification

Case studies for integration are short articles (about 2,500 words or 3 pages), with a rigorous analysis, but written in a less academic tone. The logic behind these reports focuses on presenting initiatives to decision-makers in the region, within or outside the region, in which policy initiatives are shown and that allow for evaluating the relevance of said experiences in Latin America and the Caribbean.

These reports were designed in 2016 as a complementary product to SELA's compendium of documents. Their structure has allowed for dealing with a variety of subjects in an easy reading directed to the public in general.

In 2016, three descriptive reports were prepared whose objective was to show recent experiences in terms of regional and extra-regional integration. The first case study was referred to the experience with the implementation of the Index of Public Policies for SMEs that is being undertaken in the Association of Southeast Asian Nations (ASEAN). The report explains how the adaptation of the Index included eight dimensions for its development, namely: i) Institutional and Regulatory Framework; ii) Access to Support Services; iii) Operating Environment/Simplification of Procedures; iv) Access to Financing; v) Innovation, Technology Adaptation and Transfer of Technologies; vi) Internationalization of SMEs; vii) Promotion of Entrepreneurship Education and viii) Effective Representation of the Interests of SMEs. In view of the characteristics of this group of countries, the implementation of the Index leaned more towards strengthening innovation and the adaptation of technologies. The second case study made a description of the Migrant Integration Policy Index (MIPEX) prepared by the European Community, as a long-term project which evaluates and compares the efforts at government level to promote migration among the Member States of the European Union. The third case study focused on the analysis of convergence and its reversal in the European Community.

In 2017, the Permanent Secretariat will continue to publish new case studies, depending on the subjects of interest and priority for the Member States.

B. Objectives

1. Identify new initiatives that deserve assessment in view of the economic situation.
2. Encourage the debates to generate proposals for innovative and high impact initiatives that contribute to promote integration in the region.
3. Keep the Member States, and the public in general, up to date on the economic situation of the countries of the region, through SELA's electronic portal.

C. Expected results

Quarterly reports describing initiatives to promote cooperation, coordination and articulation among nations and integration mechanisms, which serve as a reference for decision-making, for the benefit of the regional integration process.

D. Activities and schedule

Activities	Schedule
Preparation of the study	Every quarter
Translation and publication	Every quarter

Activity I.2.6. Report on the regional integration process**A. Background and justification**

Integration is a dynamic process that contributes to speed up economic growth and social development, as it improves the allocation of resources, encourages investment, favours competition, and ultimately increases the 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.

One way to contribute to the integration process is to generate relevant and up-to-date information and ensure access to it, in an easy and timely manner, thus allowing to appreciate the evolution of countries in their integration process. In addition, it is of the utmost importance to continue with the analysis and show its evolution, so that the process can be objective and it is possible to take effective measures that ensure the achievement of those individual and collective objectives.

This report, together with other integration reports and case studies, forms part of the series of periodic documents that the Permanent Secretariat began to conduct in 2016, in order to enrich and update the current document database of SELA referred to the process of integration in Latin America and the Caribbean. This report will contain medium-term information with which an annual update will be made as regards the integration process of the region.

B. Objectives

1. Carry out an annual report that compiles and complements the integration reports already published with less frequency, which collect short-term information. This is a more complete report that will incorporate the events occurred at the end of each year.
2. Provide an updated report so as to inform about the latest achievements in the area of integration in the region, which serves the entities involved in it to make decisions within the institutions that guide the integration mechanisms.
3. Encourage debates and generate ideas about the possibilities for the region to achieve greater integration
4. Keep the Member States, and the public in general, up to date on the economic situation of the countries of the region, through SELA's electronic portal.

38**C. Expected results**

An annual report covering the achievements in the integration process within subregional integration mechanisms.

D. Activities and schedule

Activities	Schedule
Preparation of the study	Annual report
Translation and publication	November

PROGRAMME: TRADE FACILITATION**PROJECT I.3. Regional Meetings on Foreign Trade Single Windows****Activity I.3.1. IX Latin American and Caribbean Regional Meeting on Foreign Trade Single Windows****A. Background and justification**

Continuing with the regional meetings held annually on this matter since 2010, the Permanent Secretariat of SELA is planning the conduction of the ninth meeting on Foreign Trade Single Windows in 2017.

As has been evidenced during the seven (7) consecutive years in which the Permanent Secretariat has organized these meetings on Single Windows, the importance of this tool for trade facilitation lies not only in the fact that it allows that standardized information and/or documents related to trade commercial are submitted only once and in a single office, thus improving their availability and the processing of information, but also, particularly, in the fact that they consubstantially lead to the need to address the harmonization of trade data and documents with internationally accepted standards. They also lead to the simplification of trade and customs procedures, and the development of enabling legislation and ICT infrastructure for the implementation of electronic signatures and payments, among other technological elements. In this way, the scope of Single Windows goes beyond their own specific objectives and shows the importance of the technical, technological, governance and coordination elements among institutions in order to achieve the goal of having more efficient and effective foreign trade operations.

The VIII Latin American and Caribbean Regional Meeting on Foreign Trade Single Windows, carried out in October 2016, focused on the support that Information Systems provide for the implementation of Trade Facilitation, with special emphasis on Foreign Trade Single Windows, as well as the legal, technological, governance and coordination difficulties faced by these processes, and the provisions aimed at speeding up and facilitating trade.

The already traditional annual regional meetings on Single Windows organized by SELA seek to promote the analysis of strategic elements and relevant experiences in this area, with a view to disseminating best practices and drawing recommendations that contribute to consolidate programmes for the optimization of processes that facilitate and promote foreign trade in those

countries that have incorporated this tool, and that support the efforts aimed at consolidating Single Windows in Latin America and the Caribbean as part of the strategies for trade facilitation.

B. Objectives

1. Discuss strategic subjects to optimize the development and implementation of Foreign Trade Single Windows in America Latin and the Caribbean, as an essential instrument for foreign trade facilitation.
2. Provide analytical elements that contribute to understanding, advancing and deepening Foreign Trade Single Windows in Latin America and the Caribbean and their relations with other links in the international supply chain.
3. Disseminate best practices with respect to the possible architectures and forms of implementation of Foreign Trade Single Windows, stressing the inclusion of methodologies, procedures and resources with proven effectiveness in the area of paperless cross-border trade, following the criteria of interoperability, efficiency, compatibility of standards and security.
4. Generate convergences that allow for the unification of the criteria required to implement systems with capacity for exchange of information, aimed at developing organizational and technological interoperability, and at the harmonization of data, on the basis of internationally accepted standards.

C. Expected results

Holding the IX Latin American and Caribbean Regional Meeting on Foreign Trade Single Windows, in order to analyse critical emerging issues related to the development and operation of Single Windows, and disseminate the most significant regional experiences in this area. To do so, as on previous occasions, the Permanent Secretariat will make arrangements to count on the participation of entities related to the design, implementation and operation of Single Windows from the Member States, such as customs and ports, as well as ministerial bodies related to the processes of import and export of goods and services. The Secretariat also foresees the participation of representatives of international and multilateral organizations related with these processes.

D. Activities and schedule

Activities	Schedule
Planning and organizing the IX Latin American and Caribbean Regional Meeting on Foreign Trade Single Windows	July-October
Holding of the IX Latin American and Caribbean Regional Meeting on Foreign Trade Single Windows	October

Activity I.3.2 UNCTAD-SELA Course: "Electronic trade in practice as a tool to promote trade facilitation"

A. Background and justification

Electronic commerce (e-commerce) has been traditionally understood as the purchase and sale of goods and services through electronic means, and even though such operations are

40

negotiated electronically, payment and/or delivery of the product or service not necessarily must be made online (WTO, 2013).

The continuous evolution of Information and Communications Technologies (ICTs) and the effects of digitalization, resulting from the ongoing fourth Industrial Revolution, have had a three-fold impact on e-commerce: i) New digital goods and services; ii) Major intermediary digital platforms between buyers and sellers; and iii) New digital payment methods, such as the cryptocurrency, PayPal or the blockchain technology. These three new trends, in conjunction with the increased access that the world population is gaining to ICTs, increase the chances of promoting electronic commerce, both in its home version and in cross-border operations. Thus, it is estimated that, by 2017, e-commerce will account for 29% of global international transactions (E-commerce Foundation, 2015).

In Latin America and the Caribbean there are more than 320 million users of the Internet (Internet World Stats, 2014), and slowly the countries of the region have introduced clauses relating to e-commerce in the agreements that have been signed between them: Colombia, Dominican Republic, CARIFORUM, Peru, the Central American Common Market, and Chile. But this issue does not refer exclusively to e-commerce: These and other countries in the region are seeking to incorporate ICT into their government system, their government institutions, and into the very action of governing: That is e-Government.

Therefore, prospects about the progressive importance that e-commerce will gradually gain in the volume of international transactions, in addition to the technological characteristics of Latin America and the Caribbean, along with the initiatives that have been undertaken in this area, make the region an optimal space for taking advantage of opportunities for growth and social and economic development through ICTs, without ignoring the various current challenges. Thus, e-commerce is highlighted as a crucial and unavoidable aspect and as a tool for the international insertion of Latin America and the Caribbean.

Since 2007, UNCTAD has been developing initiatives for virtual training to improve the skills of regional actors in the area of trade and development. For this reason, in 2015, jointly with the Permanent Secretariat of SELA and the General Secretariat of the Association of Caribbean States (ACS), UNCTAD conducted an online training course on the legal aspects of electronic commerce that was warmly welcomed by the Latin American and Caribbean institutions that participated in it.

In this connection, and as a follow-up to the proposal and contacts developed between UNCTAD and the Permanent Secretariat, progress is being made in the design and organization of the UNCTAD-SELA Course: "Electronic trade in practice as a tool to promote trade facilitation", which is an online course with the support of UNCTAD's distance learning platform – the Train for Trade Programme – thus complying with the recommendation made by the Latin American Council of SELA to better use and benefit from ICTs.

B. Objectives

1. Train officials in charge of managing the practical and fundamental elements for electronic trade.
2. Inform participants on the most important subjects related to electronic trade: Electronic government, regulations, human resources, and ICTs.

3. Promote greater knowledge about the opportunities for international commercial inclusion and an increase in intra-regional trade of Latin America and the Caribbean.
4. Contribute to bridging the skill gap in the management of technological tools in Latin America and the Caribbean.

C. Expected results

1. Improve the capabilities of participants in the use of electronic and digital tools to facilitate the development of their business models and the expansion of their markets.
2. Understand and manage the various aspects that are involved and have an influence on the consolidation of electronic commerce as a business strategy.
3. Promote best practices of the use of ICTs as a key element for trade growth in the region.
4. Develop the institutionalization of the use of ICTs to reduce the digital divide in Latin America and the Caribbean, and promote their use for the region's social and economic development.

D. Activities and schedule

Activities	Schedule
Organization and convening of the UNCTAD-SELA Course: "Electronic trade in practice as a tool to promote trade facilitation"	February-April
Conduction of the UNCTAD-SELA Course: "Electronic trade in practice as a tool to promote trade facilitation"	May - July

PROJECT I.4. Programme for the Creation of the Latin American and Caribbean Network of Digital and Collaborative Ports

Activity I.4.1. Programme for the Creation of the Latin American and Caribbean Network of Digital and Collaborative Ports – Phase III: Transition towards the conformation of the Network

A. Background and justification

The objective of the "Programme for the Creation of the Latin American and Caribbean Network of Digital and Collaborative Ports – Phase III: Transition towards the conformation of the Network" (hereinafter D&C Ports Network Programme) is to establish, for the Latin American and Caribbean region, a new system of inter-institutional collaboration and technical cooperation to facilitate public policy actions at the national level (top down) and technical recommendations at the local level (bottom up) to increase the competitiveness of port logistic communities based on best practices for the management of port logistics chain, inter-agency governance, service standards, Port Single Windows and collaboration through national and international networks, just like they are promoted through the Reference Model for Competitiveness of the Port Logistic Chain, designed in Phase I of this programme.

The programme – promoted by the Permanent Secretariat of SELA and supported and financed by CAF-development bank of Latin America through two non-refundable technical cooperation agreements – started in early 2014 with the participation of those ports and community of users of Manzanillo and Veracruz, in Mexico; Buenaventura and Cartagena, in Colombia; Callao, in Peru;

42

San Antonio and Valparaiso, in Chile; and Balboa and Colon, in Panama. At the end of 2015, the second phase of the programme was started, with the entry of the ports of Altamira, in Mexico; Limon-Moin, in Costa Rica; Port of Spain, in Trinidad and Tobago; Guayaquil, in Ecuador; Paita, in Peru; and Montevideo, in Uruguay.

In each port, at least three technical cooperation activities are carried out under the programme:

- **Strategic Diagnosis Workshops**, with the purpose of opening an initial dialogue with logistics users about global and local community issues, and the application of a self-assessment instrument based on a reference model with four pillars and 12 points for analysis.
- **Creation of Methodological Support Groups**, made up by teachers, researchers and local consultants, dealing with subjects related to logistics, foreign trade and ports. The goal is to create density of national and local work concerning these subjects and to support technical assistance projects to fledging port logistics communities. This programme has provided technical collaboration in defining and implementing initiatives and projects for Strategic Plans and Governance Logistics in Manzanillo and Veracruz in Mexico, Buenaventura in Colombia, Balboa and Colon in Panama, Mejillones in Chile, and Callao in Peru. Funding for these activities to define strategic plans has been provided by various sources, either governmental (National Port Authority, in the case of Peru) or private institutions (Chamber of Commerce of Buenaventura, in the case of Colombia). At present, the programme has working links with 30 universities in the region.
- **Training Workshops for the Industrial Sector**, designed to deliver and disseminate knowledge on port logistics (*landside*), foreign trade and logistics technologies, to the stakeholders of the port logistics chain for each port. This two-day activity includes a technical visit for participants to port and transport facilities, as well as facilities for handling empty containers.

Based on the review of the institutional framework and governance in the ports and their logistic port communities, it has been proved that the D&C Ports Network Programme makes a proposal that effectively adds value by introducing the concept and emphasizing the need of strengthening public-private partnerships in ports and among the different actors participating in foreign trade activities. Logistic port communities entail new concepts of governance that, under a strategic thinking and common vision, unify the network of logistic services for a maritime territory. As a challenge, these logistic port communities have to be transformed into industrial clusters that not only focus on their value chains, but also strengthen links with productive local chains, and science, technology and innovation.

Moreover, the work conducted during the activities of the D&C Ports Network Programme have evidenced an important gap in the links of the logistics and port sectors, involving both the private stakeholders who operate or are users of the ports and the public agencies responsible for the regulations and definition of public policies in the sector, and the academic and research centres. Unlike countries in Europe and Asia, in Latin America and the Caribbean there is a significant backwardness as regards these matters, both in offering academic programmes specialized in these subjects, and in the development of research and innovation projects with universities. Therefore, the D&C Ports Network Programme represents a very significant contribution so that the region can promote greater linkages between these sectors, and also consider the participation of public and private organizations as well as universities.

Therefore, it is evident that there is a need to move ahead in the area of sustainability of the D&C Ports Network Programme and towards the effective creation of the D&C Ports Network in order to maintain levels of recognition, legitimacy and cohesion among its members, and promote the best practices identified for the port logistic chain, while contributes to keep common principles and objectives among participants, to organize activities to achieve such objectives, and to disseminate information and specific knowledge.

Thus, a proposal is made for this Programme to start developing Phase III in 2017, which will be a transition between the D&C Ports Network Programme and the effective creation of the network. This is very relevant, since the process to consolidate port communities and socialize the best practices promoted by the Programme requires time and, in the current phase of execution, the programme is not in the proper conditions of operate in an independent way and immediately reach its objective of creating the D&C Ports Network.

It must be mentioned that within the framework of the First Latin American and Caribbean Meeting of Logistic Port Communities, held in Panama from 14 to 16 July 2016, the representatives of the participating Member States and of the port systems linked to the Programme made the following specific recommendations:

- The Permanent Secretariat of SELA should continue as executing entity with Phase III, as proposed, with the technical and financial support from CAF-development bank of Latin America, through the proposal and signing of a new non-refundable technical cooperation agreement.
- The Programme for the Creation of the Latin American and Caribbean Network of Digital and Collaborative Ports, in its transition towards the effective creation of the Network, should count on the collaborative work of three technical committees, namely: Research and Innovation; Port Governance and Competitiveness, and Public Policies on Ports.
- A Transitional Advisory Directory should be created, made up by delegates of the various technical committees elected by their peers.

Thus, in the transition during Phase III of the Programme, a proposal is made to create a temporary directory of an advisory nature, and that both SELA and CAF-development bank of Latin America continue to exert the same role that they have played to date, under the terms to be established in a new non-refundable Technical Cooperation Agreement between the two organisations. During this Phase III, the Network is expected to generate greater group maturity and cohesion, that allows for laying the necessary foundations so that, once this period is over, it may be formally established with legal personality. Ideally, Phase III should last two years, in order to ensure continuity of the activities, incorporate new port communities, and thus increase the coverage of the Network. Therefore, a proposal is made to start this Phase III during 2017.

On the other hand, it is important to highlight the need to formalize the different types of collaboration included in the programme, which so far have been operating based on willingness, but that should certainly move toward a higher formalization for the benefit of the Programme and to ensure the commitment of knowledge, time and effort to the activities of the Network. For this purpose, a recommendation was made in the first Regional Meeting on the Programme, carried out in July 2016 in Panama City, to sign a Memorandum of Understanding among the partners, in order to formalize the commitment of participants with an eye on the objective of constituting the network with its legal personality within a two-year period.

