



LATIN AMERICAN
AND CARIBBEAN
ECONOMIC SYSTEM

Forty-first Annual Report of the Permanent Secretariat

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INTRODUCTION

The Permanent Secretariat of SELA presents its report of activities, corresponding to the period October 2016-October 2017, in which it informs about its compliance with the Work Programme for the year 2017, adopted by the XLII Regular Meeting of the Latin American Council (Caracas, 12 December 2016), through Decision 559, as well as other tasks and activities performed by the organization.

According to Decision 440, adopted by the XXVIII Regular Meeting of the Latin American Council (Caracas, 7 to 9 April 2011), the activities contained in the Work Programme for 2017 are structured into three thematic areas: Intra-Regional Relations, Economic and Technical Cooperation, and Extra-Regional Relations.

During the reported period and under the Intra-Regional Relations thematic area, the Permanent Secretariat delved into ample scope and widespread interest topics for the Member States and aimed at carrying out different research works, workshops, seminars and documents that allow to assess the integration processes from different perspectives, encompassing economic-structural, strategic-institutional, and empirical-conceptual areas.

Among the activities associated with economic-structural aspects, it stands out: the analysis of the productive activities and the economic growth of the region, and for this purpose a paper was prepared about the composition of international trade and its effects on the evolution of the labour market by sector. Likewise, a study has been formulated on the determinants of the changes in the total productivity factors in the countries of the region, and ii) the assessment of the integration process in Latin America and the Caribbean.

In regard to the studies related to the strategic-institutional aspects, those that stand out are: i) the assessment of the integration process in Latin America and the Caribbean, whose result is expected to have a prospective vision of the Latin American and Caribbean integration. Similarly, the determinants of migratory flows in the region and their impact in the labour market were evaluated, ii) in terms of activities related with dissemination, there are the follow-up reports of the subregional integration mechanisms, the case studies, the annual report on the regional integration process and the quarterly report on the regional integration process, as well as the quarterly and annual reports on the integration process in Latin America and the Caribbean.

From the standpoint of its empirical-conceptual contributions, the Permanent Secretariat completes the year with the following activities: i) the development of an information base for the strengthening of the regional trade and the productive integration; ii) in close relation with this activity, the network for strategic alliances for trade promotion in Latin America and the Caribbean has been encouraged; iii) the updating and follow-up of new results of the integration index in Latin America and the Caribbean (IINTALC); iv) the early warning indicators for Central America: a tool for times of crises and, v) strengthening the statistical information system on SELA's Web site that includes an interactive system for the management of databases and economic statistics.

As regards the activities of the information and communications technologies and knowledge society, those activities that promote electronic commerce as a tool for trade facilitation are included, such as the Programme for the Creation of the Latin American and Caribbean Digital and Collaborative Ports (Phase III: Transition towards the conformation of the Network) and the Latin American and Caribbean Regional Meeting of Logistic Port Communities. In the field of management and maintenance of the specialized portal on the Community of Latin American and

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Caribbean States (CELAC), management and maintenance of the specialized website on International Cooperation Directors for Latin America and the Caribbean: Promotion of South-South Cooperation, management and maintenance of the specialized website on public-private partnerships for disaster risk reduction in Latin America and the Caribbean; and management and maintenance of the specialized portal on free trade zones in Latin America and the Caribbean.

In compliance with its functions of support to economic and technical cooperation between Latin American and Caribbean countries, there were planned: i) strengthening economic and technical cooperation in Latin America and the Caribbean; ii) the seminar on approaches and methodologies for the formulation, evaluation and monitoring of public policies in Latin America and the Caribbean; iii) the meeting on "Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean"; iv) the regional meeting on macroeconomic impact of natural disasters in Latin America and the Caribbean; v) the meeting of International Cooperation Directors of Latin America and the Caribbean: cooperation on intellectual property; vi) the seminar on opportunities for international cooperation for Latin America and the Caribbean: towards greater strengthening of regional cooperation; vii) the Joint UNCTAD-SELA project on Latin American and Caribbean cooperation in Trade and Competition; and viii) the annual meeting of the Working Group on Trade and Competition of Latin America and the Caribbean (WGTC), within the framework of the Joint UNCTAD-SELA Project.

Lastly, it should be noted the relevance acquired by the Latin American and Caribbean Programme for the Small and Medium-sized Enterprises (SELA-SMEs Programme) and its key activities, between them giving special mention to: i) Public Policies Index to MIPYMES in Latin America and the Caribbean (IPPALC), ii) workshop to support entrepreneurs in the protection of intellectual property rights: the protection of brands and patents from the perspective of micro, small and medium-sized enterprises (MSMEs), iii) digital course on entrepreneurship in Latin America and the Caribbean, iv) regional meeting on innovative mechanisms for financing and guarantees for MSMEs in Latin America and the Caribbean, and v) training workshop for MSMEs on continuation of business and operations vis-à-vis natural disasters.

In the area of Extra-Regional Relations, the Permanent Secretariat resolved to continue delving into the monitoring and analysis of subscribed preferential trade agreements between extra-regional countries that can influence in the economic, trade and investment relations with countries of Latin America and the Caribbean. This includes the analysis of the economic, trade and cooperation relations of Latin America and the Caribbean with the European Union, the United States of America and Korea.

The Permanent Secretariat, through the activities developed in the Work Programme for 2017, complies with its mandates and commitment to the development of the region to contribute with strengthening cooperation and the Latin American and Caribbean integration process, by offering the Member States the tools necessary to facilitate decision-making that favour said processes.

I. EXECUTION OF THE WORK PROGRAMME**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

The dynamics of international trade and flows of direct foreign investment has significant effects in the evolution of the labour market. Since 2004 the unemployment rate in the region has shown a remarkable drop, it was 6% in 2014. However, figures corresponding to the close of 2015, report that the number of unemployed people at regional level has increased and it is estimated that this figure could have increased during 2016.

It seems that this scenario has been fostered by a decline in the economic activity of the countries of the region combined with a deterioration in employment composition. It should be noted that the fluctuations of the economic activity entail a variation in trade composition, what in turn leads to restructuring. In this way, closing of enterprises and loss of employment are caused in some sectors of the economy. Otherwise, there can emerge new enterprises, investment to increase production, and new jobs in other sectors.

In this sense, trade dynamics is associated with the destruction as well as the creation of employment. Thus, trade may bring real advantages for most of the population -both consumers and producers- whereas there are also those who may be adversely affected by trade variations.

By virtue of what is set out, the Permanent Secretariat is conducting an empirical study that will allow the identification of short- and long-term relationships between the dynamics of foreign trade and labour market. To this end, it will be analysed the evolution of these variables during the period 1990-2015. On the other hand, there will be evaluated the changes in labour legislations at regional level, as well as the most significant changes undertaken in the trade area.

Thus, it will be verified the existence or not of a statistically significant relationship between the composition of foreign trade and employment in the countries of Latin America and the Caribbean. In addition, it may be identified that trade structure favouring the productivity levels of the work factor. This study was programmed to be conducted during the last quarter of the year and its completion is expected in December.

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

The Permanent Secretariat of SELA considers in its Work Programme for the year 2017, the design and generation of a database for strengthening regional trade and promoting productive integration of the countries.

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To that effect, the Direction of Studies and Proposals is developing a system of indicators that will allow for evaluating and monitoring regional trade. The attainment of this activity will provide the Member States a tool that can be used to evaluate the degrees of inter-dependence of the national markets and give some answers to specific information needs, facilitating in this way decision-making in the productive sectors of each country.

In this regard, the database will have statistical data that will allow the construction of regional indicators, there will be found between them: the Index of Intensity of Intra-Regional Trade, the *Regional Trade Introversion Index*, the relative trade opening the Index of Propensity to Intra-Regional Trade, intra-regional trade participations among others. It should be noted that these and other indicators may be progressively included in the information base to the extent that the flow of necessary information for its construction is available.

This system of indicators was presented in a regional meeting that was carried out in Montevideo, in the headquarters of the Secretariat of MERCOSUR, on 16 and 17 November, jointly with Activity 1.5.2 Network of Strategic Partnerships for trade promotion in Latin America and the Caribbean.

Activity I.1.3. Determinants of the changes in the total productivity factors in the countries of the region

The neo-classic theory of growth upholds that the technological changes and the organization of production are the main factors that determine the economic results of the countries. In contrast, the theory of endogenous growth assigns a greater explaining power to the accumulation of productive factors through investment in physical and human capital, and in activities of research and development.

Hereto and with the purpose of supporting this theoretical discussion, the Permanent Secretary will conduct the document "Determinants of the changes in the total productivity factors in the countries of Latin America and the Caribbean" whose objectives are: i) to estimate the levels of total productivity factors in the countries of the region; ii) to identify the main factors that determine the changes in the total productivity factors; and iii) to carry out a comparative analysis of the results for the countries.

In aggregated terms, the total productivity factors (TPF) of Latin America and the Caribbean for 1975 represented approximately 89% of the United States of America's TPF, nevertheless, this proportion noticeably decreased to 54%. Therefore, to increment the efficiency while using the productive factors has become a top priority concern for the countries of the region.

The specialized literature on this subject area suggests that the productivity in the economy is affected by economic and institutional variables. The macroeconomic stability, the institutional quality and rendering of accounts are key elements to determine the changes in TPF.

In this study, an econometric analysis is done of the impact of the main institutional variables (transparency and rendering of accounts, respect paid to the rule of law, anticorruption controls) and the macroeconomic variables (control of inflation, evolution of the exchange rate, borrowing abroad and domestically) in the total productivity of the countries of the region. The empirical evidence obtained by other studies in this subject area suggests that a larger political instability, increase in uncertainty and discretionary authority in decision-making of public policies, and greater volatility in the macroeconomic environment, have a negative influence in the changes in TPF.

Carrying out this study was planned for the last quarter of the year and its completion is expected in 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

In the continuation of the study and deepening the integration process in Latin America and the Caribbean, the Permanent Secretariat of SELA has been working to boost the research that widens the spectrum of knowledge of the progress that there has been aroused in the subregional integration mechanisms and in the different subjects that spark interest in the region. When carrying out the work programmes for the years 2014 and 2015, in-depth research was conducted about the evaluation of the current state of the integration processes, as well as on the main challenges and opportunities facing the region. In the year 2016, work was done for the construction of an indicator of integration for Latin America and the Caribbean (IINTALC), aimed at quantifying the degree of integration of the countries of the region, and with which it is possible to monitor its evolution. In this indicator there are incorporated the following non-traditional dimensions in this type of indicator: social, migratory, labour, and cultural.

A document is currently being prepared in which prospective scenarios are developed and that gathers the long-term trends of the integration of the different subregional mechanisms, aiming at monitoring and assessing the possibilities of the region towards higher levels of convergence. This document is internally prepared, and its completion is expected in December, from the concepts generated by the Permanent Secretariat during the year 2016, and will serve as a base for organizing a regional meeting to be held jointly with the Economic Commission for Latin America and the Caribbean (ECLAC), in its subregional headquarters in Mexico next year.

In this connection, the Regional Meeting *Prospective Vision of the Latin American and Caribbean integration* has training activities on the regional and subregional schemes of integration that contribute to strengthen the integration links of the countries of the region. The content of the meeting is based on the regional efforts into integration and the instruments measuring regional integration in Latin America and the Caribbean.

It should be noted that at the request of the Economic Commission for Latin America and the Caribbean (ECLAC), the institution hosting the regional meeting corresponding to this activity, such meeting was rescheduled for March 2018.

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

In 2016, an indicator was beginning to be prepared, whose main objective is to quantify the degree of integration between the different mechanisms of integration of the region, namely: the Pacific Alliance (PA), the Southern Common Market (MERCOSUR), the Central American Integration System (SICA), the Andean Community (CAN) and the Caribbean Community (CARICOM).

This study took place along with the "Regional Meeting on the Integration Index for Latin America and the Caribbean", held in Guatemala, on 11 October 2016, in the headquarters of the Central American Economic Integration Secretariat (SIECA). On that occasion, the Permanent Secretariat of SELA explained the proposed methodology for the construction of said indicator, with which it is easier to measure in which phase of integration each one of the subregional mechanisms is, and

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besides, it quantifies the behaviour in the different stages of integration identified in economic theory and their evolution over time.

For the year 2017, updates of the indicator are being made, including methodological refinements that optimize the calculation process and add reliability to the index. The evaluation and monitoring of each one of the (political, social, economic, environmental, and cultural) dimensions that form the index, will give way to the formulation of public policies tending to guide those who make decisions about the control variables they can use and should include, to improve the instruments that will lead them to achieve the objectives.

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

The migratory processes are, maybe, the last and deepest manifestation of the regional integration processes. Its impact reaches a great variety of aspects such as urban planning, labour market, capital movements and citizen security. However, their importance transcends any of these elements because, most of all, the migratory processes test the ability of peoples to adapt to recognize each other as equals, and from there, to build relationships of coexistence and tolerance.

The economies of the region do not escape the processes of globalization and productive transformation that open up new opportunities for the integration of the labour markets. These trends are expressly reflected in the constitutive acts of the integration mechanisms.

But beyond the legal aspects associated with the treatment of people in different integration mechanisms, there exists a set of economic incentives that affect the migratory processes. In this way with this activity, the Direction of Studies and Proposals made an estimation of the elasticities of the migratory flows and their impact in the labour market of the countries of the Andean Community (CAN). Likewise, this work allows to feed new statistics into the SELA database system.

