

LATIN AMERICA AND THE CARIBBEAN: A HISTORIC OPPORTUNITY TO LEAD A SUSTAINABLE RECOVERY

Concept Note for Launch Event

Launch date: 10 June 2021

High-level sessions: 9h00-10h30 AM (Panama time; GMT-5)

Type of event: Virtual

Link to the event: <https://www.youtube.com/watch?v=z6eWPltgJBc>

Co-hosted by: UN Environment Programme and Oxford Smith School of Enterprise and the Environment

About the Initiative

The XXII Forum of Ministers of the Environment of Latin America and the Caribbean (Barbados, February 2021) urged that beyond the immediate response to the health and social situation of the region, COVID-19 economic and social recovery plans serve to enable a sustainable, climate-resilient, low-emission, regional economy that generates sustainable growth, decent green jobs and leaves no one behind.

As a response the UN Environment Programme's Latin America and the Caribbean Office has partnered with the Oxford University Economic Recovery Project to develop the **Latin America and the Caribbean Recovery Tracker** to facilitate achieving this call. The LAC Recovery Tracker – aims to:

- Serve as the reporting platform for the Forum of Ministers of Environment of Latin America and the Caribbean.
- Improve the understanding of the country and regional responses to COVID-19 in terms of the impacts of fiscal policy measures on the environment and key socio-economic metrics; and
- Enable more targeted policy making, providing a means for the Latin America and the Caribbean economies to design future-oriented recovery policy.

The **LAC Recovery Tracker** was developed as part of the [Global Recovery Observatory](#) (GRO), an initiative led by the Oxford Smith School of Enterprise and the Environment and housed under the [Green Fiscal Policy Network](#) – a partnership between the UN Environment Programme, the International Monetary Fund (IMF) and the German Corporation for International Cooperation (GIZ).

UNEP's contributions are enabled by the financial support of the European Union, through the EUROCLIMA+ Programme, the Spanish Agency for International Development Cooperation (AECID), and the Swedish International Development Cooperation Agency (SIDA).



Background

Latin America and the Caribbean is the region hardest hit by the COVID-19 pandemic. The sharp contraction resulting from the health crisis has had enormous economic and social costs, as it came after several years of low average growth and limited progress in social indicators. According to the IMF, economic contraction was estimated at -8.1% in 2020 and its consequences are being felt in the region's labour markets with increases in unemployment levels as well as rising levels of poverty and inequality.

These economic difficulties will only worsen with a second crisis that is dramatically showing its consequences: climate change.

At the current 1.2 °C of temperature above pre-industrial levels, the LAC region is already facing severe impacts from climate change, and these are increasing year by year. According to the Global Commission on Adaptation, nine of the top twenty countries with the highest climatic impacts based on GDP are in Latin America. The high vulnerability of the region to natural disasters increases the countries' economic risk, making of climate events the greatest threat to development. By 2050, 17 million people (2.6% of the total population) could be displaced, and 2.6% of GDP could be lost due to climate events. This adds to the 1.7% of GDP already lost to climate-related disasters over the past two decades (equivalent to 11 billion dollars in damage a year).

Considering the context above, it is critical for the region to develop COVID-19 recovery plans aligned with the Paris Agreement. Investments and incentives should be directed in such a way as to reorient their economies for sustainable growth, creating quality employment, ensuring competitiveness and promoting innovation towards the imminent fourth industrial revolution in the short-term and beyond.

This event will serve as a launch pad for the **LAC Recovery Tracker**, and a report titled "Is the economic recovery building a sustainable future? A snapshot from Latin America and the Caribbean", assessing the recovery efforts of the 33 economies of the LAC region – and whether these align with environmental goals. Leaders from key countries in the region and international institutions will debate and attempt to answer some of these major questions, including:

- What is at risk for the LAC economies if we fail to align recovery efforts with the Paris Agreement?
- Can recovery spending bring strong economic and job impacts while securing environmental progress?
- Have countries been using COVID-19 spending to tackle climate change, nature loss, and pollution?
- How can LAC countries better leverage recovery spending to accelerate the transition to a sustainable and inclusive economy?



Agenda

Section 1. Opening remarks (5 minutes)

Ms. Piedad Martín, Acting Director and Representative, UN Environment Programme, Latin America and Caribbean Office

Section 2. Presentation of the LAC Recovery Tracker (10 minutes)

Mr. Brian O'Callaghan, Lead Researcher and Project Manager of the Oxford University Economic

Section 3. High-level session (70 minutes)

H.E. Andrea Meza, Minister of Environment and Energy of Costa Rica, President of the Forum (moderator)

- **Ms. Inger Andersen**, Executive Director of the United Nations Environment Programme
- **Ms. Patricia Espinosa**, Executive Secretary of UNFCCC
- **Mr. Christian Eigen-Zucchi**, Secretary of the Coalition of Finance Ministers for Climate Action, World Bank
- **Ms. Julie Kozack**, Deputy Director, Western Hemisphere Department, International Monetary Fund
- **H.E. Adrian Forde**, Minister of Environment and National Beautification of Barbados
- **H.E. Gabriel Quijandría Acosta**, Ministry of Environment of Peru
- **H.E. Luis Alberto Rodríguez**, Director, National Planning Department of Colombia

Section 4. Conclusions and next steps (5 minutes)

Ms. Piedad Martín, Acting Director and Representative, UN Environment Programme, Latin America and Caribbean Office