44

B. Objectives

1. Implement a temporary organizational structure that manages the governance structure and the collaborative activities proposed in the Institutional Model for the network, as developed in Phase II of the Programme. Such structure will be managed jointly with representatives of the nine (9) countries participating in Phases I and II, as agreed to in the Memorandum of Understanding signed by the members of the Programme in 2016.
2. Make progress with the early stages of conceptualization, mobilization of members and strategic planning in nine (9) new port communities during 2017 communities: Port of Lazaro Cardenas in Mexico, Dominican Republic and Jamaica in the Caribbean, Buenos Aires in Argentina, Santos in Brazil, Barranquilla in Colombia, Manta in Ecuador, Ilo in Peru, and Biobío in Chile.
3. Continue with training and capacity building activities in the Workshops on "Management of the Port Logistics Chain" in the ports that have been associated to the Programme at least for one year.
4. Continue to conduct the Annual Survey on the Status of Implementation of the Measures proposed by the Reference Model for Competitiveness and Port Logistics Chain Management.
5. Develop the technical contents for trainings and workshops in conjunction with local universities, and design a model of quantitative indicators of management for the port logistics chain interfaces, thus allowing for performing *benchmark* among the members of the Network and other port realities worldwide.
6. Facilitate the design of proposals and projects for Strategic Planning and Governance of Port Logistics Communities, along with government leaders, port authorities and local public and private groups, as agents of these processes of change.
7. Conduct the Second Regional Meeting of Port Logistics Communities in Cartagena de Indias, Colombia, in 2017, with the co-sponsoring of local collaborators. Cartagena has been confirmed as the venue for this event.
8. In 2018, the Programme is expected to make strides towards the stages of conceptualization, mobilization of members and strategic planning in 10 new regional port communities: ports of Guatemala, Nicaragua, Honduras, El Salvador and Costa Rica in Central America; Barbados and Cuba, in the Caribbean; Venezuela, Zarate in Argentina, and Rio de Janeiro in Brazil. In addition, the final model for institutionalization of the network should be developed, so as to guide its constitution as a legal entity by the end of Phase III.

C. Expected results

1. Establish the temporary organizational structure of the Network (Transitional Advisory Directory), in order to facilitate dissemination of activities from the Web site of the Programme, knowledge management, the annual regional meetings, and the tasks of the technical committees established since 2016 during the first Regional Meeting.
2. Technical Cooperation Activities: Make progress with the early stages of conceptualization, mobilization of members and strategic planning in new port communities, and with those that have been linked to the programme for at least one year, and to continue with training and capacity building activities at the Workshops on "Management of the Port Logistics Chains".
3. Apply the Annual Survey on the Status of Implementation of the Measures proposed by the Reference Model for Competitiveness and Port Logistics Chain Management, and report on its results.

4. Develop the technical contents for the training and capacity building workshops, and design a model of quantitative management indicators for interfaces of the port logistics chain.
5. Outline the definitive institutionalization model for the Network.
6. Hold the Regional Meeting on Port Logistics Communities.

D. Activities and schedule

Activities	Schedule
Design and establishment of transitional organizational structure: Charter of the Directing Committee and technical committees of the network and approval of the work plan 2017-2018	February
Technical Collaboration Activities N° 1 (technical visits and workshops in 9 new port communities)	January-June
Technical Collaboration Activities N° 2 (technical visits and workshops in 15 port communities)	January
Strategic diagnosis workshops in 9 new port communities	August-November
Dissemination at Regional Meeting on Single Windows 2017	October
Report on the Design of Quantitative Indicators of Interfaces CLP - Version 1, and the application N ° 2 of the annual survey on the degree of implementation	November
Final Report 2017	November
Presentation of Final Report at SELA	December

Activity I.4.2 II Latin American and Caribbean Regional Meeting of Logistic Port Communities

A. Background and justification

The First Latin American and Caribbean Meeting of Port Logistics Communities was held from 14 to 16 July 2016 in Panama City, Panama. It was organized by the Permanent Secretariat of the Latin American and Caribbean Economic System (SELA) within the framework of the non-refundable Technical Cooperation Agreement with CAF-development bank of Latin America.

The main objective of this event was to discuss the possibility of advancing towards a transition stage, to be developed during 2017 and 2018, which is expected to include activities that lead to the effective conformation of the Network of Digital and Collaborative Ports, whose governance and economic, market and operation models are sustainable in the medium and long terms.

The papers submitted in the meeting dealt with each one of the pillars proposed by the "Reference Model for the Competitiveness of the Port Logistics Chain", and its agenda included a specific section for discussion of the future challenges faced for the effective conformation of the LAC Network of Digital and Collaborative Ports. During that session, a proposal for a Model for the Sustainability of the Network was submitted. On the basis of such proposal, dynamics were developed that led to the necessary agreements for continuity of the Network and a Memorandum of Understanding among its members, which contains the minimum required

46

terms of collaboration for the conduction of the various activities envisaged in the transition phase.

In the first meeting, a recommendation was made to continue with the annual meetings and a proposal was made by the delegates of Cartagena, Colombia, so that the second Latin American and Caribbean Meeting on Port Logistics Communities is organized in that city, which was unanimously approved by the participants.

B. Objectives

1. Disseminate the strategic plans that will be implemented within the framework of the Programme for the Creation of the Network of Digital and Collaborative Ports, and the best practices that allow for moving ahead with the implementation of the measures and tools proposed by the "Reference Model for the Competitiveness of the Port Logistics Chain".
2. Contribute to the intra-regional dialogue and to achieve concerted action leading to the effective creation of the Network of Digital and Collaborative Ports, whose governance and market, economic and operational models are sustainable in the medium and long terms.
3. Promote that each port turns itself into a node of competitive and sustainable development, based on strengthening its port logistics community and its local support networks.
4. Provide support to technical cooperation and collaborative mechanisms, according to the life cycle of each port community linked to the Programme.
5. Submit the results of the collaborative work carried out by the three technical committees provided for the Transition Stage of the Programme: Research and Innovation; Governance and Port Competitiveness and Port Policies.
6. Present and provide feedback to the activities carried out by the Transitional Advisory Directory, created to guide collaborative work during the transition stage of the Programme towards the effective establishment of the Network.
7. Intensify the debates in port communities, so that they include medium and long term strategic definitions and lead to creating multidisciplinary task teams according to priorities in terms of competitiveness and sustainability.

C. Expected results

Conduction of the Second Latin American and Caribbean Meeting on Port Logistics Communities, as part of the strategies for cohesion and dissemination of the works carried out for starting the transition stage of the Programme, developed with the purpose of achieving the effective conformation of the Network of Digital and Collaborative Ports. A proposal is made for the participation of representatives of those Port Communities linked to the Programme, as well as ministerial bodies related to this subject and other organizations interested in contributing to the collaborative work within this context.

D. Activities and schedule

Activities	Schedule
Planning and organization of the II Latin American and Caribbean Regional Meeting of Logistic Port Communities	March-July
Holding of the II Latin American and Caribbean Regional Meeting of Logistic Port Communities	July

PROGRAMME: INFORMATION AND COMMUNICATIONS TECHNOLOGIES AND KNOWLEDGE SOCIETY

PROJECT I.5. Strengthening the statistical information system on SELA's Web site

Activity I.5.1. Development of an interactive system for the management of databases and economic statistics on SELA's Web site

A. Background and justification

In 2016, in response to the fact that until previous year the statistical information that SELA offered to its Member States and the public in general was very limited, the Permanent Secretariat created an interactive system for the management of databases specialized in statistical information, with particular emphasis on the information systematized through the Direction of Studies and Proposals. The optimization of such system is foreseen for 2017 in order to enhance its usefulness.

B. Objectives

1. Update, regularly, the databases that make up the system, primarily based on the information derived from the studies carried out by the Direction of Studies and Proposals of SELA.
2. Include new dynamic tools and elements to boost the capacity of the system in order to add value to the information provided, thanks to a versatile and user-friendly management.

C. Expected results

A regularly updated, dynamic and efficient tool, which can provide increased added value through the incorporation of technological elements that optimize the visualization and optimization of statistical information whose value and utility can be perceived and recognized by its users.

D. Activities and schedule

Activities	Schedule
System update	Throughout the year

Activity I.5.2. Network for strategic alliances in Latin America and the Caribbean

A. Background and justification

In order to support the integration process in Latin America and the Caribbean, the Permanent Secretariat of SELA has regularly included in its work programmes several initiatives that promote the creation of strategic alliances among enterprises operating in the same sector. Greater trade exchanges not only encourage complementarity and productivity among Member States, but can also contribute to strengthening cultural ties, cooperation and convergence.

48

However, part of the difficulties facing the promotion of business and trade activities in the region has to do with the lack of a system with detailed information on business opportunities in the Member States of the different integration mechanisms. In general, there are not many previous experiences of reliable databases where it is possible to locate business partners or for companies to publish their profiles. However, these tools are essential to promote business, research and technological exchanges.

Thus, for instance, one of the main conclusions drawn from the discussions of the “Seminar on Strategies and Methodologies for Caribbean and Central American Productive Articulation, Clusters and Export Consortiums”, carried out by the Permanent Secretariat of SELA in July 2016, reaffirms the need for processes of identification and selection of enterprises, identifying opportunities for collaboration. These processes must take into account aspects such as the size of enterprises, their objectives, and the economic sector where they operate, among other elements.

Europe, for example, has the *Enterprise Europe Network* that provides information and assistance to those companies interested in establishing business relationships and gain detailed knowledge about sanitary or legal aspects, tariff rates, formalities concerning import and export processes, and the rules of origin required by the different countries of the Community. In Latin America we have the pioneering experience MERCOSUR’s Productive Integration Group, which may be a reference to disseminate and expand these cooperation tools to broader levels in the region. This initiative not only pursues greater mutual recognition in productive matters, but also to create a space so that countries may expose the scope and objectives of their business strategies and industrial policies. This is an analysis that must be made in a regular way based on the set of relevant indicators. In this way, this activity complements and justifies Activity I.2.2 concerning the assessment and monitoring of regional trade.

B. Objectives

1. Design processes for the selection of enterprises that allow for identifying opportunities for collaboration, according to the size of enterprises, their objectives, and the economic sector where they work, among other aspects.
2. Provide information and assistance to the negotiators to establish business relationships and gain detailed knowledge about legal aspects, tariff rates, procedures in import and export processes and the rules of origin required by the different countries of the region.

C. Expected results

A portal through which different commercial representation offices can disseminate information about their products and services, specially structured so as to identify the sectors where there can be greater cooperation, and to find up-to-date information on business opportunities and legal frameworks conditioning trade flows.

D. Activities and schedule

Activities	Schedule
Preparation of Terms of Reference	August-
Design of the Network	September - November
Regional Meeting	December

PROJECT I.6. Management and coordination of specialized portals**Activity I.6.1. Management and maintenance of the specialized portal on the Community of Latin American and Caribbean States (CELAC)****A. Background and justification**

With the creation and maintenance of this specialized Web portal, the Permanent Secretariat of SELA complies with Decision 527, "Links between the Permanent Secretariat of SELA and its Work Programme with the process of creation of the Community of Latin American and Caribbean States (CELAC)", taken at the XXXVIII Regular Meeting of the Latin American Council (Caracas, 17 to 19 October 2012).

To date, this portal constitutes the most complete Web site on information generated by the CELAC: from the Caracas Declaration, signed on 3 December 2011 during the ceremony in which it was created, as well as all the documents relating to the Caracas Action Plan, declarations, procedures and special communiqués, in Spanish, English and French, signed on 2 and 3 December of that same year, including the documents stemming from the three CELAC Summits and the two EU-CELAC Summits held thus far, and the documents arising from the meetings of national coordinators and other bodies of the Community.

B. Objectives

Continue with the process of dissemination of the nature, objectives, functions, activities and, in particular, the intellectual production of CELAC, especially among its Member States and the rest of the world.

C. Expected results

A specialized Web portal that remains a benchmark and provides timely and systematic information, relevant and up-to-date, especially that information generated by the umbrella organization for Latin American and Caribbean integration, in order to provide the citizens of Latin American and Caribbean countries and other regions of the world and, in general, planners, scholars and persons interested in the integration and development of Latin America and the Caribbean, with a current perspective on the challenges and opportunities of the present and the future.

D. Activities and schedule

Activities	Schedule
Timely uploading of the documents produced by the CELAC and information on various events organised by the <i>Pro Tempore</i> Presidency of the Community.	Throughout the year

50

Activity I.6.2. 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

In 2010, in Mexico, the XXI Meeting of International Cooperation Directors for Latin America and the Caribbean, organized by the Permanent Secretariat of SELA with the support of the Perez-Guerrero Trust Fund of the Group of 77, decided to create a Web site that constitutes a reliable source of relevant, timely and updated information to effectively support their work. In turn, this decision was based on Decision No. 156 of the Latin American Council of SELA, which designated the Permanent Secretariat as the "Regional Focal Point for the exchange of information on Technical Cooperation among Developing Countries".

Since then, through this portal, the Permanent Secretariat has been disseminating systematic and, selected information on South-South Cooperation and Triangular Cooperation, highlighting the value that both modalities of international cooperation have acquired in the region, thanks to the impact that cooperation instruments have on economic and social development policies aimed at promoting initiatives that lead to the economic and social well-being of the people in the region.

A specific contribution made by the Permanent Secretariat of SELA associated with the operation of this Web site has been the intensification of the exchanges of information and documents on cooperation and technical assistance in Latin America and the Caribbean.

B. Objectives

For the year 2017, the fundamental objective of this Web portal is the same one raised since its inception, that is, to collect, select, systematize and disseminate relevant and up-to-date information and documents on South-South Cooperation in the region, especially among the International Cooperation Directors for Latin America and the Caribbean, the various stakeholders of regional cooperation, and the users of SELA's cooperation network.

C. Expected results

1. Develop and keep up-to-date the specialized Web portal on South-South Cooperation for International Cooperation Directors for Latin America and the Caribbean, on SELA's Web site.
2. Enrich the reservoir of information of the portal with information stemming from other regions of potential interest for the region, in terms of an intelligent and strategic transfer of experiences and best practices in other regions.

D. Activities and schedule

Activities	Schedule
Adaptation and update of the Portal on South-South Cooperation	Throughout the year

Activity I.6.3. Management and maintenance of the specialized portal on Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean

A. Background and justification

At present, the growing importance of public-private partnerships not only is not in doubt, but their utility every day gains more enthusiasts in the world, who are determined to contribute to promote progresses in the area of disaster risk reduction in Latin America and the Caribbean. This is due to the recognition of the great support that the private sector can provide to the public sector in the event of disasters.

We must emphasize that public-private partnerships are a key issue on the agenda of regional organizations such as the United Nations Office for Disaster Risk Reduction (UN/ISDR) and the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) and, of course, the Permanent Secretariat of SELA, which has been working cooperatively and with much interest with those two agencies of the United Nations.

For 2017, it is imperative for the Permanent Secretariat to continue strengthening this space so that it can concentrate, systematize and disseminate all the information and documents as regards this matter, generated at the regional level. In investing resources in this tool, the ultimate goal of the Permanent Secretariat is to help the Member States of SELA and, in general the population of the region, with a source of information that facilitates actions before, during and after an adverse event. That way, the Permanent Secretariat of SELA contributes to increase the effectiveness of make risk management and humanitarian assistance in the region.

B. Objectives

1. Collect, select, organize, systematize and disseminate information, documents and successful experiences on public-private partnerships for disaster risk reduction in Latin America and the Caribbean.
2. Identify private sector enterprises and associations in Latin America and the Caribbean interested in contributing to disaster risk reduction.
3. Make special emphasis on the dissemination of information generated by entities, such as CAPRADE, CDEMA, CEPREDENAC, REHU, CELAC, UN/ISDR and OCHA, and by other instances, such 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 Mechanisms for International Humanitarian Assistance".

C. Expected results

1. Maintenance, update and enrichment of the Web site on Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean.
2. Support the actions of actors such as CAPRADE, CDEMA, CEPREDENAC, REHU, CELAC, as well as UN/ISDR and OCHA in the fulfilment of their mandates.

52**D. Activities and schedule**

Activities	Schedule
Maintenance and update of the portal on Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean	Throughout the year

Activity I.6.4. Management and maintenance of the specialized portal on Free Trade Zones in Latin America and the Caribbean**A. Background and justification**

With the creation of this Web portal, the Permanent Secretariat of SELA complied with the mandate received from the First Conference of Government Authorities in charge of Free-Trade Zones in Latin America and the Caribbean (Cali, Colombia, 20 and 21 September 2012). Such decision response to the need for a virtual space that facilitates the exchange of information and knowledge about free trade zones, industrial zones and services in Latin America and the Caribbean.

As a matter of fact, faithful to the purpose of its creation, this Web site promotes knowledge about free trade zones and export processing zones, productive diversification, foreign investment, and transfer of technology in the region.

B. Objectives

Gather and disseminate information on Free Trade Zones in Latin America and the Caribbean and incorporate changes that contribute to enhance the value and usefulness of this tool.

C. Expected results

A Web portal containing relevant and up-to-date information on the operation of Free Trade Zones in Latin American and Caribbean countries, which contributes, in an effective manner, to complying with the objectives of its creation.

D. Activities and schedule

Activities	Schedule
Regular updating in terms of new Free Trade Zones created or eliminated, the emergence of new legislations and new public policies governing Free Trade Zones in different countries.	Throughout the year

Activity I.6.5. Management and maintenance of the specialized portal on SELA-SMEs**A. Background and justification**

The current portal on the SELA-SMEs Programme started operations in 2015, even though its construction had begun the previous year. This specialized portal provides information and

documents on various topics such as: Public Policies; Productive Articulation; Internationalization; Innovation, ICTs, Competitiveness and Productivity; Financing and Guarantees; Entrepreneurship; Gender Equity; and Corporate Social Responsibility, among others. In addition, it provides links to regional and international institutions dealing with the issue of SMEs, as well as a directory of business and governmental focal points for SMEs in the Member States of SELA. It also has a compilation, by country, of major legislations and legal frameworks for SMEs in the Member States of SELA.