The document collects proposed indicators with a work methodology that allows to broaden and maintain the required database on the process of migratory flows of the region, and it will be presented in the regional meeting that will be held in the headquarters of the General Secretariat of CAN, which at the request of this institution will be held in February 2018, in Lima.

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

Follow-up reports on subregional integration mechanisms began to be prepared in the year 2016. With the first issue, the printed edition of this series of publications was launched on the macroeconomic performance of the region during the first semester of 2016. In the year 2017, it turned into a biannual delivery due to the difficulties with data collection, and it also showed a more modern new image, updating the data until December 2016 and July 2017, respectively.

With this effort, progress continues to be made in the periodical dissemination of the economic performance of the subregional integration mechanisms, emphasizing the analysis of the macroeconomic environment and the main variables of the external sector of the five subregional integration mechanisms, namely: the Pacific Alliance (PA), the Southern Common Market (MERCOSUR), the Central American Integration System (SICA), the Andean Community (CAN), and the Caribbean Community (CARICOM).

The information available in the first edition, as well as in the publications corresponding to the year 2017, is directly compiled from official sources of each country, otherwise from competent entities in the collection of socio economic data at regional level (ECLAC), so the validity of the published data is subject to the availability of official information from the member countries, that belong to these schemes of integration.

Likewise, the construction of the report contributes to the widening of the database of these variables, thus enabling economic monitoring, and at the same time maintaining the Member States, and the general public, updated about the economic situation of the countries of the region through SELA's Web site.

Activity I.2.5. Case studies for integration

The case studies are presented as short and easy to read articles about subjects of interest for the Member States, being a complementary product of the document base of the institution, they describe initiatives in the promotion of cooperation, coordination and organized interaction between nations and between integration mechanisms, to serve as a reference for decision-making for the benefit of the regional integration process.

In the year 2017, the identification of new initiatives on the economic reality will continue inside and outside the region, new case studies will also be published, depending on the topics of interest and priority for the Member States that are linked with the documents prepared by the Secretariat.

This is how these case studies were published "Early alert indicators: anticipation of external crises for developing countries" (Case Study 3) and "Brexit and the European integration" (Case Study 4).

In the first document, a bibliographical compilation is made of the different techniques and methodologies used in the economic literature for the assessment and monitoring of the external vulnerability, through the use of economic indicators that have shown to be able to issue early alerts for the detection of economic crises, emphasizing external shocks. Likewise, a comparison of empirical studies for several regions is drawn, aimed at assessing the advantage of different methodologies that can be used for the region.

This case study is in line with the creation of a set of early alert indicators by SELA for: Costa Rica, El Salvador, Guatemala, the Dominican Republic and Nicaragua, to give these countries the tools to be able to anticipate external shocks and mitigate the effects of the crises. These indicators are widely explained and shown in the document "Early alert indicators for Central America: a tool for times of crises".

On the other hand, the case studio "Brexit and the European integration" considers different perspectives regarding the future functioning of the European Union due to the results of the elections held in the United Kingdom, on 23 June 2016, which supported the withdrawal of that nation from the Union, to be enforced in March 2019. These perspectives of the future of the European integration comply with the objective of monitoring the level of integration and political cohesion at extra-regional level, in order to provide the Member States of a global perspective of the integration that can be checked with the conclusions of the Regional Meeting "*Prospective Vision of Latin American and Caribbean Integration*" and with those brought by updating the Integration Index of Latin America and the Caribbean (IINTALC).

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Activity I.2.6. Report on the regional integration process

The Report on the regional integration process is an annual document prepared by the Direction of Studies and Proposals of the Permanent Secretariat of SELA, aimed at analysing comprehensively the causes and consequences of the current state of the regional integration process in the countries of Latin America and the Caribbean. This document intends to offer a thorough and comprehensive analysis of the performance of the Latin American and Caribbean region in various topics related to regional integration, such as trade and financial relations, development of an institutional system for regional integration, cooperation between countries among others. Hereto, the best tools of empirical research are used to be applied to the analysis of the most recent quantitative and qualitative data on the behaviour of the countries that form the region, considering also the conceptual developments on regional integration of greater acceptance within the social scientific community.

For the edition of the year 2017, the Direction of Studies and Proposals is carrying out an in-depth process for restructuring the Report, with the purpose of offering a sharper and better prepared analysis about the regional integration process in Latin America and the Caribbean. Therefore, a revision of the concept of regional integration was made, considering various schools of thought on the subject. This revision served as an input for the redefinition of the topics to be analyzed in the Report, namely: trade of goods and services, movement of people and capital, institutional convergence, regional cooperation and social interaction between countries. In addition, with the intention of offering a deeper understanding of a relevant aspect of the recent evolution of the regional integration process in Latin America and the Caribbean, it was decided to incorporate into the objective a special topic that has not been dealt with, in depth, in the traditional sections of the document.

The experience of other international organizations was considered, with the purpose of presenting a clearer report in content without losing any analytic preciseness, in the preparation of periodical reports for the analysis of economic and/or social topics of general interest. Hence, there were examined some aspects of the main analytical reports of organizations such as Asia Development Bank (ADB), World Bank, Economic Commission for Latin America and the Caribbean (ECLAC), International Monetary Fund (FMI), World Trade Organization (WTO), United Nations Organization (UN), United Nations Conference for Trade and Development (UNCTAD) and United Nations Development Programme (UNDP). From these reports, there were collected the leading practices that these organizations have applied for the presentation of scientifically based content for a wider audience such as the styles of shapes and graphics for the exposition of statistics, the organization of arguments in logically structured sections, the use of idea schemes and text boxes with reference cases among others.

On the basis of the new structure designed for this document, the Direction of Studies and Proposals will conduct the Report corresponding to the year 2017. To this end, a large database is created with official information about national accounts, balance of payments, trade of goods and services, migration, bilateral and multilateral agreements, among other indicators, aimed at quantifying the economic, social and political dimensions of regional integration. This database will also be used in the development of other studies frequently prepared, such as the Report of economic integration: Latin America and the Caribbean; for this, monitoring the different data sources used has been scheduled for periodical updates. For data processing, construction of indicators and preparation of statistics estimations, there were used some basic tools from spreadsheets and statistical software. With this, the document is being provided of plenty of

evidence about the regional integration process in Latin America and the Caribbean, what increased significantly the accuracy of the conclusions contained in the document.

Other Activities: Activities of the Work Programme for 2016 that were executed in 2017

The production trap and the middle income trap in Latin America and the Caribbean - Activity I.1.2

The middle income trap is a term of recent incorporation in economic science and its analyses. It is an operative definition that lacks consensus, and is derived from the impossibility of overcoming the threshold of middle income defined by the World Bank. In this way, the countries with Gross Domestic Product per capita between \$2,000 and \$7,250 (low middle income) and \$7,251 and \$11,750 (high middle income) that cannot overcome these income levels in a period of time established empirically by the economic theory, are likely to stay trapped in the middle income.

Latin America and the Caribbean form the region in the world with the higher number of middle income countries. Aware of this regional reality, the Permanent Secretariat included in its Work Programme for 2016, the development of this activity that considers the preparation of the study "The middle income trap in Latin America and the Caribbean" that was finished in November 2017.

The objectives of this document are oriented to: i) to identify the countries of the region that could be in the middle income trap following the empirical criteria of the economic theory; ii) to analyse the export performance of the countries of the region regarding diversification, technological content included, connectivity and ubiquity, to identify the nations that maintain structural problems to overcome the middle income levels and; iii) to evaluate the main opportunities and challenges of the Latin American and Caribbean countries to overcome the threshold of middle income.

In spite of the achievements in social areas and the progress in the management of macroeconomic variables during the last decade, the region still faces difficulties to move forward in regard to income per inhabitant. Therefore, the empirical evidence shows long delays in the area of competitiveness, productivity, and a high concentration on the export basket of raw material. As a result, to face the middle income trap the countries should build a more sophisticated, interconnected and complex, productive matrix that allows an improved access to international markets under more favourable conditions for interchange.

For the presentation of this document, the Permanent Secretariat received the support from the Catholic University of Uruguay, in the "*Regional Meeting on the Middle Income Trap in Latin America and the Caribbean*", held on 21 November, in Montevideo, Uruguay.

Central America: Early warning indicators as a tool for times of crises - Activity I.2.4.

The Permanent Secretariat, aimed at providing tools to facilitate the design of policies that favour economic growth of the region, prepared an analytical document that allows making a diagnosis of the conditions and the capacity of response of the region vis-à-vis external shocks.

Several authors have included Latin America countries in their analytical essays; within a wide selection of emerging countries, in general. Such is the case of the document "User's Guide to an Early Warning System for Macroeconomic Vulnerability in Latin American countries" (Herrera and García, 1999), that develops early alert indicators that turn out to be good predictors of

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macroeconomic crises in the region. The study takes into account a wide selection of Latin American countries that includes the following: Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Peru and Venezuela. On the other hand, the Economic Commission for Latin America and the Caribbean (ECLAC) published in 2011, a comprehensive analysis of the situation of vulnerability of the Caribbean countries.

However, there are few analyses that have been directed to the Central American countries. Hence, this working document presented by the Permanent Secretariat was focused on the selection of a set of variables que allow the design of an indicator capable of identifying the unfolding of a crisis or episodes of intense speculative pressure. The analysis was aimed to the following countries: Costa Rica, El Salvador, Guatemala, Nicaragua and Dominican Republic. To this end, the method of signals used was developed by Kaminsky et al. (1998), who proposed an early warning composite indicator.

The indicator developed by the Direction of Studies and Proposals took into account variables like the proportions of short-term debt, direct foreign investment flows, levels of international reserves and relevance of the remittances sent by workers abroad, among others. The results obtained show that the External Vulnerability Indicator (EVI), constructed for each one of these Central American countries, has the ability to emit early alert signals previous to the global financial crisis of 2008. Even though the approach for this research was to anticipate this crisis, the indicator could be implemented for reading anticipated signals of other crises that affected these economies. In addition, the EVI could be used as a tool to monitor the market, so as to facilitate policy makers to design strategies that mitigate the effects of a possible external shock. Nevertheless, the data availability in a longer timeline and with a high (monthly) frequency might favour the selection of a larger number of indicators by country. Therefore, the design of a stronger early alert system is possible.

Report on the regional integration process - Activity I.2.7.

Integration is a means that contributes to accelerate economic growth and social development, as soon as the resource allocation improves and fosters investment, favours competition, and definitely, increases the possibilities of development of the member countries that form a trade bloc.

However, the integration processes require of a series of activities and commitments to which the countries should adhere to, in a gradual and orderly way. Therefore, it is required to go through stages and phases of structural, national as well as international, policies that demand different maturation periods.

The Permanent Secretariat has scheduled the preparation of quarterly reports, whose main objective is focused on the recognition of case studies for the promotion of integration, every four month, whose central purpose is the detailed study of the periodical progress of the regional integration mechanisms. These periodical bulletins will be characterized by the compilation of notes and reviews relative to trade and international policy, as a quick guide about what happens in the economy of the region.

Along these lines of ideas, the report on the integration process represents a complementary document, in which a detailed analysis of the dominant trends, challenges and opportunities for the achievement of further integration in Latin America and the Caribbean is presented, compiling and highlighting the more relevant findings obtained in the periodical reports.

PROGRAMME: TRADE FACILITATION**PROJECT I.3. Regional Meetings on Foreign Trade Single Windows (FTSW)****Activity I.3.1. IX Latin American and Caribbean Regional Meeting on Foreign Trade Single Window (FTSW)**

The *First Latin American and Caribbean Regional Meeting on Foreign Trade Single Windows* (Bogota, 25 and 26 March 2010) was convened by the Permanent Secretariat of SELA, jointly with the Ministry of Trade, Industry and Tourism of Colombia. Since then, at the request of experts and representatives of the Member States attending this event, and upon a mandate of the Latin American Council, the Permanent Secretariat has systematically organized and promoted these annual regional meetings aimed at boosting processes of concerted action towards digital integration within the framework of the regional integration processes, at fostering the permanent and proactive debate on issues of significance associated with the FTSWs in regulatory, technical, technological and governance areas, and at disseminating internationally validated best practices for the development of this instrument for trade facilitation.

On 25 and 26 October 2017, the Permanent Secretariat, jointly with the Customs National Direction of Paraguay, held the *IX Latin American and Caribbean Regional Meeting on Foreign Trade Single Windows*. Participants in this meeting included representatives of the Member States of SELA responsible for the management, development, and/or operation of the Single Windows in their respective countries, as well as experts on the subject of trade and transport facilitation.

On that occasion, the agenda included the following subjects: i) the advances in the implementation of the World Trade Organization (WTO) Agreement on Trade Facilitation; ii) the latest recommendation of the United Nations through its Centre for Trade Facilitation and Electronic Business (UN/CEFACT) related to the public-private partnerships for trade facilitation and some elements of governance in Foreign Trade Single Windows, and iii) the importance of transport facilitation for foreign trade.

According to the expected objectives, this meeting was an excellent opportunity for experts from Latin America and the Caribbean to exchange views on the recommendations of the UN/CEFACT and the World Customs Organization (WCO), aimed at fostering trade facilitation. Likewise, the attendees held a fruitful debate on the difficulties that may arise in the implementation of specific trade facilitation measures, with special reference to the WTO Agreement.

