



Report of the Joint Summit Working Group
XXIX Meeting of the Summit Implementation Review
Group (SIRG)

Santiago, Chile
June 2003
Summits of the Americas Secretariat

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ANNUAL REPORT OF THE JOINT SUMMIT WORKING GROUP

Ministerial meeting of the Summit Implementation and Review Group (SIRG)

June 9, 2003 – Santiago, Chile

I - INTRODUCTION

The Joint Summit Working Group has the honor to present this report to the Ministers of Foreign Affairs. The report emphasizes some of the most significant and concrete activities that the institutions have carried out regarding the implementation of the mandates from the Third Summit of the Americas. It is composed of executive summaries from every Organization, covering the period June 2002 – May 2003. At the end of the report a section is included on the tasks that the Joint Working Group intends to carry out in the future.

In July 2001, the heads of the Inter-American Development Bank (IDB), the UN Economic Commission for Latin America and the Caribbean (ECLAC), the Pan American Health Organization (PAHO) and the General Secretariat of the Organization of American States (OAS) signed a letter of understanding committing to work together. This was done in compliance with the mandate of the Plan of Action of Quebec to involve the institutional partners (the OAS, IICA, PAHO, ECLAC, IDB and the World Bank) in all the stages of the Summit of the Americas Process. The objective of the letter was to "establish a permanent entity of coordination and information" among these institutions to provide an effective support and coordination for the implementation of the Summit of the Americas mandates. This initiative responded directly to the mandate in the follow-up section of the Plan of Action of the Third Summit of the Americas that says "to deepen partnerships and coordination between the Summit of the Americas process and its partner institutions, including examination of the suitability of new relationships with subregional multilateral development banks." At a later date, the Inter-American Institute for Cooperation on Agriculture (IICA), the Andean Development Corporation (CAF), the Central American Bank for Economic Integration (CABEI), the Caribbean Development Bank (CDB), and the World Bank joined and became members of the Group.

Every institution has designated a high-level representative responsible for the monitoring of the mandates of the Summits as they relate to these institutions. These representatives meet periodically to coordinate activities and exchange information on the implementation of mandates. The OAS, through the Summits of the Americas Secretariat, presides over and coordinates the work of this group, convening the meetings and the agendas.

From the Summit of the Americas held in Miami, in 1994, to date, the support and involvement of the institutions in the Summit process has increased considerably. In the case of the OAS, in particular, the agenda of this institution has increasingly been linked to the fulfillment of the mandates of the Summits of the Americas. The IDB has actively participated in Summit related activities and has granted loans and technical cooperation in areas directly related to the leaders

mandates. ECLAC, in turn, has been supporting the process in several sectors. Its work in the areas of connectivity and transportation should be highlighted, and, in particular, its support for the negotiations of the `Free Trade Area of the Americas` (FTAA) through its participation in the Tripartite Committee, together with the OAS and the IDB. PAHO and the IICA have a more specific role since they have taken the leadership in the monitoring and the implementation of the mandates in the health and agriculture sectors respectively. Furthermore, the subregional banks, CABEI, CDB and the CAF, which have recently been incorporated into the Summit process have supported fundamental projects in the area of economic integration of the Americas and in others that respond to several of the mandates established at the Third Summit of the Americas. In general, the institutions that are part of the Joint Summit Working Group have assumed specific responsibilities in the implementation of the Quebec City Plan of Action and have accepted some kind of coordination function in those areas.

In October 2002, a meeting of the heads of these institutions was held for the first time, in order to evaluate their work in the implementation of the mandates of the Third Summit of the Americas. The recommendations from this meeting were: to identify areas in which to work jointly, to coordinate the institutional support for ministerial meetings, to establish a division of responsibilities for the institutions and to carry out a more active dissemination of the information about the Summit Process, its mandates, and the activities carried out in compliance with the Plan of Action.

The Joint Summit Working Group has met on several occasions to address various subjects and to exchange information on its activities with regard to the mandates of the Summit of the Americas such as civil society and connectivity. Furthermore, the Working Group participated in all the meetings of the Summit Implementation Review Group (SIRG). At each meeting, the Summit of the Americas Secretariat submitted, on behalf of the Group, a report on the activities carried out by the institutions in compliance with the mandates of the Summit. These reports are located on the official website of the Summit Process: www.summitsoftheamericas.org. Also, the Group published the Official Documents of the Summits of the Americas Process from Miami to Quebec. This publication was issued during the General Assembly of the OAS in June 2002, where the Group held one of its meetings and presented a joint Hemispheric Report.

The Minister of Foreign Affairs of Mexico at that time, Jorge Castañeda, attended the SIRG meeting during the OAS General Assembly. He reported on the United Nations Conference on Financing for Development that was held in Monterrey and, in which, the Government of Mexico expressed its willingness to address these issues regionally. He also reiterated that Latin America and the Caribbean have defined a position on the subjects of Monterrey (Platform of Bogotá - "Toward the International Conference on Financing of Development: Perspective of Latin America and the Caribbean") that was approved in the Preparatory Regional Conference and that includes, among others, the issue of governance.

During the last two meetings of the SIRG, the Summit of the Americas Secretariat presented, on behalf of the Group, two reports outlining the activities of the institutions carried out in compliance with the mandates in the Quebec City Plan of Action. These reports cover the period from June to October 2002 and from October 2002 to April 2003, respectively. The current

report accounts for the activities conducted from the last General Assembly of the OAS, in June 2002, to date.

II – IMPLEMENTATION OF THE THIRD SUMMIT OF THE AMERICAS MANDATES



Organization of American States (OAS)

The OAS is increasingly committed to the Summit of the Americas Process. This commitment is reflected in the Organization's agenda, which is for the most part dedicated to the implementation of the mandates established by the Heads of State and Government in Quebec City. The distinct entities of the Organization give priority to completing the assigned initiatives identified in the Summit of the Americas mandates. At the same time, the OAS has made efforts to give support, on the one hand, to Ministerial meetings, and, on the other hand, to the participation of civil society in the monitoring and follow-up to the Plan of Action. These efforts reflect the importance that the Organization gives to the contributions of these two sectors that are strategic allies in the Summit process.

The objective of this executive summary is to highlight the most significant and concrete activities of the OAS in the implementation of the mandates from the Quebec City Plan of Action from June 2002 to April 2003.

Summits Follow-up

The OAS has established the Secretariat for the Summit Process in order to strengthen its role as technical secretariat and institutional memory of the Summit process. The Secretariat promotes actions to ensure an effective, timely, and appropriate follow-up to the activities of the Organization in compliance with the Summit of the Americas mandates. The Secretariat also gives technical and administrative support to the countries of the hemisphere through the Summit Implementation Review Group¹(SIRG), its Steering Committee², and Executive Council³. In this regard, the Secretariat works daily with the Summit National Coordinators and the Permanent Representatives to the OAS by sharing information, creating a sense of ownership of the processes on the part of the Governments and supporting them in the implementation of the mandates and in the preparation of progress reports. The Secretariat supports the preparation of future Summits by working with the Steering Committee and the governments of the hemisphere in the preparation of the agenda, the mobilization of the necessary resources, the development of methodologies and coordination of logistical aspects.

1 The SIRG is composed of the national coordinators for the Summits of the Americas from the 34 member states

2 The Steering Committee is composed of the past and future hosts of the Summits of the Americas

3 The Executive Council includes the Steering Committee, Brazil and a regional representative from CARICOM, Central America, the Río Group and the Andean Community.

In fulfillment of its follow-up functions, the Secretariat prepared and distributed to the Summit National Coordinators a CD-ROM that contained the Multilateral implementation chart (IMM), as well as the 18 National Implementation Charts submitted to date in November 2002. Furthermore, it prepared a report for the Permanent Council on OAS activities in compliance with the mandates of the Third Summit of the Americas. This report underlines how the Summit mandates are increasingly defining the OAS agenda.

With a view to disseminating the Summit mandates and activities, the Secretariat for the Summit Process periodically produces a news bulletin. Every edition is devoted to a Summit mandate and to an important event, such as the Inter-American Democratic Charter, the FTAA and the Special Conference on Security.

As part of its support to the SIRG, the Secretariat drafted a proposal on the methodology for the presentation of national reports. It was agreed that, in the future, reports will focus on specific Summit themes and they will be presented at the SIRG meetings. These reports will replace the reports that covered all the issues in the Plan of Action thus ensuring a deep analysis and a more fruitful dialogue on the selected issues.

