LATIN AMERICA AND THE CARIBBEAN
Better Policies for Better Lives

Active with OECD

BETTER POLICIES FOR BETTER LIVES
A MUTUALLY-ENRICHING PARTNERSHIP

Angel Gurría,
OECD
Secretary General
Latin America and the Caribbean weathered past financial and economic crises. Given the important macroeconomic policy reforms it has carried out in recent years, the region is also proving more resilient than others to the current slowdown in global economic activity. In spite of its success in creating stability, fostering dynamism and promoting social development, Latin America still faces important challenges to reduce poverty and inequality and advance a stronger, more inclusive growth.

The OECD is working closely with the governments in the region building on our proven expertise of promoting better policies for better lives. While recognising country specific circumstances, we offer policy strategies to improve economic growth, boost productivity through human capital and innovation, and increase people’s wellbeing through better education and social policies.

We are also enriching our knowledge and advice with Latin American experiences. In particular, the successful cash transfer programmes, combining income support to poor families with better access to basic public services, are proving effective and offer valuable lessons for other governments throughout the world.

Working with Latin America and the Caribbean by sharing policy experiences and setting new international standards is an important part of the OECD mission. We look forward to continue strengthening this collaboration.

Angel Gurría
# Table of Contents

## ECONOMIC POLICY
- Latin American Economic Outlook  
  - Page 4
- Economic Surveys  
  - Page 6
- The International Economic Forum of Latin America and the Caribbean  
  - Page 8

## ANTI-CORRUPTION
- OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions  
  - Page 10
- OECD-Latin America Anti-Corruption Programme  
  - Page 11
- CleanGovBiz  
  - Page 12
- Tackling Tax Evasion by International Standards for Transparency  
  - Page 13

## COMPETITION LAW AND POLICY
- Latin American Competition Forum  
  - Page 14
- Competition Committee  
  - Page 15

## INVESTMENT
- Declaration on Investment and Guidelines for Multinational Enterprises  
  - Page 16
- Latin American and the Caribbean-OECD Investment Initiative  
  - Page 17

## CORPORATE GOVERNANCE
- Latin American Network on Corporate Governance of State-Owned Enterprises (SOEs)  
  - Page 18
- Latin American Corporate Governance Round Table  
  - Page 19
ECONOMIC POLICY

Latin American Economic Outlook

The Latin American Economic Outlook (LEO) has been the OECD reference on Latin America’s economic and development trends since 2007. The United Nations Commission for Latin America and the Caribbean (ECLAC) joined the OECD Development Centre in 2011 as co-author of this annual publication, and beginning in 2013, the partnership has also taken on board the regional expertise provided by the CAF - Development Bank of Latin America.

LEO identifies solutions to public policy challenges in the region, stimulates informed debate on how to advance the region’s economic development and the well-being of its citizens, and provides concrete and innovative policy recommendations. Previous editions focused on topics including fiscal policy and democratic legitimacy, the emergence of a vulnerable middle class, and the need for transformation of the Latin American state for sustainable results and policies.

⇒ www.oecd.org/dev

Latin American Economic Outlook 2013
ISBN 9789264180734

Latin American Economic Outlook 2012
ISBN: 9789264125438

Latin American Economic Outlook 2011
ISBN 9789264094642
The Latin American Economic Outlook 2014 explores how the region can enhance its logistics performance in order to better meet the challenges associated with increasing commodity price volatility and uncertainty surrounding external financing. Within this context of weakening economic prospects, the dynamism of other emerging economies poses further challenges for the competitiveness of manufacturing industries in Latin America. Nevertheless, shifting production structures also bring new business opportunities for Latin America. In order to embrace new opportunities, countries need to enhance their logistics capacities in order to strengthen trade links, diversify into higher value-added industries, and optimise competitiveness. It is estimated that improvements in logistics services could boost labour productivity in the region by up to 35%.

More efficient and dependable logistics services could benefit trade performance in the region, where the commodities and agriculture-based export structure is three times more logistics-intensive and time-sensitive than the OECD average. The report suggests that through more and smarter investment in infrastructure, complimented by ‘softer’ policies such as efficient customs and certification procedures and better use of ICTs, Latin America could make significant progress towards deepening the regional market, capturing global value added, and creating better quality jobs for its emerging middle classes.

“Latin American and Caribbean economies have shown a significant resilience to the effects of the financial crisis and its recovery has been faster than in other regions. In order to consolidate these achievements and take concrete actions, the region should encourage new models of governance, stronger institutions and public policies capable of mobilising a wide range of actors.”

Alicia Bárcena, Executive Secretary of UN ECLAC

www.latameconomy.org
Economic Surveys

OECD Economic Surveys serve to identify the economic challenges faced by a country and suggest policy options to meet them. The latest Survey on Mexico, released in May 2013, acknowledges the ambitious reform agenda of the new government agreed in the “Pacto por México”, and recommends courses of action in reforms aimed to achieve higher income levels and better social conditions.

The Economic Survey of Chile 2013 finds that the country has made relevant progress towards greater economic prosperity and lower poverty, and makes recommendations to make growth more sustainable, and to address inequality. The Economic Survey of Brazil 2013 recognises achievements in attaining a more inclusive growth and emphasises the need to improve productivity and promoting a better use of resources as complementary means to reducing poverty and inequality.
The Development Centre and the Economics Department published the Economic Assessment of Colombia in January 2013. The report makes recommendations to boost output growth and tackle income inequality.

“For Colombia, joining the OECD is as important as having obtained the investment grade in 2012, maybe even more important. Being part of the OECD is a "seal of quality" that will generate even more confidence in Colombia. Entering the OECD means that you have achieved high public policy standards. Thus, it will attract more investment and generate more employment.”