The agenda also included a topic that is inherent in the FTSWs as a tool to boost trade facilitation: Digital and collaborative ports, the progress of which was highlighted on the *Programme for the creation of the Latin American and Caribbean Network of Digital and Collaborative Ports*, that since 2014 is being advanced by the Permanent Secretariat of SELA, with the support of CAF-development bank of Latin America.

The corresponding final report on this activity will be available on the minisite of this regional meeting.

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

The Permanent Secretariat of SELA, jointly with the United Nations Conference on Trade and Development (UNCTAD), organized the virtual course entitled: “*Electronic Trade in practice as a tool to promote trade facilitation*”, held from 2 to 31 May 2017, through the UNCTAD *Train for Trade* virtual platform.

The objectives of this virtual course were: i) to train participants in dealing with the practical and basic elements of electronic trade; ii) update and expand the knowledge of the participants on the most important topics related to electronic trade: fundamentals of electronic trade and electronic government, regulations, ICTs, payments, logistics, marketing, among others; iii) promote a greater knowledge about opportunities for international trade insertion and the increase of intra-regional trade in Latin America and the Caribbean; iv) present the trends in the practice of electronic trade in the region that should be considered to favour its growth; and v) contribute to close the gap in the use of technological tools in Latin America and the Caribbean.

The course was mainly targeted at the national authorities responsible for trade and cooperation relations of the Member States of SELA, and professionals from government institutions, the private sector and civil society involved in electronic trade issues (telecommunications, commerce, marketing, and customs, among others). The course was taught in Spanish, because the UNCTAD platform for this subject is only available in this language, for the time being.

It should be noted that the course had a set of technological tools and specialized documents for its proper development, which included the flexibility of access to contents through Internet, conducting weekly exams, availability of open forums moderated by the teaching staff, and the delivery of an e-certificate validated by UNCTAD after its successful completion.

A total of 212 applications were received and 170 candidates were registered. The virtual course allowed for the training and certification of 155 participants of the Member States of SELA, 81 men (52%) and 74 women (48%), from both the public and private sectors.

In the final questionnaire of the course a percentage of satisfaction of 90.65% was revealed. Representatives of 16 Member States of SELA participated in the course: Argentina (5), Bolivia (5), Chile (4), Colombia (4), Costa Rica (11), Cuba (5), Dominican Republic (10), Ecuador (5), El Salvador (20), Honduras (1), Mexico (2), Panama (16), Paraguay (7), Peru (12), Uruguay (14) and Venezuela (34).

The Final Report on the distance learning course: “Electronic trade in practice as a tool to promote trade facilitation” (SP/CFDCEPHIFC/IF No. 1-17) contains the details and results of this training activity.

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

In 2014, within the framework of the Non-Refundable Technical Cooperation Agreement signed between CAF-development bank of Latin America and the Permanent Secretariat of SELA, the first phase of the *Programme for the Creation of the Latin American and Caribbean Network of Digital and Collaborative Ports* was advanced, with the participation of the ports of Manzanillo and Veracruz in Mexico; Buenaventura and Cartagena, in Colombia; Callao, in Peru; San Antonio and Valparaiso, in Chile; and Balboa and Colon, in Panama.

In August 2015, a new Non-Refundable Technical Cooperation Agreement was subscribed between SELA and CAF for an amount of SD\$ 166,412 aimed at implementing Phase II of this Programme, whose objective was the expansion and institutionalization of the Network. The execution of Phase II began in September 2015 and ended on 3 November 2016.

In that second phase, the collaborative aspects of the countries and pioneer port communities were deepened and actions were advanced in the port systems linked to the Network in this phase. Thus, to this date, the countries and their port communities participating in the Programme for the creation of the Network of Digital and Collaborative Ports (D&CP) are: Mexico (Manzanillo, Veracruz and Altamira); Costa Rica (Puerto Limon); Panama (Balboa and Colon); Colombia (Buenaventura and Cartagena); Trinidad and Tobago (Port of Spain); Ecuador (Guayaquil); Peru (Callao and Paita); Chile (Valparaiso and San Antonio); Uruguay (Montevideo), for a total of 9 countries and 15 port systems linked to the programme for the creation of this Network.

When Phase II of the Programme ended, it was evident that there was a need to advance in terms of sustainability in order to move towards the effective conformation of the Network of Digital and Collaborative Ports. Therefore, a proposal to advance a Phase III was made, starting in 2017, aimed at implementing the transition between the Programme for the Creation of the Network of digital and collaborative ports and the effective creation of this Network. And for its implementation, on 15 August 2017, the Permanent Secretary General, Ambassador Javier Paulinich, and the President of CAF-Latin American Development Bank, Luis Carranza, signed the III Phase of the Non-Refundable Technical Cooperation Agreement for the creation of the Latin American and Caribbean Network of Digital and Collaborative Ports, aimed at strengthening logistic-port communities, under a globalized, logistically competitive and sustainable environment through the optimization of its service and technological innovation standards.

With the beginning of Phase III of the Programme (2017 – 2018), it is intended to expand and consolidate the *Regional Programme for the creation of the Network of Digital and Collaborative Ports*, and implement the recommendations oriented to facilitate and foster collaborative innovation projects in the Latin American and Caribbean countries, port communities and logistic port corridors. It is expected to link the ports of Lazaro Cardenas, in Mexico; Kingston, in Jamaica; Lisas, in Trinidad and Tobago; Barranquilla, in Colombia; Buenos Aires, in Argentina and Santa Catarina, in Brazil, which will expand the Network to 12 countries and 21 port systems in Latin America and the Caribbean.

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Likewise, as part of this activity, the *I Meeting of the Temporary Steering Committee of the Network of Digital and Collaborative Ports* was held in Lima, on 24 March. In this meeting an introduction about the collaborative work on the web was given to the members of the different committees of the Network. Special emphasis was placed on the Network of Digital and Collaborative Ports' website: characteristics, benefits and reach, with special attention paid to the private or developing environment, in which the collaborative technical work is expected to be done. Also, on that occasion the Temporary Steering Committee was installed and the following work plans were exposed: *Work plan for PHASE III SELA-CAF Programme for the creation of the Network of Digital and Collaborative Ports; Work plan for the Research and Innovation Committee; Work plan for the Port Governance and Competitiveness Committee; and Work plan for the Port Public Policies Committee.*

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

With the financial and technical support of CAF-Latin American Development Bank, the Permanent Secretariat held the *II Latin American and Caribbean Meeting of Logistic Port Communities* (Cartagena de Indias, Colombia, on 27 to 29 July 2017), in which opinions, experiences and trends were basically analyzed in key aspects such as strategy and governance; process integration in the logistic port chain; benchmark and indicators, as well as change management and community Information and Communications Technologies (ICTs). At the same time, during this event an explanation about the state-of-the-art of ICT solutions and services implemented in port systems of worldwide reference; the lessons learned and recommendations for Latin America and the Caribbean, and the Temporary Organizational Structure and the work plan proposed within the framework of the Phase III of the Programme of the Network of digital and collaborative ports.

In addition, the *I Talk about Scientific Research on Logistic Port Chain* was carried out as a prelude to the development of the II Meeting, on 26 July 2017, organized by the Methodological Support Group (MSG) of the port city of Cartagena, in which an open debate was held about the importance of networks in scientific collaboration on regional port logistics, and the dissemination of applied research projects in the logistic port chain.

With this event, the Permanent Secretariat in cooperation with CAF-Latin American Development Bank moved forward to establish the Network of digital and collaborative ports of Latin America and the Caribbean and, at the same time, the positions of the participants of the *I Latin American and Caribbean Meeting on Logistic Port Communities* (Panama City, 14 to 16 July 2016) were heard.

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 compilation and classification of the vast quantitative information managed by SELA began in the year 2016, aimed at developing an interactive database system specialized in statistics of interest for the Member States. Special reference has been made in the year 2017 to that systematized information, that although some of them represent input for the research work made by the Direction of Studies and Proposals, others are the result of the production of indicators specific to the institution.

In order to optimize the management of the system, in 2017, a classification into a matrix arrangement was made using time series by country and by trade block that were easier to deal with, as well as updating regularly the system data, basically the information gathered and derived from studies conducted by the Direction of Studies and Proposals of SELA. In addition, new dynamic tools and elements are going to be included that boost the system capacity to add value to the information offered, thanks to a resourceful management and better visualization.

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

Strengthening networks and productive partnerships in the region allows for boosting the Latin American and Caribbean integration process through the generation of trade and cooperation links. Therefore, the creation of a network of strategic alliances for trade promotion in Latin America and the Caribbean becomes a first-class objective for the Permanent Secretariat, within the framework of its efforts to promote economic development in the countries of the region.

Compliance with this activity is defined by the following objectives: i) to design processes to select companies that allow for identifying opportunities for collaboration, according to the size of the enterprise, its objectives and the economic sector where they perform; and ii) provide information and assistance to negotiators to establish business relations and know, in greater detail, the legal aspects such as tariff rates, formalities in the import/export processes, rules of origin or sanitary rules demanded by different countries of the community.

Thus, on the basis of previous experiences such as *Enterprise Europe Network* and the *Productive Integration Group*, a reliable database was created that allows for identification and selection of the companies to foster business development, research and technological interchange. On this information base it can be known, besides the scope of the trade policies of the countries, the legislation that governs the operation of their international trade and the objectives of their industrial policy.

Consequently, the Permanent Secretariat of SELA considered to convene a regional meeting for the second semester of 2017, in which the results of the research conducted internally, aimed at presenting to the Member States the project on this initiative to create a specialized Web site, in which the countries can outline the scope and objectives of their trade and industrial policies strategies.

The regional meeting was held in the headquarters of the Secretariat of MERCOSUR in Montevideo, jointly with Activity I.1.2. Information base for the strengthening of regional trade and productive integration.

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)

[CELAC's Web site](#) was created to comply with Decision 527 "[Portal of the Permanent Secretariat of SELA and its Work Programme with the conformation process of the Community of Latin American States and Caribbean States \(CELAC\)](#)", adopted in the XXXVII Regular Meeting of the Latin American Council (Caracas, 27 to 29 October 2011). Since then, this tool has become the channel *par excellence* to disseminate the intellectual production of CELAC. Indeed, it is the most

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complete Web site in terms of information generated by CELAC, in which the Member States of the Community, as well as the diverse public interested in it, can consult key documents that range from the [Caracas Declaration](#) signed during its Founding Summit, on 3 December 2011, as well as declarations, procedures and special communiqués in Spanish, English and French, up to the documents issued from the five Summits of Heads of State and Government and the two European Union-CELAC Summits held until now, as well as documents derived from the National Coordinators Meetings and other instances of the Community.

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

In 2013, the Permanent Secretariat created the ["International Cooperation Directors of Latin America and the Caribbean's Website: Promotion of South-South Cooperation"](#). It relies in the international cooperation focal points of the Member States of SELA for its maintenance. Likewise, it has the collaboration of the most outstanding Latin American and Caribbean institutions related to the subject. In particular, it draws information from the Community of Latin American and Caribbean States (CELAC), of the United Nations System, the Economic Commission for Latin America and the Caribbean (ECLAC), the United Nations Development Programme (UNDP), and specifically, the Perez-Guerrero Trust Fund (FFPG) of the Group of 77 (G-77).

This specialized Web site is a tool to systematize and offer the user, in a friendly way, updated information referred to the more relevant initiatives and efforts that are being carried out in Latin America and the Caribbean to boost international cooperation, with special reference to South-South Cooperation (SSC) and triangular cooperation. Between the sections that form it, it should be noted that of [National Focal Points of Cooperation](#) in the Member States of SELA, which the user can access through a map of the region and an index. Both channels take the user to the basic data that identify the National Focal Point of the country of his selection, complemented with a news section and another of recent documents referred to cooperation in that country, in addition to a news section, also specialized, but referred to the region. The links section turns out to be very useful, among them the following stand out: UNDP Special Unit for South-South Cooperation, United Nations Development Programme (UNDP); Group of 77; ECLAC, and Ibero-American General Secretariat (SEGIB).

It should also be noted, the section dedicated to the Meeting of International Cooperation Directors, annually organized by the Permanent Secretariat. In this section the background of this event that has such significance for the region is summarized, access is offered to the web pages of meetings held between 1987 and today, as well as a listing of the final reports, 20 of which are accessible and can be downloaded

The Document Section consists of [Documents of SELA](#), organized by year and [Other Documents](#), generated by other organizations, also accessible by year. It should also be noted the section [Recent Documents](#) which refers to documental novelties. All the documents offered are presented in pdf format, easy to access and download by the user.

Finally, the section of co-operators consists of [Bilateral co-operators](#), organized by country, and [Multilateral co-operators](#).

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

In compliance with the provisions of the Latin American Council on the subject, the Permanent Secretariat continues working on the issue of disaster risk management, with special attention on building strategic alliances between the public and private sector. Such is the objective of the [Portal on Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean](#). Specifically, the Permanent Secretariat aims this tool towards its conversion into a virtual space that facilitates the organization and timely dissemination of information through which experts and authorities involved in this matter realize the efforts that are being made in the region with a view to building strategic associations between the public and private sector.

Through this specialized portal, the Member States of SELA and, in general, individuals and public and private organizations interested in this matter, can access documents associated with the different seminars and meetings held by the Permanent Secretariat in matters pertaining to disaster risk reduction, as well as documents generated by other specialized institutional entities in the region. Also, this tool offers a directory of national focal points on risk management, as well as news, documents and reports on best practices.

