

Raúl García Buchaca, Deputy Executive Secretary for Management and
Programme Analysis, ECLAC

Statement at the Dialogue of the Executive Secretaries of the Regional
Commissions with the UN General Assembly Second Committee

“From Risk to Resilience: Accelerating Actions to Achieve a More
Sustainable and Equitable Future Regional Cooperation”

25 October 11:00-14:00 hrs. (Argentina)

8 minutes

- Distinguished Chair,
- Distinguished delegates,
- Dear colleagues Executive Secretaries,
- Excellencies

It is an honor for me to participate in today's dialogue, representing the
Economic Commission for Latin America and the Caribbean.

But first, please allow me to convey apologies on behalf of ECLAC's
Executive Secretary, Mr. José Manuel Salazar who is unable to participate,
since he is leading the 39th Session of ECLAC, taking place as we speak
here in Buenos Aires, Argentina.

Let me start by saying that the compounded effects of the pandemic, and
the impacts of the war, finds the Latin America and Caribbean region
facing **deepening structural gaps and a cascading set of crises**, which are
reflected in employment, health, education, food and energy security,

social protection systems, and the triple planetary crises of climate change, pollution and biodiversity loss.

Coming out of the pandemic, the region is unfortunately returning to the low-growth path observed between 2014 to 2019. Our projections estimate a 3.2% growth of regional GDP for 2022 and a slowdown to 1.4% for 2023, against a backdrop of mounting external and domestic constraints.

The region's structural challenges of low productivity, low investment levels and high informality in the labor market are deepening. The recovery of jobs has been primarily in the informal sector, representing 70% of net job creation in several countries. The region's labour force participation rate stands at 62%, well below the 2019 level. And there is a widening gender gap in labour market's participation affecting women, which is 25% lower than men.

Having a look at the social area, and with the incidence of high inflation, poverty is also on the rise. In 2021 **poverty levels stood at 32%** and **extreme poverty at almost 14%** in the region, **representing a setback of 27 years**. The progress made to eradicate hunger in recent decades is being eroded: in 2021, almost 41% of the region's population faced moderate or severe food insecurity, as compared to the global average of 29%.

In 2021, investment levels in LAC stood at 19.7% of regional GDP, well below the global average and the rates in other developing regions. In addition, in Latin America, the gross public debt reaches 52% of GDP, **similar to levels seen 20 years ago**, while in **six Caribbean countries gross public debt exceeds 90% of GDP**.

In this context of rising interest rates, currency depreciation and higher levels of sovereign risk, an immediate impact is felt on the capacity of countries to manage liabilities, access financing and, therefore, being able to invest in transformative policies for sustainable development.

So, there is a clear need for innovative solutions and renewed forms of regional and international cooperation to address this daunting panorama.

Please, allow me now to share a couple of concrete regional cooperation initiatives that ECLAC has been working on to foster opportunities for productive change, social inclusion, and environmental resilience.

First, ECLAC's actions regarding self-sufficiency in health matters is a key example:

The disruption in the supply chains, due to the pandemic, revealed the weaknesses of the health industry and the region's high dependence on imports in this field. Latin America and the Caribbean's participation in global exports of pharmaceutical products was 0.7% in 2020, while 87% of its medicine imports come from outside the region. In facing these

challenges, the Community of Latin American and Caribbean States (CELAC) requested our Commission to prepare a plan for self-sufficiency in health matters for the region to assess the situation of the pharmaceutical and health industry, but also to propose lines of action.

And so we did, and the **Plan for Self-sufficiency in Health Matters** was approved at the VI CELAC Summit of Heads of State and Government in September 2021, with the goal of strengthening research, development and production capacities for vaccines and medicines regionwide.

Since then, working groups have been created to improve coordination among national regulatory entities and enhance regional coordination on clinical trials, production, and pooled procurement on which our Commission has been working closely with the Pro-Tempore Presidency of CELAC.

A second example relates to the urgent issue of food security. Our Commission has finalized, jointly with FAO and the World Food Programme, a policy brief with concrete proposals to reinforce and update the **Regional Plan for Food Security, Nutrition and the Eradication of Hunger by 2025**.

Other proposals on food security also relate to access to fertilizers. The region imports almost 85% of fertilizers used, therefore is the most import dependent region of the world in terms of fertilizers and

particularly vulnerable to supply chain disruptions. In this sense, ECLAC stands ready to continue fostering regional cooperation to improve access and promote efficiency in the use of fertilizers and biofertilizers to strengthen the region's food systems, fight hunger and reduce environmental footprints.

Thirdly, the impact of the crises has unveiled the persistent structural development gaps in the middle-income and the “graduated” high-middle income countries in our region, especially the vulnerabilities of small island developing states in the Caribbean, and the lack of access to concessional support and other beneficial mechanisms provided by the international cooperation system.

This is why ECLAC, in association with the OECD Development Centre and the European Commission, has been advocating to change the conversation with the development-in-transition paradigm to promote innovative modalities of cooperation more aligned with the region's needs.

ECLAC is also pleased to collaborate with the **Like-Minded Group of Countries Supporters of Middle-Income Countries**, with the ongoing deliberations on the establishment of a **Multi-dimensional Vulnerability Index** and has contributed to the Secretary General's Beyond GDP proposal, in areas such as environmental accounting and measuring

women's unpaid work. We are also coordinating the region's capacity building efforts on this matter in the framework of the Statistical Conference of the Americas of ECLAC.

Another priority area is boosting financing for adaptation and climate resilience. Although the region contributes only 10% of the global CO₂ emissions, it is extremely vulnerable to extreme weather and climate change. Yet, access to financing for climate adaptation is lagging behind. This is why ECLAC has been working on the proposal of a **debt swap for climate action** and the **Caribbean Resilience Fund**, which features a window on debt restructuring and liquidity enhancement, seeking to buy-out high-interest short-term debt and replace it with a lower-interest, longer-term green bonds, targeting a block of Caribbean countries as part of a regional strategy for resilience. We recently concluded discussions with ECLAC member states in the framework of the Caribbean Development and Cooperation Committee (a subsidiary body of the Commission) and we are working towards implementing this proposal with regional partners and public and private institutions.

To conclude, just to reiterate that ECLAC stands ready to continue working on proposals to address the region's sustainable development needs and resilience, through innovative and renewed forms of regional and international cooperation **as key drivers to recalibrate public policies**

and collective efforts to accelerate the implementation of the 2030 Agenda and the SDGs.

Thank you very much.