B. Objectives

1. Gather, select, systematize and disseminate up-to-date information on SMEs in Latin America and the Caribbean, in accordance with the areas defined in the SELA-SMEs programme, namely: Innovation; Entrepreneurship, Partnerships, Internationalization, and Access to Financing, with particular emphasis on the dissemination of strategies and public policies for SMEs in the countries of the region.
2. Support the cooperation actions of the Permanent Secretariat for the creation and strengthening of SMEs in Latin America and the Caribbean.
3. Strengthen SELA's network of contacts with public and private entities.

C. Expected results

Manage the Web portal and keep it up to date, based on the inputs provided by the SELA-SMEs Programme, with a view to facilitating the dissemination and exchange of information and knowledge associated to the main developments that have occurred in the field of SMEs, in the Member States of SELA.

D. Activities and schedule

Activities	Schedule
Permanent update of the portal	Throughout the year

Activity I.6.6. Management 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, in order to make strides with Phase II of the Programme for the Creation of the Network of Digital and Collaborative Ports, the Permanent Secretariat has included in its Work Programme this activity to design and set up an specialized Web portal on the Network of Digital and Collaborative Ports. It includes an application with collaborative information tools that allow for the dissemination of the results and knowledge generated within the network, as well as the possibility of keeping closer contact and interact with different port communities participating in the project, the methodological support groups and the public and private institutions related to the programme.

This specialized portal was submitted at the First Latin American and Caribbean Meeting of Port Logistics Communities, held in Panama, from 14 to 16 July 2016. The Web portal was designed

54

and built on the basis of two environments: A public one and a private one for collaborative work.

The address to access the public environment is: <http://www.sela.org/redpuertos/>, and its home page includes a "*premium area*" in which it is possible to see photos, documents, news, promotion events, among other things, of great interest for the users of the Network of Digital and Collaborative Ports. The home page also includes a direct access to the Reference Model that serves as a guideline to the Programme for the Creation of the Network, the events and the directory. It also shows the most recent documents that form part of the Document Database and the latest news on the subject. The main navigation bar includes the "Login" section, to access the private environment of the Web portal.

By clicking on "Login", the system presents a screen requesting the "username" and "password", after which it leads the user to the collaborative platform on digital ports. This allows users to share different functionalities on a workspace, thus making it possible to share documents, notifications, assign tasks, and set schedules, among other possibilities for collaborative work.

Once the Working Groups of the Network are created – which will correspond to the Technical Committees agreed upon at the First Latin American and Caribbean Meeting on Port Logistics Communities – the Permanent Secretariat expects to start collaborative in each one of them, making use of the facilities provided by the private portal environment.

B. Objectives

Keep the specialized portal on the Network of Digital and Collaborative Ports up to date and functional, in order to disseminate, transfer, and share knowledge and information generated within the context of this Programme and other related instances, so as to provide dissemination and collaborative work elements that contribute to make progress towards the institutionalization of the Network of Digital and Collaborative Ports promoted by the Permanent Secretariat of SELA.

C. Expected results

1. A specialized portal as a key tool for the institutionalization of the Network of Digital and Collaborative Ports, duly updated.
2. Conduction of a training day for the members of the Transitional Advisory Directory on the functionalities of the private environment for collaborative work, so that they can take the best advantage of it.

D. Activities and schedule

Activities	Schedule
Realization of collaborative Web training	March
Maintenance and update of the portal	Regular activity

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. Seminar on approaches and methodologies for the formulation, evaluation and monitoring of public policies in Latin America and the Caribbean

A. Background and justification

The flourishing relations of interdependence among States and the interconnections between various sectors of society that characterize a globalized world have led public sectors – although still a matter of State – to be no longer aliens to the influence of the international scene. Therefore, public policies, which are mechanisms through which the public sector plans, executes and seeks results – are operating in a constantly changing and complex environment with multiple interests.

This new scenario highlights the need for rethinking the design, implementation and evaluation of public policies, and updating their goals and objectives. Consequently, considering new tools and methodologies in the area of public policies emerges as a necessary and urgent initiative in view of the challenges and difficulties that all the countries in the region must deal with in order to address their growing economic and social demands.

The reform of public sector management is not a new issue, but it had always been focused mainly on seeking maximum efficiency through the professionalization of the civil service. The contents of the formulation, implementation, monitoring, control and evaluation of the impact of public policies have evolved, and hence the need to develop initiatives that allow for technical and professional updating for the officials responsible for defining and implementing public policies in the region.

The new approaches to public policies must bridge the gap between the expected results and the impacts achieved. For this reason, it is necessary to facilitate the bonds between the governments and the citizens into a project supported by transparency, confidence, respect for institutions, so as to build and execute a public service that meets the interests of the State, which effectively and efficiently responds to the needs of citizens, and enables development and social welfare.

As a result, public officials in charge of the area of public policies should count on relevant information enabling them to develop the appropriate mindset and perspective for having a responsible, effective and efficient approach to public management, by gaining modern technical know-how and applying proven effective professional methods.

56**B. Objectives**

1. Train participants in the management and mastery of the necessary tools for the formulation, management, monitoring and evaluation of the impact of public policies, and provide them with the necessary knowledge for the proper functioning of public management, which include: innovation in public management; design, monitoring and evaluation of public policies; human talent management; negotiation, mediation and conflict resolution; e-government; open government; quality management of public policies, and inclusion of citizen participation, among others.
2. Exchange experiences among those officials responsible for the formulation, management, monitoring and evaluation of impact of public policies in the Member States, along with the participation of well recognized academic institutions in the region.
3. Share initiatives to improve relations of governments with other sectors of society that play an important role in obtaining results from the public policies applied.

C. Expected results

1. Conduction of the Seminar on approaches and methodologies for the formulation, evaluation and monitoring of public policies in Latin America and the Caribbean.
2. Training, capacity building and updating of concepts and technical tools for the formulation and management of public policies in the Member States.

D. Activities and schedule

Activities	Schedule
Design of the Workshop on approaches and methodologies for the design, management, monitoring and evaluation of the impact of public policies in Latin America and the Caribbean.	March - May
Conduction of the workshop on approaches and methodologies for the design, management, monitoring and evaluation of the impact of public policies in Latin America and the Caribbean.	July

Activity II.1.2. VI Regional Meeting on “Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean”

A. Background and justification

Disaster risk reduction and humanitarian aid are subjects of high priority at the international level, and Latin America and the Caribbean has attached them special relevance due to the impact of natural disasters in the region.

During the Third UN World Conference on Disaster Risk Reduction, held in March 2015 in Japan, participants approved the *Sendai Framework for Disaster Risk Reduction 2015-2030*, which emphasizes the need for the public and private sectors to work more closely and create opportunities for joint action, so that companies integrate disaster risk reduction into their management practices.

The creation of alliances between the public and private sectors for disaster risk reduction is now a priority for Latin American and Caribbean institutions specialised in risk management, and the actions carried out in this area are coordinated and supported in the region by the United Nations system, specifically by the United Nations Office for Disaster Risk Reduction (UN/ISDR) and by the United Nations Office for the Coordination of Humanitarian Affairs (OCHA), with which the Permanent Secretariat of SELA has been working on this matter in close coordination and collaboration.

The "V Regional Meeting on Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean" will be conducted in Santiago, Chile, on 6 and 7 October 2016. It will be organized by the Permanent Secretariat jointly with the National Emergency Office (ONEMI), the Ministry of the Interior and Public Security of the Republic of Chile and the United Nations Office for Disaster Risk Reduction (UN/ISDR). The objectives of this meeting are: i) Continue to promote partnerships for disaster risk reduction; ii) identify and analyse successful experiences in the area of risk management and disaster prevention from the perspective of corporate social responsibility; iii) Continue to support the coordination and cooperation of the work carried out by the UN/ISDR and OCHA in the field of strategic alliances between the public and private sectors for disaster risk reduction; and iv) Further promote continuity of government and business and operations during disaster situations, from a regional, comprehensive and forward-looking perspective.

For the year 2017, the Permanent Secretariat has scheduled the conduction of the VI Regional Meeting on "Partnerships between the public and private sectors for the Disaster Risk Reduction in Latin America and the Caribbean", jointly with the United Nations Regional Office of the Americas for Disaster Risk Reduction (UN/ISDR) in order to continue assessing the impact of disasters on critical and essential public and private services and sectors, so as to generate preventive policies and anticipate scenarios during disasters and catastrophes.

B. Objectives

1. Continue to promote the creation of public-private partnerships to promote disaster risk reduction.
2. Define and analyse critical and essential public and private sectors and services, and their performance vis-à-vis disasters, as well as preventive policies.
3. Continue to support the coordination and cooperation works carried out 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 continuity of government, business and operations during disaster situations.

C. Expected results

Conduction of the VI Regional Meeting on "Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean"

58**D. Activities and schedule**

Activities	Schedule
Preparation and convocation of the Regional Meeting on "Partnerships between the public and private sectors for disaster risk reduction in Latin America and the Caribbean".	February
Conduction of the VI Regional Meeting on "Partnerships between the public and private sectors for disaster risk reduction in Latin America and the Caribbean"	May

Activity II.1.3 Macroeconomic impact of natural disasters in Latin America and the Caribbean**A. Background and justification**

Beyond the human tragedy they generate, natural disasters have severe impacts on economic growth. They not only destroy the acquis of residential capital, infrastructure and the functioning of public services, but they also endanger future investment flows, taking long-term financial and budgetary implications.

Disasters affect production factors, employment, the composition of investment and even the distribution of income; and they also jeopardizes the economy's capacity to generate goods and services (although there is some debate about their effects on growth in the short and long term, there is no doubt about their adverse impact on wealth and well-being).

From this point of view, a natural disaster is an adverse shock of large proportions that affects productivity, development and the fight against poverty. Thus, understanding the policy implications and the costs associated with these eventualities is a necessity of the first order.

This activity seeks to measure the impacts that the most relevant natural disasters have had on the economic activity and the public expenditure over the last few years in Latin America and the Caribbean. To do so, the study will resort to an analysis of time series that allows for drawing the predicted path of income versus the observed path. This factual analysis allows for quantifying the macroeconomic impact of the natural event.

This activity also intends to review the series of policies that would help mitigate such adverse effects and assess policy implications. Of course, any analysis of this type should take into account the fact that these natural disasters have local and global dimensions that condition the strategy for risk management.

In this regard, the impact of direct or indirect effects depends not only on the severity of the natural disaster, but also on the size of the economy and other more idiosyncratic conditions that finally determine the magnitude of the costs and that have helped to identify a number of typologies that should be considered. Finally, it should be highlighted that there is abundant literature on these subject, which will be compiled and summarized in order to offer a quick guide for outlining public policies.

B. Objectives

1. Measure the impact that natural disasters have had on the economic activity and public expenditure.
2. Determine the type of impact, direct or indirect, on the main macroeconomic variables.
3. Compile, into a quick guide, the economic literature on the subject, for improving the design of public policies aimed at mitigating disaster risk.

C. Expected results

A document that collects the changes taking place in the main macroeconomic variables as a result of the occurrence of natural disasters.

D. Activities and schedule

Activities	Schedule
Preparation of the Terms of Reference	March
Preparation of the study	April-July
Translation and publication	August
Regional Meeting	September

Activity II.1.4. XXVIII Meeting of International Cooperation Directors for Latin America and the Caribbean: Cooperation on intellectual property

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 space for encounter for directors and cooperation agencies of the countries of Latin America and the Caribbean, for the exchange of ideas, experiences and best practices on various topics of importance on the agenda for cooperation and development assistance, from the Latin American and Caribbean perspective.

The Latin American Council of SELA has taken two decisions that have strengthened this event. In 1983, Decision No. 156 appointed the organization as "Regional focal point for the exchange of information on TCDC", and in 2012, Decision No. 538 referred to the "Meetings of International Cooperation Directors of Latin America and the Caribbean", in which the Latin American Council took note "with satisfaction, of the activities carried out by the Permanent Secretariat in the field of international cooperation, and especially those developed through the meetings of International Cooperation Directors for Latin America and the Caribbean". It also recognized the support provided by the Group of 77, through the Pérez Guerrero Trust Fund (PGTF), to the Permanent Secretariat to conduct these meetings and urged it to continue providing such valuable support with a view to further promoting the analysis and treatment of high priority issues on the international cooperation agenda and South-South Cooperation from the Latin American and Caribbean perspective.

For 2017, the XXVII Meeting of International Cooperation Directors plans to discuss the subject "Cooperation on intellectual property in Latin America and the Caribbean". This event is expected to count on the co-sponsorship of the Perez-Guerrero Trust Fund (PGTF) of the Group of 77 and

60

other specialized regional and international organizations, such as the World Intellectual Property Organization (WIPO).

Intellectual property is being addressed within the framework of the regional and subregional cooperation mechanisms as a matter of high priority for industrial development and the productive transformation and integration. In the Andean Community (CAN), the Common Regime on Intellectual Property (Decision 486) of the year 2000 regulates the granting of trademarks and patents, and protects industrial secrets and denominations of origin. In the Central American Integration System (SICA), the signing parties of the Protocol to the General Treaty on Central American Economic Integration (1993) agree to harmonize national legislations in the area of intellectual and industrial property. In the Caribbean Community (CARICOM), the Treaty of Chaguaramas (1973) defines the need for protecting property rights. In 1995, the Common Market of the South (MERCOSUR), with the aim of "promoting effective and adequate protection of intellectual property rights in trademarks, indications of provenance and designations of origin", decided to create the "Protocol on Harmonization of Standards on Intellectual Property" in the field of trademarks and indicators of origin and designations of origin. In turn, on 8 October 2015, the Member countries of the Pacific Alliance (AP), "recognizing that the adequate protection of industrial property and access to it represent a determining factor to spur regional development", signed the Joint Declaration of the Offices of Intellectual Property of the Pacific Alliance.

At the regional level, the Community of Latin American and Caribbean States (CELAC), at the II Meeting of High-Level Officials in Science and Technology (2014), established Working Groups on Human Talent and Knowledge Management. Likewise, in the Declaration of Belén (paragraph 14), stemming from the III Summit of Heads of State and Government of the CELAC, held in Costa Rica in 2015, a recommendation was made to strengthen the commitments in the area of technology transfer, financing and access to information, and intellectual property rights.

At the international level, within the framework of the 2030 Agenda for Sustainable Development, adopted in 2015, objective 9 on Sustainable Development (industry, innovation and infrastructure) establishes the need to "encourage innovation", specifically through an increase in scientific research and the enhancement of the technological capabilities of the industrial sectors, particularly in developing countries. Objective 17 (partnerships to achieve the objectives) calls for the collaboration between the governments, the private sector and society civil for mobilizing and reorienting resources depending on the compliance with the objectives of sustainable development by the year 2030.

Considering the importance of the issue of intellectual property at present because of its impact on industrial and technological development, innovation, science and technology and entrepreneurship, it was deemed appropriate to examine cooperation in the area of intellectual property in the countries of Latin America and the Caribbean.

It should be borne in mind that during 2016 the Permanent Secretariat, jointly with the government of Peru, through the Peruvian Agency of International Cooperation (APA), the Ministry of Foreign Affairs and the National Council on Science, Technology and Innovation (CONCYTEC), organized the XXVII Meeting of International Cooperation Directors and entities responsible for Science, Technology and Innovation, which took place in Lima, Peru, on 13 and 14 October.

B. Objectives

The general objectives of this XXVIII Meeting are as follows:

1. Present a general balance of the achievements in the field of regulatory frameworks, and of cooperation initiatives in the area of intellectual property, industrial property, copyright, trademarks and patents in Latin America and the Caribbean.
2. Promote cooperation and the exchange of experiences among the offices in charge of intellectual property in the Member States of SELA.
3. Exchange best practices and lessons learned in the area of cooperation on intellectual property.
4. Identify opportunities for International Cooperation; Triangular Cooperation and South-South Cooperation (SSC) in matters related to intellectual property, with the support and coordination of the focal points for international cooperation of America Latin and the Caribbean, as well as cooperation actions and initiatives that could be developed with regional and international agencies.

C. Expected results

1. Make a survey of the main cooperation initiatives developed thus far, both by Member States and regional and subregional institutions in the area of intellectual property.
2. Evaluate international cooperation, South-South Cooperation and Triangular Cooperation opportunities that are available to the countries of the region in the field of intellectual property in Latin America and the Caribbean.
3. Identify proposals and mechanisms for better use and coordination of international cooperation in the area of intellectual property.

D. Activities and schedule

The XXVIII Meeting of International Cooperation Directors for Latin America and the Caribbean will last for two days and will count on the participation of the national focal points responsible for international cooperation, regional e international organizations, bilateral and multilateral development agencies, as well as experts and others actors specialized in the area of intellectual property.

Activities	Schedule
Convocation of the XXVIII Meeting of International Cooperation Directors for Latin America and the Caribbean	March
Preparation of the study	March - May
Translation and publication	May
Conduction of the XXVIII Meeting of International Cooperation Directors for Latin America and the Caribbean	June

62

Activity II.1.5. Seminar on opportunities for international cooperation for Latin America and the Caribbean: Towards greater strengthening of regional cooperation

A. Background and justification

Since 1983, the Permanent Secretariat of SELA was designated as regional focal point for the exchange of information on Technical Cooperation among Developing Countries, through Decision No. 156, as adopted by the Latin American Council.