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

The creation of this [Portal on Free Zones \(FZ\)](#) was the response of the Permanent Secretariat of SELA to 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). On this occasion, the participating authorities and experts proposed the need for a virtual space that, not only serves as a great reservoir of information pertinent to free zones, referring to Latin America and the Caribbean, but facilitates dynamics for the generation, organization and dissemination of such information so that the regional and international community can have timely and effective access to it. Essentially, with this tool the Permanent Secretariat seeks to promote exports, productive diversification, foreign investment and transfer of technology in the region.

This tool includes: a general directory for the free zones, by country; the text of the main national legal instruments that govern the issue; the benefits derived from the Free Zones and the links to the national authorities in the area. It also includes three additional directories, namely: Trade organizations; Government policies and Free Zones, by country, city and type (commercial, industrial, maquila and services).

Activity I.6.5. Management and maintenance of the specialized portal on SELA-SMEs

The specialized subportal [Latin American and Caribbean Regional Programme for Small and Medium-sized Enterprises](#) (SELA-SMEs Programme) constitutes the digital communication and information channel par excellence that the Permanent Secretariat maintains to provide, in an effective and timely manner, to Member States, individuals and public and private institutions interested in the world of micro, small and medium-sized enterprises (MSMEs), relevant and updated information.

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Its main objective is to support the cooperation actions of the Permanent Secretariat for the creation and strengthening of SMEs in Latin America and the Caribbean, as well as to create and update a network of contacts with public and private entities to facilitate location of those responsible for public policies and the representatives from the sector in the Member States.

Specifically, through this tool, the Permanent Secretariat provides its different audiences with information related to core issues of the MSMEs' world itself, such as: public policies; productive articulation; internationalization; innovation, competitiveness and productivity; financing and guarantees, and entrepreneurship, among others. In addition, it provides links to the main regional and international institutions dealing with issues of MSMEs. It also offers a directory of business and governmental focal points for MSMEs in the Member States of SELA.

Específicamente, a través de esta herramienta, la Secretaría Permanente suministra información referida a temas medulares propios del ámbito de las MIPYMES, tales como políticas públicas; articulación productiva; internacionalización; innovación, competitividad y productividad; financiamiento y garantías; y, emprendimiento. De igual manera, proporciona enlaces a las principales instituciones regionales e internacionales vinculadas a las MPYMES. También ofrece un directorio de los puntos focales gubernamentales y empresariales de MIPYMES en los Estados Miembros del SELA.

This portal is reinforced with three databases, namely: [*Data base of legal instruments on SMEs in Latin America and the Caribbean*](#), which provides access to the texts of the main national legal instruments (laws, regulations, decrees, among others) that, in the Member States of SELA, regulate the SME sector; [*SME contact networks in Latin America and the Caribbean*](#). This tool is a directory that provides information on the governmental and business focal points of MSMEs in the Member States of SELA and [*Public Policy data base for MSMEs in Latin America and the Caribbean*](#), the Public Policy Database, which contains information on public policies (programmes, projects and services) aimed at promoting the creation and development of MSMEs in the Member States of SELA.

Activity I.6.6. Management and maintenance of the specialized portal on the Network of Digital and Collaborative Ports

This Specialized Portal on the Network of Digital and Collaborative Ports was created within the framework of the [*Programme for the Creation of the Latin American and Caribbean Network of Digital and Collaborative Ports: Towards strengthening logistic-port communities, service standards and technological innovation for a globalized, logistically competitive and sustainable foreign trade*](#), as a digital space that facilitates the preservation, systematization, management and dissemination, timely and effective, of knowledge, information and documentation within the context of this Network and other related instances. At the same time, it is expected that this tool allows for the possibility of keeping closer contact with the different port communities, methodological support groups, public and private institutions, and the general public and becomes a key factor to advance in the institutionalization of the Network of Digital and Collaborative Ports promoted by SELA.

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

The new approaches to public policies must bridge the gap between the expected results and the impacts achieved. For this reason, public officials in charge of the area of public policies should count on relevant information enabling them to develop the appropriate mind set 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

In this regard, the Permanent Secretariat of SELA has organized the Regional Seminar "Introduction to the impact evaluation of public policies and programmes", which was held on 23, 24 and 25 August, in Mexico City, Mexico.

This activity was jointly organized with regional institutions that have wide academic experience and prestige in impact evaluation of public policies in Latin America and the Caribbean, such as the Ibero-American School of Administration and Public Policies (EIAPP), Latin American Centre of Administration for Development (CLAD), CAF- Development Bank of Latin America, the Centre for Research and Teaching of Economics (CIDE), and the Regional Centre for Learning on Evaluation and Results for Latin America and the Caribbean (CLEAR-LAC).

The main objective of this seminar is to train participants in the management and mastery of the necessary tools for management, monitoring and evaluation of the impact of public policies, emphasizing the exploration of quantitative techniques and standards to be considered in an assessment of impact, and identifying the appropriate tools to accomplish it according to the nature of the public programmes.

Also, it sought to exchange experiences among partners in the process of public policy making in order to train technical personnel in issues of impact evaluation, capable of determining the validity of the results and the limits imposed by the decisions taken as regards measurement.

This regional meeting convened the national government authorities of the Member States of SELA, responsible for institutional consolidation and improvement of public management, and specialists in the field. Twenty-one delegates participated from Argentina, Barbados, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guyana, Honduras, Panama, Peru, Dominican Republic, Uruguay, Mexico and Venezuela, as well as representatives from the Caribbean Centre for Development Administration (CARICAD), of the co-sponsoring institutions and others from the academic sector.

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With reference to the training, it was led by experts from CAF-development bank of Latin America and the Centre for Research and Teaching of Economics (CIDE), as well as the Latin American Centre of Administration for Development (CLAD), responsible for the design and dissemination of didactic and support material to be used during the seminar.

After the successful completion of the seminar, the official representative of CARICAD expressed the interest in subscribing with the Permanent Secretariat of SELA, a memorandum of understanding regarding technical cooperation between both organizations, to continue working on public policy issues.

The conclusions of this seminar will be included in the "Final Report on the Regional Seminar: Introduction to the impact evaluation of public policies and programmes" (SP/SRIEIPPP/IF-17).

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

The VI Meeting "Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean" is scheduled to take place on 7 and 8 December 2017, with the co-sponsorship of the United Nations Office for Disaster Risk Reduction (UNISDR) and the Government of the Dominican Republic, through the Ministry of Environment and Natural Resources and the Presidency of the Republic.

This regional meeting will focus on addressing public-private partnerships and the impact of disasters in the tourism sector, so that their objectives will be focused on: i) Analysing the main variables that should be included in the contingency plans, prevention and business and operations continuity to address priorities as well as essential and strategic issues of the tourism sector in SELA Member States; and ii) Exchange experiences and good practices on the preparation of contingency plans as well as business and operations continuity within the institutions and companies of the tourism sector.

This event will involve national authorities, regional and subregional agencies, international organizations, the private sector and other entities linked to disaster risk management in Latin America and the Caribbean.

It is important to note that this activity is framed within the Memorandum of Understanding signed between the Permanent Secretariat of SELA and the United Nations, through UNISDR, in order to strengthen strategic alliances between the public and private sectors for disaster risk reduction.

In order to systematize the activities carried out within the framework of the Memorandum of Understanding signed with UNISDR/ UN, the Permanent Secretariat prepared a document entitled "Summary of activities carried out between the Permanent Secretariat of the Latin American and Caribbean Economic System and the Office of the United Nations for the Disaster Risk Reduction (UNISDR) 2010-2017" (SP/SELA-UNISDR/Di No1-17).

The main conclusions of this meeting will be reflected in the "Final Report of the VI Meeting "Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean".

On the other hand, the Permanent Secretariat participated this year in the V Regional Platform for Disaster Risk Reduction in the Americas (Montreal, Canada, 7 to 9 March 2017), at the Meeting of the Global Platform for Disaster Risk Reduction (Cancun, Mexico, 24 to 29 May 2017). Also, it will

participate in the "VIII Regional Meeting on International Humanitarian Assistance Mechanisms (MIAH)", organized by the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) and the Ministry of Foreign Affairs of Peru, which will take place in Lima, on 7, 8 and 9 November.

Activity II.1.3 Macroeconomic impact of natural disasters in Latin America and the Caribbean

The Permanent Secretariat of SELA, together with the United Nations Office for Disaster Risk Reduction (UNISDR) and the Ministry of National Planning and Economic Policy (MIDEPLAN) of Costa Rica, organized the "Regional Meeting on the Macroeconomic Impact of Disasters due to the Occurrence of Natural Events in Latin America and the Caribbean", held on 4 and 5 October, 2017, in San José, Costa Rica.

The purpose of this Regional Meeting was to: i) Disseminate the document prepared by the Permanent Secretariat, which measures the impact of disasters due to the occurrence of natural events on the economic activity and public expenditure; ii) Analyse the type of impact of disasters due to the occurrence of natural events on the main macroeconomic variables; and iii) Present regional and global experiences in the design of public policies aimed at reducing the risk of disasters due to the occurrence of natural events.

The event was aimed, mainly, at government focal points for disaster risk reduction, the Latin American Network of Risk Management and Climate Change in Public Investment (RED GRICCIP-LAC), the national authorities and institutions involved in this issue, as well as regional and subregional organizations and specialists in the field.

It is important to note that Latin American Network of Risk Management and Climate Change in Public Investment has been working on this issue for several years and is actively integrated by Colombia, Costa Rica, Guatemala, Mexico, Nicaragua, Panama, Peru and Uruguay, and maintains close communication and coordination with the UNISDR.

As a contribution to the debates, the Permanent Secretariat of SELA presented at this meeting the study "Macroeconomic Impact of Disasters due to the Occurrence of Natural Events in Latin America and the Caribbean" (SP/RRIMDOENALC/DT N° /DT N° 1-17). In this paper, two alternative empirical strategies were used: the first consisted of the estimation of a set of structural autoregressive models for the different groups of countries and subregions of Latin America and the Caribbean. For its part, the second strategy consisted of estimating a set of single-equation regressions, for each group of countries and South America, through Ordinary Least Squares (OLS).

This activity also included the review of policies that could help mitigate the adverse effects of disasters and evaluate their implications. The analysis of these measures took into account the fact that these disasters due to the occurrence of natural events have local and global dimensions that condition the strategy of risk management.

The conclusions and consensuses reached in this regional meeting will be included in the Final Report of this activity.

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

The Permanent Secretariat of SELA, together with the Government of the Republic of Panama, through the Ministry of Foreign Affairs with the financial support of the Perez-Guerrero Trust Fund (PGTF) of the Group of 77 (G-77), is organizing the "XXVIII Meeting of International Cooperation Directors of Latin America and the Caribbean: Cooperation on Intellectual Property", to be held in Panama City on 7 and 8 November this year

The objectives of this regional meeting were to: i) Present a general assessment of the advances in the field of regulatory frameworks on intellectual property, industrial property, copyright, trademarks and patents in Latin America and the Caribbean; ii) Promote cooperation and exchange of experiences among intellectual property offices in the Member States of SELA; iii) Exchange best practices and lessons learned in the field of cooperation on intellectual property; y iv) Identify opportunities for international, triangular and South-South cooperation that can be developed in the field of intellectual property with the support and coordination of focal points in charge of international cooperation in Latin America and the Caribbean, as well as cooperation actions and initiatives that can be developed with regional and international organizations.

This Regional Meeting is aimed primarily at the officials responsible for international cooperation and South-South cooperation of the Member States of SELA and representatives of intellectual property offices, regional and international organizations, bilateral and multilateral development agencies, to the regional and subregional integration and cooperation schemes of Latin America and the Caribbean and to specialists in the field, in general.

For this Meeting of Directors, the Permanent Secretariat will present the basic study "Achievements in cooperation initiatives in the field of intellectual property, industrial property, copyright, trademarks and patents in Latin America and the Caribbean." (SP/XXVIII-RDCIALCCPI/DT N° 2-17), as a contribution to the deliberations.

The Rapporteur's Report, together with the main conclusions, will be contained in the Final Report of the XXVIII Meeting of Directors of International Cooperation of Latin America and the Caribbean: Cooperation for Intellectual Property.

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

This activity is being organized by the Permanent Secretariat, together with the Government of the Republic of Panama, through the Ministry of Foreign Affairs, and will be held on November 9 of the current year, following the "XXVIII Meeting of Directors of International Cooperation for Latin America and the Caribbean: Cooperation for Intellectual Property".

The objectives of the Seminar are: i) Highlight the main initiatives for international cooperation and Official Development Assistance being promoted by bilateral and multilateral organizations towards Latin America and the Caribbean; ii) single out the main initiatives for regional cooperation, South-South Cooperation and Triangular Cooperation being developed in the region; and iii) identify innovative sources of regional and international cooperation.

The aforementioned Seminar is addressed to the governmental authorities of the Member States that execute international cooperation in their countries, so that bilateral and multilateral donors,

as well as non-traditional donors, can present their programs, projects and initiatives that are being implemented or intended to be implemented in Latin America and the Caribbean

The main conclusions of the meeting will be compiled in the corresponding Final Report.

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)

In compliance with this activity, the Permanent Secretariat of SELA, together with the United Nations Conference on Trade and Development (UNCTAD), and the Superintendence of Competition of El Salvador, organized the "VII Meeting of the Working Group on Trade and Competition of Latin America and the Caribbean", which was held on 12 and 13 October in San Salvador, El Salvador.