The Summit Secretariat is also the entity responsible for the coordination of the Joint Summit Working Group. The Secretariat has held a series of Working Group meetings in order to exchange information on how the different institutions are advancing in the efforts to implement Summit mandates. In October 2002, the Secretariat organized a meeting of the heads of the institutions in order to identify ways to strengthen the joint work of the group. At each SIRG meeting, the Secretariat prepares and submits a Report of the Joint Summit Working Group, which includes information on the international organizations' activities in support of the implementation of the Summit mandates.

Furthermore, the Secretariat, in coordination with other OAS units, provides support to the Summit related ministerial and sectorial meetings by strengthening their link to the Summit of the Americas process. For example, the Secretariat supports the ministerial meetings of culture, trade, defense, transportation, education and the Hemispheric Special Conference on Security.

The Secretariat continues to coordinate and strengthen civil society participation in the Summit process and in OAS activities. On March 28, 2003, the Secretariat supported a meeting of the Committee on Summit Management and Civil Society Participation in OAS Activities that held a dialogue with civil society about its role in the work of the OAS and in the implementation of Summit mandates. The topics of discussion were hemispheric security, governance, and education. In coordination with the OAS Unit for the Promotion of Democracy (UPD) and the Latin American Faculty of Social Sciences (FLACSO), the Summit Secretariat has supported a civil society workshop in Chile previous to the OAS General Assembly. In addition, during the OAS XXXIII General Assembly, the Secretariat has organized, with the support of the Government of Chile, a dialogue on governance between the Heads of Delegation and Civil Society representatives. Following on the SIRG meeting in Santiago during the OAS General Assembly, the Secretariat for the Summit Process will provide technical and administrative support to the preparations for the Special Summit that will take place in Mexico before the end of the year.

The various OAS units have dedicated many of their technical and financial resources to support the implementation of Summit mandates. A summary of some of the highlighted examples follows.

Inter-American Democratic Charter

The Inter-American Democratic Charter was approved at a special session of the OAS General Assembly on September 11, 2001 in Lima, Peru. Its purpose is to promote and defend democracy, providing the governments of the Hemisphere with a new framework for collective action to cope with threats to democracy. The Inter-American Democratic Charter was applied for the first time in April 2002, in reaction to an alteration of the constitutional order in Venezuela. The Charter has also helped in establishing guidelines for action by the hemispheric community in Haiti, where the OAS has undertaken a series of efforts to put an end to the political deadlock and to strengthen democracy.

Fight against corruption

The Follow-up Mechanism for Implementation of the Inter-American Convention against Corruption is comprised of the countries that have signed and ratify this instrument and has a Committee of Experts which is responsible for analyzing the implementation of the mentioned Convention. To date, 28 of the 34 OAS member countries have ratified the treaty, which obligates them to adopt specific measures against corruption. Each country presented a report on progress made in implementing the Convention. The methodology and questionnaire for analysis of implementation of the Inter-American Convention Against Corruption were approved, to cover those provisions of the Convention that were selected for the first round of analysis, and the structure of the country reports was determined. Each member state will be analyzed by a subgroup of countries of this Mechanism. The composition of all the analysis subgroups was defined for each of the member countries. The Committee of Experts determined that the first round would run from June 2002 to 2004, that six meetings would be held during this time, and that four states parties would be analyzed at each meeting,

During the last meeting of the committee, the experts discussed and adopted the preliminary draft report on the Republic of Argentina. The participants also decided that the language used in this report would serve as a guide for drafting the rest of the reports to be produced in the first round, particularly because this will guarantee that the criteria guiding the methodology for analysis in this round will be observed, and especially the criterion on equal treatment of the states. In the course of this meeting, the Committee also considered and adopted the Annual Report of Activities of the Committee for the Conference of the States Parties to be held shortly, and adopted its Work Program for 2003. As part of this program the Committee decided that its fourth plenary meeting would take place July 14-18, 2003 at OAS headquarters, and that the preliminary draft versions of the reports for Paraguay, Colombia, and Nicaragua would be considered at that meeting.

Human Rights and Fundamental Freedoms

During the most recent visit to Haiti in August 2002, the Inter-American Commission on Human Rights (IACHR) once again expressed concern over the weakening of the state, the lack of independence of the judicial system, impunity, the unsafe climate, and threats to reporters. In the

case of Venezuela, the IACHR is of the opinion that it is essential to maintain a political debate in the framework of democracy.

OAS member countries substantially increased the funds allocated to maintain IACHR operations in accordance with the commitment assumed at the Quebec Summit to strengthen the human rights system. Under Permanent Council resolution CP/RES. 831/02, \$600,000 was allocated to the Commission to support its on-site visits, the work of its special reporters, and its unit of human rights defenders, and for publication of its documents.

Combating the Drug Problem

The Group of Government Experts (GEG) of the Multilateral Evaluation Mechanism (MEM) is in charge of producing the national reports of OAS member states in the context of the Evaluation of Progress in Drug Control. On October 2002, the Group of Government Experts held its third meeting at the OAS headquarters. The purpose of the meeting was to consider the final comments on the national reports mentioned above. These reports are divided into National Anti-Drug Strategy, Demand Reduction, Supply Reduction, and Control Measures. These reports are divided into National Anti-Drug Strategy, Demand Reduction, Supply Reduction, and Control Measures. On January 22, 2003, CICAD launched the national and hemispheric reports analyzing progress made in the fight against illicit drugs in its 34 member states. The reports, which cover 2001 and 2002, contained recommendations on the measures each country could take to reinforce its anti-drug efforts.

Mine-clearing

On December 10, 2002, Costa Rica announced that it was the first land-mine-free country in the Americas. In Central America as a whole, 22,000 anti-personnel mines have been destroyed, with the assistance of the OAS and the Inter-American Defense Board. In Nicaragua, the “IMSMA” (anti-mine activity management information system) software package was updated, with the assistance of the United Nations. This package includes a new area that not only makes it possible to follow up on matters pertaining to the rehabilitation of victims, but also provides preventive education. The system has been installed so far in Nicaragua, Guatemala, Peru, and Ecuador.

The next country in the Hemisphere to be free of mines will be Honduras, and this will occur tentatively towards the end of 2003. Guatemala is planning to wrap up operations in 2004. Nicaragua has set its target for 2005. Although Peru and Ecuador have not yet set a specific date for completing mine-clearing operations, because of the magnitude of the problem—130,000 mines located along the border of both countries—the program is estimating 2007 for completion.

Fight against Terrorism

During the OAS General Assembly that took place in Bridgetown, Barbados, in 2002, member countries sought to strengthen security and cooperation against terrorism by adopting the Inter-American Convention against Terrorism.

The third regular session of the Inter-American Committee against Terrorism (CICTE) took place on January 22-24, 2003 in San Salvador, El Salvador. The major themes of the meeting

were regional cooperation, the new threats, and the 2003 Work Plan for CICTE. The conference also discussed the creation of financial intelligence units, collection of information, development of a database, and a network for exchange and coordination of policies. At the meeting, member states approved the “San Salvador Declaration on Strengthening Cooperation in the Fight against Terrorism.” The objective of the meeting was to promote technical support and training in countries to counter terrorist threats. The measures to be put in place by the countries include an information exchange to detect and detain persons suspected of illicit activities.

Civil Society

The Secretariat for the Summit Process coordinates OAS activities related to civil society mandates. The Secretariat is in charge of managing the OAS accreditation process of civil society organizations. Today, 67 NGOs have been accredited as OAS observers, under the Guidelines for the Participation of Civil Society in the Activities of the OAS (available at www.civil-society.oas.org), and others are in the process of seeking accreditation. To strengthen civil society participation in OAS activities, in March 2003 the Permanent Council adopted Resolution 840, which establishes the institutionalization of the dialogue between Heads of Delegation and civil society representatives during the OAS General Assembly. This resolution also includes a series of strategies and measures to improve the flow of information, primarily through broader use of the Internet, and to give registered organizations the opportunity to comment on draft resolutions before they are presented to the General Assembly.

Trade, Investment, and Financial Stability

The OAS is continuing to provide technical support for negotiations on the Free Trade Area of the Americas (FTAA), as a member of the Tripartite Committee, made up of the OAS, IDB, and ECLAC. It is focusing its efforts on offering technical assistance for strengthening capacity in the area of trade in the participating countries, and especially among the smaller economies.