Mauricio Cárdenas, Minister of Finance and Public Credit of Colombia

Economic Surveys: Economic Assessment of Colombia 2013
ISBN: 9789264179691

→ www.oecd.org/OECDEconomicOutlook
The International Economic Forum of Latin America and the Caribbean

Every year the Forum brings together leaders from public and private sectors to discuss the region’s economic performance and share solutions to its development challenges. In May 2013, the fifth edition of the Forum focused on how countries in the region can address the structural issues of competitiveness and productivity by better including SMEs in the production structure as they can play a central role in unleashing Latin America’s growth potential and creating higher quality jobs.

www.oecd.org/site/lacforum/
President Ricardo Martinelli, of the Republic of Panama, pronounced the keynote closing speech of the fifth edition of the Forum. Panama became the ninth Latin American country to join the OECD Development Centre. Panama’s membership will indeed bring value-added and be of mutual benefit.
ANTI-CORRUPTION

OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions

Argentina, Brazil, Chile and Mexico are all State Parties to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. Colombia became the 40th Party to the Convention in January 2013. Countries which join the Convention agree to making bribery of foreign public official a criminal offence, and to implement effective policies to prevent, detect, investigate and sanction foreign bribery.

OECD also promotes common standards in public sector integrity through agreed principles to guide policymakers toward good practice in lobbying, conflict of interest and public procurement.

www.oecd.org/corruption/latinamerica
OECD-Latin America Anti-Corruption Programme

The Programme strengthens implementation of the OECD, Organization of American States (OAS) and United Nations conventions. It involves a dialogue among representatives from a wide range of ministries, government agencies and non-governmental organisations. The Programme provides an opportunity to share best practices and the experience of the Latin American countries enriches the policy debate in the OECD.

“Colombia has become a successful country in many aspects, and we want to continue implementing adequate policies and best practices. That is why we so strongly want to become members of the OECD. Its motto: “Better policies for better lives”, is a very powerful statement, and this government is very committed to this purpose. We are on the right track, we are putting in place the right set of policies, we are combining political governance with economic governance, but our success also depends on what is happening in the region and in the world. We are convinced that the OECD can play a very important role in helping to consolidate Colombia’s transformation.”

Juan Manuel Santos,
President of Colombia

www.oecd.org/corruption/latinamerica
There is an increasing need for a coordinated approach to target corruption and related illegal practices such as money laundering, tax evasion and bid rigging. In response, the OECD has developed the CleanGovBiz initiative which brings together various existing anti-corruption instruments under a single umbrella and provides guidance on how to make the best use of them. Through “Integrity Scans” the OECD supports governments to develop a comprehensive anti-corruption strategy, identify priority areas of reform, and engage with civil society and the private sector to promote real change towards integrity.

www.CleanGovBiz.org
Tackling Tax Evasion by International Standards for Transparency

“Today El Salvador becomes a member of the Global Forum on Transparency and Exchange of Information for Tax Purposes. In 1992 the guns went silent and we started the long process to build peace. We learned that a nation’s strength relies on strong institutions and the rule of law. It is with this spirit, that El Salvador recognises the importance of OECD work.”

Francisco Galindo Vélez, Ambassador of El Salvador to France

Several LAC governments are participating in an international effort to tackle tax evasion, restore taxpayer’s trust and give them confidence that tax burdens are being shared fairly. The ultimate goal of this process is to implement international standards of transparency and exchange of information for tax purposes.

The Exchange of Tax Information Portal (EOI Portal) tracks the development of the peer reviews, including changes that jurisdictions make in response to the Global Forum’s recommendations. www.eoi-tax.org
**COMPETITION LAW AND POLICY**

**Latin American Competition Forum**

Effective competition policy is critical to the growth of Latin American economies. The Forum was launched in 2003 by the OECD and the Inter-American Development Bank (IDB) to foster competition policy and overcome anti-market traditions. The Forum brings together Latin American officials and competition experts to share best practices and identify potential policy reforms from a regional perspective.

The Forum meets annually in a Latin American country, hosted by the national competition authority. The 11th anniversary meeting was hosted by INDECOPI on 3-4 September 2013 in Lima, Peru. The Forum focused on criteria for setting fines, regional competition agreements and unannounced inspections in antitrust investigations.

> www.oecd.org/competition/latinamerica
Competition Committee

The Competition Committee, comprising the leaders of the world’s major competition authorities, is a source of policy analysis and advice on competition law, law enforcement, and regulation. The Committee began in-depth reviews of national competition laws and policies in 1998 and has published reports for 32 countries including Argentina, Brazil, Colombia, El Salvador, Honduras, Panama and Peru.

“We have witnessed how the OECD contribution to the policy debate in Latin American countries has led to economic reforms and legislative changes which have been key to building stronger and more transparent economies.”

Luis Alberto Moreno, President of the Inter-American Development Bank.

www.oecd.org/competition/cartels
INVESTMENT

Declaration on Investment and Guidelines for Multinational Enterprises

Since 1976, the Declaration has been setting standards for open and transparent investment policies and for responsible business conduct in employment, industrial relations, promotion of green investment, enhancement of business integrity, competition and taxation.

Latin America has proven to be the most attractive region in the world for investors. Argentina, Brazil, Colombia, Peru and, most recently, Costa Rica became the 45th country to adhere to the Declaration.

The Guidelines for Multinational Enterprises are far-reaching recommendations addressed by governments to multinational enterprises operating in or from adhering countries. They provide voluntary principles and standards for responsible business conduct in areas such as employment and industrial relations, human rights, environment, information disclosure, combating bribery, consumer interests, science and technology, competition, and taxation.

⇒ www.oecd.org/investment
Latin American and the Caribbean-OECD Investment Initiative

Launched in Santiago, Chile in 2010, the Initiative aims to increase the contribution of private investment to economic and social development. It helps governments create better policies at three levels: through general improvements to the investment climate; through more focused approaches that reflect the particular needs of specific sectors; and through initiatives that enhance the development contribution of private investment.