The objective of this VII Annual meeting was to: Analyse topics of regional interest related to trade and competition. According to the methodology adopted at the last meeting, the work will focus on two topics. On the one hand, trade and competition in the era of the digital economy in Latin American and Caribbean subregional integration mechanisms; and on the other hand, the treatment of non-tariff barriers and their impact on competition

The event convened the trade and competition authorities of the Latin American and the Caribbean countries, as well as representatives of regional and international organizations and the regional and subregional integration schemes.

The Permanent Secretariat presented the study entitled "Trade and Competition in the era of the digitized economy" (SP/VIIRAGTCCALC/DT N° 2-17), in which the main elements of the impact of the digital economy on commercial relations among the countries of the region were analysed, their effects on the competitiveness of the commercialization chains and how the strategies to face the ongoing technological changes were viewed.

On the other hand, UNCTAD presented a study on the treatment of non-tariff barriers and their impact on competition in Latin America that considers the behaviour of economic agents from the perspective of the different legislative frameworks in the region. Emerging from the systemic analysis of the legal framework are several areas of opportunity to harmonize legislation and improve communication and information exchange mechanisms.

The main conclusions of this regional meeting are contained in the Final Report of the VII Annual Meeting of the Working Group on Trade and Competition of Latin America and the Caribbean.

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

In compliance with the Work Programme of the Permanent Secretariat for the year 2016, the "Workshop on the Implementation of the Index of Public Policies for MSMEs in Latin America and the Caribbean (IPPALC)" was held in Panama City with the co-sponsorship of Authority for Micro,

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Small and Medium-sized Enterprises (AMPYME) of the Panamanian government and the Organization for Economic Cooperation and Development (OECD). During this meeting, it was agreed that those countries interested in implementing this tool should express it through a formal declaration letter addressed to the technical team of the project (OECD-SELA).

For this reason, both the Permanent Secretariat of SELA and the Organization for Economic Cooperation and Development (OECD) received letters of interest from eight countries of the South American, Central American and Caribbean subregions, as well as a joint letter from of the Member States of the Pacific Alliance.

In this regard, and in continuity with the efforts made during the years 2015 and 2016 to achieve the effective application of IPPALC in the region, the Permanent Secretariat incorporated into its 2017 Work Program two workshops whose objectives are focused on: i) review and validate the evaluation questionnaires for each dimension of IPPALC according to the needs and structural characteristics of the countries; ii) provide a space to share national visions in the framework of the adoption of IPPALC and; iii) optimize the implementation framework designed by the Permanent Secretariat for the successful implementation of IPPALC.

The first of these workshops was addressed to the countries of the Pacific Alliance and the subgroup of South America comprising Argentina, Ecuador and Uruguay; and it was organized jointly with the Organization for Economic Cooperation and Development (OECD) and the National Institute of the Entrepreneur (INADEM) of the Ministry of Economy of Mexico.

This event, called "Workshop to Launch the Public Policy Index for MSMEs in Latin America and the Caribbean: Pacific Alliance and South America", was held on 15 and 16 May, 2017, at the Puerto Vallarta's Convention Centre in the State of Jalisco, Mexico; and was held within the framework of the Macro-Event: "Responding to the Challenges of SMEs in the International Context", organized by the National Institute of the Entrepreneur (INADEM) of the Ministry of Economy of Mexico, the Organization of American States (OAS) and the International Network for Small and Medium Enterprises (INSME).

The first workshop was attended by the representatives of the following Member States of SELA: Argentina, Colombia, Chile, Ecuador, Mexico, Peru and Uruguay. Representatives of the following organizations also participated: Organization for Economic Cooperation and Development (OECD); CAF-Latin American development bank; Centre for the Promotion of Micro, Small and Medium Enterprises in Central America (CENPROMYPE); the Caribbean Association for Small and Medium Enterprises (CASME) and the Pacific Alliance (PA).

After the discussions held during the working days, the technical team of the project (OECD-SELA) undertook the commitment to incorporate the recommendations and suggestions derived from the debate of this workshop with the purpose of complementing the evaluation questionnaire and adapting its content to the reality of the participating countries. One of the most relevant results is the incorporation of CAF-Latin American development bank to the technical team of IPPALC, not only as a provider of financial resources, but as part of the group of experts responsible for the implementation of IPPALC in the countries of the Pacific Alliance and South America (Argentina, Ecuador and Uruguay).

Another result achieved during this activity was the establishment of the timeframes for the execution of the Project. In this way, during the months of July, August and September; the National Coordinators will respond and send the respective questionnaires to the technical team (OECD-SELA-CAF). Then, during the period of October-January, the technical team will proceed to evaluate

the results obtained, while preparing a preliminary report for each country, whose content will be discussed in national technical meetings with local officials during the month of February 2018. Thereafter, during the month of April, a Regional Meeting will be held to validate the regional results obtained and promote the discussion on the main findings. Finally, in the month of July 2018 a presentation of the final report is expected, in a Regional Event that will have the participation of high national and regional authorities. For further information on the development of this activity, you can consult the Final Report from the Workshop to Launch the Public Policy Index for MSMEs in Latin America and the Caribbean: Pacific Alliance and South America (*SP/TLIPPMIPYMESALC: APS/IF-17*).

To date, the anticipated timeframes have been met and the questionnaires with the required information have been answered and sent by the National Coordinators. The Project is currently in the preparation phase of the preliminary reports of each country and the rest of the phases are expected to be completed within the established periods.

With regard to the second workshop scheduled in the 2017 Work Program, it will be directed to the Central American sub-region and will be held in San Salvador, on 24 and 25 October, with the support of the Organization for Economic Cooperation and Development (OECD) and the co-sponsorship of the National Commission for Micro and Small Enterprises (CONAMYPE) of the Ministry of Economy of El Salvador.

This event will be attended by representatives of the following Member States of SELA: Panama, Honduras, Nicaragua, Guatemala, Belize, the Dominican Republic and El Salvador; as well as officials from Costa Rica and the following organizations: Organization for Economic Cooperation and Development (OECD); Centre for the Promotion of Micro, Small and Medium Enterprises in Central America (CENPROMYPE); Caribbean Community (CARICOM) and European Union (EU).

In addition to achieving the objectives set out in this activity, consensus is anticipated among the participating countries for the establishment of a concrete work schedule, which facilitates the implementation of IPPALC in Central America in 2018 and allows incorporation of regional and international partner organizations that support the technical and financial work of the project.

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)

The “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)” was held on from 7 to 9 June 2017, in the City of Guatemala, together with the co-sponsorship of the Ministry of Economy (MINECO) and the Guatemalan Chamber of Intellectual Property.

The objectives of this workshop were as follows: i) 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; ii) identify the various methods by which the protection of intellectual property rights can increase the commercial value of MSMEs; iii) link the holding of intellectual property rights by MSMEs with the procurement of funds; iv) understand the relationship between the protection of intellectual property rights and export opportunities for MSMEs and v) build the capacity of MSMEs to obtain and maintain intellectual property rights in internal and external markets.

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Participating in this workshop were regional organizations, government focal points for small and medium-sized enterprises of the Member States of SELA and experts in the area. Attending were representatives of 17 Member States of SELA from Barbados, Belize, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Guyana, Jamaica, Mexico, Nicaragua, Paraguay, Peru, Suriname, Dominican Republic, Trinidad and Tobago and Uruguay.

The main conclusions and recommendations of this workshop were compiled in the "Final Report of the Workshop to support the entrepreneur in the protection of intellectual property rights: Protection of trademarks and patents in the perspective of micro, small and medium enterprises. (MIPYMES) "(SP / TAEPPDPI: PMPPM-MIPYMES / IF-17).

The training was conducted by a group of 13 professionals specialized in intellectual property, from the Guatemalan Chamber of Intellectual Property. As a result of this training, the "Guide for the workshop to support entrepreneurs for the protection of intellectual property rights" was prepared (SP/TAEPPDPI: PMPP- MIPYME/DT N° 2-17) with special reference to patents and trademarks.

Activity II.2.3. Digital course on entrepreneurship in Latin America and the Caribbean

The Permanent Secretariat of SELA, together with the Institute for Advanced Studies in Administration (IESA) of Venezuela, convened the virtual course entitled "SELA-Emprende". The convocation was made from 21 June to 15 August 2017, in order to start the course the second week of September. The content of the program is being taught in eight (8) weeks, through the IESA virtual learning platform and it is expected to train some 500 young entrepreneurs from Latin America and the Caribbean.

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.

The objectives of this digital course are aimed at: i) training new entrepreneurs so that they can develop their entrepreneurship while taking advantage of the benefits offered by Information and Communications Technologies (ICTs); identifying the obstacles that may arise during the development of the entrepreneurship project and may threaten the consolidation of the enterprise; providing 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.

The course is aimed especially at entrepreneurs in Latin America and the Caribbean, who will be provided with a set of tools and specialized presentations for its optimum conduction, which include flexible access to the contents via Internet, weekly examinations and activities, access to open discussion forums and assignment of an academic mentor and, at the end of the course, a certificate validated by IESA, Management School duly accredited.

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

The Permanent Secretariat of SELA, together with the Ministry of Industry and Commerce (MIC) of the Dominican Republic, held the "Regional Meeting on Innovative Mechanisms for

Financing and Guarantees for MSMEs in Latin America and the Caribbean" from 19 to 21 April 2017 in Santo Domingo.

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 in the year 2015: 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) "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 was submitted. Pre-feasibility study for the creation of a Regional Guarantee System for SMEs in Central America" (SP/SFGA-PYMES-CA/DT No. 2-15).

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 Regional Meeting was aimed at: i) identifying innovative financial and guarantee mechanisms in Latin America and the Caribbean; ii) follow up the agreements reached at the Central American and Caribbean subregional meetings on financing and guarantees in 2015.

Participating at this meeting were representatives from MSMEs focal points from the Member States of Sela. Present were representatives from Barbados, Belize, Costa Rica, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Jamaica, Mexico, Nicaragua, Panama, Suriname, Dominican Republic and Trinidad and Tobago, as well as representatives from the Inter-American Development Bank (IDB), Central American Bank (CAB), Caribbean Association of Small and Medium Enterprise (CASME), Centre for the Promotion of the Central American Micro and Medium-sized Enterprise (CENPROPYME) and the Andean Community (CAN).

This new regional meeting made it possible to monitor the progress of financing and guarantees in Latin America and the Caribbean and analyse the innovative forms of financing available to MSMEs. In the discussion, some strategies were proposed to follow, which will serve as the basis for the long-term work that is to be achieved. Firstly, it was requested that an exhaustive follow-up of the national studies be carried out, the conduction of workshops and the dissemination of the knowledge generated in them. The use of more direct communication networks was also proposed, such as: conferences via Skype, forming of a network of contacts through emails of the representatives of each country, the use of tools such as LinkedIn, Facebook, WhatsApp, among others which, although these latter have an informal nature, serve to alert and communicate efficiently and effectively. Likewise, inclusion of the representatives of the regulatory bodies and the private sector in this work was also requested, in order to show the best alternatives and solutions to encourage the financing of the MSMEs.

The main conclusions of this Regional Meeting are provided in the Final Report of the Regional Meeting on Innovative Mechanisms for Financing and Guarantees for MSMEs in Latin America and the Caribbean. (SP/RRMNFV-MIPYMES-ALC/IF -17).

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

The "Training workshop for MSMEs on continuity of business and operations vis-à-vis natural disasters" was held on 28, 29 and 30 June, 2017 in the City of Belize, with the co-sponsorship of the Government of Belize, through of the Belize Trade and Investment Development Service (BELTRAIDE).

The objectives of this workshop were to i) 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; ii) 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; and iii) Provide MSMEs with practical knowledge that allows to apply the rules and standards for continuity of business and operations of their enterprises.

Participating in this training workshop were representatives of focal points from the MSMEs of the Member States of SELA. Attending were representatives from Barbados, Belize, Chile, Ecuador, El Salvador, Guatemala, Jamaica, Mexico, Nicaragua, Peru, Dominican Republic and Venezuela, as well as the Caribbean Association of Small and Medium Enterprise (CASME), Caribbean Association of Industry and Commerce (CAIC), Centre for the Promotion of the Central American Micro and Medium-sized Enterprise (CENPROPYME), and a wide participation by the public and private institutions of Belize.

For this activity, the "Guide for the continuity of business and operations of MSMEs vis-à-vis disaster scenarios was prepared. Theoretical and practical module"(SP/TC-MIPYMESCNOFD/DT N° 2-17).

The main conclusions of this workshop are provided in the "Final Report of the Workshop for the training of MSMEs on business continuity and operations vis-à-vis natural disasters" (SP/TC-MIPYMESCNOFD/DT N° 1-17).

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 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

The economic, commercial and cooperation relations between Latin America and the Caribbean (LAC) and the European Union (EU) have always been of vital importance, in what initially had to do with historical, cultural, migratory but, more recently, for political, economic and commercial cooperation. In turn, since the origins of the European Union with the formation of the

European Economic Community in 1957 and its significant development over the last fifty years, the influence of the EU has been fundamental in Latin American integration since the 1960s onwards.