Since its inception, one of the fundamental objectives of SELA has been “to promote intra-regional cooperation, order to speed up the economic and social development of its members”. Hence, in 1987 SELA instituted the Meetings of Inter-Regional Cooperation Directors for Latin America and the Caribbean, in order to provide a space for meetings and exchanges of ideas and experiences among the main actors of international cooperation, fundamentally among the government focal points in charge of cooperation in the Member States, regional and international organizations, academic institutions and the private sector, but especially with bilateral development agencies of industrialized countries and the members of the Organization for Economic Cooperation and Development (OECD) that contribute cooperation resources to Latin American and Caribbean countries.

For the region and for the international cooperation authorities of Latin America and the Caribbean, it is important to know, from the region’s perspective, the various projects and cooperation initiatives that the international, bilateral, multilateral and even private stakeholders are implementing in Latin America and the Caribbean, so as to achieve a better and more efficient use of cooperation and to develop strategies to attract resources that may be available to the countries of the region, coming from different modalities of international cooperation.

International cooperation, Official Development Assistance and South-South Cooperation provide substantial resources that complement national budgets to encourage and promote development. The goal of contributing 0.7% of GDP to official assistance to development has only been reached by a few donor countries and the average ODA of the 27 countries that make up the Development Assistance Committee (DAC) stagnated at 0.3% of GDP (OECD, 2014). Paradoxically, despite such stagnation, total ODA has progressively increased since 2007, when it reached its lowest level in the last decade, standing at US\$ 116,000 million (ibid.), and rose to US\$ 137,200 million in 2014 (ibid.). However, Latin America and the Caribbean received only US\$ 10,079 million of that total for that same year (World Bank, 2014).

For this reason, it was deemed appropriate to organize a regional meeting so that bilateral and multilateral donors, as well as non-traditional donors (which are not members of the OECD or the DAC) can present a balance of the programmes, projects and initiatives that they are executing or are planning to undertake in Latin America and the Caribbean to the government authorities in charge of cooperation in the Member States. With this, it will be possible to achieve better coordination of regional cooperation and greater knowledge about it.

B. Objectives

1. Make a survey of the main initiatives for international cooperation and Official Development Assistance being promoted by bilateral and multilateral towards Latin America and the Caribbean.

2. Single out the main initiatives for regional cooperation, South-South Cooperation and Triangular Cooperation being developed in the region.
3. Identify innovative sources of regional and international cooperation.

C. Expected results

1. Create a meeting space for exchanges of information on the main initiatives for regional cooperation being implemented in the region, and facilitate the exchange of offers and demands for cooperation with bilateral and multilateral donors.
2. Contribute to promote greater coordination and synergies among the focal points in charge of international cooperation in Latin America and the Caribbean, as well as bilateral and multilateral donors.

D. Activities and schedule

Activities	Schedule
Convocation of the regional seminar	October
Conduction of the regional seminar	December

Activity II.1.6. Latin American and Caribbean cooperation in Trade and Competition. Joint UNCTAD-SELA project. VII Annual Meeting of the Working Group on Trade and Competition of Latin America and the Caribbean (WGTC)

A. Background and justification

Since 2008, the Permanent Secretariat of SELA has dealt with the subject of competition policy and its interaction with trade in the region through regional seminars with an important participation of trade and competition authorities of the Member States. In 2010, Decision N° 519 of the Latin American Council established the Working Group on Trade and Competition of America Latin and the Caribbean (WGTC), in which the Permanent Secretariat and the General Secretariat of the United Nations Conference on Trade and Development (UNCTAD) serve as Executive and Technical Secretariats, respectively.

The WGTC aims to achieve institutional strengthening in the countries of the region in the area of trade and competition, by facilitating the exchange of knowledge and experiences, promoting regional consultations and searching for economic and technical cooperation from both the region and the relevant international organizations working in the area.

The issue of policies on trade and competition in the region has been dealt with by the institutions for regional integration. In the case of 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 formed a Committee on Competition (CCM) and a Committee for the Defence of Competition (CDC), both stemming from the Protocol on Defence of Competition of MERCOSUR signed in 1996, which is the main standard approved by the organs of this mechanism in this matter and, in 2010, the group signed the Agreement on Defence of Competition of MERCOSUR. In turn, in 2008, the Caribbean Community (CARICOM) established the Commission on Competition, based on the competition policies established in the Treaty of Chaguaramas (2001). Central America institutionalized the Central American Forum on Competition, which has already held seven annual meetings.

64

In 2017, SELA plans to conduct the VII Annual Meeting of the Working Group on Trade and Competition of America Latin and the Caribbean, organized by the Permanent Secretariat of SELA and the General Secretariat of UNCTAD, which will allow for following up the subjects that are agreed upon in the VI Annual Meeting of the Working Group on Trade and Competition of Latin America and the Caribbean that will be carried out from 2 to 4 November 2016 on the island of Roatan, Honduras, in order to address the issues of harmonization of regulatory frameworks on trade and competition in the subregional integration mechanisms of Latin America and the Caribbean and the treatment of "dumping" in the legislations on trade and competition.

B. Objectives

1. Conduct, jointly with the General Secretariat of UNCTAD, the Inter-American Development Bank (IDB) and the host country, the VII Annual Meeting of the Working Group on Trade and Competition of Latin America and the Caribbean.
2. Exchange experiences between the authorities on Trade and Competition of the Member States on priority issues on the regional agenda, as they emerge on the basis of the consultations and deliberations during the meeting in Honduras.

C. Expected results

1. Prepare, based on the conclusions and recommendations of the VI Meeting of the WGTC, an analytical study on the subject that is considered of high regional priority in the area of Trade and Competition.
2. Organize the VII Annual Meeting of Working Group on Trade and Competition of Latin America and the Caribbean.

D. Activities and schedule

Activities	Schedule
Preparation of the study	June
Translation and publication	September
Organization and conduction of the VI Annual Meeting of the Working Group on Trade and Competition of Latin America and the Caribbean (WGTC)	September

PROGRAMME: SELA-SMEs

PROJECT II.2. Latin American and Caribbean Regional Programme for Small and Medium-sized Enterprises

Activity II.2.1 Public Policy Index for MSMEs in Latin America and the Caribbean (IPPALC). Follow-up Programme

A. Background and justification

The Public Policy Index for MSMEs in Latin America and the Caribbean (IPPALC) is a conceptual and methodological adaptation by the Permanent Secretariat of the Public Policy Index created and implemented since 2006 by the Organization for Economic Cooperation and

Development (OECD), in conjunction with the European Commission, the European Bank for Reconstruction and Development and the European Training Foundation.

The Public Policy Index for MSMEs is a tool designed to evaluate and monitor public policies aimed at encouraging the economic dynamism of MSMEs, thus enabling the evaluation of decision-making processes, ensuring the comparability of results among countries and facilitating the exchange of experiences in the field of public policies for MSMEs.

Since 2015, when the document "Methodological considerations for developing an Index of Public Policies for SMEs in Latin America and the Caribbean" was prepared and presented, the Permanent Secretariat has promoted the dissemination of this tool in order to promote its adoption and implementation in the region.

In this regard, and as a follow-up from the effort made in 2015, the Permanent Secretariat prepared in 2016 the document "Update Study on the Public Policy Index for SMEs in Latin America and the Caribbean (IPPALC)", which deals with the status of public policies for SMEs in the region and presents a detailed procedural framework for its implementation.

In July 2016, this study was presented during the "Regional Meeting on the Update Study on the Public Policy Index for SMEs in Latin America and the Caribbean (IPPALC)", held in San José, Costa Rica, with the co-sponsorship of the Ministry of Economy, Industry and Trade (MEIC). This event was attended by governmental focal points for SMEs of the Member States of SELA, as well as representatives of the OECD who expressed their interest in promoting the dissemination and implementation of the IPPALC in a joint effort with SELA.

In addition, the Work Programme of the Permanent Secretariat for 2016 includes a "Workshop on implementation of the Index of Public Policies for SMEs in Latin America and the Caribbean (IPPALC)", organized with the collaboration of the Authority for Micro, Small and Medium-sized Enterprises of Panama (AMPYME) and the OECD and held on 20 and 21 September in Panama City, Panama. The objectives of this activity are as follows: disseminate a standard methodology for the implementation of the IPPALC through practical exercises developed in the countries of the region; promote the use of the tool, showing the benefits of its implementation in optimizing the decision-making process; and identify the countries that meet the requirements for its implementation and express their interest in adopting the indicator.

The procedural framework designed by the Permanent Secretariat offers a detailed methodological process that conforms to the structural characteristics of the economies in the region. This implementation framework involves large institutional efforts that require the participation of different national bodies and the allocation of financial resources for the fulfilment of the procedures considered in its adoption. In this connection, and with a view to optimizing the use of this tool, the Permanent Secretariat is scheduled to conduct two technical workshops with those countries that are willing and prepared to implement the tool in the short term. In these workshops, an assessment will be made of the progress reported by these countries and the main strengths and weaknesses they have experienced in the implementation of the IPPALC.

66

B. Objectives

1. Recognize and evaluate the progress of countries in the implementation of the IPPALC.
2. Promote a space for synergy to share national experiences on the implementation of the IPPALC.
3. Optimize the procedural framework designed by the Permanent Secretariat for the successful implementation of the IPPALC.
4. Redesign the IPPALC according to the needs and characteristics of each country.

C. Expected results

1. Support the countries of the region in the successful implementation of the IPPALC.
2. Use an optimal procedural framework, designed to achieve the successful implementation of the IPPALC.
3. Develop technical notes on the construction of the Index.

D. Activities and schedule

Activities	Schedule
Planning and organization of the workshops	March-September
Conduction of two technical workshops	May-November

Activity II.2.2. Workshop to support entrepreneurs in the protection of intellectual property rights: Protection of trademarks and patents from the perspective of micro, small and medium-sized enterprises (MSMEs)

A. Background and justification

This is the era of entrepreneurship, and entrepreneurs are engaged in a revolution that is transforming and renewing the economies at the global level. Entrepreneurship has been one of the key factors for the promotion and creation of micro, small and medium-sized enterprises (MSMEs) around the world.

SMEs play a fundamental role in the economy of Latin America and the Caribbean (LAC) and its development. They represent 99% of the industrial fabric and generate 67% of sources of employment in the region. However, MSMEs in Latin America and the Caribbean face multiple challenges: i) low productivity; ii) low competitiveness and efficiency; iii) high degree of labour and tax informality; iv) limited growth and expansion; and v) low innovation. This last challenge has the greatest impact on the economic and trade performance of regional SMEs, since, in an economy that moves towards integration and globalization, the success of a good or a service in the market is determined by the role played by the *innovation factor*, which is enhanced through the development of entrepreneurial initiatives, among other things.

The differentiation of a product or service with respect to another is achieved through knowledge creation and application, both in manufacturing of goods (tangible assets) and creation and management of services (intangible assets).

That process of creating and applying knowledge in the manufacturing or processing of products (goods and services) is closely related to intellectual property, which is considered an intangible

asset of the company and has given rise to intellectual property rights. They are a key tool to manage the development of intellectual property in the economy and its interrelation with economic stakeholders who use it.

MSMEs are potentially the engine of innovation in Latin America and the Caribbean. However, they do not leverage their own innovative and creative capacity due to, among other factors, relative ignorance of the intellectual property system. Therefore, it is imperative for MSMEs and entrepreneurs to clearly understand this system, which includes patents, copyright, trademarks, industrial designs, geographical indications and databases.

The protection, management and enforcement of intellectual property are evident in rights and in the system itself, in which MSMEs find incentives to turn ideas into commercial assets with marketing value and ensure reinvestment for the creation of new knowledge.

This also promotes higher levels of competitiveness, since it prevents the imitation and counterfeiting of goods and services protected by intellectual property rights belonging to MSMEs.

B. Objectives

1. Show the usefulness and importance of the protection of intellectual property rights, especially those rights associated with patents and trademarks, for the marketing of goods and services offered by MSMEs.
2. Identify the various methods by which the protection of intellectual property rights can increase the commercial value of MSMEs.
3. Link the holding of intellectual property rights by MSMEs with the procurement of funds.
4. Understand the relationship between the protection of intellectual property rights and export opportunities for MSMEs.
5. Build the capacity of MSMEs to obtain and maintain intellectual property rights in internal and external markets.

C. Expected results

1. Thorough understanding of the usefulness and importance of the protection of intellectual property rights as a tool that facilitates the commercial activity of MSMEs.
2. Recognition of the intellectual property system as an effective tool for the management of intellectual property in order to provide MSMEs with additional capabilities, such as access to sources of financing; diversification of sources of income; and association with knowledge and research networks for better strategic-commercial performance.
3. Promotion of best practices in public policies, private or public-private initiatives that link the protection of intellectual property rights with the agendas for the promotion and support of MSMEs with the aim of promoting their growth and expansion, including their possible inclusion in international markets.
4. Preparation of a guide that provides MSMEs with a better understanding of the intellectual property system; describes the mechanisms for access to intellectual property rights; inform about the national and regional authorities in the field of intellectual property; and encourage and strengthen the protection of intellectual property rights of MSMEs in Latin America and the Caribbean.

68

D. Activities and schedule

Activities	Schedule
Preparation of the "Guide on the protection of intellectual property rights of MSMEs in Latin America and the Caribbean, with special reference to patents and trademarks"	January-March
Organization of the Training Workshop on the protection of Intellectual Property Rights of MSMEs in Latin America and the Caribbean	May

Activity II.2.3. Digital course on entrepreneurship in Latin America and the Caribbean**A. Background and justification**

The process through which an entrepreneurship initiative develops does not come from out of nothing and, most importantly, it is not limited to the mere conception of a different business idea.

There are many proposals that attempt to conceptualize the different stages of the entrepreneurship process and, although many are based on the points of view of the designer, it is possible to deduct a common reference framework that satisfactorily explains the evolution of the entrepreneurship process. Such stages are as follows: i) Evaluation and subsequent establishment of the idea: What is it? What do I want to do? Is it technically feasible and financially viable? and Is it based on adequate documentation?; ii) A business plan for the development of the good or service *per se*, i.e., the establishment of the business model and funding, as well as the operational plan of the company; iii) the legal registration of the business; iv) The completion of the financing required to start up the enterprise; and v) the insertion into the market through an appropriate marketing strategy that ensures the effective marketing of the good or service.

During the aforementioned stages, the entrepreneur faces bureaucratic and logistics processes that hinder and slow down the innovative dynamics. In addition, the asymmetries in terms of information results in a waste of financial, human, intellectual and social capital resources, as well as deficiencies in the development of a sustainable business plan. This situation is further compounded by the lack of committed linkage with *mentoring* systems by institutions in the innovative ecosystem. Finally, without an innovative ecosystem that favours the exchange of knowledge and technology transfer, innovation is compromised.

In response to the challenges that emerge during the evolution of entrepreneurship initiatives, it turns out to be urgent to empower entrepreneurs so that they can timely respond to such challenges, on the basis of solidly informed and documented decisions. In addition, entrepreneurs should count on tools that help them to plan, direct and promote their business in a sustainable manner, effectively manage risks and seize the opportunities offered by the market. Such tools are grouped in the following areas: i) Personal features; ii) Inter-personal skills; iii) Critical and creative skills; and iv) Practical skills.

The first area includes aspects such as: Entrepreneurial vision; Persistence and motivation in the long term; Willingness to run risks; Focus on achieving objectives, and Resilience. Inter-personal skills include: Effective negotiation, Oral and written skills; Capacity to establish and maintain

positive relationships; and Development and management of teamwork's and motivation towards the achievement of results through leadership. Critical and creative skills are as follows: Creative thinking to innovate; Design-oriented thinking to develop the idea and its business model; and Critical thinking for reflection and expansion of perspectives that facilitate problem resolution.

Finally, practical skills include: Establishing clear and feasible objectives; and planning and managing the financial, intellectual, human and social resources available to the company. In addition, it is necessary to emphasize the importance of Research and Development (R&D), depending on organizational aspects such as: production, logistics, marketing, business models, regulatory and legal protection systems, fiscal matters, infrastructure and technology.

B. Objectives

1. Train new entrepreneurs so that they can develop their entrepreneurship while taking advantage of the benefits offered by Information and Communications Technologies (ICTs).
2. Identify the obstacles that may arise during the development of the entrepreneurship project and may threaten the consolidation of the enterprise.
3. Provide tools to entrepreneurs that enable them to develop personal, inter-personal skills and practices so that they can overcome, in a timely and efficient manner, the obstacles inherent to the development of an entrepreneurial initiative.

C. Expected results

1. Organize and conduct, by virtual means, a workshop on entrepreneurship for new entrepreneurs.
2. Make the future entrepreneur recognize the obstacles that may arise throughout the process of development and consolidation of an entrepreneur project and business plan.
3. Train entrepreneurs to develop personal, inter-personal skills and practices that allow them to build a high-potential entrepreneurial basis and that link them to their enterprise ecosystem, so that they can take advantage of its benefits.
4. Build a culture of entrepreneurship that is based on the certainty that the evolution of an entrepreneurial project is gradual and incremental, and make contributions to it.

D. Activities and schedule

Activities	Schedule
Design of the digital course on entrepreneurship in Latin America and the Caribbean	December 2016-February
Conduction of the digital course on entrepreneurship in Latin America and the Caribbean	June - Agosto

70

Activity II.2.4 Regional Meeting on innovative mechanisms for financing and guarantees for MSMEs in Latin America and the Caribbean

A. Background and justification

In Latin America and the Caribbean, micro, small and medium-sized enterprises (MSMES) represent a great opportunity for regional social and economic development. In fact, they make up a large part of the private sector and significantly contribute to job creation. However, they face significant challenges, such as their high rate of informality, lack of innovation, and reduced growth as enterprises. Since they are usually established to cover a need, rather than to develop a business model, which is directly related to the main problem that they must face: *the difficulty to access financing*.