The support provided by the OAS Trade Unit in FTAA negotiations during the period covered by this report has consisted in responding to requests by negotiating groups and special committees, and has included preparation of statistics, studies, and analyses, and technical assistance. During this period, in accordance with the distribution of work among the institutions belonging to the Tripartite Committee, the Trade Unit has continued to provide technical and analytical support to the following FTAA Negotiation Groups: Investment; Services; Intellectual Property; Subsidies, Antidumping, and Countervailing Duties; Competition Policy; and, Settlement of Disputes. It has also supported the Negotiation Group on Market Access in the area of technical barriers to trade and trade regulations, and it has assisted the Advisory Group on Smaller Economies, the Committee of Government Representatives on Participation of Civil Society, the Subcommittee on Budget and Administration, and the Technical Committee on Institutional Matters.

The OAS Trade Unit conducted activities to strengthen trade capacity in the countries participating in the FTAA process, and especially the smaller economies. Technical assistance focused on the following activities:

• Advanced training course for government officials

- ⚡⚡ Specialized seminars in different areas of trade, for government officials and private sector representatives.
- ⚡⚡ Workshops to facilitate an understanding of the process of preparation of bids for access to markets in services and investments.
- ⚡⚡ Website of academic networks in the Hemisphere (www.netamericas.net). This website is one of the major instruments for building capacity and for distributing and exchanging information on trade.

Ministerial trade meeting

At the Seventh Ministerial Trade Meeting, held November 1, 2002 in Quito, Ecuador, the ministers reiterated their commitment to complete FTAA negotiations by January 2005. The ministers responded to recommendations of civil society and made the second draft of the FTAA chapters available to the public. The Eighth Ministerial Trade Meeting is scheduled to be held in Miami in November 20 –21, 2003.

Among the achievements referred to in the Ministerial Declaration of Quito are the fulfillment of the elaboration of a second draft of the consolidated chapters prepared by the Negotiating Groups and the preliminary work of the Technical Committee on Institutional Issues (TCI) on the general and institutional aspects of the future FTAA Agreement; the initiation of market access negotiations in agricultural and non-agricultural goods, services, investment, and government procurement; the approval of the methods and modalities for negotiation to be applied in the next phase of the process, and setting of the timetable for the exchange of market access offers, with initial offers beginning on December 15, 2002; the definition of modalities for notification of the base tariff, the approval of the guidelines or directives for the treatment of differences in levels of development and size of the economies, and, the Hemispheric Cooperation Program (HCP).

The approval of this program is one of the most outstanding achievements of the Quito Ministerial Meeting. The HCP “is intended to strengthen the capacities of those countries seeking assistance to participate in the negotiations, implement their trade commitments, and address the challenges and maximize the benefits of hemispheric integration, including productive capacity and competitiveness in the region.” The ministers undertook a commitment “to develop national and/or subregional [trade capacity-building] strategies and related programs, in order to make rapid and effective progress in the HCP, and to provide assistance in identifying sources of predictable and multifaceted financial and nonfinancial support to meet the objectives of the HCP....” The national and/or subregional strategies for strengthening capacity related to trade define, prioritize, and coordinate the needs of countries in the following areas: (i) preparation for and participation in negotiations; (ii) implementation of the agreement; and (iii) the transition and changes needed to obtain benefits from the FTAA.

Indigenous Peoples

The Summit Secretariat provided technical and logistical support to the Working Group in charge of preparing the Draft Declaration on the Rights of Indigenous Peoples and has mobilized resources to ensure the participation of representatives of indigenous peoples in the discussions of the draft declaration.

During the first quarter of 2003, the Group completed its analysis of the Draft Declaration with the representatives of the indigenous peoples and civil society organizations at a special meeting of the Working Group, which was held February 24-28, 2003, in Washington D.C. That meeting gathered around 150 representatives of indigenous peoples, whose participation was financed with resources from the Governments of Brazil, Canada, United States, Finland, and Nicaragua.

Connectivity

On November 7, 2002, a Proposed Connectivity Agenda for the Americas and the Quito Plan of Action (ACAPAQ) were distributed to the national coordinators at the 27th meeting of the SIRG, which was held in Washington, D.C. ACAPAQ was developed in the context of the Declaration on Connectivity of the Americas of the Quebec Summit of the Americas. The Secretariat of the Summit Process, in coordination with the CITEC Secretariat and the Inter-American Agency for Cooperation and Development, formed an ad hoc inter-agency group on connectivity. The group is made up of multilateral institutions that work in the area of connectivity, including the OAS, IDB, World Bank, PAHO, ECLAC, IICA, the Institute for Connectivity of the Americas (ICA) and Industry Canada. The group has been meeting informally since January 2003 to begin the process of sharing information on activities in the area of connectivity. The objective of the group is threefold: to identify and classify connectivity projects being implemented in the Americas; to identify gaps and shortcomings in the activity; and to develop projects and a wide-scale program to commit regional and subregional agencies and organizations to comply with the Summit mandate.

Central American Bank for Economic Integration (CABEI)



CABEI is the multilateral financial organism of the Central American countries. It has joined the multilateral and sub-regional organizations that support the Summit Process Review and Implementation Group (GRIC), willing to contribute to the execution of the ample sector agenda generated by the Summits of the Americas, in particular the Quebec Action Plan.

Its contribution involves Development Financing for programs and projects in both the public and private sectors of Central America. From October 2002 to April 2003, CABEI approved loans to Guatemala, El Salvador, Honduras, Nicaragua and Costa Rica amounting to US \$ 444.8 million. These loans were distributed among the mentioned countries in the following sectors:

Transportation

In December 2002, a US\$60.0 million loan was approved for Costa Rica to partially finance the program to complete the South Coast Road Complex.

Energy

In October 2002 the Bank approved a UD\$70.0 million loan to the Costa Rican Electricity Institute (ICE) for the partial financing of the Pirrís Hydroelectric Plant.

In January 2003, a US \$4.2 million direct co-financed loan for the private sector of Honduras was approved for the partial financing of the Río Blanco Hydroelectric Plant.

Health

In December 2002, CABEI approved a US\$60.0 million to Costa Rica to partially finance the execution of the Integral Development Program of Hospital Infrastructure.

Equitable Growth, Poverty Reduction

CABEI has provided a total of US\$72.4 million during this period to enable Honduras and Nicaragua to carry out poverty reduction projects in each country.

Agricultural Management and Rural Development

In October 2002, a US\$35.0 million loan was approved for Costa Rica to partially finance the execution of the Program of Protection and Agricultural Promotion for Small and Medium Producers.

Development Financing

During the period, CABEI granted loans to Intermediary financial Institutions (IFIs) in Guatemala for US\$15.4 million, in El Salvador for US\$18.7 million, in Honduras for US\$20.1 million, in Nicaragua for US\$37.9 million and in Costa Rica for US\$51.1 million.

Actions on a Regional Scale

CABEI, together with the Inter-American Development Bank (IADB), has developed the Human Resource Formation Program in Central American Regional Integration (PROFICA), which, according to the needs of the countries, has focused on giving courses and seminars about trade negotiations.

Along the same lines, CABEI has granted non-reimbursable cooperation to the Central American countries in order to support the negotiations for a Free Trade Treaty with the United States.

CABEI is also playing a decisive role in the execution of the Plan Puebla Panama (PPP). It is part of the group of regional and international institutions that support the Plan and has also financed programs and projects generated by it.



Corporación Andina de Fomento (CAF)

During the last year, many CAF activities, programs, and projects have been aimed to meet the goals of the action plan of the 2001 Summit of the Americas held at Quebec City. The efforts made by CAF were aimed at supporting the many efforts being made by the countries for Latin America and the Caribbean which are members of the Bank. Adapting to the region's current needs, CAF increased its efforts to advance the strategic programs, which supplement its normal business activities with added financial and non-financial services. Largely of CAF's own making, these strategic programs have a regional reach and a wide range of action, from integration, physical infrastructure and competitiveness, through the search for social systems that are more fair, humanitarian and participatory.

During 2002 and 2003, CAF continued to strengthen its financing role to aid sustainable development and regional integration; to play an anti-cyclical and catalytic role; and to intensify its search for a favorable environment to foster a new regional development agenda, leading to faster and more sustained growth, and bringing together the many economic, social, environmental and institutional factors with sustainability and fairness.