The boom of bilateral trade and investment, the relationship between the two actors has been formalized in different areas, such as, for example, the implementation of the Summits between the EU and LAC started since 1999 and which acquired another format since the year 2011 with the creation of the Community of Latin American and Caribbean States (CELAC). The constitution of this space for dialogue that gave a greater level of formalization to the relationship between the two actors, occurs 10 years after the entry into China into the World Trade Organization which, as is known, caused an explosion of China's foreign trade globally. In the case of LAC, this country began to position itself during that period as the first or second trading partner of most of the countries in the region, surpassing many European economies recorded independently. Beyond the European stronghold in the region due to the variables already mentioned, the loss of importance in presence with respect to other emerging economies is a matter of concern for the EU which, through greater contact with CELAC, intends to advance into an integral agenda.

Almost in parallel with the emergence of new actors with a defined interest in Latin America, Europe would have been creating since 2008 an economic crisis that led to a policy and institutional of unexpected dimensions. Thus, for at least five years, it was necessary to save the Euro, avoid chain effects due to the crisis in Greece, Italy and Spain, face the onslaught of terrorism, the migration crisis and more recently the management of Brexit.

In this context, the first CELAC-EU Summit was held in 2013, which was naturally affected by the European crisis, addressing aspects such as the promotion of social and environmental investments from a sustainable development perspective. The second Summit was held in 2015 and marked a more extensive and detailed agenda on issues such as science, regional integration, migration, education, employment, among others, with a Europe a little more recovered by then but still with the uncertainty generated by the possibility of the United Kingdom withdrawing from the EU and by anti-Europeanist currents contrary to the Union in countries as important as France.

The forthcoming CELAC-EU Summit will be held in 2017 with a slightly clearer context than previous meetings. Indeed, the European economy shows signs of recovery, the election results have already confirmed the UK's withdrawal from the bloc, which was also ratified with the activation of Article 50 and the electoral results in France allow a respite to a threatened Europe. In this sense, it seems to be a key summit in terms of the potential to deal with an agenda that contemplates new global challenges.

Taking into account all these elements of clear relevance, and within the framework of accomplishing this activity, the Permanent Secretariat prepared the document "Analysis of Trade Economic and Cooperation Relations of Latin America and the Caribbean with the European Union", which includes the main characteristics of European Relations with Latin America, in the commercial and cooperation sphere, in which the different integration mechanisms are involved, identifying the main actors, the commercial pattern and investments, the changes of structure registered in recent years and the characteristics presented in commercial exchanges by region.

Likewise, the Association agreements signed by the EU with LAC are evaluated, such as the agreement with Mercosur, bilateral relations seeking preferential coverage with the entire region, and their implications, not only in the quality of relations with the EU but also in the evolution of LAC's own regional initiatives. Additionally, a comparative analysis of the main trade agreements

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negotiated by the EU with LAC is carried out, identifying the main characteristics of the negotiation, especially in those agreements between commercial blocks such as CARICOM, CACM and the Andean Community.

In this order of ideas, intending to anticipate the direction that the negotiations will take, the impact of the changes in the global agenda and, in general, the specific proposals that could eventually be taken jointly to the forthcoming CELAC-EU Summit by the LAC countries. They will deal with the advances registered in recent years and to the new scenarios emanating from Brexit, the possibility of achieving a closure of Mercosur-EU negotiations and of renegotiating the current agreements, among other relevant aspects.

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

The Permanent Secretariat has prepared several studies on the economic relations between Latin America and the Caribbean with the United States of North America. Specifically, since 2010, a systematic analysis of the systematic effort of evolution and the current state of trade and investment links in the face of changes in the global political and economic context has been carried out.

In this way, within the framework of accomplishing this activity, the Permanent Secretariat prepared the document "Analysis of trade, economic and cooperation relations of Latin America and the Caribbean with the United States of America" (SP/Di N° 2-17) whose main objective was to evaluate the economic, trade and cooperation relations between Latin America and the Caribbean and the United States, framed by internal political changes in the United States and developments in the global economic and political environment.

The document first examines the expected changes in the international economic policy of the United States as a result of the decisions of the new government. In particular, existing and potential trade agreements, the resurgence of protectionism and the rivalries between China and the United States for leadership in the world economy, are evaluated in perspective, in the light of recognizing the consequences of these issues in the economies of the region.

Secondly, the study analyses in depth the trade agreements of the United States with Latin America and the Caribbean, detailing the situation by countries and economic sectors individually. Also, showing the impact of enforcement of antidumping and countervailing duty laws in bilateral trade during the period 2000-2016.

The third section evaluates bilateral investment agreements and changes that can be anticipated by the decisions of the new US government. In this way, bilateral capital flows are specified with each of the countries in the region, in addition to recognizing the status of investment disputes between the United States and Latin America and the Caribbean.

Finally, an analysis is made of economic assistance flows from the United States towards the countries of the region, as well as the movement of people during the period 2000-2016 and the expected changes with the new US government. Similarly, the document includes an assessment of recent developments and the expected evolution of the US economic relations with Cuba.

The document concludes with the identification of the key elements and events that will determine the present and future of economic, commercial and cooperation relations between the United States and the countries of Latin America and the Caribbean.

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

The Permanent Secretariat of SELA, with the purpose of strengthening ties with extra-regional countries, organized the Regional Seminar "Analysis of Economic, Trade and Cooperation Relations of Latin America and the Caribbean with the Republic of Korea".

This activity was organized jointly with the Ministry of Foreign Affairs of the Republic of Peru and the Universidad del Pacífico in Lima, and was held in the Aula Magna of the University on 9 and 10 May this year.

The main objective of the seminar was to analyse the economic and trade relations of Latin America and the Caribbean with the Republic of Korea, in order to undertake diagnoses, learn from experiences in public policies and explore different ways mutual relations, whether of trade, investment and cooperation, in general.

The event was aimed, mainly, at the national authorities responsible for trade and cooperation relations of the Member States of SELA, as well as national institutions for trade and competition, regional and subregional integration organizations and experts in the matter.

For this regional seminar, the Permanent Secretariat of SELA presented the work document "South Korea: An emerging techno-economic power. Economic, commercial and cooperation relations with Latin America and the Caribbean" (SP/SRARECC-ALC-C/DT N° 2-17); as a contribution to the deliberations.

The document comprises 4 chapters. The first chapter describes the process of economic evolution in South Korea from the moment of the 1951-1953 war which divided its territory into two countries, up to the present. Chapter II examines the role of domestic investments, Foreign Direct Investment and large business conglomerates in the context of the Korean development process. Similarly, Chapter III incorporates the core elements of contemporary Korean foreign policy. Emphasis is made on interactions with North Korea and on "economic diplomacy", which is an important core in its relations with the Asian powers and countries, the USA and the EU. Finally, Chapter IV focuses on the contemporary evolution of the economic-trade relations and cooperation between South Korea and the Latin American and Caribbean countries. In this context the commercial and financial relations are examined, including the FTAs signed with several countries, the role of the multinationals and the Korean and Latin SMEs, as well as the challenges and opportunities that are generated in this field.

Having concluded the debate on the study and the presentations made by the different representatives of the Member States and regional and subregional organizations involved in this subject, a series of conclusions were reached, which are contained in the "Final Report" of the Seminar (SP/SRARECC-ALC-C/IF-17).

PRESS, PUBLICATIONS AND DISSEMINATION OF INFORMATION**1. Plan for dissemination in mass media and press coverage**

During the period, parameters for dissemination of the Work Programme of SELA were implemented, so as to increase the exposure of information on its execution and quantify the scope

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of information produced by the press, through digital media that is available (Web site, Specialized Portals, Facebook, Twitter, YouTube).

Likewise, during the period October 2016-July 2017, routine activities related to the mass media continued, which consisted in classification, organization, actualization, production and dissemination of informative products targeted at key audiences of the Permanent Secretariat, namely:

- **DIFUSIÓN SELA.** Information service that releases the most relevant information published by national and international media about studies, proposals and programmes developed and organized by the Permanent Secretariat and about the most important news on the Member States of SELA and worldwide. This publication transmits communications aimed at Member States of SELA, subscribers affiliated with SELA's Portal, mass media, governmental representatives, consular delegations, the private sector and civil society. This information is published in Spanish and English, which are registered in a chronological order in the Portal SELA.org.
 - **Press Section on SELA's Web site: SELA.org.** Publication of all information produced through the Daily Information Service, press releases and monthly newsletters. In addition, the contents of the specialized portals have been released: CELAC, South-South Cooperation, Disaster Risk Management, SELA-SMEs Programme, Free Trade Zones, and Digital Ports. The contents are provided in Spanish and English.
 - **Press Coverage.** Through contacts with the press, we ensured coverage by national and international mass media for disseminating workshops, seminars, speeches and presentations delivered by the Permanent Secretariat within the framework of activities carried out inside or outside its headquarters, which are also disseminated through DIFUSIÓN SELA, SELA's Portal, and SELA's social networks, including Facebook, Twitter and YouTube.
 - **Updates of lists for dissemination.** Activities continued to update and revise the lists of subscribers to SELA's Portal on a permanent basis, national and international mass media, specialized portals, printed media, among others, in order to continuously improve the reach and effectiveness in disseminating information.
2. **Informative products: Daily information service, press releases, and management of contents in specialized Web portals**

With the purpose of providing key audiences of SELA with up-to-date and relevant information on developments in the region in areas related to intra-regional relations, extra-regional relations, and economic and technical cooperation, the Press Office of the Permanent Secretariat prepared communications that summarize the activities of the Work Programme for 2017. Such communications reflect the objectives and benefits of the studies, proposals and programmes of the Permanent Secretariat.

The following informative products were published:

- **Informative Service** .Daily digital newsletter, prepared through monitoring and selection of news published in national and International mass media in Spanish and English, which are classified and disseminated through the SELA Portal and whenever relevant, through the specialized portals administered by the Permanent Secretariat. At the same time these are

forwarded through social networks – **@SELAInforma, Facebook SELA** – and e-mail to the Embassies and representatives of Member States, regional government entities as well as officials from national and International organizations, subscribers to the SELA Network and International Media.

- **Press releases and Press coverage.** In order to maintain the direct and general beneficiaries of SELA informed, press releases were prepared and distributed, which were published and disseminated through the Portal SELA.org, e-mail and through the Social Networks of SELA, to Embassies and representatives of Member States, regional government entities, officials from national and International organizations, all subscribers to the SELA Network and National and International media.

Press releases published in the Period October 2016 – October 2017:

- VII Annual Meeting of the Group on Trade and Competition (21 September 2017)
- SELA: Macroeconomic Impact from Natural Disasters (21 September 2017)
- Official presentation, speech by Ambassador Javier Paulinich (24 August 2017)
- Official presentation of Ambassador Javier Paulinich (17 August 2017)
- SELA-CAF signs III Phase of Agreement on Network of Digital and Collaborative Ports (15 August 2017)
- SELA organises Regional Seminar on impact evaluation (03 August 2017)
- Ambassador Paulinich takes up functions as new Permanent Secretary of SELA (01 August 2017)
- SELA-CAF: Conference on Network of Digital and Collaborative Ports 2017 (27 July 2017)
- II Latin American and Caribbean Regional Meeting on logistic port communities (21 July 2017)
- In Belize, MSMEs continuity in the face of disasters (28 June 2017)
- SELA-Emprende, scholarships to train entrepreneurs (28 June 2017)
- UN: 27 June, Day of the Micro, Small and Medium-sized Enterprises (27 June 2017)
- Latin American Council of SELA designates new Permanent Secretary (15 June 2017)
- XII Special Meeting of the Latin American Council (09 June 2017)
- MSMEs Continuity in the face of disasters (29 May 2017)
- Intellectual Property for MSMEs (22 May 2017)
- SELA – Training MSMEs in the face of disasters (18 April 2017)
- Workshop IPPALC, Pacific Alliance and South America (11 April 2017)
- Analysis of Economic Relations LAC-Korea (10 April 2017)
- Financing and guarantees for MSMEs (08 March 2017)
- SELA Intellectual Property in LAC (23 February 2017)
- SELA-UNCTAD Distance Education Course: Electronic trade (07 February 2017)
- Policy Declaration of Punta Cana - V CELAC Summit (25 January 2017)
- SELA's Report on Integration (18 January 2017)
- V Meeting on Risk Management (28 November 2016)
- Strengthening Public-Private Alliances (28 November 2016)
- EU supports CELAC (21 November 2016)
- EU-CELAC: Declaration of Santo Domingo (21 November 2016)
- Seminar WTI-SIECA (18 November 2016)
- Improving productivity (04 November 2016)
- Balance of the VI Annual Meeting WGTC (04 November 2016)
- Conference on improving productivity (03 November 2016)
- Towards regulatory convergence (03 November 2016)

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- Non-tariff Regulatory Convergence (03 November 2016)
- Free Competition and free cross-border competition (03 November 2016)
- Findings of the OECD-INADEM Project, Session 1 (03 November 2016)
- Mexico's Experience, Session 2 (03 November 2016)
- International Experiences, Session 3 (03 November 2016)
- International Experiences, Session 4 (03 November 2016)
- VI Meeting of the Working Group on Trade and Competition (02 November 2016)
- VI Annual Meeting of the Working Group on Trade and Competition (01 November 2016)
- Development of Productiveness in Enterprises (01 November 2016)
- SELA and SIECA in Regional Meeting on the Integration Index in LAC (11 October 2016)
- SELA - VIII Regional Meeting on Single Windows (11 October 2016)
- SELA - XXVII Meeting of International Cooperation Directors (11 October 2016)

3. SELA in the social networks

The Permanent Secretariat of SELA has developed a strategy for diversification of the scope of communications sent through SELA's Portal and social networks, strengthening its presence on Facebook, Twitter and the video channel YouTube, in order to address immediate and dynamic information requirements demanded by SELA's Network of Users archiving with this model Web 2.0, SELA to broaden the interaction with those who require the contents generated by the organization, since these tools extend and complement the offer of information services of the Permanent Secretariat in a bi-directional way.

