The implementation process of the SDGs: Latin America Regional Survey

Margarita Beneke de Sanfeliú, FUSADES
Stephanie Milan, FUSADES
Andrea Rodríguez, FUSADES
Marjorie de Trigueros, FUSADES

Abstract

Latin American countries are diverse, both in their size and population and in their level of development. Only four countries have reached high-income status in recent years; the rest are middle-income countries. A key contribution of this survey is its focus on middle-income countries.

The research questions explored are:

1) How are national governments and regional entities integrating the 2030 Agenda into their policies, budgets, and initiatives?
2) Are governments, international agencies, and non-state actors committing to the success of the 2030 Agenda?
3) Are there areas of critical concern for the region that may hinder progress towards achieving the SDGs?

The analysis is based on secondary data and a comprehensive literature review, including Voluntary National Reviews (VNR). The report brings together key findings of the many and diverse efforts that governments, regional and international organisations, and other development partners have made to contribute to achieving the SDGs.

Keywords: development traps, SDG implementation, partnerships, data.
Introduction

Latin American countries are diverse, both in their size and population and in their level of development. Poverty and inequality in Latin American have been decreasing in the past two decades (World Bank, 2018a). However, despite this progress, only four countries have reached high-income status in recent years; the others are middle-income countries and have been for a long time; some as early as the 1960s and 1970s. This is known as the middle-income trap (Agénor, 2012), a condition particularly persistent in the region.

Progress in the region is stalled by factors that interact and reinforce each other, generating four development traps: productivity traps, social vulnerability traps, institutional traps, and environmental traps (ECLAC, CAF, EU, OECD, 2019). For Latin America, the integrated nature of the 2030 Agenda provides a particularly relevant framework to address the multi-dimensional approaches needed to break the development traps and turn them into opportunities to achieve a higher level of development.

A key contribution of this study is its focus mostly on middle-income countries. It provides insights into the advances of the 2030 Agenda and highlights specific implementation challenges and opportunities for the region in five areas which are crucial for achieving the SDGs: policy alignment, institutional infrastructure to deliver the SDGs, financial resources mobilisation, partnerships and participation, and data for monitoring and accountability (Bhattacharya, Khan, Rezban, & Mostaque, 2016).

This research explores the following questions:

1) How are national governments and regional entities integrating the 2030 Agenda into their policies, budgets, and initiatives?
2) Are governments, international agencies, and non-state actors committing to the success of the 2030 Agenda?
3) Are there areas of critical concern for the region that may hinder progress towards achieving the SDGs?

The analysis is based on secondary data and a comprehensive literature review. The study brings together in one place key findings of the many and diverse efforts (actions, studies and publications, and experiences) that governments, regional and international organisations, and other development partners have made to contribute to achieving the SDGs.

Approach

This survey focuses on Latin America. According to the United Nations geographical classification, this region includes 20 countries in two
sub-regions: eight in Central America and 13 in South America. The analysis includes the 17 Spanish and Portuguese-speaking countries, which represent a large proportion of the regional population and share more similar contexts. Belize, Guyana, French Guiana and Surinam are excluded; together they represent less than 0.3% of the total Latin American population.

The analysis is based on secondary data and a comprehensive literature review, including the Voluntary National Reviews (VNR) presented by Latin American countries to the United Nations High-Level Political Forum (HLPF) between 2016 and 2018. Except for Nicaragua and Bolivia, the other 15 countries included in the study presented at least one Voluntary National Reviews. This review also includes the shadow reports presented to the High-Level Political Forum by civil society organisations of nine countries, addressing their perspective on particular issues about the implementation process and results achieved to date. Text analysis was conducted with a qualitative data analysis software to detect common trends and limitations for implementation of the Agenda and achievement of the SDGs.

To complement the analysis, a review was conducted of published literature, policy documents, and reports produced by several international institutions and research centres which follow the implementation of the 2030 Agenda. Additional information comes from the Regional Observatory on Planning for Development of the Economic Commission for Latin America (ECLAC), as well as webpages of national, regional, and international institutions related to the SDGs.