CAF continued its support of regional integration principally by promoting, structuring and financing regionally significant physical infrastructure and logistics projects; supporting the development and integration of the Andean countries' financial systems; and moving along with the Andean Competitiveness Program and the Latin American Carbon Program. In addition, CAF coordinated its efforts with those of others in the search for ways to maximize the benefits derived from globalization and to limit its negative impact, as well as to developed an agenda designed specifically to help the region insert itself in a sustainable manner into a worldwide process that is fraught with rapid change and prevailing asymmetries.

Strategic Programs

Its priority fields are the following:

Programs that support the regional integration process and the development of sustainable infrastructure:

- ?? IIRSA - Initiative to Integrate Regional Infrastructure in South America
- ?? PREANDINO - Andean Region Program for Risk Prevention and Mitigation
- ?? Puebla-Panamá Plan

Programs that increase the region's competitiveness:

- ?? PAC- Andean Competitiveness Program
- ?? PAI-Integrated Development Program for Small and Medium Enterprises
- ?? Kemmerer Technical Cooperation Program for the Development and Integration of Financial Markets
- ?? Program to support research in development topics

Programs to strengthen CAF's work in the environmental and social fields:

- ?? PLAC - Latin American Carbon Program
- ?? Sustainable Development Program for Industry and Financial Institutions
- ?? Bio-CAF - Biodiversity Program
- ?? Program of support to micro-finance institutions
- ?? PDHS - Sustainable Human Development Program
- ?? Cultural Development Program
- ??

Programs to strengthen democratic institutions and governance

- ?? Governance Program: Ethics and Transparency in Development - Decentralization and Citizen Participation – Institutionalism - Transformation Leadership

Productive infrastructure and physical integration continue to be paramount, as evidenced by the approval of 23 operations for an aggregate total of \$2,009 million in transportation, energy, potable water, sanitation and social infrastructure.

Infrastructure for Integration: The IIRSA Initiative

In 2002 CAF continued working in support of the Initiative to Integrate Regional Infrastructure in South America (IIRSA), in compliance with the mandates of the regional countries' presidents, and in the conviction that physical infrastructure represents a critical element to achieve greater development and higher growth rates in the area. The Corporation's technical and financial actions in this regard aimed at improving planning, strengthening institutions and enhancing coordination and development of the various mechanisms involved in the initiative and providing financing for specific projects. CAF's own financing within IIRSA, from JUN/2001 through DEC/2002, amounted to \$517.8 million for nine projects. In addition, CAF approved \$2.5 million in non-reimbursable technical cooperation for South-American integration, in support of planning, the preparation of studies, and institutional strengthening activities.

Competitiveness and productivity

The year 2002 saw the start of the Andean Competitiveness Program's second phase (PAC II), which aims to disseminate the results of the first phase, implement its recommendations, and establish guidelines for the Andean countries' policies on competitiveness, taking into account the countries' dependence upon natural resources, and promoting specific factors of competitiveness through the execution of projects that have concrete results and clear demonstration effects.

Technical cooperation

In order to implement CAF regional agenda, technical cooperation funds supported its strategic areas and member countries' programs to strengthen integration and sustainable development in the framework of globalization, competitiveness and governance. Approvals amounted to \$14 million in 195 operations, distributed by area as follows: 7% HIPC, 7% culture, 11% sustainable development, 22% governance, 22% competitiveness, and 31% integration.

Integration of financial and stock markets

Within the framework of the Kemmerer Program for Development and Integration of Financial Markets, in 2002, CAF consolidated its strategy to create and develop a regional stock market with the support of the chairmen of the stock markets operating in the countries, regulators, brokers and other participants in capital markets.

Small and medium-size enterprises (SMSEs)

Aware that these firms are crucially important to the recovery and further growth of the productive sectors in the Andean region, CAF designed the Program of Integral Support to SMSEs with several components, including advisory services, equity investment and credit facilities, and also identified a set of key actors, clusters, and paths to strategic alliances with substantial value added.

Strengthening Governance

Within its Governance Program and relevant strategic planning for 2002, CAF continued supporting a series of activities designed to strengthen governance. Among these were operations for decentralization, democratic institution building, training of government leaders and their teams, and promoting ethics and transparency as guiding principles for social agents.

Prevention and mitigation of risks associated with natural disasters

Continuing with execution of the Andean presidents' mandate of 1999, in 2002 CAF provided institutional strengthening through the Regional Andean Program for Risk Prevention and Mitigation (Preandino). In addition, 2002 marked the start of regional projects in the field of disaster prevention. At the international level Preandino has shared experiences with other regions in order to give and receive contributions that may help strengthen risk management capabilities in the Andean region.

Social Agenda

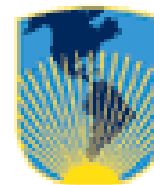
CAF aware of the high levels of poverty and unemployment, reduced personal income, increased inequality of income distribution, and of the high priority assigned to these factors by the national governments shifted more of its orientation into further support of sustainable human development and equitableness, financing projects, like: Micro-finance institutions, FONDESHU/ Communitarian projects, Sustainable Human Development Program, Social infrastructure and Management of trust funds aimed at poverty alleviation.

Environmental agenda

CAF participated actively and provided leadership in the World Summit for Sustainable Development, at its meeting in Johannesburg, South Africa. It signed two new strategic alliance agreements for trade promotion, market development, and investment in areas related to the sustainable use of eco-systems, the provision of environmental services, and the expansion of bio-diversity, all with a view to involve local communities and individual producers in such activities. One of the agreements sets in motion the Andean Program for Biotrade CAN/CAF/UNCTAD, within the framework of UNCTAD's Biotrade program. The second, signed by CAF with UNCTAD and the World Resources Institute, sponsors a contest between small-and-medium size biotrade firms, intended to help selected ones to gain access to loan and venture capital financing as a way of helping to develop these new markets.

Latin-American Program for Carbon - PLAC

For PLAC 2002 was a year of consolidation, with a better definition of its operational focus with the signing and start of execution of the CAF-Netherlands CDM Facility (CNFC), the first ever carbon market agreement between a multilateral agency and a proven buyer, such as CAF and the Dutch government. This will help to consolidate the market for reduction of greenhouse emissions by 10 million tons in Latin America and the Caribbean, to be channeled through the window that CAF negotiated and is managing successfully, bringing to the region €45 million in added income.



Inter-American Development Bank (IDB)

In the last year the IDB has engaged in a great deal of activity in lending, technical cooperation, knowledge dissemination and consensus building in five broad fields- democratic governance, integration and economic development, environment and sustainable development, social development and equity, and connectivity and technological development- through which the IDB supports the mandates of the Quebec Summit. The IDB presented twenty-two strategic programs, based on these five areas of action, all of which have made important advances.

Likewise, during this period, the IDB prepared seven new sectoral strategies--Sustainable Economic growth, Poverty Reduction and Equity Promotion, Modernization of the State, Social Development, Competitiveness, Regional Integration and Environment--culminating in a conceptual framework and the identification of priority areas of action directly connected to the mandates of the Hemispheric Summits. These strategies have been submitted for consideration by the Board of Directors and approval is expected in the near future.

Primary Activities in the Area of Public Governance and Political Development

For the IDB there is a close relationship between the strengthening of the democratic political system and the goals of sustainable, equitable development. Within this context, between June 2002 and May 2003 the IDB approved a total of 54 lending, and technical cooperation operations in the field of judicial reform, decentralization, administrative reform, parliamentary strengthening and other fields related to democratic political development.

On the other hand, the Bank has been supporting a range of institutional, and consensus-building activities based on the strengthening of the democratic system. Among these activities is the Inter-American Political Parties Forum, organized by the OAS, of which the IDB serves as a member of the Advisory Board. In order to support the activities of this Forum, it was agreed that half of the resources assigned by the Bank for the Young Democratic Leaders Training Program, which is managed by the OAS Unit for the Promotion of the Democracy, be dedicated exclusively to the training of young political party leaders. In addition, the IDB participated in the Group of High-Level Experts that prepared the document on democratic governance and strengthening of the party system. This document was submitted for consideration by the Rio Group Summit, which took place in Peru at the end of May.