Costa Rica hosted the Initiative’s third meeting in October 2012. This meeting focused on identifying practical policy options for Latin American governments in the formulation of their investments promotion strategies with a specific focus on global value chains.

“The OECD is a recognised authority and leader regarding the openness and transparency of investment flows and better corporate management of multinational enterprises - key areas for economic development and for increasing the social welfare of our country and citizens.”

Ricardo Díez-Hochleitner,
Ambassador of Spain to the OECD

www.oecd.org/daf/investment/lac
The OECD joined forces with CAF (Development Bank of Latin America) to host the second meeting of the Network in October 2012 in Lima, Peru. This meeting gathered policy makers, SOE board members and managers involved in SOE governance. The Network builds upon the OECD’s global reputation as a standard-setter on corporate governance, including through the OECD Guidelines on Corporate Governance of State-Owned Enterprises, to address the specific challenges of SOE oversight.
Latin American Corporate Governance Round Table

“The Roundtable meetings have raised overall awareness of corporate governance issues, particularly among Brazilian companies. The OECD presence has given the subject a much needed credential, setting it apart from previous perceptions of mere ‘wish lists’ from investors.”

Mauro Rodrigues da Cunha, Executive Director, Brazil Association of Investors in Capital Markets (AMEC)

For over a decade, the Roundtable has supported LAC governments to improve corporate governance guiding the role of institutional investors, board effectiveness, enforcement and codes of conduct. The Roundtable brings together senior policy makers, regulators and market participants in the region’s most active capital markets.

Participating countries include Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, Mexico, Panama, Peru and Uruguay. At the request of the Roundtable, the Latin American Companies Circle was established in 2005 by the International Finance Corporation (IFC) and the OECD, to support the implementation of best practices. A specialised experts’ task force is developing country-specific recommendations for preventing abuse of transactions between related parties.

www.oecd.org/daf/corporateaffairs/roundtables/latinamerica
LATIN AMERICA AND THE CARIBBEAN FISCAL INITIATIVE

The Initiative aims to foster fiscal policy dialogue in the region, support the improvement of domestic resource mobilisation through better tax and public expenditure policies, and foster economic growth and income redistribution in the region.

The programme is delivered through a regional policy forum where senior fiscal policy officials engage in dialogue with experts from OECD Committees and other regional organisations to address fiscal policy challenges. This dialogue is supported by the development of internationally comparable data (e.g. the annual Revenue Statistics in Latin America publication), capacity building workshops, and the preparation of analytical papers. Another stream of work consists of assisting countries with the design and implementation of fiscal reform measures. Uruguay hosted the third meeting of the LAC Tax Policy Forum on 4-5 July, 2013.

In addition, the Senior Budget Officials network for Latin America, which was launched in 2003, brings together budget directors from across the region to discuss key issues relating to budget management such as the role of fiscal institutions and fiscal rules, budget transparency, performance budgeting and OECD peer reviews. It is hosted annually by the ECLAC in Santiago, Chile.

www.oecd.org/tax/lacfiscal
TRADE

Increasingly integrated into the world economy, Latin America and the Caribbean have experienced substantial growth in trade during the last decade including expanded trade with Asia. Under the International Collaborative Initiative on Trade and Employment (ICITE), a series of studies organised with ECLAC and the World Bank have highlighted the potential of trade to contribute to improved employment conditions in the region. The OECD publication *Policy Priorities for International Trade and Employment* presents a compendium of this work.

[www.oecd.org/trade/icite](http://www.oecd.org/trade/icite)
The OECD provides governments with a network to learn more about each others’ agriculture policies with a view to developing best practices. Brazil, Chile and Mexico participate in the Agricultural Policy Monitoring and Evaluation 2012, which includes the calculation of the level of support provided by government to farmers.

The 2012 OECD-FAO Agricultural Outlook provides world market trends to 2021 for biofuels, cereals, oilseeds, sugar, meats, fish and dairy products and contains forward-looking policy analysis and insights for a range of Latin American economies. The report also includes a special feature on the challenges of rising demand for food in a context of rising costs, growing resource constraints, increasing environmental pressures and the impacts of climate change.

“The OECD allows policymakers to come together to identify best practices that shape our public policies. It allows us to compare and benchmark our performance, and learn from top performers”.

Judith A. Larocque, Ambassador of Canada to the OECD

www.agri-outlook.org
Skills have become the currency of 21st century economies. Without sufficient investment in skills, people languish on the margins of society, technological progress does not translate into productivity growth, and countries can no longer compete in an increasingly knowledge-based global economy. We need to define strategy to master the shift from lifetime employment to lifetime employability for our citizens. The OECD has prepared the Skills Strategy with the aim of improving the supply of skills, anticipating the demand for, and optimising the use of skills in the workforce to promote economic growth and social inclusion. The OECD Skill’s portal, offers country-specific analysis and data visualisations on skills systems in 40 countries, including Chile and Brazil.

In addition, Chile participates in the OECD’s new Survey of Adult Skills (PIAAC), which will provide an evidence base for policy analysis and action on skills. The Survey assesses the proficiency of the adult population in the foundation skills of literacy, numeracy and problem solving. OECD and the IDB have joined forces to include further economies from the region in this effort.
Latin American economies, characterised by low productivity and exploitation of natural resources, could turn to innovation policies in order to improve their economic growth. OECD countries have tackled these issues in the Innovation Strategy which provides policy guidance on a broad range of issues from creating a conducive business environment and infrastructure for innovation, to fostering the creation and diffusion of knowledge both in the public and private sectors.
OECD LEED PROGRAMME

Since 2010, the Local Economic and Employment Development (LEED) Programme organises an annual International Summer School for Latin America with the aims of building capacities on socio-economic development issues and exchanging experiences and knowledge between policy makers and practitioners. The Summer School is developed within the broader framework of capacity development activities carried out by the LEED Trento Centre on broad themes of expertise: quality jobs & skills, preventing exclusion; social innovation; SMEs, entrepreneurship and social economy; green growth; local economic development; sustainable tourism and local development.