The issue of financing and guarantees for MSMEs has been dealt with on previous occasions by the Permanent Secretariat, in view of its importance and impact on these companies. The background to these activities should be recalled. It includes two meetings held by the Permanent Secretariat: The "Seminar-Workshop on Guarantee Systems in Central America" (San Salvador, El Salvador, 31 October to 1 November 2013) and the "Seminar-Workshop on Credit Guarantee Systems in the Caribbean" (Georgetown, Guyana, 14 and 15 October 2014). More recently, in 2015, the Permanent Secretariat conducted two activities to analyse this problem:

- i) The "Seminar on financing and support guarantees to SMEs in the Caribbean" (15 and 16 October 2015, in Kingston, Jamaica) which featured the "Pre-Feasibility Study on the Creation of a Regional Guarantee System for SMEs in the Caribbean" (SP/SFGA-PYMES-C/DT No. 2-15), and
- ii) The "Seminar on financing and support guarantees to SMEs in Central America" (3 and 4 September 2015, San Jose, Costa Rica), where the study "Financing and support guarantees to SMEs in Central America. Pre-feasibility study for the creation of a Regional Guarantee System for SMEs in Central America" (SP/SFGA-PYMES-CA/DT No. 2-15) was submitted.

The conclusions of both meetings led to actions and useful recommendations to continue strengthening guarantee and financial systems for MSMEs in the Caribbean and Central America. This new regional meeting will allow for following up the achievements made in terms of financing and guarantees in America Latin and the Caribbean and to analyse innovative forms of financing available to MSMEs. One aspect of particular interest will be the possibility of establishing a Regional Guarantee System for the Caribbean, for which it would be necessary to make strategic alliances with other regional organizations that favour its performance, such as CARICOM, CASME and the Caribbean Development Bank, among others.

B. Objectives

1. Identify innovative financial and guarantee mechanisms in Latin America and the Caribbean.
2. Follow up the agreements reached at the Central American and Caribbean subregional meetings on financing and guarantees.

C. Expected results

1. Analyse the opportunities for financing and guarantee for micro, small and medium-sized enterprises in Latin America and the Caribbean.
2. Make progress with the formation of the Caribbean Working Group to evaluate the feasibility of creating a regional guarantee system for the Caribbean subregion.
3. Contribute to the exchange of experiences for strengthening financing and guarantee systems in the region.

D. Activities and schedule

Activities	Schedule
Convocation of the Regional Meeting on innovative mechanisms for financing and guarantees for MSMEs in Latin America and the Caribbean	June
Conduction of the Regional Meeting on innovative mechanisms for financing and guarantees for MSMEs in Latin America and the Caribbean	September

Activity II.2.5 Training Workshop for MSMEs on continuity of business and operations vis-à-vis natural disasters**A. Background and justification**

Natural disasters in Latin America and the Caribbean continue to evidence the need to strengthen the preventive culture in society as a whole, but especially of micro, small and medium-sized enterprises (MSMEs) so as to ensure continuity of business and operations after disasters. This approach has prompted the creation of meeting spaces for the public and private sectors and the forging of partnerships in many countries in the region in order to mitigate the impact of disasters on the trade and exports sectors.

The social and economic impacts of disasters in the region has considerably increased, and such increase is not the exclusive consequence of climate change, but it is also associated with the levels and forms of occupation of the territory. Therefore, it can be said that such impacts are not the result of *more and worse disasters*, but of unsustainable development models.

Continuity of business and operations, understood as the capacity of an organization to continue to provide services and conduct business at acceptable levels after an interruption of its work, is aimed at the *survival of the organization*, and at prioritizing in advance which activities should continue to operate or recover in the shortest possible time in order to minimize the loss of markets, consumers and suppliers, among others. For this reason, protection measures for risk reduction are not enough, it is also necessary to define alternate strategies for operation located at a prudent distance from the site with potential of being affected by a disaster. The preparation in this area must be consistent and include all the staff of the organization or company.

Issues regarding this matter have been gathered in the best practices and international standards such as those of the Business Continuity Institute, NFPA 1600 and ISO 22301, which needed to standardize their contents. Continuity of business and operations in Latin America and the

72

Caribbean is crucial for the region, because it is vulnerable to different natural, anthropogenic or technological threats.

Also, there is a methodology basis for maintaining a programme on continuity of business and operations, which is applicable both to the private and the public sector. It includes: i) Appropriate empowerment at the different levels of the organization to endow governance – management and administration – to the permanent process of continuity of business and operations; ii) Identification of priority and urgent activities for recovery, as well as alternate work places and facilities; iii) Protection of information and databases, as well as development of *interoperability* of communications; iv) Establishment of strategies for continuity and recovery activities; and v) Updating of plans and programmes for verification and assurance of compliance with goals and objectives.

Taking into consideration the holistic approach that continuity of business and operations attaches to its area of action, it is no surprise that this discipline is gaining higher status and priority in the countries of the region. However, challenges remain such as its *institutionalization* throughout Latin America and the Caribbean, and throughout all the sectors of society, as well as the recognition of the importance of working with a strategy like this, because the fact that an organization has not been affected by a disaster, crisis or contingency that disrupts its operations does not make it immune to disaster risk in the region, or exempts it from the responsibility of being permanently prepared to face a worst-case scenario.

The organizations that must adopt this strategy are not only large companies or multinational enterprises, they also include MSMEs. And hence the need to train them in continuity of business and operations so that they can ensure their commercial and exporting activities in adverse conditions after the occurrence of a disaster.

The subject of continuity of business and operations has been addressed by the Permanent Secretariat of SELA, which has conducted to date five regional meetings on Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean, focusing attention on various issues such as protection of public and private investment in case of disasters, insurance against disasters, corporate social responsibility, and continuity of business and operations. On this latter issue, the Permanent Secretariat drafted two specific base studies that are very useful for MSMEs: "Continuity of operations (COOP) and continuity of government (COG): Implementation Guide for governments and local companies" (SP/III-SRASPPGRD/DT N° 2-14) and "Continuity of business and operations vis-à-vis disasters in Latin America and the Caribbean. Balance and recommendations" (SP/II-SR-ASPPGRD/DT N° 2-13).

B. Objectives

1. Provide participants with a vision of the risks and vulnerabilities to which MSMEs and their suppliers of goods and services are exposed, and how an adverse event could affect the continuity of their business and operations.
2. Raise awareness about the need to adopt a methodology or guidelines for effective risk management in their business model, and to provide a strategy that facilitates the articulation and implementation of a programme on continuity of business and operations in case of disasters.
3. Provide MSMEs with practical knowledge that allows to apply the rules and standards for continuity of business and operations their enterprises.

C. Expected results

1. Update knowledge about the methodologies, standards and norms for implementing plans for continuity of business and operations in MSMEs.
2. Contribute to developing the institutionalization of continuity of business and operations in a decentralized way.
3. Organize a face-to-face Workshop to train representatives of SMEs and trade union entities for MSMEs in Latin America and the Caribbean.
4. Draft a guide for continuity of business and operations of MSMEs vis-à-vis disaster scenarios.

D. Activities and schedule

Activities	Schedule
Design of the "Training Workshop for MSMEs on continuity of business and operations vis-à-vis natural disasters"	January
Conduction of the "Training Workshop for MSMEs on continuity of business and operations vis-à-vis natural disasters"	January - March
Preparation of the Guide on continuity of business and operations in MSMEs	March
Translation and publication	April

AREA III. EXTRA-REGIONAL RELATIONS

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

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

Activity III.1.1 Analysis of economic, trade and cooperation relations of Latin America and the Caribbean with the European Union

A. Background and justification

From the first bi-regional meeting in 1999 to the last high-level event carried out in June 2015, the summit diplomacy between Latin America and the Caribbean and the European Union (EU) has become a key element of the political and economic strategies of countries from both regions, especially in the field of international cooperation and regional integration. Therefore, the creation of the Community of Latin American and Caribbean States (CELAC) in 2011 represented a step of greater importance to rebalance and boost the bi-regional relationship at the institutional level.

The First CELAC-EU Summit (2013) took place in a context of ongoing European economic crisis and focused on the promotion of social and environmental investments from a sustainable development perspective. The II CELAC-EU Summit, held in 2015, established a clear bi-regional route based on the following themes: i) science, research, innovation and technology; ii) sustainable development; iii) regional integration and interconnectivity; iv) migration; v) education and employment; vi) world drug problem; vii) gender; viii) investments and entrepreneurship; ix) higher education; and x) citizen security.¹ At the subregional level, this high-level meeting reaffirmed the need to continue institutionalizing the EU-Cariforum Economic Partnership Agreement, the Partnership Agreement between the EU and Central America, and to resume discussions on the EU-MERCOSUR Agreement.²

The Permanent Secretariat has followed up these bi-regional meetings and has prepared different studies and documents that analyse the economic, commercial and cooperation relations between Latin America and the Caribbean and the Union European. For the forthcoming II CELAC-EU Summit in 2017, it is considered appropriate to prepare a study that analyses bi-regional relations after the British exit from the European Union and the impact and consequences of that action on the integration process.

B. Objectives

1. Analyse the economic and trade relations between Latin America and the Caribbean and the Union European;

¹ EU-CELAC Action Plan (2015).

² Brussels Declaration (2015).

2. Review the opportunities in cooperation relations between Latin America and the Caribbean and the European Union;
3. Outline policy proposals to boost and diversify such relations vis-à-vis the III CELAC-EU Summit, to be held in 2017.

C. Expected results

1. An analytical study on economic, trade and investment relations between Latin America and the Caribbean and the European Union based on mandates set forth in the Plan of Action agreed upon at the II CELAC-EU Summit (2015), including the Sustainable Development Goals (Agenda 2030), the EU Multi-annual Programme 2014-2020 and the EU Investment Mechanisms for Latin America and the Caribbean.
2. Assessment of the impact of the BREXIT on Latin America and the Caribbean and the European Union.

D. Activities and schedule

Activities	Schedule
Definition of the Terms of Reference	December 2016
Preparation of the study	January - March
Translation and publication	April

Activity III.1.2 Analysis of economic, trade and cooperation relations of Latin America and the Caribbean with the United States

A. Background and justification

The Permanent Secretariat of SELA has prepared several studies on the evolution and trends of relations between Latin America and the Caribbean and the United States. The most recent is entitled "Recent evolution of bilateral relations between Latin America and the Caribbean and the United States" (2013). Other studies include "U.S. Economic Relations with SELA Member Countries in a Time of Transition" (2012); "The Impact of U.S. Economic Trends and Policy on Latin American and Caribbean Countries" (2011) and "U.S. Trade Policy under the Obama Administration: Implications for SELA Member States" (2010).

Following up on this topic, the recommendations arising from the "Regional Meeting: The United States economic relations with Latin America and the Caribbean. Status and prospects" (Caracas, 18 October 2013), carried out by the Permanent Secretariat of SELA, stressed the need to develop additional studies on trade and investment relations, as well as other issues on the bilateral and subregional agenda of the United States with Latin America and the Caribbean, including the following: export and investment in tourism and other services; the shortage of air and maritime transportation, remittances, sanitary and technical barriers, differences in protection of investment, energy, and impact of the immigration reform, given the specificities of Central America, on the one hand, the Caribbean, on the other, and the countries that have not signed FTAs with the United States. In addition, a recommendation was made to deepen the analysis of trends in the growing trade of the region with new markets, such as China, and their impact on relations between Latin America and the Caribbean and the United States, and to prepare an update study that covers the whole Latin American and Caribbean region in order to gain knowledge about the status of international trade and investment issues between the countries

76

of the region and the United States, not limited to the main multilateral institutions responsible for protection of investment.

B. Objectives

Analyse the economic dynamics of the United States, with special emphasis on its trade policy actions that could have an impact on Latin American and Caribbean countries.

C. Expected results

An update study on economic, trade, investment and cooperation relations between the United States and Latin America and the Caribbean.

D. Activities and schedule

Activities	Schedule
Definition of the terms of reference of the analytical study, selection and hiring of consultant	December 2016
Preparation of the study	January - March
Translation and publication	May

Activity III.1.3 Analysis of economic, trade and cooperation relations of Latin America and the Caribbean with South Korea

A. Background and justification

The Latin American and Caribbean region continues to face multiple economic challenges that make it susceptible to the ups and downs of the dynamics of the international economy. A proof of this is the fact that the region's economic growth contracted by 0.4% in 2015 (ECLAC, 2015), and the average contraction by the end the year 2016 is expected to total 0.6% mainly due to the confluence of internal factors, such as stalled investment and reduced consumption, and of external factors, such as a decrease in demand levels and a fall in commodity prices. The latter factor was responsible for the 14% drop in regional exports in 2015.

In order to increase regional productivity and materialize the necessary structural economic shift towards more sophisticated activities, with a greater content of applied technical knowledge and aimed at diversifying production and increasing the export base, it is necessary to improve, among other things, public policies in the field of innovation, science, technology, employment and education. In this scenario, the experiences of Korea are helpful, serving as a learning tool that contributes to the design of a new economic model that is more favourable to Latin America and the Caribbean.

Korea, a country that for 20 years has been a member of the OECD, an organization that includes the world's largest economies, has been successful in economic and social development, having as fundamental pillars of its efforts the following: investment, innovation and human capital. The country has been able to become a high-income economy, with a strong export industry, broad scientific-technological capital, social cohesion, and educational achievements (OECD, 2015).

Recent leverage of Korea's model of development has been achieved through the *creative economy* approach. According to this approach, the revitalization of the economy occurs through the implementation of relevant public policies in the following areas: internationalisation of small and medium-sized enterprises; science and technology, and environmental sustainability – green growth – as well as the encouragement of private sector intensive in the use of knowledge to foster innovation and collaboration with the public sector.

Trade relations between Latin America and the Caribbean with the Asia-Pacific region have been expanding gradually since the 1980s. Exports to Asia-Pacific reached US\$ 16,200 million in 2014 (ECLAC, 2015), and imports from that region amounted to US\$ 24.600 million the same year. In this economic development model, relations between Korea and America Latin and the Caribbean play a crucial role, while seeking mutual benefits. The value of trade exchanges amounted to US\$ 500,000 in 2014 (East Asian Forum, 2015) and it is expected to increase to US\$ 700,000 million by 2020. However, trade relations are still at modest levels since the show high levels of concentration in exported/imported products, the destination markets and the industries that manufacture such products (ECLAC, 2015).

Cooperation for development has shown rising levels since 2000, totalling US\$ 100 million in 2013 (ECLAC, 2015), with an emphasis on mitigating social inequalities, strengthening administrative capacities and transparency of governments, and promoting sustainable development in the region.

Relations between the region and the Asian country must be revitalized, based on the fact that Latin America and the Caribbean can gain relevant knowledge about designing procedures and implementation of public policies from the exchange of experiences with the *Knowledge Sharing Programme*, or decentralize the region's sources of investment, which come mainly from China.

SELA considers that it would be very positive to reactivate the transpacific relations of its Member States with the Republic of Korea, by promoting the necessary mechanisms to go beyond their current status, which is framed only within the *Memorandum of Understanding between the Latin American Economic System (SELA) and the Korean Council on Latin America and the Caribbean (CCFTA)*, of 1999.

B. Objectives

1. Assess the current status of economic, trade and cooperation relations between the Republic of Korea and the Member States of SELA, with regional prospects and by country.
2. Exchange experiences on successful public policies that have contributed to the social and economic development of the Republic of Korea, with potential adaptation to the Latin American and Caribbean region.
3. Strengthen transpacific trade with the Republic of Korea, as well as the flows of development assistance channelled to Latin America and the Caribbean.
4. Contribute to the international insertion of Latin America and the Caribbean in the area of trade.

C. Expected results

1. Greater understanding and thorough reflection on the necessary potential and mechanisms for increasing transpacific trade and financial flows.

78

2. Use of the niches of opportunities for an appropriate destination and optimum utilization of financial, technological and physical resources designated for bilateral cooperation between the Republic of Korea and Latin America and the Caribbean.
3. Possibility for coordinating the public policies of the Member States of SELA, by learning from the successful experiences of the Republic of Korea, to achieve greater and better internationalization of their economies and a thriving technological development, within a framework of environmental sustainability.
4. Contribution to the consideration of alternatives that favour the economic and commercial structural changes in Latin America and the Caribbean, with timely mentoring from those extra-regional countries that have been successful in consolidating an initiative to change their model of economic development.

D. Activities and schedule

Activities	Schedule
Definition of the terms of reference	December 2016
Preparation of a study that analyses the current status of the economic, trade and cooperation relations of the Republic of Korea with Latin America and the Caribbean	March-May
Design of the meeting with the Member States of SELA and Korean agencies responsible for inter-regional relations with Latin America and the Caribbean (KOICA, KCLAC, EDCF) to discuss and reflect on the status of transpacific relations in the areas of trade and flows of aid for development in international cooperation, and to take positions based on that for the period 2017 and onwards.	May
Conduction of the meeting	June

DECISION N° 561

**AUDIT REPORT ON THE FINANCIAL STATEMENTS
OF THE PERMANENT SECRETARIAT AT 31 DECEMBER 2015**

THE LATIN AMERICAN COUNCIL,

HAVING SEEN:

Article 15, paragraph 5, and Article 31, paragraph 7, of the Panama Convention; and,

The Financial Statements of the Permanent Secretariat at 31 December 2015 and the Auditor's Reports that form part of document "Audit Report on the Financial Statements of the Permanent Secretariat at 31 December 2015" (SP/CL/XLII.O/DT N° 6-16).

DECIDES:

Sole Article: To approve the Audit Report on the Financial Statements of the Permanent Secretariat for the fiscal year from 1 January to 31 December 2015.