**Implementation Challenges**

Latin American countries may not achieve the SDGs if progress remains at its current pace (United Nations, 2018), especially in the presence of the development traps that prevent middle-income countries from advancing to higher levels of development. To accelerate the rate of progress requires that governments at different levels (national, regional, or local) and other actors and stakeholders assume an active role, and ensure that implementation efforts reflect the integrated, universal, and sustainable nature of the 2030 Agenda.

This section explores actions countries are taking to implement the 2030 Agenda and the challenges regarding policy alignment, institutional infrastructure, financial resources, partnerships and participation, and data for monitoring and accountability.

**Policy alignment**

In order to achieve the SDGs, the integrated nature of the 2030 Agenda
requires that different levels of governance, from the international to the local levels, align their strategies, policies, and actions (vertical policy coherence). It also requires that countries identify, understand, and address synergies and trade-offs among policy areas and SDGs (horizontal policy coherence).

Vertical policy alignment refers to the level of coherence among SDGs and national and subnational development policies. According to their Voluntary National Reviews, most countries where their National Development Plans predate the adoption of the Agenda 2030, conducted mapping exercises to determine the level of alignment of their plans with the SDGs. Colombia developed its plan as the SDGs were being negotiated, and incorporated most goals and targets into their National Development Plans; Ecuador and Uruguay formulated their plans afterwards, incorporating the SDGs as their strategic goals. Additionally, some countries (Costa Rica, El Salvador, Guatemala, Mexico, and Panama) created ad hoc implementation plans as an instrument for planning, implementing, and monitoring the 2030 Agenda.

These plans, whether National Development Plans or government plans, then became the national frameworks for the implementation of the Agenda and the primary public policy instrument for sustainable development. Most plans only span presidential periods; only six countries developed long-term development plans. This is an important challenge for the region, considering that 15 out of the 17 countries included in this study will have new presidents by the end of 2020, and to achieve the SDGs by 2030 requires sustaining efforts for more than one presidential period.

Despite the importance of bringing the SDGs to subnational agendas (United Nations Department of Economic and Social Affairs, 2018), few countries have formulated local plans in alignment with national implementation strategies. Among them are Brazil, Mexico, Honduras, Colombia, Costa Rica, and Ecuador.

Horizontal policy alignment refers to coherence across policy areas. All countries include at least one goal in each dimension of development—social, economic, and environmental; most have prioritised, to some degree, SDG 1 (no poverty) and 3 (good health and well-being); which can be regarded as a continuation of the Millennium Development Goals (MDGs). Nine countries mention in their Voluntary National Reviews some coordination efforts around the three dimensions of development; four countries mention a priority SDG, which then links with other objectives.

Overcoming development traps requires understanding of how factors interact and reinforce themselves; otherwise, policies will have limited effects. Therefore, to accelerate achieving the SDGs it is necessary to
Institutional structure

Implementing the 2030 Agenda requires coordinated efforts of government actors and from all spheres of civil society, the private sector, and international organisations, where each sector has a defined contribution and responsibility in the implementation tasks (UNDP, 2017). Therefore, achieving the SDGs requires the appropriate institutional structure, understood as the mechanisms needed to facilitate policy alignment, coordinate sectors, mobilise resources, and manage partnerships, etc.

In all countries, the executive branch is responsible for coordinating and implementing the Agenda. Two approaches were adopted for establishing institutional arrangements. According to their Voluntary National Reviews, six out of 17 countries built the institutional infrastructure from existing institutions, at the highest level of ministries and secretariats dependent on the Presidency of the Republic, assigning them political and technical responsibilities. Nine countries created commissions, councils, or high-level ad hoc entities, some of them accompanied by a technical committee. Institutional arrangements were created by Executive Decrees and, therefore, could easily be revoked when the government changes.

A common challenge is achieving cross-sectoral coordination and establishing adequate institutional design to carry out integrated actions (Leyton et al., 2017); this is not common practice. Five countries
have coordination instances with the participation of at least one ministry in charge of aspects related to each of the social, economic, and environmental dimensions; while Chile and Paraguay created separate commissions to coordinate each dimension.