During the past three years, more than 100 participants from several Latin American countries shared knowledge and practical experiences on local, economic, social and community development issues.

The Summer School spans two weeks in July and takes place every year in Italy, at the OECD LEED Trento Centre. The working language is Spanish.

[Image: www.trento.oecd.org]
SMALL AND MEDIUM ENTERPRISES (SMES)

SMEs are important sources of growth, jobs and social cohesion. However, their creation, survival and growth are often hampered by access to finance. Launched in 2012, the OECD Scoreboard on SME and Entrepreneurship Financing provides a comprehensive measurement framework to assess access to finance over time and assesses the effectiveness of policies. Chile and Mexico currently participate in the Scoreboard, which feeds into the G20 Partnership for Financial Inclusion.

The 2012 Review of SME and Entrepreneurship Issues and Policies at National and Local Levels of Mexico is part of the OECD series that benchmarks performance in the SME sector, assesses institutional and economic framework conditions and provides governments with recommendations for policy improvement.

Financing SMEs and Entrepreneurs 2012:
An OECD Scoreboard
ISBN: 9789264028029

⇒ www.oecd.org/cfe/sme
TOURISM

*OECD Tourism Trends and Policies 2012* is a publication which benchmarks how effectively countries are supporting competitiveness, innovation and growth in tourism. The publication is organised in thematic chapters and contains 51 country-specific profiles which include Argentina, Brazil, Chile, and Mexico.

Undertaken jointly with the United Nations Environment Programme (UNEP), *Climate Change and Tourism Policy in OECD Countries* analyses policies and issues related to climate change adaptation and mitigation in the tourism sector, providing policy recommendations to address identified challenges.

Food, by connecting tourists to local culture and heritage, is a particularly interesting element of tourism. *Food and the Tourism Experience: The OECD and Korea Workshop* helps policy makers develop a better understanding of the linkages between food and tourism, and local economic development. The publication includes a chapter dedicated to Latin America.

[www.oecd.org/cfe/tourism](http://www.oecd.org/cfe/tourism)
Regulatory Reform Reviews focus on the administrative and institutional arrangements for ensuring that regulations are effective and efficient. The Reviews are primarily about governments improving the processes by which they make, review and enforce regulations that expand economies, lift productivity, attract and retain investment, improve services, and raise public welfare.
In co-operation with Mexico’s Ministry of Economy, the OECD is carrying out a review with attention to the governance of regulators and multi-level regulatory issues. Furthermore, in January 2012, the OECD launched the second edition of the *Guide to Improve the Regulatory Quality of State and Municipal Formalities and Strengthen Mexico’s Competitiveness*, which provides concrete recommendations of high impact reforms that can be implemented in the short term, as well as sections on regulatory governance and the political economy of regulatory reform.

**Profesor Alexandre Santos de Aragão,**
Professor in Public Law at the State University of Rio de Janeiro Dr. State Law of the University of São Paulo and State Attorney for the State of Rio de Janeiro.

“The OECD Regulatory Reform Review was one of the most relevant contributions to government proposals as well as academic discussions in the field over the last decade. This was true both for the result, as well as the process of elaborating the review. The review contributed to a decisive change in paradigm, limiting the scope of preconceived ideas and reinforcing the need for a pragmatic approach towards the development of the country”

[www.oecd.org/gov/regref](http://www.oecd.org/gov/regref)
“In order to see the OECD’s recommendations materialized in real public policies, it’s crucial that all relevant policymakers are acquainted with the OECD’s studies, recommendations and data. In this regard, the Congress is vital to achieve this goal. The relationship between the OECD and the Congress may be materialized in specific independent policy advices, such as the study on ex-post evaluation of laws and regulations in Chile which helped to improve the legislative work. However, the relationship between the OECD and the Congress must be also permanent, so that the parliamentarians are aware of the recommendations and best practices promoted by the OECD in multiple areas. This would ultimately contribute to the legislative discussion and to improve the regulations through which public policies are specified and entail a real progress in citizen’s daily lives.”

Ignacio Briones,
Ambassador of Chile to the OECD

The report Evaluating Laws and Regulations: The Case of the Chilean Chamber of Deputies is a collaborative work with the Law Evaluation Department of the Chilean Chamber, concentrating on institutional, methodological, and governance issues. The report sheds light on the main challenges that ex post law evaluations face in order to increase the quality of legislation. The report was presented in the OECD High-Level Parliamentary Seminar held in Santiago, Chile on 8-9 March 2012.
The OECD and Latin American governments are working on new approaches to regional development based on a region’s specific strengths and assets. These specific characteristics are favoured rather than simply promoting inward investment and large-scale infrastructure projects. Brazil and Chile’s approaches to regional development policy were assessed in OECD Territorial Reviews in 2009 and 2011. Mexican states have also been reviewed, most recently Yucatan (2010) and Chihuahua (2011). As part of its intensive work on sustainable urban development, OECD also examines national urban policies, in particular policies to promote green cities. This work is supported by a unique database of socioeconomic indicators at regional and city level.

“The OECD has played an important role in the structural reform agenda currently pursued by Mexico, for the benefit and wellbeing of its people. By actively sharing these successful experiences, Mexico will continue promoting the adoption of the OECD’s best practices and recommendations throughout Latin America and the Caribbean.”

Dionisio Pérez-Jácome-Friscione, Ambassador of Mexico to the OECD
Energy statistics and indicators in most Latin American countries are monitored, allowing the OECD’s International Energy Agency (IEA) to provide analysis and advice on topics such as market reform and energy technology. A recent study entitled, *Energy Technology Perspectives 2012* demonstrates how technologies – from electric vehicles to smart grids – can make a difference in limiting the rise in global temperature and enhancing energy security. Brazil and Mexico have been extensively covered in this publication.