DECISION N° 562**APPOINTMENT OF AUDITORS FOR THE YEAR 2016****THE LATIN AMERICAN COUNCIL,****HAVING SEEN:**

Article 34 of the Permanent Secretariat Regulations which, among other provisions, stipulates that "in selecting the external auditor, an attempt will be made to rotate the position among the Member States, as far as it is possible, and considering the financial implications"; and

The audit services bids received by the Permanent Secretariat, encompassed in document "Audit proposal for the year 2016" (SP/CL/XLII.O/DT N° 7-16).

DECIDES:

Sole Article: To designate **PERALES, PISTONE & ASOCIADOS**, as the firm in charge of auditing the Financial Statements of the Permanent Secretariat for the period from 1 January to 31 December 2016, bearing in mind the rules that govern the System.

DECISION N° 563

DESIGNATION OF A MEMBER OF THE ADMINISTRATIVE TRIBUNAL OF SELA

THE LATIN AMERICAN COUNCIL,

HAVING SEEN:

Decision N° 370 from the Latin American Council; and

The document "Election of a Member of the Administrative Tribunal of SELA" (SP/CL/XLII.O/DT N° 8-16).

DECIDES:

Sole Article: Extend the term of João Grandino Rodas as Member of the Administrative Tribunal of the Latin American and Caribbean Economic System for the period from 1 January 2017 to 31 December 2019.

DECISION N° 564**ELECTION OF THE PERMANENT SECRETARY****THE LATIN AMERICAN COUNCIL,****CONSIDERING:**

That to the date of the conduction of the XLII Regular Meeting of the Latin American Council no candidates have been nominated for the election of the Permanent Secretary of SELA for the period 2017-2021;

That it is necessary to open up a period of time in order to allow for consultations among the Member States so that, on the basis of the important analyses made during the course of this meeting, progress can be made in evaluating the nominations for the position of Permanent Secretary of SELA;

The relevance of the position and the time required to carry out consultations in the corresponding capitals of the Member States;

DECIDES:

- Article 1:** To extend the mandate of the Permanent Secretary, Ambassador Roberto Guarnieri, for a period that does not exceed one year.
- Article 2:** To postpone the election of the Permanent Secretary of SELA for the period 2017-2021 until the conduction of a Special Meeting of the Latin American Council, which must be carried out within the first half of 2017, but not before the first quarter of the year.
- Article 3:** Instruct the Permanent Secretary to convene within the first six (6) months of 2017 a Special Meeting of the Latin American Council which will proceed to elect the Permanent Secretary for the period 2017-2021, in accordance with Articles 15, 16, 17 and 18 of the Regulations of the Latin American Council of SELA.
- Article 4:** The Member States must submit the nominations of their candidates to the office of the Permanent Secretary of SELA with a notice period of no less than one (1) month before the maximum deadline for convening the Special Meeting of the Latin American Council, which is established at six (6) months, in accordance with Article 2 of the Regulations on the elections of SELA at the Latin American Council.
- Article 5:** The candidates must accompany their nominations with a detailed description of the objectives they aim to accomplish during their eventual management, in accordance with Article 2 of the Regulations on the elections of SELA at the Latin American Council.

DECISION N° 565**BUDGET PROCESS OF SELA****THE LATIN AMERICAN COUNCIL,****HAVING SEEN:**

Article 2 of the Panama Convention;

Article 15, paragraph 5, of the Panama Convention;

Article 31, paragraph 6, of the Panama Convention;

Decision N° 440 ("Restructuring SELA"), adopted at the XXVIII Regular Meeting of the Latin American Council (7 to 9 April 2003), which sets forth that the activities of SELA contained in the Work Programme are classified into 3 thematic areas: Intra-Regional Relations, Economic and Technical Cooperation, and Extra-Regional Relations and the Panama Convention is a flexible instrument with a broad scope that allows Member States to adapt the objectives and functions of the organisation to the new realities faced by the region, and to establish priorities in accordance with their present needs; and

Decision 557 ("Budget Process of SELA"), adopted by the XLI Regular Meeting of the Latin American Council (25 to 27 November 2015), which entrusts the Informal Working Group with the task of examining, in coordination with the Member States and the Permanent Secretariat, since its first meeting in 2016, the possible adoption of the new working method for the preparation of the institutional budget of SELA with a strategic vision.

CONSIDERING:

The discussions during the first meeting of the Working Subgroup on the Budget, held on 20 October 2016, in which reflections were made on the need for a prior analysis of the strengths, threats, weaknesses and opportunities for the organization to evaluate the relevance of structuring the Work Programme of SELA on the basis of a strategic planning by objectives, as well as the importance of using the Budget of SELA in an efficient manner in accordance with the interests and objectives of the organization;

DECIDES:

Article 1: Conduct a review of the main thematic areas of SELA.

Article 2: Propose to submit for consideration a strategic planning model for organizing the Work Programme of SELA, thus enabling a more efficient use of its resources.

Article 3: Instruct the Permanent Secretary to undertake the aforementioned review work and request the presentation of the results at the first meeting of the Informal Working Group during the first quarter of 2017.

C. DECLARATION

**DECLARATION “ENDING THE ECONOMIC, COMMERCIAL AND FINANCIAL BLOCKADE
IMPOSED BY THE UNITED STATES AGAINST CUBA”**

The **Latin American Council of SELA**, gathered in its Ministerial Session, in Caracas on 27 October 2016.

RECALLING,

The mandate given by the Member States of SELA to the Permanent Secretariat (Article 4, Decision No. 377) to submit an annual report on the application of the Helms-Burton Law and the economic sanctions of the United States of America against Cuba;

That the adverse effects of such sanctions of the United States not only affect one Member State of SELA, but also impose certain rules to the international community as regards economic relations with Cuba;

Decision No. 112 of the Latin American Council, “Imposition of Economic Measures of a Coercive Nature”, as well as Decisions Nos. 356 and 360, which reject the implementation of unilateral measures that may affect the free development of international trade, in violation of international law and the most basic principles of regional coexistence;

Decisions Nos. 377, 390, 401, 421, 432, 438, 444, 453, 463, 477 and 482 of the Latin American Council, on the “Necessity of ending the economic, commercial and financial blockade imposed by the United States of America against Cuba”;

The Declaration “Ending the economic, commercial and financial blockade imposed by the United States of America against Cuba”, adopted by consensus by the Member States of SELA at the XXXV, XXXVI, XXXVII, XXXVIII, XXXIX, XL and XLI Regular Meetings of the Latin American Council (Caracas, 29 October 2009, 28 October 2010, 21 October 2011, 18 October 2012, 28 November 2013, 28 November 2014, and 28 November 2015, respectively);

The corresponding resolutions adopted by the United Nations General Assembly over the past 25 years urging to put an end to the economic, commercial and financial blockade of the United States of America against Cuba.

BEARING IN MIND,

The need to reaffirm, among other principles, the sovereign equality of the States, non-interference in the countries' internal affairs, and the freedom of trade and navigation, as established in numerous international legal instruments;

The declarations issued by Latin American and Caribbean Heads of State or Government at the Summits of the Community of Latin American and Caribbean States concerning the necessity of ending the economic, commercial and financial blockade against Cuba;

92

The concern that laws and regulations, such as the "Helms-Burton Law," enacted on 12 March 1996, continue to be implemented by the Member States, and that their extraterritorial effects have an impact on the sovereignty of other States, the legitimate interests of entities or persons under their jurisdiction and the freedom of trade and navigation;

The declarations and resolutions arising from different intergovernmental forums, bodies and Governments that reflect the rejection by the international community and public opinion to the enactment and implementation of such measures;

The satisfaction with the reestablishment of diplomatic relations between Cuba and the United States of America, the reopening of their corresponding Embassies and the visit made by President Barack Obama to Cuba, as well as the calls to the President of the United States to take all measures that are within his broad executive powers to substantially modify the application of the blockade against Cuba.

The will expressed by the President of the United States of America to strive for the elimination of the economic, commercial and financial blockade against Cuba;

That during this year, harassment of international financial transactions in Cuba has been one the most significant features of the blockade. In addition to being the main obstacle to economic and social development of the country, the blockade is the most important obstacle to further expansion of Cuba's trade links with the world and seriously curbs international cooperation to and from the country;

That the economic damage caused to the Cuban people by the economic, commercial and financial blockade imposed by the United States, between April 2015 and March 2016, amounts to US\$ 4.68 billion, calculated at current prices, in a very rigorous, prudent and conservative way, by using a methodology recognized even by the most prestigious US institutions;

That the decision adopted by the US President on 13 September 2016 to extend once again the Trading with the Enemy Act shows the U.S. government's determination to uphold one of the key elements of the legal framework on which the policy of blockade against Cuba is based;

That the analysis contained in the document drafted by the Permanent Secretariat of SELA "Follow-up report on the application of the Helms Burton Law, 2015-2016" presents a detailed description of the impacts of the blockade on various economic sectors of the Republic of Cuba, as well as the extra-territorial nature of some of the measures and provisions adopted in this connection by the United States of America.

DECLARES:

1. The economic, commercial and financial blockade of the United States of America against Cuba violates the International Law and is contrary to the purposes and principles of the United Nations Charter, the rules of the international trade system and the freedom of navigation;
2. The Latin American Council strongly condemns the application of any law or measure contrary to the International Law, such as the Helms-Burton Law, and in this connection, it calls upon the Government of the United States to put an end to their implementation;
3. The Permanent Secretariat must continue to examine this issue of special relevance for the external relations of the region, in accordance with Decision N° 482, and keep the Latin

- American Council informed about its evolution, with a view to making a decision during the XLIII Regular Meeting of 2017;
4. The Latin American Council makes a call to the Government of the United States so that it complies with the provisions of a number of consecutive Resolutions of the United Nations General Assembly to put an end to the economic, commercial and financial blockade that it keeps in force against Cuba.

A N N E X I

**SPEECH BY HIS EXCELLENCY AMBASSADOR ROBERTO GUARNIERI, PERMANENT
SECRETARY OF THE LATIN AMERICAN AND CARIBBEAN ECONOMIC SYSTEM (SELA)**

Your Excellency Ambassador Ramón Leets Castillo, Chairman of the Latin American Council;

Members of the Bureau of the Latin American Council;

Honourable Mr Fernando Díaz, Director-General for America Latin and the Caribbean of the People's Ministry of Foreign Affairs of the Bolivarian Republic of Venezuela, host country of SELA;

Mr Rapporteur;

Your Excellencies ambassadors and delegates of the Member States of SELA;

Your Excellencies ambassadors and representatives of the diplomatic corps;

Representatives of international organizations;

Officials of SELA;

Ladies and gentlemen:

It is an honour for me to address and welcome you all to the headquarters of the Latin American and Caribbean Economic System on the occasion of the forty-second Regular Meeting of the Latin American Council.

SELA is the technical organization of an economic nature that brings together almost all States in our region.

With the exception of those countries that make up the Organization of Eastern Caribbean States, whose admission we are actively promoting, our membership is the same as that of the Community of Latin American and Caribbean States (CELAC).

The Panama Convention establishing SELA was signed in 1975, mainly to coordinate public policies on cooperation and negotiate positions of the member countries with third parties and in international forums.

It was based on the recognition of a fundamental community of interests within the variety of political systems and economic organizations of the member countries, assessing the potential for joint action to promote intra-regional cooperation and economic integration, increase and enhance the Latin American and Caribbean presence and participation in the global economy and strengthen its influence on key issues of trade organization, global finance and the international monetary system.

On 1 January 2013, I took office as Permanent Secretary of SELA.

A high honour that led me, for the second time in the last ten years, to focus all available resources and capabilities on planning and achieving an institutional performance of excellence by an emblematic and essential organization for the Latin American and Caribbean economic integration.

98

Since the establishment of SELA in 1975, thanks to the persistent joint initiative of Mexico and Venezuela – which I was fortunate to know personally – I was convinced that this organization was potentially transcendent to trace, within its constitutional competence, an effective path towards integration, by technically evaluating the progress made, understanding the nature of barriers that hinder the process and proposing actions and public policies to overcome them, on an objective basis resulting from conceptually rigorous and systematic analyses.

The Permanent Secretariat of SELA has the full statutory power and, let it be said, the obligation to do so, in accordance with the objectives of its constitutive agreement and interpretation of official statements, at the highest political level, that have granted the integration of our countries the status of a State's final goal.

We must recognize that this high priority of members has not historically been matched with a consistent coverage and centralization of the Work Programmes of the Permanent Secretariat.

So much so that until the year 2006, the institution lacked an organic unit that dealt specifically with the conduction of studies aimed at developing relevant thematic evaluations with the ultimate purpose of submitting for consideration of member countries the respective conclusions and recommendations.

The institutional vision set forth in the explanatory statement on the new organizational structure of the Permanent Secretariat of SELA, which I had the honour to present at the XXXI Regular Meeting of the Latin American Council in 2005 and which was adopted on that occasion by Decision 471, within the framework of the XXX anniversary of SELA, reads as follows:

"SELA aims at turning itself into the organization leading the process towards the full integration of Latin America and the Caribbean and the effective development of regional cooperation, while working to become a valid interlocutor vis-à-vis other similar international bodies and to be recognised as such by subregional groupings and the Member States of SELA, thanks to the valuable strategic contributions that it will make with its work".

It also noted that SELA should, among other things, "promote and contribute to the full integration of the region, by coordinating the processes and issues of common interest for the other subregional integration bodies in order to achieve convergence of the subregional processes..."

The mandate received by the Permanent Secretariat by that Decision of the Latin American Council could not be more clear and definitive.

However, its immediate implementation was impossible due to the critical financial situation faced in those years, and to my great regret as Permanent Secretary, I had to comply with a provision of said Decision that established that, in implementing it, efforts should be made to "avoid, whenever possible, staff movements while there are no financial resources that allow the organization to do so".

That critical financial situation was solved through a very generous scheme for cancellation of 75% of arrears of those countries that paid their outstanding quotas, but for unknown reasons, the Direction of Studies and Proposals was left completely aside from the budget of the Permanent Secretariat. No one was hired for a post in this Direction, which remained empty. A "paper" unit in the organizational structure.

As a matter of fact, in addition to the non-compliance of a decision of the Latin American Council in this matter, the inoperability made it impossible to achieve the fundamental goal of the organization, which is to support regional integration, as reiterated in the preamble of said decision. In such conditions of analytical precariousness, how could SELA become an organization leading the process towards the full integration of Latin America and the Caribbean and developing a comprehensive conceptual and analytical framework, of reference for policy-makers in this matter?

Given this omission, the following question arises:

Was it not a common goal that SELA could become the leading organization for Latin American and Caribbean integration, articulating processes and topics of common interest to the other subregional integration schemes, in order to achieve the convergence of subregional processes, as set forth in one of the considerations of said Decision?

Or was it assumed that such role could be played by the Permanent Secretariat without a first-class analytical unit that advances systematically, under the guidelines and priorities of the Council itself, in the development of a plan with a high level of methodological excellence, a thematically articulated agenda and, over time, a roadmap agreed upon by the Member States in the area of subregional and regional economic integration?

The lack of implementation until the year 2013 of Decision 471, adopted seven years before, is undoubtedly surprising and of predictable and inevitable adverse consequences for the institution and for the own Latin American and Caribbean integration process.

Within the context of the continuous proliferation of regional and subregional organizations and institutional mechanisms, the Permanent Secretariat of SELA suffered a serious and increasingly notorious backwardness in its capacity to meet expectations and needs of its membership, particularly concerning its mandate to lead "the process towards the full integration of Latin America and the Caribbean".

When I had the honour of assume this post, in January 2013, SELA was essentially the organization that I found when I held the same position 12 years ago.

An institution, with a potentially high degree of accomplishment and influence, relegated to a fundamentally inconsequential performance in the substance of its *raison d'être* for the integration of Latin America and the Caribbean.

Certainly, it has many interesting achievements, with some of them being highly significant, in other areas, particularly in its programme for small and medium-sized enterprises, in the area of disaster prevention and in activities that contribute to the simplification of processes in terms of logistical and operational infrastructure in the field of international trade, foreign trade single windows, and more recently, digital and collaborative ports, mainly under the leadership of the Direction of the Information and Knowledge Network, created as a result of the aforementioned organizational reform of 2006.

These activities are of unquestionable value, but deviate from the organization's main objective of integration. In this regard, the Permanent Secretariat was still a stationary institution, doing a usually routine and largely repetitive job, processing pre-existent information with little added value to its membership and without conducting any research or analytical study internally. The

100

few studies conducted on the matter, some of them certainly relevant, were regularly commissioned to external consultants, but said documents did not have an effective articulation with a comprehensive medium-term programme for economic integration.

In aspects and subjects directly relevant to economic integration, the boost and rise of expected goals arising from the reform of SELA's organizational structure in 2006 had been frustrated; the contribution of the Permanent Secretariat was virtually irrelevant, shaping an institutional performance that we may define as circular, more or less dynamic in appearance, but thematically and methodologically still.

The institution was virtually unable to fulfil the mandate of structural reform received on the occasion to raise its vision, scope and excellence of performance and thus to provide useful products and services in accordance with the requirements of its member countries on fundamental issues of regional and subregional economic integration.

As we know, under such circumstances, the Latin American Council understandably, cautiously and moderately decided, at its XXXVIII Regular Meeting, held in October 2012, to create an Evaluation Group with the aim of analyzing the state of affairs and supporting some substantive decisions that presumably did not dismiss in principle the closure of the organization because of redundancy.

It is not surprising that a distinguished Ambassador of a member country renowned for its systematic evaluation of institutional activities had the courtesy and frankness – which was no surprise to me – to alert me in an official meeting at the beginning of my tenure to this widespread feeling among representatives with these words:

“At present – he said – the usefulness of the Permanent Secretariat is going from zero to negative”.

That was the situation little more than three years ago. The need for recovery had an existential connotation and urgency.