As part of their competencies, parliaments have incorporated different actions (UNDESA, 2018), such as: reviewing and adapting enabling legislation; formulating budgets aligned with the SDGs; monitoring implementation; participating in the national commissions and other coordinating entities; and establishing working groups to take direct actions.

Some countries have initiated coordination mechanisms among different levels of government. For example, in Argentina, at least 10 provinces and the City of Buenos Aires have signed coordination agreements with their National Council; in Paraguay, there are Local Regional Development Councils to facilitate local-national consultation and collaboration. In Peru, elected officials in national, regional, and local governments signed the Governance Agreement for Comprehensive Human Development 2016-2021 to uphold goals and targets.

Countries also defined institutional arrangements for monitoring progress. In most cases, two levels of coordination were set up: a policy entity to prepare roadmaps to achieve the SDGs, to coordinate and monitor progress; and a statistical coordination mechanism for data availability and disaggregation. According to their VNRs, four countries have created ad hoc technical committees; likewise, others have set up cross-sectoral bodies to coordinate statistical activities (Leyton et al., 2017).

Many countries have mechanisms to include various stakeholders in policy design and prioritisation; however, the formal inclusion of non-governmental organisations is not a generalised practice. Although no country grants attributions of coordination and planning to these actors, some have institutionalised spaces for subnational and inter-sector participation, which issue policy and programme recommendations.

Several institutional arrangements have been established to support countries in the implementation process. For example, the UN set up the Mainstreaming, Acceleration and Policy Support methodology, or MAPS (United Nations Development Group, 2018) to support countries at the national and local levels.

Resource mobilisation

 Achieving the SDGs depends on the identification and mobilisation of
resources from multiple sources. Most countries mention addressing the need for funding mainly through fiscal resources (see Figure 1). Most efforts are aimed at increasing tax revenues and combating tax evasion and avoidance. In the past 10 years, tax revenues have increased in high income countries (HIC) and low income countries (LIC) (World Bank, 2018a). Increasing domestic resources can also be achieved by reducing expenses or making more efficient use of them through fiscal discipline and control. However, only Mexico mentions spending, and Brazil presents measures to maintain fiscal discipline in their VNRs. A sign that fiscal space may be a challenge is increasing debt levels in lower middle income countries (LMICs) and upper middle income countries (UMICs) since 2011, reversing the downward trend that had been present since 1990.

**Figure 1. Financial means of implementation: Number of countries that mention them in their VNRs**

![Figure 1. Financial means of implementation: Number of countries that mention them in their VNRs](image)

Official Development Assistance (ODA) is the second most mentioned source in VNRs (Figure 2); however, as per the Paris Declaration (OECD, 2005), many donors now focus on low-income countries. Consequently, concessional financing for middle-income countries is limited, even when facing significant development challenges (United Nations General Assembly, 2018). In the past 10 years, flows to Latin America have been almost limited to a few LMIC, mainly Nicaragua and Bolivia, and even for them it has been declining; by 2017, ODA represented 4.19% of GNI for Nicaragua and 2.6% for Bolivia. This makes tapping into other types of resources a necessity.
An important source of financial resources is regional banks. The Inter-American Development Bank (IDB) approved loans for more than USD 48 billion between 2015 and 2019, covering areas that span the 17 SDGs; even though the total amount is less than for the previous five years, the increase in the amount to support institutional reforms, transport, and clean energy is noticeable (IADB, 2019).

An underutilised source is blended finance for development, the targeted use of concessional funding to complement private capital (IADB Blended Finance Team, 2018), which could even generate better outcomes for sustainable development (Schmidt-Traub & Sachs, 2015; Bello & Sanou, 2018). Despite only 20% of the funds available being destined for Latin America (Convergence, 2018), this mechanism is being used increasingly (Diaz Loyola, 2019).

Only three countries recognise Public-Private Partnerships (PPP) as a mechanism to finance public interest projects. As for international private sector participation, inflows of Foreign Direct Investment (FDI) to Latin America remain well below the 2011 peak (World Bank, 2018a). Only Brazil, Ecuador, and Colombia mention strategies to attract investments in their VNRs.