The IEA’s annual *World Energy Outlook* incorporates the latest data and projections of energy demand, production, trade and investment until 2035. In addition, the 2011 *Energy Balances of Non-OECD Countries*, features detailed data for over 100 countries on the supply and consumption of coal, oil, natural gas, electricity, heat, renewables and waste.

- [www.oecd-nea.org](http://www.oecd-nea.org)
- [www.iea.org](http://www.iea.org)
Climate Change and the Environment

"The OECD has been a source of inspiration for Costa Rica’s journey towards development. We are firmly committed to its standards and policies as we are equally committed to contribute to the Organization by sharing our nation’s achievements in areas such as innovation, trade, environment and education."

Laura Chinchilla, President of Costa Rica.

Extreme droughts and constant floods have been a common occurrence in the region in the past few years. Climate change is one of the key global environmental challenges in the coming decades highlighted by the OECD Environmental Outlook to 2050, together with biodiversity loss, water stress and health impacts of pollution.

At the country level, Environmental Performance Reviews (EPR) are regularly conducted for each OECD country and occasionally for selected non-members. They scrutinise efforts to meet domestic objectives and international commitments and provide policy recommendations. The third EPR of Mexico was conducted in 2012, and the review of Colombia will be available in 2014.
Green Growth

The economic crisis has convinced many countries that a different kind of economic growth is needed. In response, many governments are putting in place measures aimed at increasing the resilience of their economy. The OECD stands ready to assist countries to tailor green growth to their specific circumstances in areas including, for example, reforming fossil fuel subsidies, greening jobs and skills, innovation, green tax reform, and ensuring the necessary financing is provided for green infrastructure.

The OECD is supporting countries in tracking their progress towards greener growth through its work on measuring wellbeing and progress beyond GDP, including work to develop and apply green growth indicators. In June 2012, a workshop on the use of green growth indicators in Latin America was held in Paris, France with six LAC countries developing green growth measurement tools for their own needs.

In addition, Colombia and Costa Rica became the first non-member countries from the region to adhere to the OECD Declaration on Green Growth, which was originally adopted by 34 countries in 2009.
Chemical Safety

Several Latin American countries, including Brazil and Argentina, participate in a rigorous and comprehensive system for assessing and managing chemicals – a system of Mutual Acceptance of Data (MAD). MAD saves governments and industry about EUR million per year by limiting the number of chemical tests needed to safeguard human health and the environment. The process is described in Cutting Costs in Chemicals Management: How OECD Helps Governments and Industry.

“The fact that the OECD is more and more active vis-à-vis Latin America is a welcome development and represents a positive contribution to the regional as well as global economic environment.”

Carlo Oliva, Ambassador of Italy to the OECD.

www.oecd.org/ehs
PUBLIC GOVERNANCE

Making Government Work Better

LAC countries are making great progress in improving governance and improving the quality of their public administration. OECD is supporting them with indicators and policy reviews. The biannual Government at a Glance (G@G) study provides over 50 indicators covering the activities of government (employment, budgeting, regulatory supervision, openness, citizen engagement, e-government and integrity) allowing governments to benchmark their performance. A Latin American G@G is expected to begin in late 2013.

OECD Public Governance Reviews assist governments to identify where they could do better: The 2011 Integrity Review of Brazil evaluated the government’s efforts to promote transparency and citizen engagement, implement internal control, embed high standards of conduct and enhance integrity in procurement. OECD is also reviewing the role of Brazil and Chile’s supreme audit institutions in supporting strategic, accountable and coherent policymaking. Colombia is undertaking a full OECD public governance review, which will be completed in 2013 and will involve support for capacity building.

» www.oecd.org/gov
Water Governance

*Water Governance in Latin America and the Caribbean: A Multi-level Approach* highlights the need to better integrate water policies and governance mechanisms that are flexible and beneficial to the poor.

Based on an extensive survey across 13 LAC countries, this publication provides an institutional mapping of the allocation of water policy roles and responsibilities. It identifies seven gaps across levels of government and public agencies including: the mismatch between administrative and hydrological boundaries, lack of capacity at sub-national level, information asymmetry, diverging objectives between policy areas, under-financing, sectoral fragmentation, and poor accountability.

The study also highlights good practices for vertical and horizontal coordination of water policy, and suggests guidelines to better manage interdependencies across public actors within and outside the water box.

LAC countries covered include Argentina, Brazil, Chile, Costa Rica, Cuba, Dominican Republic, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Peru.
“We have to achieve greater educational coverage in levels where demand is highest in our country, specially secondary and tertiary levels and, above all, find mechanisms, such as those proposed by the OECD, to enhance the quality of education; to develop incentives for teachers to reinforce their commitment; and to achieve greater benefits for students in our country”

President-elect of Mexico
Enrique Peña-Nieto,
Keynote Address OECD Headquarters,
18 October 2012

EDUCATION

Better Schools

Are students well prepared for future challenges? Can they analyse, reason and communicate effectively? Do they have the capacity to continue learning throughout life? The OECD Programme for International Student Assessment (PISA) answers these questions by assessing and comparing the performance of 15-year-olds in reading, mathematics and science in over 70 economies.

Argentina, Brazil, Chile, Colombia, Costa Rica, Mexico, Panama, Peru, Trinidad and Tobago, Uruguay and Venezuela (State of Miranda) have participated in this three-yearly assessment.

www.pisa.oecd.org
The annual *Education at a Glance* provides a set of comparable indicators on the education systems of more than 40 economies, including Argentina, Brazil, Chile and Mexico. The publication covers educational performance, the impact of learning on economic and social outcomes, the financial and human resources invested in education, access to education, participation and progression, learning environments and the organisation of schools.