In another area, activities have continued toward expanding the Global Legal Information Network (GLIN) to the countries of the Caribbean.

Finally, in January 2003 the Bank organized the annual consultative meeting with regional civil society organizations in Lima, Peru. The meeting discussed with Bank projects, policies and procedures. In July of this year, the Third Conference on Justice and Development will take place in Quito, Ecuador.

Primary Activities in the Area of Integration and Economic Development

As negotiations aimed at strengthening the processes of sub-regional, regional, and hemispheric integration intensify, the IDB has increased its support to the countries in the region in order to achieve this goal. It should be noted that, within the context of the Tripartite Committee, the Bank has supported the Secretariat of the Free Trade Agreement of the Americas (FTAA) and implemented activities aimed at supporting Negotiation Groups and other entities involved in the process of creating the FTAA.

At the sub-regional level, the IDB has been giving institutional and technical support to the Puebla-Panama Plan (PPP) through nine new regional initiatives linked to the protection of indigenous communities, mitigation of adverse social impacts, preservation of cultural heritage, strengthening of physical infrastructure and promotion of institutional and normative harmony in key areas of trade and commerce.

Similarly the Bank continued support for the South American Regional Infrastructure Integration Initiative (IIRSA), including maintaining a Secretariat in the Institute for the Integration of Latin America and the Caribbean (INTAL) in Buenos Aires.

On the other hand, the Bank has supported, directly and through the Multilateral Investment Fund, different activities to assist countries in reducing their financial volatility and to consolidate financial systems.

Finally, The Conference of the Americas on Corporate Social Responsibility “Alliances for Development” took place in Miami from September 22-24, 2002. The event complied with a specific mandate of the Quebec Summit.

Primary Activities in the Area of Ecology and Sustainable Development

The Bank's work in the field of Ecology and Sustainable Development has increased both thematically and operationally. From the thematic point of view, an evaluation of natural and unforeseen disaster policy has begun with the objective of including man-made disasters in the Bank's action areas.

Also in the thematic field, a study has been made available to countries in the region that identifies a range of potential financial instruments, used by developed countries, which could be applied to Latin America and the Caribbean in disaster risk management.

In January 2003 a high-level meeting was held with government officials of the region in charge of the prevention and mitigation of disasters, within the context of the Regional Policy Dialogue on Disasters.

In the operational field, the Bank approved a significant number of operations promoting agricultural and rural development with a focus on environmental sustainability. The goal of these projects, some of which have a very innovative character, is to increase rural income and well being while protecting the environment and biodiversity.

Primary Activities in the Area of Equity and Human Development

Poverty reduction and the promotion of the equity constitute one of the central goals of Bank activity and careful consideration is given to its transversal nature. Particularly note-worthy over this last year, has been the institution's intense lending program to assist countries in the mitigation of crisis impact and external shocks facing the region, as was the case of Argentina, Colombia and Uruguay. At the same time, the Bank continued supporting programs in several countries to expand health, education, and nutrition services.

In this context of promoting equity and human development, the Bank support of the Initiative for Highly Indebted Poor Countries (HIPC) should be emphasized. The initiative's beneficiary countries must design and implement National Poverty Reduction Strategies.

Similarly, the Bank has been increasing the attention that it gives through lending operations, technical assistance, and dissemination and consensus-building activities, to innovative initiatives in the fields of HIV/AIDS, women's leadership, social entrepreneurship, integrated local development of indigenous communities and youths at risk.

Within the framework of the Third Hemispheric Meeting of Ministers of Education, to take place in Mexico City in August 2003, the IDB has committed, in coordination with the OAS, the host country, and the representatives of participating Ministries of Education, to help address the topic of educational financing in the agenda, for which the IDB has commissioned several studies concerning the current condition of such financing in the region. Still in the field of the education, important advances have been made in the Inter-American Teacher Training Program, a technical cooperation having been approved to support the use of the new technologies in distance learning.

Finally, during this period, the Bank began to develop a set of indicators based on the Millennium Objectives to have a better identification and design base for programs geared toward poverty reduction and the strengthening of social equity. With this goal, and in cooperation with other international development agencies, the Bank organized an international seminar "Latin America and the Caribbean: Challenges Facing the Millennium Objectives".

Primary Activities in the Area of Connectivity and Technological Development

The operational activity of the Bank in the field of connectivity and technological development has expanded substantially. The Bank put in place the program for the democratization of information technology that offers disadvantaged youth access to information technology training, computer skills, Internet use and civic education. The latter includes the defense of human rights, training on non-violence, health and environmental responsibility, adapted to the needs of each community.

Simultaneously, and linked to the support that is given to the processes of integration, a program of technical cooperation for the harmonization of the regulatory framework of the Telecommunications Initiative of the Puebla-Panama Plan (PPP), is in execution. This Initiative has two components: the regulatory framework, and the development of a broadband web, called the Meso-American Information Highway.

Additionally, all new IDB strategies under preparation transversally incorporate the application of new technologies to achieve their goals.



Inter-American Institute for Cooperation on Agriculture (IICA)

IICA, as a partner institution in the Summit of the Americas process, has undertaken a number of activities in connection with the tasks called for in the mandates of the Third Summit and the agreements of the *Ministerial Declaration of Bavaro for the Improvement of Agriculture and Rural Life in the Americas*. These activities are grouped around the following three priority lines of action:

1. *To provide the Member States with technical cooperation in implementing the mandates of the Summits and their national development objectives.*

IICA is supporting the countries in the implementation of the mandates related to agriculture and rural life through the “*National Technical Cooperation Agendas*” in each of the 34 countries of the Americas. The agendas, being implemented since the second semester of 2002, were prepared through a dialogue with national public and private authorities, and in support of the national development objectives defined by the countries. They specify IICA’s cooperation actions in the areas of sustainable rural development, trade, agribusiness development, technology and innovation, agricultural health and food safety, information, communication and education, primarily.

This year, IICA has begun, in most of the countries, the process of reporting to national authorities on and evaluating progress made in the implementation of the national agendas, in the document entitled “*IICA’s Contribution to the Development of Agriculture and Rural Communities.*” In doing so, IICA is adopting a new way of rendering accounts to civil society, in keeping with the call from the Presidents to apply the principles of openness and transparency.

2. *To support the Ministerial Process 2003*

As regards the management of the Summit process, IICA supports the countries in preparing for and holding the Ministerial Meetings on Agriculture and Rural Life, the second of which is scheduled for November 11-12 of this year. As Secretariat of the Second Ministerial Meeting, IICA suggested that each Minister of Agriculture designate a Delegate to lead the process of preparing the outputs expected from the Ministerial Meeting. To this end, each Ministerial Delegate will conduct, in his/her respective country, a national consultation and dialogue and will interchange proposals with the other Delegates. Together, they will arrive at a hemispheric consensus on the AGRO 2003-2015 Plan of Action.

In order to support the Ministerial Delegates in the preparation of the AGRO 2003-2015 Plan of Action, IICA held a hemispheric dialogue with the leaders of agriculture on the topic “*reflections on the agriculture of the future.*”

3. To promote the approach “working together” with institutional partners.

IICA, in keeping with the spirit of the Summit process, continues its efforts to coordinate and complement actions with its institutional partners in the Summit process and with other international organizations that operate in the hemisphere.

At the national level, IICA is promoting a working relationship among the National Coordinator for Summits from the Ministry of Foreign Relations, the Delegate from the Ministry of Agriculture and the IICA Representative in the country. This is intended to improve the flow of information to the SIRG regarding progress in the countries in complying with the mandates on agriculture and rural life. At the hemispheric level, IICA is promoting the approach “working together,” in support of the execution of the National Cooperation Agendas. Also, it is encouraging its institutional partners to contribute the preparation of the components of the Plan and other outputs of the Ministerial Meeting.

Results

- ✍ IICA National Technical Cooperation Agendas, consistent with the mandates of the Summits, prepared in a participatory manner and under way. First progress reports submitted to national authorities.
- ✍ Ministerial Delegates designated and ministerial process 2003 planned and under way.
- ✍ Panama, host country of Second Ministerial Meeting, has announced officially and publicly that Ministerial Meeting will be held as part of the centennial of the country.
- ✍ Institutional partners are undertaking efforts to support countries in preparing the AGRO 2003-2015 Action Plan.