Economic agents need robust institutional frameworks with legal certainty to make investment decisions (World Economic Forum, 2018); long-term stability of policies is also important. To attract private investment to accelerate their transition to clean energy (SDG 7), Guatemala and Uruguay, which have the highest renewable energy consumption, have incentives in place, within long-term policies. Uruguay includes long-term contracts and purchase guarantees which has increased foreign investment and, at the same time, reduced energy prices due to increased competition (Presidency of Uruguay, 2019). Guatemala, through a bidding process with 15-year contracts, attracted the participation of small business and civil society supported by international institutions, in the generation of renewable energy (Ortíz, 2014).

Some economies in Latin America are highly dependent on private transfers sent by expatriate workers; however, only Ecuador mentions them as a means to achieving the 2030 Agenda objectives.

**Participation and partnerships**

The integrated development approach and ambition of the 2030 Agenda requires the strengthening or creation of alliances among governments, different sectors of society, and international cooperation. This is recognised as part of SDG 17 which stresses the need to foster participation and partnerships involving public and private sectors, civil society, and other stakeholders at the local, national, regional, and global levels.
The different UN agencies and other international institutions have adopted the Agenda. The World Bank established the Partnership Fund for the Sustainable Development Goals (SDG Fund) to incentivise catalytic activities, equipping countries with tools and best practices (The World Bank, 2018). The Organisation for the Cooperation of Economic Development (OECD), through its Action Plan on the Sustainable Development Goals, defined how it will support its members and the international community.

Regional banks have also adapted their policies to facilitate achieving the SDGs, beyond providing financial resources. The IDB supports alliances with other development banks and strategic partners, and supports countries in mobilising domestic resources and facilitating private financing (Zavala, 2016). The Central American Bank for Economic Integration (CABEI) signed a cooperation agreement with the United Nations Office for Project Services (UNOPS) to improve operational supervision mechanisms and carry out impact monitoring and evaluation of programmes and projects (CABEI, 2015). Likewise, the Development Bank of Latin America (CAF) signed a cooperation agreement with the UNDP to support governments to explore and promote South-South cooperation initiatives (CAF, 2016).

South-South cooperation has become a feasible means to strengthen capabilities to achieve the SDGs (UNDP, 2018a; UNOSSC, 2018; Kindornay, 2018); however, only nine countries mention triangular, South-South, and bilateral cooperation, or technology and knowledge exchange agreements as a source of good practices and lessons learned.

Non-government actors, such as the Sustainable Development Solutions Network (SDSN), the Sustainable Development Solutions Network (SDSN) and the International Institute for Sustainable Development (IISD) are also leading initiatives to strengthen partnerships. For instance, the IISD developed the Sustainable Asset Valuation (SAVI)², to help decision-makers assess the extent to which environmental, social, and economic externalities affect the financial performance of infrastructure assets and projects (HLPF on Sustainable Development, 2018). Similarly, members of the Open Government Partnership (OGP), a multilateral initiative, must submit a biannual action plan co-created by various actors (public institutions, civil society, academia, and others), and annually report on its progress (ECLAC, 2019); except for Nicaragua, Bolivia, and Venezuela, countries are already implementing or are currently developing National Action Plans (OGP, 2019a).

**Data situation and accountability mechanisms**

The production of indicators and the monitoring and follow-up of the prioritised targets are critical to ensuring the strategies achieve the
intended results. It is also a mechanism to implement the principle of leaving no one behind. Through the use of data, countries can identify those that need more attention (Nicolai, Hoy, Berliner, & Aedy, 2015). Therefore, a fundamental purpose of data collection for monitoring and evaluation is to ensure accountability and evidence-based policymaking to achieve the 2030 Agenda.