Tailor-made OECD education reviews have provided analysis and policy recommendations to Latin American economies, including Santa Catarina (Brazil), Paraná (Brazil), Chile, Bío Bío (Chile), Colombia, Antioquia (Colombia), the Dominican Republic and Mexico.
Financial Education

LAC governments have become increasingly aware of the importance of financial education to enable their citizens to profit fully from economic growth and expanding financial markets. Authorities in the region consider it now an essential component of poverty reduction efforts and social inclusion policies, and many LAC countries have established or are currently designing National Strategies for Financial Education.

The importance attached to financial education is also reflected in the number of public authorities that are part of the OECD International Network for Financial Education (INFE), drawing together over 100 countries to strengthen information sharing and policy dialogue, collect data and develop policy instruments on financial education, and in the signature of a Memorandum of Understanding on financial education between the OECD and the Latin American Association of Central Banks (CEMLA).
Furthermore, the OECD has organised several high-level events to support LAC countries in the design and implementation of financial education policies, in Brazil with the Financial Supervisory Authority (CVM) in 2010, and in Colombia with the Colombia Financial Institutions Guarantee Fund (Fogafin) the Central Bank and the CAF in 2012. Together with Fogafin, the Central Bank of Colombia and CAF, the OECD has also prepared a regional report on the status of financial education policies and programmes in the region.

The Development Centre also carried out a report to examine the overall situation of financial markets in the Dominican Republic; the report offers recommendations for achieving greater depth and improving the institutional framework of the capital market.
Effective policies in promoting social progress are key issues for OECD and Latin American societies. *Society at a Glance* offers a concise overview of quantitative social trends and policies, including indicators on income inequality, health and social cohesion. The study includes information on Brazil, Chile and Mexico.

In addition, the most recent edition of *Pensions at a Glance*, which includes Argentina, Chile and Brazil, provides valuable insight into the challenges posed to pension systems in view of population ageing in OECD and G20 countries.

“Social inclusion implies achieving wealth redistribution to take care of the most deprived sectors of society. With that purpose we are implementing policies to reduce inequality and improving the presence of the State throughout the national territory in an efficient manner. We have also created the Ministry of Development and Social Inclusion which provides a productive and non-assistance based approach to social programmes.”

**Ollanta Humala**, President of Peru

[www.oecd.org/els/social](http://www.oecd.org/els/social)
A first edition of *Pensions at a Glance: Latin America and Caribbean* will be published in 2013, covering 26 countries in Latin America and the Caribbean. It will use the Pensions at a Glance framework to assess national retirement income provision. It will focus, in particular, on the economic well-being of older people, coverage of formal pension systems and social pensions.

One important challenge in developing adequate social-protection systems in Latin American countries is to ensure that these systems do not weaken work incentives and create obstacles to formal-sector development. Based on case studies of social protection schemes in key emerging countries, including Brazil, Chile and Mexico, the 2012 edition of the *OECD Employment Outlook* discusses how the difficult trade-offs between social and employment policy objectives can be best managed.

[www.oecd.org/els/social/pensions](http://www.oecd.org/els/social/pensions)
The flows of immigrants in member countries are regularly monitored and have resulted in an array of statistics and information crucial to understanding migration patterns in Latin America. The OAS, with assistance from the OECD and with financing from Spain, launched a project (SICREMI), inspired by the OECD’s Continuous Reporting System on International Migration (SOPEMI), which now covers Chile in addition to Mexico.

The first edition of *International Migration in the Americas*, covering nine countries, appeared in July 2011. The second edition, expanded to include 18 countries, is to appear in 2013. Unlike the OECD publication, *International Migration in the Americas* provides a picture of both immigration into participating countries and of emigration to OECD countries, in particular to the United States and to European countries.

“The OAS values its collaboration with OECD because by pooling our strengths we are able to improve the depth and breadth of policy advice leading to better governance and regulation in Latin America.”

José Miguel Insulza, Secretary General of the Organization of American States

www.oecd.org/migration
The OECD and its Development Assistance Committee (DAC) collaborates closely with most countries and organisations from the region to advance mutual learning and joint action on development and development cooperation, including through the new Global Partnership for Effective Development Co-operation.

Supported jointly by the UN and the OECD, the Global Partnership emerged from the Fourth High-Level Forum on Aid Effectiveness (Busan, Republic of Korea, November – December 2011). It is a new and inclusive forum bringing together a wide range of countries and organisations that are committed to making development co-operation more effective. Many countries and organisations from the region endorsed the Busan outcome document, including the Caribbean Development Bank, Central American Bank for Economic Integration, the IDB, Organization of Ibero-American States, Organization of Eastern Caribbean States.

The DAC has also been working with several Latin American countries and organisations in the areas of development evaluation (including on the Haiti earthquake response), governance and accountability, tax and development, and aid-for-trade.
The Development Centre’s Social Institutions and Gender Index (SIGI) measures discrimination against women for over 100 non-OECD countries, among which 20 are from Latin America and the Caribbean. While conventional indicators of gender inequality focus on outcomes such as employment and education, the SIGI is unique in focusing on underlying drivers of inequality such as discrimination in the family, violence against women and women’s restricted access to land. The next edition of the SIGI will be released in 2014.

Latin America and the Caribbean is the top performing region in the 2012 SIGI. Among the top 10 countries in the overall ranking, eight are from the region, and three are at the top of the overall 2012 SIGI rankings: Argentina, Costa Rica and Paraguay. The top performing country in the region is Argentina, while the country with the lowest SIGI score in the region is Nicaragua.

“The OECD has a deep commitment to gender equality and the empowerment of women, and SIGI is a shining example of this. We will continue working together and deepening the partnership between UN Women and the OECD”.

Michelle Bachelet, Executive Director of UN Women
Transport is a growing area of co-operation between the OECD and the region, particularly in developing more effective road safety policies. Rates of death and serious injuries per capita exceed OECD levels and are set to deteriorate with expected rapid increases in motorisation.

The International Transport Forum at the OECD hosts the IRTAD road safety database and group of traffic safety analysis experts. In 2012 the database was opened to all of the countries of Latin America and the Caribbean (IRTAD-LAC) in co-operation with the region’s new road safety observatory (OISEVI) and the World Bank. The objective is to foster development of professional data collection systems and analysis for effective, evidence-based safety policies.