Impacts

- ✍ The National Agendas have helped to strengthen relations between IICA and the Member States, which recognize their importance in focusing the Institute’s efforts on topics of priority interest for the development of agriculture and rural life, and in ensuring the broad participation of national authorities in the programming and implementation of cooperation actions.
- ✍ A new institutional architecture for agriculture in the Americas is under construction. Four essential elements are being consolidated: the ministerial meeting on agriculture; the forum of Ministerial Delegates (development of hemispheric consensus); national consultation and dialogue; and monitoring of the mandates and progress reports.
- ✍ Long-term vision and actions for agriculture and rural life through the outputs expected from the Second Ministerial Meeting, to wit:
 - ✍ The AGRO 2003-2015 Plan of Action.
 - ✍ Ministerial Proposal on Agriculture and Rural Life for the next Summit.

- ✍✍ Strategy for implementing AGRO 2003-2015.
- ✍✍ Common base of understanding on strategic topics for agriculture and rural life.

Initiative in the near future

- ✍✍ Periodic updating of National Technical Cooperation Agendas, with national authorities.
- ✍✍ Continued support for the countries in preparing for the Second Ministerial Meeting.
- ✍✍ Support in implementing the AGRO 2003-2015 Plan of Action.
- ✍✍ Consolidation of the approach “working together” with institutional partners and international organizations, in connection with national inter-agency agendas.



Pan-American Health Organization (PAHO)

Summit of the Americas

Following the Quebec City Summit on April 20-22 2001, the Pan American Health Organization (PAHO) has continued to play a leading role in working towards the implementation of the health mandates under the Plan of Action. PAHO was given the mandate to develop actions and mobilize resources in the following areas: Health Sector Reform; Communicable Diseases, Non-Communicable Diseases and Connectivity. These areas do not represent new commitments for PAHO since PAHO has been working in these areas as mandated by its member states and has promoted these issues in the Summits framework.

PAHO works together with the Summit of the Americas Secretariat at the Organization of American States and the Joint Summit Working Group, in the coordination of efforts and activities to implement the mandates assigned by the Summits of the Americas. This has resulted in joint initiatives, such as the inclusion of civil society into the Summit process, as well as in ensuring that reports on health mandates are disseminated, and that health continues to occupy an important position on the Summit follow-up agenda. PAHO has also supported and participated in the Meeting of Health and Environment Ministers (HEMA) held in Ottawa in March 2002 and held its own Health Ministerial Meeting during the Pan American Sanitary Conference in September 2002. This conference elected the new PAHO director, Dr. Mirta Roses Periago.

Health Sector Reform

During the last year, PAHO has continued its commitment in assisting countries in the health sector reform process through technical support and cooperation with Governments and Ministries of Health. The health sector reform process has focused on increasing equity, reaching the most vulnerable populations, decentralization of health services and improving quality of care.

Strengthening community efforts at the local level has been one of the priorities of PAHO as a means to improve health conditions, reduce poverty, and improve the quality of life for the disadvantaged population. PAHO has promoted, coordinated, implemented, and participated in local initiatives aimed at the integrated development of municipalities and rural communities in several countries including: El Salvador, Colombia, Ecuador, Paraguay, Venezuela, and Panama, among others.

In the area of maternal mortality, a special fund was created to reduce maternal mortality in the Americas. Ministers agreed that the high death rate of women as a result of complications from pregnancy and childbirth in Latin America and the Caribbean was unacceptable and needed to be urgently addressed. Although some progress has been made there are still large disparities in death rates between countries. Maternal mortality, as part of the health sector reform process, continues to be a public health priority. More funding is needed to address this problem, particularly for the dissemination of information.

The project to integrate gender equity in health sector reform is currently being developed at the regional level and in two pilot countries, Chile, and Peru. The goal of this project is to ensure that the equality between men and women and the human rights specific to women become a comprehensive dimension of the design, the execution and the evaluation of policies of health sector reform.

The Member States have requested and received technical cooperation with regard to mitigation, preparedness, and response to disasters. Among the most important activities are regional courses in the management of disasters, health and development in Mexico and Jamaica. Other activities include scientific publications on mental health and epidemiological surveillance in disasters, meetings of coordination and conferences on disaster mitigation in hospitals, among others.

PAHO has participated in the framework of the Inter-American Committee of Disaster Reduction of the OAS in the preparation of the Inter-American strategic plan for the reduction of vulnerability, management of risk and response to disasters, which should be submitted to the General Assembly of the OAS. In addition, PAHO participates in the sessions of the International Strategy of Disaster Reduction of the United Nations representing the American States.

The review of the chapter on Socioeconomic Impact of disasters on health and water and sanitation in coordination with Economic Commission for Latin America and the Caribbean (ECLAC) and other agencies has concluded. Technical documents on disaster mitigation in hospitals were prepared in coordination with the Inter-American Development Bank (IDB).

Communicable Diseases

Addressing the HIV/AIDS pandemic continues to be a major priority for PAHO. Currently, 2.8 million people live with HIV/AIDS in the Americas. With 16% of adults infected, the Caribbean is the second most affected sub region after sub-Saharan Africa. On this point, health ministers have requested that countries meet the goals of the United Nations Declaration on HIV/AIDS, especially those aimed at preventing HIV infection; providing care, support, and treatment to people living with HIV/AIDS; and reducing the stigma and social exclusion associated with the epidemic. Ministers are also exploring new ways to reduce the price of antiretroviral drugs for

the treatment of people living with AIDS. PAHO cooperated with Member States in organizing sub regional joint negotiation meetings for improving access and reducing prices of antiretroviral drugs. Two negotiating meetings with the pharmaceutical industry took place in the Caribbean in February 2002 and Central America in November 2002. Another meeting will take place for the Andean Region in June 2003. According to the information collected by PAHO/WHO, an average of 54% of reduction in prices of antiretroviral drugs was obtained in Latin America and the Caribbean.

PAHO has also been working closely with Member States to improve the efficacy of blood screening and safety of the blood supply. This initiative has aimed to strengthen country-level blood safety programs and increase blood screening programs throughout the Region.

The Integrated Management of Childhood Illness (IMCI) strategy has been expanded to 17 countries with high infant mortality rates and has already saved tens of thousands of lives. It is now being incorporated into graduate and undergraduate curricula to educate and train health workers at all levels in the treatment of children.

To continue with the efforts to control diseases, in the area of vaccines and immunization, health ministers set a goal of 95 % vaccination coverage of all children in all countries, a necessary step to ensure the success of PAHO's measles elimination program. In order to meet this goal, PAHO is working to ensure uniform quality immunization coverage at all levels, as well as promoting a supportive political and technical environment for the Americas in order to benefit from additional new or under-used vaccines of public health importance.

PAHO has promoted actions directed at improving livestock productivity while protecting the environment; improving sanitary conditions in the food production chain; increasing the added value of livestock products; meeting basic needs (food, water, housing, education); and promoting municipal development in health, where non-traditional mechanisms of cooperation are employed that directly support the local level, including the mobilization of financial resources for local implementation. This PAHO initiative has served to strengthen the strategic alliance forged with Inter-American Institute for Cooperation on Agriculture (IICA) for the development of rural communities.

Epidemiological Sub regional surveillance networks were strengthened in South and Central America for monitoring and control of emerging and reemerging diseases. In May 2003, a Central American meeting for surveillance of the Severe Acute Respiratory Syndrome (SARS) took place in Managua. Technical recommendations on surveillance and control were adopted.

Non-Communicable Diseases

As agreed in Quebec, PAHO has taken an active role in working with Member States to decrease the impact of non-communicable diseases. Health advances and the successful interventions related to infectious disease have resulted in an aging population and other non-communicable health risks. PAHO has been a leading member in the Alliance for Cervical Cancer Prevention to improve the effectiveness of detection and treatment approaches. PAHO has also addressed issues related to obesity and diabetes, and has emphasized the importance of fitness and exercise. Health in the Americas Week in April 2002 focused on 'Move for Health' and how exercise is a

key to promoting health and healthy lifestyles. Likewise, in April 2003, Health in the Americas Week focused on children and promoting healthy lifestyles. PAHO has also been actively involved in the Framework Convention on Tobacco Control, which is the first global treaty solely dedicated to health. The Convention was approved at the World Health Assembly in May 2003.