Latin America faces the challenge of strengthening the data and information systems for improving access to quantitative and qualitative data sources on the SDG targets and indicators. The region currently produces 30.5% of the total SDG indicators, and there is information regularly available to produce an additional 19.2%. Data availability varies by goal (see Figure 2): more than 60% of the indicators are produced for SDG 1 (no poverty), SDG 3 (good health and well-being) and SDG 8 (decent work and economic growth). On the other hand, less than 30% are produced for SDG 12 (responsible consumption and production) and SDG 14 (life below water). The low level of production of indicators highlights the statistical barriers the region faces to monitor the integrated implementation of the three dimensions of sustainable development.

The Statistical Coordination Group, created by the Statistical Conference for the Americas, proposed a regional framework with 154 indicators: 120 come directly from the global framework; 30 added complementary indicators, and four are proxy indicators that substitute four global ones. This new framework does not eliminate
Latin American countries differ not only in size and population but also in their level of development. Despite progress, only four countries have reached high-income status in recent years, namely Uruguay, Chile, Panama, and Argentina. Most economies remain caught in the so-called middle-income trap, a condition particularly persistent in the region. Progress is stalled by a number of factors that interact and reinforce each other (ECLAC, CAF, EU, OECD, 2019).

In the past two decades, poverty and inequality in Latin America have decreased. As a result, the middle class has grown in size. And with a higher income come higher expectations. People demand better public policies, services, and institutions and these are not able to respond. Citizens perceive a disconnection between their needs and the government’s responses. In addition, numerous cases of corruption feed into popular discontent. All this diminishes trust in institutions. This is why the 2030 Agenda is so important for Latin America. It focuses simultaneously on the three dimensions of sustainable development (economic, social, and environmental). This provides a particularly relevant framework to address the multi-dimensional

The availability of quality, timely, and reliable data disaggregated by relevant characteristics is vital to measure SDG progress. Most countries assessed their ability to produce the indicators required, even if only for their own priority goals and targets. However, only Argentina, Chile, Paraguay, and Uruguay mentioned evaluating the ability to disaggregate the indicators.

Data availability is only a part of the monitoring and evaluation of the SDGs; it needs to be used to review and evaluate the progress towards the achievement of the goals. There is almost no mention of accountability mechanisms in VNRs, signalling that this is an area where challenges remain. Political will from policymakers at all levels is still needed to make the process of monitoring and evaluation a standard practice, and to use results as feedback for policy adjustment when necessary (United Nations, 2018a).

Conclusions and recommendations

Latin American countries differ not only in size and population but also in their level of development. Despite progress, only four countries have reached high-income status in recent years, namely Uruguay, Chile, Panama, and Argentina. Most economies remain caught in the so-called middle-income trap, a condition particularly persistent in the region. Progress is stalled by a number of factors that interact and reinforce each other (ECLAC, CAF, EU, OECD, 2019).

In the past two decades, poverty and inequality in Latin America have decreased. As a result, the middle class has grown in size. And with a higher income come higher expectations. People demand better public policies, services, and institutions and these are not able to respond. Citizens perceive a disconnection between their needs and the government’s responses. In addition, numerous cases of corruption feed into popular discontent. All this diminishes trust in institutions. This is why the 2030 Agenda is so important for Latin America. It focuses simultaneously on the three dimensions of sustainable development (economic, social, and environmental). This provides a particularly relevant framework to address the multi-dimensional...
approaches needed to break development traps and turn them into opportunities.

Most countries in the region incorporated the SDGs into their National Development Plans or their government plans; most of them with an application period which corresponds to presidential terms, which reflects short-term planning. Many Latin American countries held presidential elections between 2017 and 2019; often the result was political change. It is urgent to increase awareness among policymakers and other stakeholders that achieving the SDGs requires sustained efforts that stretch beyond government terms.

Countries have conducted mapping exercises. These helped determine how their plans aligned with the SDGs. However, very few adjustments were made to incorporate the SDGs consciously into development plans. The level of discontent among citizens in Latin America may be a signal that areas that were prioritised are not responding to their needs and expectations. So there is a need to re-evaluate priorities. The goal should be to identify what each country needs, and what factors prevent them from escaping the development traps.