Creation of the IRTAD-LAC database follows on two years of development work with Argentina, which with technical support from Spain is on course for full integration into the IRTAD group. As the LAC database matures it will permit benchmarking of road safety performance and exchange of information on best practice adapted to the circumstances of all the countries in the region.

www.internationaltransportforum.org
BUSINESS AND INDUSTRY ADVISORY COMMITTEE

The OECD has given the business community a seat at the table in major policy discussions—indeed, the business community has been the catalyst of many important initiatives. The Business and Industry Advisory Committee (BIAC), serves as the voice of business on behalf of major industrial and employer organisations, bringing a crosssectoral and multidisciplinary view to OECD work most relevant to business. It systematically engages over 2100 business representatives, from 50 national business organisations in member countries and major non-member economies, as well as over 30 sectoral supra-national associations. Latin America is represented by the Unión Industrial Argentina (UIA), the Confederação Nacional da Indústria (National Confederation of Industry) and the National Business Association of Colombia (ANDI).

“Effective co-operation at global level is a key to the success of growth orientated policies. With the support of its members and observers in Chile, Argentina, Brazil and Colombia, BIAC is committed to work towards the deeper inclusion of Latin America and the Caribbean in the OECD network. We strongly support the membership talks opened with Colombia.”

Phil O’Reilly, Chairman of the Business and Industry Advisory Committee to the OECD (BIAC)
The OECD represents the governments of its 34 member countries, but it does not work for them in a vacuum. The major stakeholders of democratic societies - business, trade unions and other members of civil society - also have an important role in OECD work. TUAC is a key partner, as the official voice of the labour movement at the Organisation, representing more than 60 million workers in 30 countries in the work of the OECD. Its main aim is to ensure that global markets are balanced by an effective social dimension. TUAC works closely with the International Trade Union Confederation and the Trade Union Confederation of the Americas to ensure that the voice of workers in non-OECD countries are also heard.

“OECD instruments that promote integrity and transparency, such as the Anti Bribery Convention and the Guidelines on Multinational Enterprises, are important tools of accountability used by labour organisations. We look forward to sharing experiences with our Latin American colleagues on these and wider issues.”

John Evans,
General Secretary, Trade Union Advisory Committee to the OECD
## ANNEX

### Participation in OECD Bodies

<table>
<thead>
<tr>
<th>Body</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governing Board of the Development Centre</td>
<td>Argentina, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Panama, Peru, Mexico</td>
</tr>
<tr>
<td>Public Governance Committee</td>
<td>Brazil</td>
</tr>
<tr>
<td>Committee for Scientific and Technological Policy (CSTP)</td>
<td>Argentina, Brazil, Colombia</td>
</tr>
<tr>
<td>Working Party on Innovation and Technological Policy</td>
<td>Costa Rica</td>
</tr>
<tr>
<td>Committee for Information, Computers and Communications Policy (ICCP)</td>
<td>Colombia</td>
</tr>
<tr>
<td>Working Party on Communication Infrastructures and Services Policy</td>
<td>Colombia, Costa Rica</td>
</tr>
<tr>
<td>Working Party on Information Security and Privacy</td>
<td>Colombia, Costa Rica</td>
</tr>
<tr>
<td>Working Party of Senior Budget Officials of the Public Governance Committee</td>
<td>Senior Budget Officials network for Latin America in co-operation with the IDB</td>
</tr>
</tbody>
</table>

For Mutual Acceptance of Data only:

- Joint Meeting of the Chemicals Committee and the Working Party on Chemicals, Pesticides and Biotechnology (1)
- Working Group on Good Laboratory Practice (2)
- Working Group of National Co-ordinators of the Test Guidelines Programme (3)

<p>| Working Party on the Harmonisation of Regulatory Oversight in Biotechnology and the Task Force for the Safety of Novel Foods and Feeds of the EPOC | Argentina |
| Trade Committee                                                      | Argentina, Brazil |
| Joint Working Party on Trade and Environment                         | Brazil |</p>
<table>
<thead>
<tr>
<th>Committee for Agriculture</th>
<th>Argentina(^a), Brazil(^b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint Working Party on Agriculture and Trade</td>
<td>Argentina(^a), Brazil(^b)</td>
</tr>
<tr>
<td>Fisheries Committee</td>
<td>Argentina(^a)</td>
</tr>
<tr>
<td>Investment Committee</td>
<td>Argentina(^a), Brazil(^b)</td>
</tr>
<tr>
<td>Investment Committee in enlarged session and its Working Party on Responsible Business Conduct</td>
<td>Argentina(^a), Brazil(^b), Colombia(^a), Costa Rica(^a), Peru(^a)</td>
</tr>
<tr>
<td>Working Group on Bribery in International Business Transactions</td>
<td>Argentina(^a), Brazil(^b), Colombia(^a)</td>
</tr>
<tr>
<td>Competition Committee</td>
<td>Brazil(^b), Colombia(^a), Peru(^b) - Latin American Competition Forum in co-operation with the IDB</td>
</tr>
<tr>
<td>Corporate Governance Committee</td>
<td>Latin American Corporate Governance Roundtable, Companies Circle and Network on State-Owned Enterprises.</td>
</tr>
<tr>
<td>Working Party on Private Pensions</td>
<td>Brazil(^b)</td>
</tr>
<tr>
<td>Committee on Fiscal Affairs</td>
<td>Argentina(^a), Colombia(^a)</td>
</tr>
<tr>
<td>Global Forum on Transparency and Exchange of Information for Tax Purposes</td>
<td>Antigua and Barbuda(^a), Argentina(^a), Bahamas(^a), Barbados(^a), Belize(^a), Brazil(^b), Colombia(^a), Costa Rica(^a), Dominica(^a), El Salvador(^a), Grenada(^a), Guatemala(^a), Jamaica(^a), Panama(^a), Saint Kitts and Nevis(^a), Saint Lucia(^a), Saint Vincent and the Grenadines(^a), Trinidad &amp; Tobago(^a), Uruguay(^a)</td>
</tr>
<tr>
<td>Steel Committee</td>
<td>Argentina(^a), Brazil(^b)</td>
</tr>
<tr>
<td>Committee on Statistics</td>
<td>Brazil(^b)</td>
</tr>
<tr>
<td>Committee on Consumer Policy (CCP)</td>
<td>Colombia(^a), Peru(^b)</td>
</tr>
<tr>
<td>Working Party on Consumer Product Safety of the CCP</td>
<td>Brazil(^b), Colombia(^a), Peru(^b)</td>
</tr>
<tr>
<td>Committee on Industry, Innovation and Entrepreneurship</td>
<td>Costa Rica(^b)</td>
</tr>
</tbody>
</table>
## Adherence to Instruments