PAHO has been an advocate for adolescent health and has assisted in the development and implementation of programs throughout the region to improve the social and institutional support for the comprehensive health and development of adolescents. This includes the development of national adolescent health programs and the advocacy on behalf and in conjunction with adolescents themselves to promote healthy environments and lifestyles for youth throughout the region.

PAHO has also been working in the past year with a number of other organizations as part of the Inter-American Coalition for the Prevention of Violence. This coalition is working toward a joint approach to promote the implementation of comprehensive strategies for crime and violence reduction.

Connectivity

The Virtual Health Library has continued to operate at both the country and regional level as a more effective means for public health professionals and policy makers to receive information. The following themes have been developed: aging, bio-ethics, equity and human development, food and health legislation, perinatal health, safe food, and science and health. PAHO has also helped to develop distance learning courses in conjunction with Universities in the Region to build a capacity in areas like adolescent health.

In April 2003, the Pan American Health Organization, in association with 14 academic institutions in the Americas and Spain, launched a Virtual Public Health Campus as a tool to provide continuing education to health professionals. The ceremony was held at the World Bank as part of the activities for Health in the Americas Week.

In the area of interagency cooperation, PAHO has continued to work collaboratively with other United Nations agencies and participated in the UN reform initiative. PAHO has also collaborated with the International Financial Institutions such as the IDB and the World Bank through an initiative, “Shared Agenda for health Cooperation in the Americas”, that works in areas such as national health accounts (NHA), pharmaceuticals, disease surveillance, and environmental health. In addition, PAHO continues to collaborate with the OAS in the areas of gender, workers health, drugs and illicit substances, children and disaster preparedness.

Economic Commission for Latin America and the Caribbean (ECLAC)

In preparing this Executive Summary of activities carried out during the last twelve months, the Secretariat of the Economic Commission for Latin America and the Caribbean (ECLAC) has decided to focus on just some of the areas in which it has received mandates from the Third Summit of the Americas. In so doing, particular attention has been paid to those areas in which significant impact has been achieved in terms of building inter-governmental consensus around relevant global issues of interest to the Americas.

ECLAC continued collaborating with Governments and other inter-governmental organizations in convening regional meetings on: the Information Society (connectivity), the situation of Landlocked and Transit Developing Countries –a particular dimension of the issue of transport and physical integration– and on migration and human rights. ECLAC contributions included the preparation of substantive material used for the inter-governmental debates, as well as collaboration in the organization and secretariat aspects. In all three of these regional meetings, governments reached agreements and adopted commitments that will further contribute to the implementation of the Summit of the Americas.

ECLAC also continued its efforts aimed at improving collaboration and coordination in the context of the hemispheric institutional landscape and proposed a mechanism to harmonize the methodology for technical assistance on gender indicators used by the different organizations active in this area.

Connectivity

In the case of connectivity, ECLAC cooperated with the Government of the Dominican Republic in the organization of the *Regional Preparatory Ministerial Conference of Latin America and the Caribbean for the World Summit on the Information Society* (Bávaro, Punta Cana, Dominican Republic, 29-31 January 2003). The meeting provided an opportunity to prepare the region's contribution to the first phase of the Summit, scheduled for December 2003 in Geneva.

Through the adoption of the Bávaro Declaration, the countries represented at the meeting committed themselves to take action to overcome the digital divide that exist between and within countries and to build-out information and communication technology infrastructure and technological innovation, as well as to reinforce the development of a sufficient supply of qualified human capital, in order to achieve the best possible level of connectivity at a reasonable cost for under-served areas. They further agreed to adopt suitable regulatory frameworks that provide for the existence of sound, independent regulatory agencies and to establish appropriate national legislative frameworks that safeguard the public and general interest, intellectual property and the confidentiality of personal information, while protecting them at the same from civil and criminal offences (“cybercrime”). They will also encourage the development of businesses based on information and communication technologies, in particular e-commerce; and will give priority to strengthening local microenterprises and small and medium-sized enterprises through their integration into the digital economy and to developing technology-based firms, through such mechanisms as venture capital funds, technology parks and business incubators, together with the participation of academic institutions and research networks. They committed themselves to enhance public-sector performance through the adoption of e-government tools for

the sector's modernization and good governance and to incorporate the use of information and communication technologies on a mass scale in the field of health care.

Participants also examined financial architectural models that could provide the necessary resources for achieving a form of development compatible with the requirements of the information society, and the necessary financing modalities for ensuring that this society is sustainable and equitable for the countries of the region. They invited international financial institutions to present an analysis of the role they can and should play in providing financing to facilitate the integration of the region in the digital era.

Transport

Regarding transport, in addition to continue to collaborate with the activities of the Western Hemisphere Transportation Initiative (WHTI), including its Fifth Ministerial Meeting (Ixtapa, Mexico, 8-9 May 2003), ECLAC assisted the Government of Paraguay in the organization of the *Latin American Regional Meeting of Landlocked and Transit Developing Countries Preparatory to the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation*, held in Asunción, Paraguay, on 12 and 13 March 2003.

The discussions focused on the progress achieved in the development of transit systems in landlocked and transit developing countries with a view to formulating policies and programmes for their effective integration into the global economy. The countries represented in the meeting adopted by consensus a Programme of Action, in which they committed themselves to continue to move forward in the formulation and implementation of a regional policy for the development of transport infrastructure, giving priority to the specific needs and problems of landlocked developing countries in the region and the interior of transit countries; to give priority attention to upgrading transit transport infrastructure throughout the integration and development hubs; to foster and implement regional trade facilitation initiatives linked to the development of transit transport systems, including multimodal transport, that will contribute to regional integration; and to identify innovative financing mechanisms for increasing investments in upgrading and building transport infrastructure in landlocked and transit countries, with the possible participation of multilateral financial institutions and donor countries.

Migration

In the area of migration, the *Hemispheric Conference on International Migration: Human Rights and the Trafficking in Persons in the Americas* (Santiago, Chile, 20-22 November 2002) was convened by ECLAC and the International Organization for Migration (IOM), with the collaboration of the Inter-American Commission on Human Rights of the Organization of American States (OAS) and the Office of the United Nations High Commissioner for Human Rights (OHCHR) and the sponsorship of the United Nations Population Fund (UNFPA), the Inter-American Development Bank (IDB), the United Nations Children's Fund (UNICEF) the International Labour Organization (ILO) and the Latin American Economic System (SELA).

The meeting contributed to strengthen cooperation among Governments in the field of international migration and to identify mechanisms for protecting and promoting the human rights of migrants and for combating and preventing the trafficking in persons. In so doing, it

also contributed to fulfill the relevant international mandates and agreements in these areas, paying particular attention to those of the Third Summit of the Americas.

Trade

As member of the OAS/IDB/ECLAC Tripartite Committee, ECLAC has continued to contribute to the process of the Free Trade Area of the Americas (FTAA) by providing support to the Chair, to the Trade Negotiations Committee, and the Negotiating Groups and Committees. In particular, in its capacity of leading institution, ECLAC has supported the Negotiating Group on Competition policy, the Committee of Government Representatives on Civil Society Participation, and the Consultative Group on Small Economies. To the latter, ECLAC has provided support in the design and implementation of the Hemispheric Cooperation Program. ECLAC also provided support to the Joint Government-Private Sector Committee of Experts on Electronic Commerce. Furthermore, it continued to support the Administrative Secretariat.

Gender equality

Regarding gender equality, in response to the growing demand for technical assistance from countries in the region, ECLAC proposed to define a basic set of gender indicators for following up on the status of women and to harmonize the methodology for technical assistance on gender indicators used by the different organizations within the United Nations and Inter-American systems. An Inter-Agency Meeting on Gender Statistics was therefore organized (Santiago, Chile, 7-10 October 2002) to review the preliminary version of the *Guía de asistencia técnica para la producción y el uso de indicadores de género*, prepared by ECLAC for integrating the lessons learned and the knowledge acquired by the different organizations in building indicators on the issues of population, family and households, education, health, labour and economics, poverty, political participation and violence against women.



World Bank

A review of World Bank lending in the Latin American and Caribbean (LAC) Region during fiscal year 2003 reflects broad and important overlap between the support the Bank is providing in response to client demand and the development priorities set out in the Declaration of Quebec Summit at the third Summit of the Americas, in April 2001. Even more substantially, and in keeping with the international community's pursuit of the International Development Goals (IDGs), there is significant consistency between World Bank lending in FY 2003 and the priorities identified in the Quebec City Declaration.