There is also a need to recognise that addressing policy issues without considering the interactions between them will have limited effects on escaping the development traps. This is a challenge that is not receiving enough attention in the region. There is a role for academia and research institutions: studying possible synergies and trade-offs among the different areas of development.

The ‘Leave No One Behind’ principle of the 2030 Agenda is meant as a means to put a spotlight on the most vulnerable populations around the world. But in Latin America the term “vulnerable” also applies to the middle class. Understanding this could help, for example, analyse what prevents different groups from escaping informal jobs, or what needs to be done to transform economies so they are able to provide more and higher quality jobs. Also important is to detect what data needs to be collected and how it can be analysed to understand the needs and expectations of each group. This should go beyond the usual poor-not poor, gender, age group, geography, and ethnicity classification. Most data available in Latin America is related to the MDGs (poverty, health, labour, etc.), but this is not enough to achieve most SDGs within the next 10 years.

Achieving the SDGs also depends on resource identification and mobilisation. Those resources need to be used strategically, otherwise outcomes might not improve. Currently not enough is being done to evaluate the efficiency and effectiveness of policies and investments. More transparency and accountability might improve citizens’ trust in the process.
Only 10 years are left to meet the goals and targets of the 2030 Agenda. The moment calls for a reflection on the appropriate strategy to accelerate the pace. The challenges are too significant for governments alone. Other actors need to be involved in creating policy sustainability beyond government periods. An “ecosystem” approach is needed, in which each actor has a role that contributes to achieving the goals. Such a system requires that each actor understands the problem, proposes solutions, and helps with the implementation and monitoring. There is a need for stronger participation of civil society, academia, think tanks, and the private sector. They, together with the public sector, can help define the Agenda and the implementation of policies with a long-term vision.

Much has already been done at the global and regional level, e.g. by international agencies and other non-state actors. Many of them have adapted their strategies and now contribute actively to achieving the 2030 Agenda. However, it is essential to adjust the cooperation agenda not just to governments’, but also to countries’ needs.

Overall, the 2030 Agenda can help build a consensus on a longer-term vision for each country. It provides a unique opportunity for a shared vision for Latin America.

References


CEDLAS and World Bank (2018). SEDLAC [Database].


indicadores mundiales de la Agenda 2030. Santiago.


List of contributors

Margarita Beneke de Sanfeliú is the director of the Center for Research and Statistics at FUSADES with more than 25 years of experience in quantitative and qualitative research and coordinating interdisciplinary research teams. Her current research interests are women’s economic empowerment, labour market, youth, and evaluation of social programmes.

Andrea Rodríguez is a researcher at the Center of Research and Statistics (FUSADES). Her areas of interest are entrepreneurship and innovation, and women’s participation in society.

Stephanie Milán, a development and policy economist, is a researcher at the Centre for Research and Statistics at FUSADES, and her research interests are in gender, education, and labour. She has experience in quantitative and qualitative analysis, impact evaluation, and project management.

Marjorie Chorro de Trigueros is a senior researcher at the Department of Legal Studies at FUSADES with more than 15 years of experience in international trade, democratic institutions, state modernisation, and competitiveness. She is active in various non-governmental organisations, particularly as a board director in Vital Voices El Salvador and as a member of the Central American Leadership Initiative, CALI.

Southern Voice is an open platform for think tanks that contributes to the global dialogue on the Sustainable Development Goals (SDGs). It does this by disseminating evidence-based policy analysis by researchers from the Global South.

The ‘State of the SDGs’ is a conceptually innovative, policy relevant empirical research initiative. The initiative unpacks some of the critical relationships underpinning the 2030 Agenda. The aim is to identify those who are ‘left behind’ within diverse contextual realities, to reveal the complex relationship of trade-offs and synergies among specific SDGs, and to explore the global governance factors affecting implementation within a country.

Southern Voice is grateful for contributions from the Think Tank Initiative and the Hewlett Foundation in support of this work.

Creative Commons Attribution-NonCommercial 4.0

The views expressed in these case studies are those of the authors and should not be attributed to Southern Voice, or the authors’ respective organisations.

For more information and publications visit www.southernvoice.org