

Conclusions

of the AICESIS Virtual Event for the Latin American and Caribbean region
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Event title:

Digitalization can ensure more financing for a sustainable future in Latin America and the Caribbean; realistically feasible or an unattainable goal?

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- More than two years into the global pandemic, more than a million lives have been lost in Latin America and the Caribbean. The human and economic toll has been unprecedented, and recovery efforts so far have been uneven, inequitable and insufficiently geared towards achieving sustainable development. The current crisis is threatening decades of development gains, further delaying the urgent transition to greener, more inclusive economies, and throwing progress on the SDGs even further off track.
- Due to severe economic contractions in the whole region at the heights of the pandemic (2020-2021), and modest recoveries in the last quarter of 2021, the economic projections for 2022 are nevertheless uncertain and, therefore, worrisome. Many countries still struggle with protracted recoveries, given that they rely on global investment, trade, and tourism, all of which have been negatively affected.
- The regional economic contraction increased poverty and exacerbated income inequality, pushing millions into extreme poverty. Latin America already was the most unequal region in the world in terms of income. Many countries have implemented relief programs to help protect their economies and vulnerable populations, and many have needed external financing to do so. In response, external lending has been increased to the region.
- In an already heavily indebted region, this means, in terms of SDG financing, less spending capacity of national governments in Latin America and the Caribbean to realistically meet the targets set forth in the UN 2030 agenda. While inflation is still rising, and many notice the surge in day-to-day expenses, climbing prices may also affect tax bills. Needless to say, this will undoubtedly lead to further social, economic and political unrest in an already volatile part of the globe.
- Within this particular context, the issue of SDG financing requires recalibration and an alternate approach, whereby special consideration should be given to the possibilities offered by private external financing. To ensure effectiveness in this regard digitalization may play a vital role;
- The major task of governments in Latin America and the Caribbean must, nevertheless, remain on the elimination of structural barriers that impede sustainable development like (extreme) poverty, inequality, high rate of informality and weak public institutions. To enhance the credibility of these institutions, civil society can play a major role by creating more awareness on the SDG's and the steps taken to fulfil the SDG's
- There are also emerging barriers like violence and migration that should be addressed properly.
- There is wide consensus that digitalization can play a major role in the development of a sustainable future for Latin America and the Caribbean. Commitment by IT-giants that operate on a global level and national governments should make SDG financing possible.
- To ensure an inclusive sustainable development in Latin America and the Caribbean, in line with SDG #5 & #8, men have to be more involved in empowering women. To be able to do that mayor sociocultural changes have to take place;
- Education and awareness on eliminating gender stereotypes should be given special attention but also introducing gender parity in institutions is important.
- The use of big data by national governments to fight endemic corruption in the region will be more important to foster inclusiveness and sustainability in the Latin American and Caribbean region.