The social networks have allowed us for benefitting from the variety of key audiences for SELA to communicate and disseminate messages, and news corresponding to activities established in the Work Programme of the Permanent Secretariat for 2017.

In this regard, through Facebook's social platform, the activities of the Permanent Secretariat of SELA continue to be disseminated, as well as enriching the variety of information highlighted on Latin America and the Caribbean, through the drafting of a dynamic summary that highlights the region's developments, and diffusion of new son the mechanism of regional and extra regional integration mechanisms, the dynamics of cooperation and integration processes in Latin America and the Caribbean and the rest of the world.

In the case of the social network Twitter, permanent updates of information on studies, events, proposals and meetings of the 2017 Work Programme, have permitted us to increase the number of followers of the organizations, through viral dissemination of contents among our audience.

The video channel YouTube is publishing the events indicated in the SELA 2017 Work Programme, thanks to the fact that during the meetings, courses or workshops held, recorded audiovisual material is available of these, which are analyzed, edited and published on our YouTube channel and interconnected with the mini-site of each meeting on the portal SELA.org and disseminated through our social network accounts on Twitter and Facebook.

The changes implemented have allowed us to gradually increase the presence of the organization on the social networks.

In order to analyse the trend of the exposure to the messages, news and information through the digital channels (Facebook, Twitter, YouTube), the Permanent Secretariat of SELA registered the key audiences reached, so as to evaluate the result of the institutional media developed during the

period analyzed through these digital channels. The average weekly number of readers is 1,382 individuals through the social network Facebook.

It should be noted that, as a result of the communications strategy developed through the social networks to increase the visibility of institutional communications by SELA, the Permanent Secretariat achieved higher audience levels, in this manner continuously introducing changes in the way the information is released with the ultimate goal of increasing the visibility of the organization.

INTEGRAL INFORMATION AND KNOWLEDGE PLATFORM OF SELA

1. SELA's Web portal (www.sela.org)

With regard to continuous improvement of the portal of the organism, the migration of the Administrator of Contents of UMBRACO to version 7.3 plus is highlighted. Likewise, integration of the administration of the sub-portal Reduction of Risk of disasters in Latin America and the Caribbean to the Administrator of Content integral CMS of SELA.ORG was made.

With respect to the dissemination of contents generated from the activities programmed by the Permanent Secretariat, through this portal, 23 mini sites were designed and published, corresponding to regional developments carried out during the period October 2016-October 2017. Two of the events were online courses, dictated by using the distance learning method, in response to the request made by some interested Member States where the Permanent Secretariat regularly uses technology means that allow this type of training activity, taking advantage of the benefits of distance learning.

In its permanent effort to achieve optimized function and aesthetic of the Web portal of the organization, the Permanent Secretariat hired the services of Inkel's Consulting to proceed with the redesigning. Essentially, the project envisaged the following aspects: quick diagnosis of the current site and comparison with competing (or referential) Web sites; new graphic and navigating proposals for the main Web page and two internal sections; addition of new dynamic elements; incorporation of a module with economic indicators for LAC; pre-established search engines to enable navigation; integration of social networks at several levels; and a calendar with greater interactivity and development of a navigable and functional prototype in Adobe Muse. As a following step to the redesigning, the Permanent Secretariat proposed a redefinition of the communicational strategy, which based on an appropriate use of the elements of digital marketing, allows for strengthening the audience of the Portal and a wider dissemination of SELA's message, particularly, among its public in Latin America and the Caribbean.

The Permanent Secretariat continued with the process of actualization of the different sections comprising the portal: Latin American Council; Member States, Regional Summits and Mechanisms of Dialogue and Agreement of Tuxtla and, very particularly, the subportals or specialized portals. Standing out among the latter are: *Community of Latin American and Caribbean States (CELAC)*; *South-South Cooperation*; *Reduction of Risks of Disasters in Latin America and the Caribbean*, *Free Trade Areas of Latin America and the Caribbean* and *SELA-SME'S Programme*.

With the improvements to the Web Portal of the organization, the Permanent Secretariat strengthens and enriches its offer of specialized information and systematic knowledge regarding its areas of work in accordance with the provisions of the Panama Convention and in function of the needs and interests of its Member States.

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2. **Digital Centre of Information and Knowledge on Regional Cooperation and Integration (CEDIC-SELA)**

CEDIC-SELA classifies organizes, systemizes and disseminates the intellectual production of SELA, particularly the informative documents (DI) and Work Documents (DT), whether or not associated to the different events carried out by the Permanent Secretariat in accordance with the Work Programme of the organization. It also publishes and disseminates the material produced in these events, the respective reports and particularly, the documents resulting from investigation works carried out by the Division of Studies and Proposals. Additionally, CEDIC-SELA incorporates to the bibliographic heritage of the organization those documents produced by other regional and extra-regional agencies, particularly relevant for its purposes and objectives and of interest for the Member States.

CEDIC-SELA continued to be the reservoir or interface through the Documental Data Base, for the publication on the portal of the organization, of documentation associated to events and other activities developed by the Permanent Secretariat according to the *Work Programme for 2017* and the new sources of information created during the year such as the newsletters from the Department of Studies and Proposals. In this manner, the Permanent Secretariat of SELA expanded and strengthened its offer of specialized information and systematic knowledge regarding the institutionalism and effectiveness of the economies of Latin America and the Caribbean, and also the topics of trade facilitation, cooperation and Extra-Regional Relations.

In 2017, CEDIC-SELA continued to offer services and information products with value added to support decision-making and the development and monitoring of topics of interest for Latin American and Caribbean countries, which are also offered to other interested regional organizations, including, upon demand, to specialist in the areas of interests for the organizations inside and outside the region. At the same time, CEDIC-SELA offers on-site services to its interested uses, particularly investigators, professors and students of Economics and International Studies.

As in previous years, CEDIC-SELA supported the undertaking of the different events organized by the Permanent Secretariat. Initially, through the publication, from the Documental Data Base and through the respective mini sites, of the presentations in these events. Likewise, through the edition and updated *post facts* of the contents of the mini sites and occasionally, in the editorial correction of the corresponding reports.

In carrying out its main function, that is, to address the requirements of information by the users with inquiries, CEDIC-SELA responded to requests for information related to topics associated to the activities developed by the Permanent Secretariat, and also the most significant agencies related to the integration process of Latin America and the Caribbean. Likewise, it maintained its policy of referring users to sources of information that the Permanent Secretariat offers on its portal and to respond and attend, in real time, to requests from users, requests received by telephone and/or digital, to refer them to sources of information of its own or to associated organizations.

With the purpose of expanding retrospective access to technical documents of SELA, recovered after the 1998 fire that destroyed the documental heritage of the organization, partially recovered in print form, a draft project was prepared for the secondary digitalization and subsequent publication on the portal of the organization, of the documents recovered pertaining to the meetings of the Latin American Council during the period 1975-1998.

IV. INSTITUTIONAL MATTERS

1. Election of the new Permanent Secretariat

On 13 June of this year, XII Special Meeting of the Latin American Council of SELA was held, where the new Permanent Secretary Ambassador Javier Paulinich Velarde was elected by acclamation, taking office on 01 August 2017.

2. Withdrawal of Costa Rica from SELA

By means of a Note from the Ministry of Foreign Affairs of Costa Rica, dated 19 June 2017 and addressed to the People's Minister of Foreign Affairs of the Bolivarian Republic of Venezuela, the Government of Costa Rica decided to denounce the Panama Convention establishing the Latin American and Caribbean Economic System (SELA) as of 26 June of this year, which took effect 23 September 2017.

In this connection, the new Permanent Secretary of SELA, Ambassador Javier Paulinich, traveled on an official mission to Costa Rica on 4 September in order to make arrangements with the Vice Minister of Foreign Affairs and representative to the Latin America Council in Costa Rica, Alejandro Solano Ortiz, aimed at suspending the withdrawal of that country from SELA.

3. Cooperation Agreements

Within the framework of cooperation relations with the Group of 77 (G-77), the Permanent Secretariat signed the Project "Cooperation for Intellectual Property and the Productive Transformation in Latin America y the Caribbean" for the financial support of the XXVIII Meeting of International Cooperation Directors for Latin America and the Caribbean: Cooperation for Intellectual Property and the Productive Transformation in Latin America", which will be held in Panama City, Panama, on 7 and 8 November 2017.

Additionally, the Permanent Secretariat of SELA submitted for consideration of the Perez-Guerrero Trust Fund (FFPG) of the G-77, a request for financial support for the conduction in 2018 of the Meeting of International Cooperation Directors for Latin America and the Caribbean, and in this regard, the Committee of Experts of the Perez-Guerrero Trust Fund approved the SELA Project called "Strengthening cooperation in trade infrastructure in Latin America and the Caribbean: Towards improved insertion in the chain value", designating an amount of US\$ 24.000, so that these resources aid us in supporting this project once its approval has been formalized in the context of the Ministerial Meeting of the Group of 77.

Also, on 17 August of this year, the Agreement on Non-Refundable Technical Cooperation between CAF-development bank of Latin American and the Economic System of Latin America and the Caribbean (SELA) was signed, to support the programme for the creation of the Latin American and Caribbean Network of Digital and Collaborative Ports: Phase III, the objective of which is to consolidate and expand the Regional Programme for the Creation of the Network of Digital and Collaborative Ports, initiated in 2014 and continuing in 2015-2016. It was signed by the President of CAF-development bank of Latin America, Dr. Luis Carranza, and the Permanent Secretary of SELA, Ambassador Javier Paulinich.

It is important to highlight that with regard to the administration of Ambassador Paulinich, initiated during the month of August, the Permanent Secretariat is advancing with high-level contacts and

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activities with different regional and international organizations in order to strengthen and promote inter-institutional cooperation agreements between members of the Latin American Integration Association (ALADI), the Andean Community (CAN), the Latin American Centre for Development Administration (CLAD), the Centre for the Promotion of Micro and Small Enterprises in Central America (CENPROMYPE), the Caribbean Centre for Development Administration (CARICAD), the Economic Commission for Latin America and the Caribbean (ECLAC), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Office for Disaster Risk Reduction (UNISDR), the Organization for Economic Cooperation and Development (OECD), the World Trade Organization (WTO), and the World Tourism Organization. Likewise, progress is being made as regards working meetings with extra-regional countries such as those carried out with Korea, China, India and the European Union, in order to achieve co-sponsorship of the activities established in the Work Programme of the Permanent Secretariat.

It is important to note that, on the occasion of the mission carried out by the Permanent Secretariat to participate in the II Meeting of the Regional Conference on Social Development in Latin America and the Caribbean and the IX Ministerial Forum for the Development of Latin America and the Caribbean (25 to 27 October, Montevideo, Uruguay), inter-institutional Cooperation Agreements were signed with the Economic Commission for Latin America and the Caribbean (ECLAC) and with the Latin American Integration Association (ALADI).

Finally, the Permanent Secretariat continued developing its programmes of internships with national academic institutions, with the participation of 6 students of economy from the Andres Bello Catholic University (UCAB), and 1 student from the Central University of Venezuela (UCV), as well as a sabbatical year of an officer from UNCTAD.

4. Consultations of the Permanent Secretary with Ambassadors and Representatives of Embassies of Member States, Presidents and Representatives of Regional and International Organizations accredited to Caracas and Government Authorities of the Bolivarian Republic of Venezuela

The Permanent Secretary maintained contacts with the Ambassadors of the Member States and other countries, and representatives of regional and international organizations accredited to the Bolivarian Republic of Venezuela, by participating in activities of interest to SELA and its Member States.

On 2 February 2017, he met with Her Excellency Mrs. Eréndira Paz Campo, Ambassador of the Republic of Mexico in the Bolivarian Republic of Venezuela and Representative before the Latin American Council, at the headquarters of the Embassy.

On 3 February 2017, he met with His Excellency Mr. Ramón Leets Castillo, Ambassador of Nicaragua, at the headquarters of the Embassy.

On 8 February 2017, he met with His Excellency Mr. Luis Trigo Antelo, Ambassador of the Plurinational State of Bolivia, at the headquarters of the Embassy.

On 9 August, the new Permanent Secretary, Ambassador Javier Paulinich, received the visit from Ambassador a.i. of the Republic of Korea, Mr. Kyang-Tae Hwang, in the headquarters of the Permanent Secretariat.

On 11 August, the Permanent Secretariat of SELA, met with the Vice Minister for Latin America and the Caribbean, Mr. Alexander Yánez Deleuze, at the offices of the Ministry of Foreign Affairs of the Bolivarian Republic of Venezuela.

On 15 August, he met with Mr. Gregorio Montero, Secretary General of the Latin American Centre for Administration and Development (CLAD), at the headquarters of the Permanent Secretariat.

On 17 August, within the framework of the signing of the Non-Refundable Technical Cooperation Agreement between SELA and CAF-development bank of Latin America, the Permanent Secretary held a working conversation with the President of CAF-development bank of Latin America, Dr. Luis Carranza.