Yesterday and today, the presentations of my colleagues, and I hope my own speech, have widely covered the plan of recovery implemented since my election to this honourable post, and hope that the results submitted for consideration of this Council confirm a significant process of change of trend and concrete advances.

I am convinced that, with the support received from the Latin American Council and from the ambassadors of member countries during the meetings of the Informal Working Group, the trend is finally irreversible.

I will try to further strengthen it, within the context of the Decisions taken in this meeting, during the extension of the mandate that the Latin American Council decided to grant me as Permanent Secretary of SELA.

Thank you very much.

A N N E X I I

**SPEECH BY THE HONOURABLE FERNANDO DÍAZ,
GENERAL DIRECTOR FOR LATIN AMERICA AND THE CARIBBEAN OF THE PEOPLE'S
MINISTRY
OF FOREIGN AFFAIRS OF THE BOLIVARIAN REPUBLIC OF VENEZUELA**

Good afternoon, dear delegates, Ambassadors, friends of the Great Homeland, so longed-for by all of us. My name is Fernando Díaz and I am the Director of the Office of the Vice-Ministry for Latin America and the Caribbean. The fact that I am here today is precisely the result of the intense work agenda we have had in the last few weeks. Our Foreign Minister asked me, through the Vice-Minister for Latin America, Alexander Yánez, to convey his warmest greetings.

The first element that, I think, brings us together today is integration. The second element of great importance in our foreign policy is peace. We have expressed it on different occasions. And third, the need to stabilize and recover the oil prices, given the importance of this product for Venezuela.

Those elements were the focus of the latest mission by President Maduro, which has not finished yet, since our Foreign Minister, Her Excellency Daysi Rodríguez, and our Vice-Minister are participating in the EU-CELAC Ministerial Meeting in Dominican Republic. Then, they are expected to travel to the sister Republic of Colombia to participate in the Ibero-American Summit.

On the basis of these three elements, I would like to dwell a little on the element of integration and ask your permission to observe 20 seconds of silence in memory of fellow Néstor Kirchner, of the Argentine Republic, who devoted much time to integration and whose fruits are being harvested today, six years later.

Thank you very much. As I said, I will dwell on the element of integration, since it has brought us together today. As a matter of fact, as Ambassador Polanco said some minutes ago, there is a need for integration on the basis of the social element, of the human element; as our Permanent Secretary expressed, it should be based on complementarity, equality and social justice, elements that still do not sustain an organization such as SELA. That is why the previous debate made emphasis on "what", instead of "on what basis". We should not debate on "what", but on "what method". I think that this is where our attention must be focused.

Turning to the elements of this agenda, to which my words refer here, I would like to mention another element and dwell a little on the energy issue. As we know, commodity prices have fallen, including oil. However, in recent days, on 14 October, President Nicolás Maduro presented the Budget for the year 2017, 82% of which is estimated to come from non-oil production. This is a significant indication. However, we know that oil is essential for our foreign policy and for the integration of our peoples.

Another element is peace. Thanks to this presidential trip that concluded with a visit to the Vatican City, where the President had the opportunity to meet with Pope Francis, the Holy See appointed a Special Envoy to our country to take part in the dialogue meetings, which, as you know, will start on Sunday 30 October.

With these words, I would like to reiterate the urgent need for the Venezuelan people to achieve peace, which is an element that we have promoted at the different spaces in which we have participated, reiterating the need for peace, the need for dialogue of this homeland, which, I am sure and know, you also have assumed as yours. I know many of you. We have had the joy of talking, sharing experiences within the framework of bilateral relations, but also on elements that go beyond the bilateral relations.

104

That is very enriching, in my opinion. On the basis of these elements, we could say that there is a lot to be done, a lot to be achieved. I would like to reiterate the willingness of the Government and the people of Venezuela to continue working on the construction of integration; an integration at the service of human beings; an integration at the service of the social aspects. As our Liberator Simón Bolívar would say, an integration for the supreme happiness of our peoples.

Thank you very much.

A N N E X I I I

**SPEECH BY HIS EXCELLENCY RAMÓN LEETS,
AMBASSADOR OF NICARAGUA IN THE BOLIVARIAN REPUBLIC OF VENEZUELA
AND CHAIRMAN OF THE LATIN AMERICAN COUNCIL**

Members of the Bureau of the Latin American Council,

Honourable Mr. Fernando Díaz, Director for Latin America and the Caribbean of the People's Ministry of Foreign Affairs of the Bolivarian Republic of Venezuela, host country of SELA,

Mr. Rapporteur,

Excellencies Ambassadors and Delegates of the Member States of SELA,

Excellencies Ambassadors and Representatives of the Diplomatic Corps,

Representatives of International Organizations,

Ladies and Gentlemen:

Regional integration

I would like to share with you some ideas – or dreams, as some may say – on the regional integration of Latin America and the Caribbean.

As a regional organization, SELA should make every effort to promote trade and investment as instruments that will lead to a fair and sustainable development. At the same time, it should give a special and differential treatment that considers the level of development of its Member States and the size of their economies, and ensures the access of all participating nations to the benefits stemming from the integration process.

SELA should promote an efficient and competitive productive specialization that is compatible with a balanced economic development in each Member State, with strategies to fight against hunger and poverty, particularly taking into consideration the preservation of the cultural identity of their peoples.

In addition, SELA must develop a plan for Latin America and the Caribbean to significantly reduce illiteracy, as well as regional and subregional plans to contribute to eradicating hunger, a free Latin American and Caribbean health care plan for citizens who lack medical services, and a scholarship plan of a regional nature in the areas of greatest interest for the economic and social development in each of the Member States.

SELA should also develop a plan to promote the development of communications and transportation among Latin American and Caribbean countries that includes comprehensive plans for roads, railways, maritime and air lines, telecommunications and others, which ensure rapprochement among the region's peoples.

It will be the duty of the organization to carry out actions that lead to sustainable development through standards to protect the environment, the mother land, that encourage a rational use of natural resources and that prevent the proliferation of wasteful patterns of consumption, which do not correspond to the realities of our peoples.

We must strive to achieve energy integration among Latin American and Caribbean countries that will ensure a stable supply of energy for the benefit of our societies, and make every effort

108

to encourage capital investment in our countries, in the areas of tourism and energy, among others.

SELA must commit itself to working for the defence of culture, of the identity of each one of the peoples of the region, with particular interest in the promotion of indigenous cultures.

Similarly, it should take into consideration and support the various processes of concertation of positions at the multilateral level and in all types of negotiation processes with countries and blocs of our region and other regions.

Another goal that we must pursue is to work on the agricultural sector basis, where we find the largest number of poor people, in order to transform the rural sector and integrate family farming into inclusive food systems for sustainable rural development.

We have a challenge that is urgent: The sustainable use of natural resources and the protection of the environment, while facing climate change and ensuring disaster risk management.

We are full of hope, we have well-founded reasons to believe that we will be the last generation to live with hunger. We have the natural resources and materials, the experience, the political will and the necessary agreements; we only need a great joint effort that will lead us to economic development, and to eradication of hunger and poverty in a sustainable and definitive manner. Latin America and the Caribbean count on the commitment, the willingness and the efforts of you all.

Thank you very much.

A N N E X I V

NOTE SP-16/0513-169 CONCERNING THE ELECTION OF THE PERMANENT SECRETARY

Latin American and Caribbean Economic System
Permanent Secretariat



SP-16/0513-169

Caracas, 26 October 2016

The Permanent Secretariat of the Latin American and Caribbean Economic System (SELA) presents its compliments on the occasion of attaching hereto Note N° 370 from the Embassy of Chile, dated 25 October 2016, dealing with the election of a new Permanent Secretary of SELA.

The Permanent Secretariat avails itself of the opportunity to renew to the Honourable Embassies of the Member States of SELA the assurances of its highest and most distinguished consideration.



To the Honourable
 Embassies of the Member States
 Latin American and Caribbean Economic System (SELA)

Argentina	Colombia	Guyana	Paraguay	Torre Europa, 4th and 5th floors Av. Fco. de Miranda, Campo Alegre Caracas 1060, Venezuela P.O. Box 17035 Caracas 1010-A Telephone: (58-212) 955 71 11 (master) Fax: (58-212) 951 52 92 / 951 69 01 sela_sp@sela.org sela@sela.org http://www.sela.org
Bahamas	Costa Rica	Haiti	Peru	
Barbados	Cuba	Honduras	Suriname	
Belize	Dominican Republic	Jamaica	Trinidad and Tobago	
Bolivia	Ecuador	Mexico	Uruguay	
Brazil	El Salvador	Nicaragua	Venezuela	
Chile	Guatemala	Panama		

UNOFFICIAL TRANSLATION

Ministry of Foreign Affairs
Embassy in the Bolivarian Republic of Venezuela

N° 143/2016

The Embassy of Chile presents its compliments to the Latin American and Caribbean Economic System, Office of the Permanent Secretary, on the occasion of referring to Note SP-16/0467-138 concerning the election of the next Permanent Secretary for the period 2017-2021, scheduled to take place during the XLII Regular Meeting of the Latin American Council, which will be held from 26 to 28 October of this year.

In this connection, taking into consideration the relevance of such position, as well as the fact that thus far the Member States have not presented any nominations, this Embassy proposes that the election of the new Permanent Secretary is postponed for a Special Meeting of the Latin American Council to be held in the next few months which focuses only on this issue, according to Article 11 of the Panama Convention, establishing SELA.

This proposal is made in accordance with Article 2 of the Regulations on Elections of SELA, which states that countries must submit their nominations no less than one month in advance, in order to facilitate reflection and consultations about them. In addition, a suggestion is made that candidates should submit a brief presentation on the objectives they intend to accomplish during their possible management. As can be seen, this is a process that entails stages and requires a longer time frame than the current one.

The Embassy of Chile thanks the Latin American and Caribbean Economic System and the Office of the Permanent Secretary, and avails itself of the opportunity to renew the assurances of its highest and most distinguished consideration.

Caracas, 25 October 2016

A N N E X V

LIST OF PARTICIPANTS

I. DELEGATIONS**ARGENTINA****HEAD OF DELEGATION**

Matías Giménez Costanzi
Head of the Political Section
Embassy of Argentina
Avenida El Empalme. Edificio FEDECAMARAS, Piso 3,
Urbanización El Bosque
Telephone: (58-212) 731.3311
E-mail: politica_evene@cancilleria.gov.ar

DELEGATE

Nicolás Gujski
Secretary and Consul
Avenida El Empalme. Edificio FEDECAMARAS, Piso 3,
Urbanización El Bosque
Telephone: (58-212) 731.3311
E-mail: politica_evene@cancilleria.gov.ar

BARBADOS**HEAD OF DELEGATION**

Sandra Phillips
Ambassador
Embassy of Barbados
Calle La Guairita con Av. Ppal. de Chuao
Edificio Los Frailes, Piso 5, Oficina 501
Urbanización Chuao, Caracas
Telephone: (58-212) 313-3425 / 313-3430
E-mail: sphillips@foreign.gov.bb;
caracas@foreign.gov.bb

DELEGATE:

Michelle Carter
Second Secretary
Embassy of Barbados
Calle La Guairita con Av. Ppal. de Chuao
Edificio Los Frailes, Piso 5, Oficina 501
Urbanización Chuao, Caracas
Telephone: (58-212) 313-3425 / 313-3419
E-mail: mcarter@foreign.gov.bb

116**BOLIVIA****HEAD OF DELEGATION**

Luis Trigo Antelo
Ambassador
Embassy of the Plurinational State of Bolivia
Av. Luis Roche con 6ta. Transversal
Qta. "Embassy of Bolivia"
Urbanización Altamira, Caracas
Telephone: (58-212) 263-3015
E-mail: emboliviave@yahoo.es

DELEGATES

Javier Héctor Sucojayo
Counsellor
Embassy of the Plurinational State of Bolivia
Av. Luis Roche con 6ta. Transversal
Qta. "Embassy of Bolivia"
Urbanización Altamira, Caracas
Telephone: (58-212) 263-3015
E-mail: emboliviave@yahoo.es

Geovanna Rogríguez
Commercial Attaché
Embassy of the Plurinational State of Bolivia
Avenida Luis Roche con 6ª. Transversal
Urbanización Altamira, Caracas
Telephone: (58-212) 267-0136
Cell phone: (58-424) 2029137
E-mail: geovirodriguez@gmail.com

BRAZIL**HEAD OF DELEGATION**

Joao Marcelo de Aguiar Texeira
Chargé d'Affaires a.i.
Embassy of Brazil
Calle Los Chaguaramos con Avenida Mohedano
Centro Gerencial Mohedano, Piso 6,
Urbanización La Castellana, Caracas
Telephones: (58-212) 918.6000 (master)/ 918 6002/ 6036
E-mail: despachobrasil@gmail.com

DELEGATES

Hervelter de Mattos
Counsellor a.i.
Embassy of Brazil
Calle Los Chaguaramos con Avenida Mohedano
Centro Gerencial Mohedano, Piso 6,
Urbanización La Castellana, Caracas
Telephones: (58-212) 918.6000 (master)/ 918 6002/ 6036
E-mail: despachobrasil@gmail.com

Lindolpho Cademartori
Secretary
Embassy of Brazil
Calle Los Chaguaramos con Avenida Mohedano
Centro Gerencial Mohedano, Piso 6,
Urbanización La Castellana, Caracas
Telephones: (58-212) 918.6000 (master)/ 918 6002/ 6036
E-mail: lindolpho.araujo@itamaraty.gov.br

Luis Alejandro Araque
Technical Assistant
Embassy of Brazil
Calle Los Chaguaramos con Avenida Mohedano
Centro Gerencial Mohedano, Piso 6,
Urbanización La Castellana, Caracas
Telephones: (58-212) 918.6000 (master)/ 918 6002/ 6036

Gabriela Correa
Technical Assistant
Embassy of Brazil
Calle Los Chaguaramos con Avenida Mohedano
Centro Gerencial Mohedano, Piso 6,
Urbanización La Castellana, Caracas
Telephones: (58-212) 918.6000 (master)/ 918 6002/ 6036
E-mail: gabriela.correa@itamaraty.gov.br

CHILE

HEAD OF DELEGATION

Pedro Felipe Ramírez Ceballos
Ambassador
Embassy of Chile
Paseo Enrique Eraso Edif. Torre La Noria, Piso 10
Sector San Román, Urbanización Las Mercedes, Caracas
Telephone: (58-212) 992.5364
E-mail: echile.venezuela@minrel.gov.cl

DELEGATES

Diego Rivera
First Secretary
Embassy of Chile
Paseo Enrique Eraso Edif. Torre La Noria, Piso 10
Sector San Román, Urbanización Las Mercedes, Caracas
Telephone: (58-212) 992.5364
E-mail: drivero@minrel.gov.cl

Claudio Rojas
Third Secretary
Embassy of Chile
Paseo Enrique Eraso Edif. Torre La Noria, Piso 10
Sector San Román, Urbanización Las Mercedes, Caracas
Telephone: 0412-3365417
E-mail: crojase@minrel.gov.cl

118

Hernán Núñez
Embassy of Chile
Paseo Enrique Eraso Edif. Torre La Noria, Piso 10
Sector San Román, Urbanización Las Mercedes, Caracas
Telephone: 0412-3365417
E-mail: hnunez@minrel.gov.cl

COLOMBIA**HEAD OF DELEGATION**

Ricardo Lozano
Ambassador
Embassy of Colombia
2nda. Avenida de Campo Alegre
c/ Av. Fco. De Miranda, Torre Credival, Piso 11
Urbanización Campo Alegre, Caracas
Telephone: (58-212)630-9500
Fax: (58-212) 263-8974 // 261-1358
E-mail: venezuela@cancilleria.gov.co

DELEGATES

Carlos Gamboa
Counsellor Minister
Embassy of Colombia
2da. Avenida Campo Alegre con Avenida Francisco de
Miranda Torre Credival,
Piso 11, Urbanización Campo Alegre - Caracas
Telephone: (58-212) 630 9500; 01, 02, 03, 04, 05, 06, 07, 08
E-mail carlos.gamboa@cancilleria.gov.co

Kely Johana Martelo Tordecilla
Third Secretary
Embassy of Colombia
2da. Avenida Campo Alegre con Avenida Francisco de
Miranda Torre Credival,
Piso 11, Urbanización Campo Alegre - Caracas
Telephone: (58-212) 630 9500; 01, 02, 03, 04, 05, 06, 07, 08
Fax: (58-212) 263-8974 / 261.1358
E-mail: kely.martelo@cancilleria.gov.co

COSTA RICA**HEAD OF DELEGATION**

Ana Patricia Villalobos
Chargé d'Affaires a.i.
Embassy of Costa Rica
Av. San Juan Bosco Edif. For You, PH Entre 1era. y 2da.
Transversal (frente a la Plaza Altamira),
Urbanización Altamira - Caracas
Telephone: (58-212) 2657889
Fax: (58-212) 265 4660
E-mail: apvillalobos@rree.go.cr

CUBA**HEAD OF DELEGATION**

Rogelio Polanco Fuentes
Ambassador
Embassy of Cuba
Calle Roraima, Esquina Avenidas Río de Janeiro y
Choroní Quinta "Marina", Urbanización Chuao
Telephone: 993-5646/993-5695/991-9415
E-mail: embajador@embajadacuba.com.ve
oficinaembajador@embajadacuba.com.ve
lacswolf@yahoo.es

DELEGATES

Ramiro de León Torras
Specialist
Ministry of Foreign Trade and Foreign Investment
23 e Infanta, Vedado
Havana, Cuba
Telephone: (58-212) 838-0413
E-mail: ramyleon@yahoo.com