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Adhering Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and Related Recommendations</td>
<td>Argentina, Colombia, Brazil</td>
</tr>
<tr>
<td>Council Decisions on Mutual Acceptance of Data in the Assessment of Chemicals</td>
<td>Argentina, Brazil</td>
</tr>
<tr>
<td>OECD Agricultural Schemes</td>
<td>Argentina, Bolivia, Brazil, Uruguay</td>
</tr>
<tr>
<td>Green Growth Declaration</td>
<td>Colombia, Costa Rica</td>
</tr>
<tr>
<td>Sector Understanding for Civil Aircraft</td>
<td>Brazil</td>
</tr>
<tr>
<td>Statement on the Global Financial Crisis and Export Credits</td>
<td>Brazil</td>
</tr>
<tr>
<td>Paris Declaration on Aid Effectiveness and Accra Agenda for Action</td>
<td>Argentina, Bolivia, Colombia, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru</td>
</tr>
<tr>
<td>Declaration Bologna Charter on SME Policies</td>
<td>Argentina, Brazil</td>
</tr>
<tr>
<td>Declaration on Fostering the Growth of Innovative and Internationally Competitive SMEs (Istanbul Declaration)</td>
<td>Argentina, Brazil, Venezuela</td>
</tr>
<tr>
<td>Declaration on International Investment and Multinational Enterprises</td>
<td>Argentina, Brazil, Colombia, Costa Rica, Peru</td>
</tr>
<tr>
<td>Council Recommendation Concerning Effective Action against Hard Core Cartels</td>
<td>Brazil</td>
</tr>
<tr>
<td>Declaration on Propriety, Integrity and Transparency in the Conduct of International Business and Finance</td>
<td>Brazil, Colombia</td>
</tr>
<tr>
<td>Council Recommendation on Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas</td>
<td>Argentina, Brazil, Colombia, Costa Rica, Peru</td>
</tr>
<tr>
<td>Council Recommendation on Principles for Internet Policy Making</td>
<td>Colombia, Costa Rica</td>
</tr>
<tr>
<td>Multilateral Convention on Mutual Administrative Assistance in Tax Matters as amended by the 2010 Protocol</td>
<td>Argentina, Belize, Brazil, Colombia, Costa Rica, El Salvador, Guatemala</td>
</tr>
<tr>
<td>Declaration on Base Erosion and Profit Shifting (BEPS)</td>
<td>Argentina, Brazil</td>
</tr>
<tr>
<td>Busan Partnership for Effective Development Co-operation</td>
<td>Brazil, Bolivia, Colombia, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Nicaragua, Panama, Paraguay, Peru</td>
</tr>
</tbody>
</table>
OECD iLibrary provides access to publications from the OECD, the International Energy Agency (IEA), the Nuclear Energy Agency (NEA) and the International Transport Forum (ITF), OECD Development Centre and PISA (Programme for International Student Assessment).

The iLibrary is available 24 hours a day, 7 days a week and provides unlimited multi-user access to 1 000 journal issues, 2 900 working papers, 2 500 multi-lingual summaries, 6 200 e-book titles, 14 000 tables and graphs, 21 000 chapters and articles, and 390 complete databases with more than 4 billion data points.

→ www.oecidl.org

OECD Publications in Spanish

La ayuda para el comercio en síntesis 2011: Mostrar resultados
ISBN: 9789264118416

Modelo de Convenio Tributario sobre la Renta y sobre el Patrimonio: versión abreviada
ISBN: 9789264184473

Hacia una gestión pública más efectiva y dinámica en México
ISBN: 9789264116252

Orientaciones de PISA para las Islas Canarias, España: Sistemas fuertes y reformadores exitosos en la educación
ISBN: 9789264174788

Evaluaciones de Políticas Nacionales de Educación: La Educación Superior en la República Dominicana 2012
ISBN: 9789264177079

De la crisis a la recuperación: Causas, desarrollo y consecuencias de la Gran Recesión
ISBN: 9789264168015

OCDE Definición Marco de Inversión Extranjera Directa: Cuarta edición
ISBN: 9789264094468

Reducir la implicación de los jóvenes en la violencia armada: Notas de programación
ISBN: 9789264120204
The Organisation for Economic Co-operation and Development (OECD) is an international organisation helping governments tackle the economic, social and governance challenges of a globalised economy. It provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

The OECD member countries are: Australia, Austria, Belgium, Canada, Chile, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States of America.

www.oecd.org/latinamerica

Centro de la OCDE en México para América Latina
Av. Presidente Masaryk 526, Colonia: Polanco, C.P. 11560, México, D.F.

The Global Relations Secretariat (GRS) helps coordinate the OECD’s relations with non-member countries and with other international organisations.

Global Relations Secretariat
OECD
2, rue André-Pascal, 75775 Paris CEDEX 16, France

www.oecd.org/globalrelations
GRS.contact@oecd.org

October 2013