On 28th August, he received the visit of the Ambassador of the Federal Republic of Brazil, Mr. Ruy Carlos Pereira.

On 15 September, he received the visit of Chargé d'Affaires a.i. of the Republic of Ecuador, Mrs. Elizabeth Méndez.

On 19 September, the Permanent Secretary visited the Embassy of the People's Republic of China, where he held discussions with His Excellency Ambassador Zhao Bentang.

On 20 September, he received the visit of Mr. David Choquehuanca, Executive Secretary of the Bolivarian Alliance of the Peoples of Our America – People's Trade Agreement (ALBA-TCP).

On 31 October, the Permanent Secretary visited the headquarters of the Delegation of the European Union, where he held conversations with Ambassador Isabel Brilhante Pedrosa, Head of the Delegation of the European Union in Venezuela.

5. Missions of the Permanent Secretary

The Permanent Secretary attended the Opening Ceremony of the V Summit of Heads of States and Government of CELAC, held in Punta Cana, Dominican Republic on 24 January 2017, upon an invitation by the Pro Tempore Presidency of the Community of Latin American and Caribbean States (CELAC).

Upon an invitation of the Vice Ministry for Multilateral Affairs of the Ministry of Foreign Affairs of the Bolivarian Republic of Venezuela, the Permanent Secretary participated as a speaker in the training conference "Negotiations for productive international cooperation", dealing with the subject: "Integration Mechanisms as a means to facilitate international cooperation", which was held on 13 February 2017.

The Permanent Secretary attended the "V Regional Platform on Disaster Risk Reduction in the Americas", held in Montreal, Canada, from 7 to 9 March 2017, at an invitation made by the United Nations Office for Disaster Risk Reduction (UNISDR). Within the framework of this event, the Permanent Secretary held a bilateral meeting with Mr. Robert Glasser, Special Representative of the General Secretary of the UN Office for Disaster Risk Reduction, on 8 March 2017.

The Permanent Secretary participated as an Observer in the 2017 Spring Meetings that were held in Washington, United States of America, from 17 to 23 April, by an invitation from the International Monetary Fund (IMF) and the World Bank (WB).

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The Permanent Secretary attended the meeting of the “Global Platform for Disaster Risk Reduction 2017”, held in Cancun, Mexico, from 24 to 26 May 2017, upon an invitation from the United Nations Office for Disaster Risk Reduction (UNISDR).

The new Permanent Secretary of SELA, Ambassador Javier Paulinich, paid an official visit to Costa Rica, from 3 to 5 September, where he held meetings with Mrs. Olga Marta Sánchez Oviedo, Minister for National Planning and Economic Policies of the Ministry of Planning and Economic Policies (MIDEPLAN), and with the Vice Minister of Foreign Affairs and Representative to the Latin American Council, Mr. Alejandro Solano Ortiz.

The Permanent Secretariat participated in the “Forum on Investment Opportunities and productive chains in Latin America and the Caribbean”, which was held in Cancun, México, called Cancun Forum, from 27 to 29 September, on an invitation extended to the Permanent Secretariat.

From 25 to 27 October and upon an invitation from ECLAC and the UNDP, the Permanent Secretary participated in the II Meeting of the Regional Conference on Social Development in Latin America and the Caribbean, and the IX Ministerial Forum for Development of Latin America and the Caribbean, conducted at the headquarters of MERCOSUR in Montevideo, Uruguay.

6. Meetings and various activities in which the Permanent Secretariat participated

At the invitation of the Honourable Embassy of Nicaragua, the Permanent Secretary attended the wreath-laying ceremony at the sarcophagus of Liberator Simón Bolívar at the Mausoleum of the National Pantheon, on 18 January 2017, to mark the “150th Anniversary of the Death of the Poet and Prince of Spanish Literature, Rubén Darío”.

On 21 February 2017, upon an invitation of the Honourable Embassy of Nicaragua, the Permanent Secretary took part in the wreath-laying ceremony to mark the “83rd Anniversary of the Assassination of General Augusto C. Sandino, at the Mausoleum of the National Pantheon.

The Permanent Secretariat attended the wreath-laying ceremony before the sarcophagus of Liberator Simón Bolívar, at the Mausoleum of the National Pantheon on 23 February 2017 to commemorate the “173rd Anniversary of Independence of the Dominican Republic.

On 5 May 2017, at the invitation extended by the Honourable Ministry of Foreign Affairs, the Permanent Secretariat attended a meeting with Her Excellency Minister Delcy Rodríguez, at the Casa Antonio José de Sucre, or “Casa Amarilla”.

On 9 May 2017, the Permanent Secretariat participated in the celebration of European Day, at the headquarters of this organization, upon an invitation from the representation of the European Union.

On 7 August, the new Permanent Secretary participated in the wreath-laying ceremony before the sarcophagus of Liberator Simón Bolívar, at the Mausoleum of the National Pantheon, to commemorate the “192nd Anniversary of the Independence of the Plurinational State of Bolivia”.

On 10 August, he participated in the wreath-laying ceremony before the sarcophagus of Liberator Simón Bolívar, at the Mausoleum of the National Pantheon, to mark the “208th Anniversary of the Ecuadorian Independence in 1809”.

On 30 August, he attended the wreath-laying ceremony before the sarcophagus of Liberator Simón Bolívar to commemorate the "55th Anniversary of the Independence of the Republic of Trinidad and Tobago".

On 7 September, the Secretary participated in the wreath-laying ceremony before the sarcophagus of Liberator Simón Bolívar to commemorate the "195th Anniversary of the Independence of the Federative Republic of Brazil".

On 14 September, he attended the wreath-laying ceremony before the sarcophagus of Liberator Simón Bolívar to commemorate the CCVII Anniversary of the Initiation of Independence of the United States of Mexico.

On 15 September, he participated in the wreath-laying ceremony before the sarcophagus of Liberator Simón Bolívar, to commemorate the CXCVI Anniversary of the Signing of the Independence Act of Central America.

On 20 September, the Secretary attended the wreath-laying ceremony before the sarcophagus of Liberator Simón Bolívar to mark the "207th Anniversary of the Independence of the Republic of Chile".

7. Meetings of the Informal Working Group

The First Meeting of the Informal Working Group (IWG) for 2017 was held on 9 February at the headquarters of the organization with the participation of delegations from the following Member States: Argentina, Brazil, Chile, Costa Rica, Cuba, Guatemala, Guyana, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic; Trinidad and Tobago, Uruguay and Venezuela. In accordance with the agreed agenda the following topics were discussed: 1) Considerations regarding the proposal for a "Study to quantify the cost of foreign trade for Latin American and Caribbean countries"; 2) Schedule of Activities of the 2017 Work Programme; 3) Institutional Matters, and 4) Other Aspects. The report on the First Meeting of the Working Group (*SP/I-RGIT-17 Rev.2*) was duly issued to Member States.

The Second Meeting of the Informal Working Group was held on 23 March, at the headquarters of the organization with the participation of delegations from the following Member States: Argentina, Brazil, Chile, Colombia, Cuba, Ecuador, Guatemala, Mexico, Nicaragua, Panama, Peru, Suriname, Dominican Republic, Uruguay and Venezuela. The agenda established the following points: 1) Budget Procedures of SELA (Decision N° 565); 2) Institutional Affairs, and 3) Other Matters. The Report on the II Meeting of the Informal Working Group (*SP/II-RGIT-17*) was duly sent to Member States.

The Third Meeting of the Informal Working Group was convened for 18 July, but because of a lack of quorum it was suspended.

V. DOCUMENTS PUBLISHED (October 2015 – October 2017)

1. Documents for Meetings and Support

Achievements in cooperation initiatives in the areas of intellectual property, industrial property, copyright, trademarks and patents in Latin America and the Caribbean. Work Document. XXVIII

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Meeting of International Cooperation Directors and Authorities in charge of Intellectual Property in Latin America and the Caribbean. Panama City, Panama. 7 and 8 November 2017.
SP/XXVIIIIRDICALCCPI/DT N° 2-17

The middle income trap in Latin America and the Caribbean. Caracas, Permanent Secretariat of SELA, November 2017.
(SP/STIMALC/ DT N°2-17)

Trade and Competition in the era of the Digital Economy. Work Document. VII Annual Meeting of the Working Group on Trade and Competition of Latin America and the Caribbean. San Salvador, El Salvador. 12 and 13 October 2017
SP/VIIRAGTCCALC/DT N° 2-17

Macroeconomic Impact of Natural Disasters due to the Occurrence of Natural Events in Latin America and the Caribbean. Work Document. Regional Meeting on the macroeconomic impact of disasters due to the occurrence of natural events in Latin America and the Caribbean. San José, Costa Rica. 4 and 5 October 2017
SP/RRIMDOENALC/DT N° 2-17

[Guide for the "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 \(MSMEs\).](#) Work Document. Guatemala City, Guatemala. 7 to 9 June 2017.
SP/TAEPDPI: PMPPM-MIPYMES/DT N° 2-17

[Guidelines for continuity of business and operations of MSMEs vis-à-vis disaster scenarios \(Preliminary version\).](#) Work Document. Training workshop for MSMEs on business and operations continuity vis-à-vis disasters. 28 to 30 June 2017. Belize City, Belize.
SP/TC-MIPYMESCNOFD/DT N° 2-17

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

[South Korea: An emerging techno-economic power. Economic, trade and cooperation relations with Latin America and the Caribbean.](#) Work Document. Regional Seminar: Analysis of economic, trade and cooperation relations of Latin America and the Caribbean with the Republic of Korea. Lima, Peru, 9 and 10 May 2017
SP/SRARECC-ALC-C/DT N° 2-17

Informative documents

2016

[Intellectual property.](#) Caracas, October 2016
SP/Di No. 3-16

[Defining asymmetries in Latin America and the Caribbean. A quantitative approach.](#) Caracas, November 2016
SP/Di No. 4-16

2017

[Summary of the activities conducted by the Permanent Secretariat of the Latin American and Caribbean Economic System \(SELA\) and the United Nations Office for Disaster Risk Reduction \(UNISDR\), 2010-2017](#). Caracas, Venezuela.

SP/SELA-UNISDR/Di N° 1-17

2. Informative documents (Di) and final reports on meetings**Final reports****2016**

[Final report on the Seminar-Workshop on SMEs internationalization](#). Quito, Ecuador. 1 and 2 December 2016.

SP/ST-IPYMES/IF-16

[Final report on the V Regional Meeting on Public-Private sector Partnerships for Disaster Risk Reduction in Latin America and the Caribbean](#). Santiago, Chile. 28 November 2016.

SP/VRRASPPRRD-ALC/IF-16

[Final report on the VI Annual Meeting of the Working Group on Trade and Competition in Latin America and the Caribbean \(WGTC\)](#). Roatán Island, Honduras. 2 to 4 November 2016.

SP/VIRAGTCCALC/DT N° 1-16

[Final report on the XXVII Meeting of International Cooperation Directors and Entities responsible for Science, Technology and Innovation in Latin America and the Caribbean](#). Lima, Peru. 13 and 14 October 2016.

SP/XXVIIRDICERCTIALC/IF-16

[Final report on the VIII Latin American and Caribbean Regional Meeting on Foreign Trade Single Windows: Trade facilitation and support to information systems](#). San Salvador, El Salvador. 13 and 14 October 2016.

SP/VIII-ERLC-VUCE: FCASI/IF-16

2017

[Final Report on the Regional Meeting on the Macroeconomic Impact of Disasters due to the Occurrence of Natural Events in Latin America and the Caribbean](#). San José, Costa Rica. 4 and 5 October 2017.

SP/RRIMDOENALC/DF-17

[Final report on the Regional Seminar: Introduction to the evaluation of impact of public policies and programmes](#). Mexico City, Mexico. 23 to 25 August 2017.

SP/SRIEIPPP/DF-17

[Final report on the Training Workshop for MSMEs on the continuation of business and operations vis-à-vis disasters](#). Belize City, Belize. 28 to 30 June 2017.

SP/TC-MIPYMESCNOFD/DF-17

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[Report on the Workshop to support entrepreneurs in the protection of intellectual property rights: Protection of trademarks and patents in the perspective of micro, small and medium-sized enterprises \(MSMEs\)](#). Guatemala City, Guatemala. 7 to 9 June 2017.

SP/TAEPDPI: PMPPM-MIPYMES/IF N° 1-17

[Final report on the "Workshop to launch the Public Policy Index for MSMEs in Latin America and the Caribbean \(IPPALC\): Pacific Alliance and South America"](#). Puerto Vallarta, Jalisco, Mexico, 15 and 16 May 2017.

SP/TLIPPMIPYMESALC: APS/IF -17

[Final report on the distance learning course: Electronic trade in practice as a tool to promote trade facilitation](#). 2 to 31 May 2017.

SP/CFDCEPHIFC/IF -17

[Final report on the "Regional Meeting on innovative financial and guarantee mechanisms MSMEs in Latin America and the Caribbean"](#). Santo Domingo, Dominican Republic, 19 to 21 April 2017.

SP/RRMNFG-MIPYMES-ALC/IF -17

3. Publications

Case studies

[BREXIT and European integration](#). SELA. Case study No. 4. August 2017

[Early warning indicators: Anticipation of external crises for developing countries](#). SELA. Case study No. 3. April-June 2017

4. Institutional reports

- Financial situation, October-December 2016
- Financial situation, January-March 2017
- Financial situation, April-June 2017
- Financial situation, July-September 2017