Luis Cepeda
Counsellor
Calle Roraima, Esquina Avenidas Río de Janeiro y
Choroní Quinta "Marina", Urbanización Chuao
Telephone: 993-5646/993-5695/991-9415
E-mail: oc1@embajadacuba.com.ve

Lisvan Aleaga
Attaché
Embassy of Cuba
Calle Roraima, Esquina Avenidas Río de Janeiro y
Choroní Quinta "Marina", Urbanización Chuao
Telephone: 993-5646/993-5695/991-9415
E-mail: embajador@embajadacuba.com.ve
oficinaembajador@embajadacuba.com.ve

ECUADOR**HEAD OF DELEGATION**

Rafael Quintero Lopez
Ambassador
Embassy of Ecuador
Av. Principal de la Castellana, con 2da. Transversal,
Edificio Bancaracas, Piso 8, Ofic. 801-802 - La Castellana
Telephone: (58-212) 265 0801/0414-1084621
E-mail: eejuven@cancilleria.gob.ec

120**EL SALVADOR****HEAD OF DELEGATION**

José Carlos Herodier Candel
Counsellor Minister
Embassy of El Salvador
Calle Roraima, Quinta "O" (Cuzcatlán), Urbanización
Chuaó,
Municipio Baruta, Estado Miranda
Telephone: (58-212) 991 1553/9937824/8720
E-mail: embajadaelsalvadorenvenezuela@gmail.com;
cheradier1@gmail.com

GUATEMALA**HEAD OF DELEGATION**

Sandra Noriega de Kugler
Ambassador
Embassy of Guatemala
Avenida Francisco de Miranda, Torre Dosza, 1° piso
Urbanización El Rosal, Caracas
Telephone: (58-212) 952-5247/ 954-0146
E-mail: embvenezuela@minex.gob.gt

DELEGATE:

Beatriz Méndez
Chargé d'Affaires a.i.
Embassy of Guatemala
Avenida Francisco de Miranda, Torre Dosza, 1° piso
Urbanización El Rosal, Caracas
Telephone: (58-212) 952-5247/ 954-0146
E-mail: bemendez@minex.gob.gt

HAITI**HEAD OF DELEGATION**

Lesly David
Ambassador
Embassy of Haiti
Qta. San Rafael, 8va. Transversal
Urbanización Altamira, Caracas
Telephone: (58-212) 267 8409
E-mail: info@ambassadehaitivenezuela.org

DELEGATE:

René Luc Desronvil
Counsellor Minister
Embassy of Haiti
Qta. San Rafael, 8va. Transversal
Urbanización Altamira, Caracas
Telephone: (58-212) 262-1194
E-mail: iinfo@ambassadehaitivenezuela.org;
renelucdesronvil@hotmail.com

HONDURAS**HEAD OF DELEGATION**

Fernando Suárez Lovo
Chargé d'Affaires a.i.
Embassy of Honduras
Av. Principal de La Castellana con 1ra. Transversal de
Altamira Edif. Banco de Lara, Piso 8, Of. B-2,
Urbanización La Castellana
Telephone: 261.4693 / 6741 / 263.3184 / 264.0606
E-mail: honduven@cantv.net; ehonduven@gmail.com

JAMAICA**HEAD OF DELEGATION**

Sharon Weber
Ambassador
Embassy of Jamaica
Calle La Guairita, Edificio Los Frailes, Piso 5
Urbanización Chuao, Caracas
Telephone: (58-212) 991-0466/6955
Fax: (58-212) 991-5708/ 6055
E-mail: embjaven@gmail.com

DELEGATE:

Monalee Gibbs
Counsellor
Embassy of Jamaica
Calle La Guairita, Edificio Los Frailes, Piso 5
Urbanización Chuao, Caracas
Telephone: (58-212) -9916133
E-mail: counsellorconsul.embajaven@gmail.com;
assistant.embjaven@gmail.com

MEXICO**HEAD OF DELEGATION**

Eréndira Araceli Paz Campos
Ambassador
Embassy of Mexico
Calle Guaicaipuro, Edificio FORUM, Piso 5
Urbanización El Rosal, Caracas
Telephone: (58-212) – 9523003
E-mail: embvenezuela@sre.gob.mx

DELEGATES

Iván Juárez Pérez
Second Secretary
Embassy of Mexico
Calle Guaicaipuro, Edificio FORUM, Piso 5
Urbanización El Rosal, Caracas
Telephone: (58-212) – 9522779
E-mail: sjuarez@sre.gob.mx

122

Fernando Espinoza Prieto
Counsellor
Embassy of Mexico
Calle Guaicaipuro, Edificio FORUM, Piso 5
Urbanización El Rosal, Caracas
Telephone: (58-212) – 9522779
E-mail: fespinoza@sre.gob.mx

NICARAGUA**HEAD OF DELEGATION**

Ramón Leets Castillo
Ambassador
Embassy of Nicaragua
Av. El Paseo, Qta. Doña Dilia
Urbanización Prados del Este, Caracas
Telephone: (58-212- 977-3270 – 977-3289
E-mail: embanic@live.com

PANAMA**HEAD OF DELEGATION**

Raúl Rolla Fontt
Political Attaché
Embassy of Panama
Centro Profesional Eurobuilding,
Piso 8, Oficina 8-D, Urbanización Chuao
Telephone: (58-212) 992.9093
E-mail: rrolla@mire.gob.pa

PARAGUAY**HEAD OF DELEGATION**

Marcial Páez
Cultural Attaché
Embassy of Paraguay
Quinta Helechales N° 4204 4ta. Avenida entre 7ma y
8va. Transversal, Urbanización Altamira, Caracas
Telephone: (58-212) 264-3066
TeleFax: (58-212) 263-2559 / 267-5543
E-mail: embaparven@cantv.net;
embaparven@mre.gov.py

PERU**HEAD OF DELEGATION**

Mario López Chávarri
Ambassador
Embassy of Peru
Av. San Juan Bosco con 2da Transversal, Edf. San Juan
Urbanización Altamira, Caracas
Telephone: (58 – 212) 264.1672 / 264.1420 / 264.1271
E-mail: mlopez@embajadaperu.org.ve

DELEGATE

Rosa Álvarez
Second Secretary
Embassy of Peru
Av. San Juan Bosco con 2da Transversal, Edf. San Juan
Urbanización Altamira, Caracas
Telephone: (58 – 212) 264.1672 / 264.1420 / 264.1271
E-mail: ralvarez@embajadaperu.org.ve

TRINIDAD AND TOBAGO**HEAD OF DELEGATION**

Paul Byam
Ambassador
Embassy of Trinidad and Tobago
3ra. Avenida entre 6ta. Y 7ma. Transversal Quinta
Poshika N° 22-12 Altamira Norte
Telephone: (58 – 212) 261.3748/261.5796/261.4772
E-mail: embassytt@gmail.com; paulcbyam@hotmail.com

URUGUAY**HEAD OF DELEGATION**

Pamela Vivas Ayub
Chargé d'Affaires a.i
Embassy of Uruguay
4ta. Avenida de Los Palos Grandes Torre SQ (antigua
Torre Seguros Altamira), Piso 4, Oficinas D y E,
Urbanización Los Palos Grandes, Caracas
Telephone: (58-212) 285-1648 / 285-3549/2833326
E-mail: uruvenezuela@mrree.gub.uy

DELEGATES

Juan Pablo Wallace
Counsellor
Embassy of Uruguay
4ta. Avenida de Los Palos Grandes Torre SQ (antigua
Torre Seguros Altamira), Piso 4, Oficinas D y E,
Urbanización Los Palos Grandes, Caracas
Telephone: (58-212) 285-1648 / 285-3549/2833326
Fax: (58-212) 286-0638
E-mail: uruvenezuela@mrree.gub.uy

Luis Enrique Pérez
Embassy of Uruguay
4ta. Avenida de Los Palos Grandes Torre SQ (antigua
Torre Seguros Altamira), Piso 4, Oficinas D y E,
Urbanización Los Palos Grandes, Caracas
Telephone: (58-212) 285-1648 / 285-3549/2833326
E-mail: uruvenezuela@mrree.gub.uy

124**VENEZUELA****HEAD OF DELEGATION**

Alexander Gabriel Yánez Deleuze
Vice-Minister for Latin America and the Caribbean
People's Ministry for Foreign Affairs
of the Bolivarian Republic of Venezuela
Av. Urdaneta, Esquina Carmelitas, Torre MRE, piso 6,
Caracas
Telephone: (58-212) 481 5140/ 482 3701
E-mail: viceministerio.americalc@gmail.com;
multilateralesalc@gmail.com

DELEGATES

Fernando Díaz
General Director for Latin America and the Caribbean
People's Ministry for Foreign Affairs
of the Bolivarian Republic of Venezuela
Av. Urdaneta, Esquina Carmelitas, Torre MRE, piso 6,
Caracas
Telephone: (58-212) 481 5140/ 482 3701
E-mail: viceministerio.americalc@gmail.com;
multilateralesalc@gmail.com

Rafael Ravell Reverón
Analyst
People's Ministry for Foreign Affairs
of the Bolivarian Republic of Venezuela
Av. Urdaneta, Esquina Carmelitas, Torre MRE, piso 6,
Caracas
Telephone: (58-212) 993-5646/993-5695/991-9415
E-mail: rafaelravell013@gmail.com

II. OBSERVER ORGANIZATIONS**Inter-American Development Bank (IDB)****HEAD OF DELEGATION**

Juan Barrios
Economist
Urb. El Rosal, Av. Francisco de Miranda Edificio Dozsa -
Piso 8, Caracas - Venezuela
Telephone: 58 212 952.65.63
E-mail: jbarrios@iadb.org

Andean Community (CAN)

Martha Rueda Merchán
Judge
Tribunal of Justice of the Andean Community
Calle Juan de Dios Martínez Mera, Quito, Ecuador
Telephone: (593 2) 3330610
E-mail: tjca@tribunalandino.org.ec

**Inter-American Institute for Cooperation on
Agriculture (IICA)**

HEAD OF DELEGATION

Rodolfo Fernández Mujica
Representative (ai)
Edificio Centro Villasmil Piso 11, Oficina 1.102, La
Candelaria, Caracas, Venezuela.
Telephone: (212) 571.8055 / 572.1243 / 572.0776
E-mail: Rodolfo.fernandez@iica.int

CAF-development bank of Latin America

HEAD OF DELEGATION

Gianpiero Leoncini
Avda. Luis Roche Edif. Torre Central, Pisos 4 al 10
Urbanización Altamira, Caracas, Venezuela.
Telephone: 209.2030 /209.2418
E-mail: gleoncini@faf.com

126**III. DIPLOMATIC CORPS ACCREDITED TO VENEZUELA****BELARUS****HEAD OF DELEGATION**

Vladimir Grusheoich
Senior Counsellor
Embassy of the Republic of Belarus
Quinta Campanera, Tercera transversal
(calle Aveledo), con avenida 07
de la Urbanizacion los Chorros
Municipio Sucre, Caracas, Miranda,
Telephone: (+58) 212 239 27 60
E-mail: venezuela@mfa.gov.by

UNITED KINGDOM**HEAD OF DELEGATION**

Nicolas Harrocks
Chargé d'Affaires
British Embassy
Torre La Castellana, Piso 11, Avenida Principal Urb. La
Castellana. Cruce con calle José Ángel Lamas
Telephone: 263 84 11
E-mail: ukinvenezuela@fco.gov.uk

DELEGATE:

Nolan Villasmil
British Embassy
Torre La Castellana, Piso 11, Avenida Principal Urb. La
Castellana. Cruce con calle José Ángel Lamas
Telephone: 263 84 11
E-mail: ukinvenezuela@fco.gov.uk

CANADA**HEAD OF DELEGATION**

Ada Luz Rodríguez
Counsellor
Embassy of the Republic of Canada
Av. Francisco de Miranda con Av. Sur de Altamira.
Altamira. Edificio Embajada de Canadá
Telephone: 600 31 01
E-mail: caracas@international.gc.ca;

CHINA**HEAD OF DELEGATION**

Xing Wenju
Political Counsellor
Embassy of the People's Republic of China
Avenida Orinoco con Calle Monterrey. Las Mercedes
Telephone: 993 68 40
E-mail: embcnven@cantv.net
kevinaragon1634@gmail.com

SPAIN**HEAD OF DELEGATION**

Bernabé Aguilar
Counsellor
Embassy of Spain
Quinta "Marmolejo". Av. Mohedano, Entre 1ra y
2da.Transversal. Urbanización La Castellana
Telephone: 263 38 76 / 263 09 32
E-mail: emb.caracas@maec.es; espanvc@cantv.net

FRANCE**HEAD OF DELEGATION**

Edouard Mayoral
Second Counsellor
Embassy of France
Edificio Embajada de Francia. Calle Madrid con Calle
Trinidad. Urbanización Las Mercedes
Telephone: 909 65 00 / 909 65 07
E-mail: christelle.niel@diplomatie.gouv.fr

INDONESIA**HEAD OF DELEGATION**

Mochammad Luthfie Witto'eng
Ambassador
Embassy of Indonesia
Av. El Paseo, Quinta Indonesia,
Urbanización Prados del Este.
Telephone: 976 27 25 / 977 68 53 / 9773173
E-mail: caracas.kbri@kemlu.go.id;
caracas.kbri@kemlu.go.id

DELEGATE:

Louis Aponte
Political Affairs Assistant
Embassy of Indonesia
Av. El Paseo, Quinta Indonesia,
Urbanización Prados del Este.
Telephone: 976 27 25 / 977 68 53 / 9773173
E-mail: caracas.kbri@kemlu.go.id;
caracas.kbri@kemlu.go.id

ITALY**HEAD OF DELEGATION**

Silvio Mignano
Ambassador
Embassy of Italia
Edificio Atrium, PH. Calle Sorocaima, entre Avenidas
Venezuela y Tamanaco. El Rosal.
Telephone: 952 73 11 / 952 89 39 / 952 80 81 / 952 53
52 (Direct line)
E-mail: seg.ambcaracas@esteri.it; ambcaracas@esteri.it

128**SWITZERLAND****HEAD OF DELEGATION**

Matthias Bachmann
Deputy Head of Mission
Embassy of Switzerland
Av. Eugenio Mendoza y San Felipe. Centro Letonia. Torre
Ing-Bank. Piso 15, Oficina 151. La Castellana
E-mail: car.vertretung@eda.admin.ch

IV. FORUM SPEAKER

Nelson Joaquín Salazar Recinos
Head of the Department of Research and Analysis
For Economic Integration
Secretariat for Central American Economic Integration
(SIECA)
E-mail: njsalazar@sieca.int

**V. PERMANENT SECRETARIAT
LATIN AMERICAN AND CARIBBEAN ECONOMIC SYSTEM (SELA)**

Roberto Guarnieri
Permanent Secretary
Telephone: (58-212) 955-7100 / 955-7101
Fax: (58-212) 951-5292 / 951-6901
E-mail: sela_sp@sela.org

Virginia Cartaya
Director of Studies and Proposals
Telephone: (58-212) 955-71-53
E-mail: vcartaya@sela.org

Javier Gordon
Coordinator of Relations with Regional and Extra-
Regional Organizations
Telephone: (58-212) 955-7135
E-mail: jgordon@sela.org

Zulay Angarita
Manager of Administration, Personnel and General
Services
Telephone: (58-212) 955-7116
E-mail: zangarita@sela.org

Laura Méndez
Head of the Office of the Permanent Secretary (ai)
Telephone: (58-212) 955-71-23
E-mail: lmendez@sela.org

Carlos Ortuño
Official of the Centre of Information and Database
Telephone: (58-212) 955-7149
E-mail: cortuno@sela.org

Esther Gutiérrez
Press Official
Telephone: (58-212) 955-71-43
E-mail: egutierrez@sela.org

Fernando Guglielmelli
Analyst of Relations
Telephone: (58-212) 955-71-37
E-mail: fguglielmelli@sela.org

Silvia Hernández
Analyst of Relations
Telephone: (58-212) 955-71246
E-mail: shernandez@sela.org

Milagros Cruz
Analyst of Relations
Telephone: (58-212) 955-71-17
E-mail: mcruz@sela.org

Lucimar Ponce
Analyst of Relations
Telephone: (58-212) 955-71-39
E-mail: lponce@sela.org

Eduardo Piña
Analyst of Studies and Proposals
Telephone: (58-212) 955-71-41
E-mail: epina@sela.org

Karla Sánchez
Analyst of Studies and Proposals
Telephone: (58-212) 955-71-45
E-mail: ksanchez@sela.org

Javier Rodríguez
Analyst of Studies and Proposals
Telephone: (58-212) 955-71-12
E-mail: jrodriguez@sela.org

Ciro Castillo
Accounting Official
Telephone: (58-212) 955-7129
E-mail: ccastillo@sela.org

Lisette Carrillo
Informatics and Technology Official
Telephone: (58-212) 955-7125
E-mail: lcarrillo@sela.org

Cora Romero
Travel Official
Telephone: (58-212) 955-7124
E-mail: cromero@sela.org

Antonio Peña
Translation Official
Telephone: (58-212) 955-7118
E-mail: apmarcial@sela.org

Rosanna Di Gregorio
Translation Official
Telephone: (58-212) 955-7127
E-mail: rdigregorio@sela.org

A N N E X V I

LIST OF DOCUMENTS

Work Documents (DT)

DT1 Agenda

DT2 Draft annotated agenda and organization of works

DT3 Fortieth Annual Report of the Permanent Secretariat

DT4 Work Programme for the year 2017

DT5 Administrative Budget of the Permanent Secretariat for the year 2017

DT6 Audit Report on the Financial Statements of the Permanent Secretariat at 31 December 2015

DT7 Audit proposal for the year 2016

DT8 Election of a Member of the Administrative Tribunal of SELA