The increasing coherence among governments and development partners in Latin America and the Caribbean around a vision for social, economic and political progress is a welcome development. In the case of the World Bank, which derives its lending program directly and explicitly through consultation with member governments and their constituencies, this growing congruity allows for a more comprehensive development strategy with greater coordination among partners, a better division of labor, and improved effectiveness.

The World Bank Group serves 30 countries in the LAC region. In FY03, the World Bank will provide roughly 55 loans to 20 countries for approximately \$6 billion. Some 30 percent of these loans support programs in the areas of health and nutrition, and education. There is also a stepped-up effort in social protection support to respond to the human crises stemming from financial instability in a number of countries. Examples include an income-transfer program for heads of poor households in Argentina, and two adjustment loans to help neighboring Uruguay. In this context, public sector governance, and particularly economic policy and financial sector reform, remain key areas of concentration. Looking forward, education and health will remain a top priority for Bank support in some 15 countries in the region. Other key areas of Bank support will include water and sanitation, the environment, and private sector development.

The World Bank's Role:

The Bank's strategy in LAC is focused on fighting poverty, while providing for adjustments to respond quickly to urgent social needs prompted by events such as the economic crisis in Argentina, a slump in Caribbean tourism, and reconstruction in after natural disasters, such as the earthquakes in El Salvador. The Bank's efforts in LAC are consistent with the IDGs adopted by world leaders in the Millennium Declaration. Support in FY03 has focused on:

Expanding health coverage, fighting HIV/AIDS: In the Caribbean, the Bank is helping to attack the world's highest HIV prevalence rate outside sub-Saharan Africa, with a \$150 million program to support HIV/AIDS prevention and treatment programs in several countries, including the Dominican Republic, Barbados, Jamaica, Grenada and St. Kitts.

Improving education: The Bank is continuing to support investments in education for poor people, with projects for early childhood education in the Caribbean and increasing access in rural areas in Peru. FY03 will see nearly \$1 billion in new support.

Strengthening the public sector

The Bank is supporting diverse initiatives in this area, including judicial modernization projects in El Salvador and Honduras, a public sector technical assistance program in Guyana, support for administrative decentralization in Bolivia, and for improved municipal management in Brazil, Mexico and Nicaragua, among others.

Financial sector: The Bank is responding to major needs in the region. In Guatemala, for example, a financial sector adjustment loan supports an ambitious reform program to strengthen the country's financial system, including banking legislation, measures against money laundering and increased access by the rural and urban poor to credit and financial services. In addition to loans, the Bank has revised assistance strategies for Colombia, Ecuador, Guyana, Nicaragua, Peru and Venezuela, while also preparing timely policy notes for newly-elected governments in Brazil, Bolivia, Colombia, Ecuador and Paraguay. These strategies emphasize efforts to help countries build the climate for investment, and empower the poor.

Expanding Trading Opportunities: The World Bank continued its vigorous support of efforts by Central American countries to ensure that a free trade agreement with the United States fulfills

its potential to reduce poverty. The Central America Free Trade Agreement (CAFTA) will offer opportunities for to boost long-term growth, create jobs and reduce poverty.

Protecting the Natural Environment: FY03 was an active year for support in the environment, with a continued role in coordinating the Pilot Program to Conserve the Brazilian Rainforest—an innovative partnership the G-7, the European Union, the Netherlands and Brazil. A similar biodiversity conservation effort is underway in Mexico and Central America, where the Bank is seven countries to protect the MesoAmerican Biological Corridor, a regional system of natural areas, buffer zones, and connectors that is home to nearly 24,000 species of flora, and over 500 mammal species.

Support for policy development: The Bank's Latin America and Caribbean department conducts extensive policy research in economics, public sector reform, health, education, social protection, the financial sector, infrastructure, rural and urban development, as well as environmental management, among others.

Connectivity: The World Bank approaches the connectivity agenda and information and communications technologies (ICTs) from a holistic viewpoint, aiming to support the development of the knowledge economy in its client countries. This approach is broadening the Bank's involvement in the ICTs sector beyond telecommunication reform, information infrastructure and the enabling environment to a growing number of sectoral applications. It is the application of the new tools of the knowledge economy across all economic sectors that will lead to opportunity, security, and empowerment for poor people. To achieve these goals, the Bank Group is an active partner in the Institute for Connectivity in the Americas (ICA), ranging from participation on the Hemispheric Advisory Board (HAB) to a number of joint initiatives.

The World Bank is also actively involved in the implementation of the Agenda for Connectivity in the Americas and Quito Action Plan of Action (ACAPAQ), notably through participation in the "Ad hoc Inter-Agency Group on Implementation of the ACAPAQ", chaired by CITELE and Industry Canada.

III – FUTURE WORK

The coordination of efforts in support of the monitoring and implementation of the Summits of the Americas mandates poses a great challenge for the members of the Joint Summit Working Group, who are committed to achieving a greater harmonization of the Summit mandates in their agendas and their work in the areas of technical cooperation and of financing. Below are some of the activities that they will continue to pursue in the future, in order to respond to the mandates entrusted in Québec to the Inter-American agencies (OAS, IDB, PAHO, ECLAC, IICA and the subregional multilateral banks) and the World Bank.

Joint activities

The institutions have seen the need for identifying areas of the Quebec City Plan of Action where they can carry out joint efforts of common interest and shared responsibility. These joint efforts

should generate added value and in so doing, avoid duplication and assist countries in implementing Summit mandates. Examples of joint work already underway include the efforts of ECLAC, the OAS, and the IDB in their support of the FTAA negotiations; the activities of PAHO and IICA in the area of agriculture and food protection; and those of PAHO, the IDB, and the World Bank within the framework of the Shared Agenda in Health.

Furthermore, the Joint Summit Working Group has seen the need for making greater efforts in the dissemination of information on the Summit process and its mandates to both different government ministries and to civil society. To this end, the Group has considered the preparation of a Newsletter, a series of publications for different audiences, and the utilization of the national offices of the institutions in order to disseminate to a broad audience the results of the Summits and the initiatives underway. This work would also help to encourage civil society participation in the implementation and monitoring of Summit mandates. The institutions should adopt a more proactive relationship with the media in order to inform the population about the work being carried out and their impact on peoples lives.

Support for Ministerial Meetings and Monitoring

With regard to the individual responsibilities of the different agencies, one of the objectives of the Joint Summit Working Group is that each agency supports effectively the different ministerial processes within the Summits of the Americas that fall under its area of responsibility. The Heads of the institutions consider that the ministerial meetings are a fundamental component of the Summit process as it is through them that the implementation of the Summit mandates are put into practice. Linking Ministerial work plans to the Summit mandates will further develop this process. Each institution has assumed responsibility for providing substantive and logistical support to these Ministerial meetings.

Methodological support in monitoring and accountability

Another area in which the institutions can provide technical assistance to the countries is in the methodological support for the preparation of national and regional reports on follow-up to the Summit mandates. These reports are presented, analyzed and disseminated in the SIRG in order to create a serious process of accountability. Furthermore, the institutions could support evaluation systems and effective monitoring in the countries, linking Summits of the Americas mandates to other processes and to global mandates from other Summits, such as the Millenium Summit , the Monterrey Summit on Financing for Development, and the Summit on Sustainable Development of Johannesburg.

Identification of areas for further action

The institutions have an important role to play in the analysis of progress in the implementation of the Plan of Action and in the identification of gaps in their areas of responsibility that require further action. They can creatively assist countries in seeking options and promoting the exchange of best practices.

Mobilization of resources

The different institutions have played and should continue to play a key role in helping the countries to further identify possible internal and external sources of financial and technical resources for the Summit initiatives. The banks should link their policies and their activities with the leaders' mandates. The institutions constitute an appropriate fora to generate mechanisms that involve the different sectors of society in the achievement of the Summit mandates.

Road to the Special Summit

The institutions have a fundamental responsibility with regard to the Special Summit, to be held in Mexico by the end of the year. Their work should be centered in supporting the countries by utilizing their intergovernmental entities to create consensus and by assisting in the substantive and logistical preparations for the Summit. The hemispheric community holds high expectations for the Joint Summit Working Group. The Extraordinary Summit offers an opportunity to strengthen the legitimacy of the hemispheric institutions and the credibility of the Summit process.



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