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NOTE FROM THE PERMANENT MISSION OF EL SALVADOR SUBMITTING THE ADDITION TO THE REPUBLIC OF EL SALVADOR’S PROPOSAL FOR THE PRIORITIZATION OF THE AREA OF ACTION FOR THE 2021-2024 PROGRAMMING CYCLE OF THE OAS DEVELOPMENT COOPERATION FUND (OAS/DCF)

(Includes document containing the addition to the proposal)

***Permanent Mission of El Salvador***

***to the Organization of American States***

Note MPOEA – OEA – 033/2020

The Permanent Mission of El Salvador to the Organization of American States (OAS) presents its compliments to the Executive Secretariat for Integral Development (SEDI), Management Board of the Inter-American Agency for Cooperation and Development (MB/IACD), and is pleased to enclose herewith the addition to the Republic of El Salvador’s proposal for the prioritization of Areas of Action, which we respectfully place before the delegations for their consideration under the title **Social Development and Creation of Productive Employment for the 2021–2024 Cooperation Cycle of the Development Cooperation Fund.** The Permanent Mission further requests that it be distributed to the delegations as promptly as possible

In light of the complicated situation caused by the COVID-19 pandemic across the world, together with the effects of Tropical Storms Amanda and Cristobal that have ravaged some of the region’s countries, El Salvador believes that the time is ripe for the Organization to bolster social development and the creation of productive employment, which will assist us in our pursuit of the goals and targets of the 2030 Agenda for Sustainable Development.

The Permanent Mission of El Salvador to the Organization of American States (OAS) avails itself of this opportunity to reassure the Executive Secretariat for Integral Development (SEDI), Management Board of the Inter-American Agency for Cooperation and Development (MB/IACD), of its highest consideration.

Washington D.C, June 11, 2020.

To the Executive Secretariat for Integral Development

Management Board of the Inter-American Agency for Cooperation and Development Organization of American States

Washington, D.C.

# PRIORITIZATION OF THE “SOCIAL DEVELOPMENT AND CREATION OF PRODUCTIVE EMPLOYMENT” AREA FOR THE DCF’S 2021–2024 COOPERATION CYCLE

**Proposal by El Salvador June 2020**

1. **INTRODUCTION**

The Americas face profound development challenges that differ from those found in other regions of the world (security, social inequality, unemployment, social cohesion, climate vulnerability, etc.). It is therefore essential for development partners and international cooperation in general to pay particular attention to this region and to strengthen their processes in order to create initiatives to assist and complement national efforts.

Concerns about social development and productive employment are real, and they have been enshrined in the resolutions, declarations, and actions adopted by the members of the Organization of American States (OAS) since its creation; they have also been expressed in various international instruments and agreements that cover multilateral and global development commitments.

# CONTEXT

Article 9 of the Statutes of the Development Cooperation Fund and document CIDI/doc.132/14 rev. 1 establish the areas of action for the cooperation cycle of the Development Cooperation Fund (DCF), and one of those areas is **Social Development and the Creation of Productive Employment.**

Significantly, various international organizations have already highlighted the importance of reactivating production and the need to prioritize policies for workplace safety and health. One example of this is the joint publication of the Economic Commission for Latin America and the Caribbean (ECLAC) and the International Labour Organization (ILO) that analyzes the labor challenges that will arise after the pandemic and points out that the crisis will leave an additional 11.5 million people in Latin America and the Caribbean without jobs.[[1]](#footnote-1)

The report on the economic impact of the COVID-19 coronavirus disease in Latin America and the Caribbean published by the Economic Commission for Latin America and the Caribbean (ECLAC) calculates that in 2020, the world economy will report the largest fall in output for several decades. It forecasts a 2% drop in global GDP, with a sharper contraction in the developed world than in emerging economies.

Against that backdrop, ECLAC also notes that the COVID-19 pandemic has furthered the weakening of international cooperation and multilateralism already seen in recent years.

It also states that social protection will be a key policy in reducing inequalities, progressing toward social inclusion and inclusive growth, and, consequently, for social cohesion. As a result, countries should consolidate universal social protection systems, including universal health care, in accordance with a rights-based approach and with sensitivity toward differences, and they should develop labor inclusion strategies for the reactivation period. Those systems will serve to identify and respond to the repercussions of the crisis on people’s jobs and living conditions and to address the different situations faced by various population segments, providing timely attention to informal workers and the most vulnerable age groups.

According to the Inter-American Development Bank, this health crisis struck at a time of economic weakness across Latin America and the Caribbean: during the growth years of 2000 to 2013, the informal employment rate fell from 61% to 55%, with the creation of 36 million formal jobs; in 2015, however, stagnation set in and the region’s informal employment rate held steady at around 56% of the active population.

Similarly, the Bank also forecasts the loss of up to 17 million formal jobs, with which the region’s informal employment rate could reach 62%, with which all the progress made between 2000 and 2013 would be lost.

Employment will doubtless be a key focus for the attention of the region’s countries over the coming years, with states required to undertake a series of actions, as has been suggested by the International Labour Organization, including economic stimulus measures, using the available fiscal and monetary tools and debt relief, along with public investment in the creation of decent jobs. ILO has also highlighted the specific need to invest in social protective measures, to help mitigate the worst effects of the crisis while at the same time providing economic stabilization.

# PROPOSAL AND RELEVANCE

Given this complex scenario, El Salvador believes efforts must be made to strengthen both multilateral and regional cooperation so that, in solidarity, our countries can jointly contribute to addressing the severe and costly social and economic impacts they will face as a result of both the pandemic and the climate phenomena that have affected their territories. With that, we will be able to attain the global targets set in the 2030 Agenda for Sustainable Development, which requires our countries to demonstrate a firm commitment toward supporting each other to overcome this crisis and future ones, and in which the allocation of resources to the most critical areas requiring the closest attention will be crucial.

For that reason, addressing the issue of social development and employment is of rising importance and, in light of the foregoing, through the Organization of American States we can direct our international cooperation efforts according to our countries’ most urgent short-, medium-, and long-term needs in those areas.

It should also be noted that El Salvador, other countries in the Central American region, and Mexico have been heavily hit by a new emergency caused by the passage of Tropical Storms Amanda and Cristobal. It is therefore vitally important for the contributions from the OAS to complement our countries’ efforts in economic reactivation and social protection, in a coordinated and aligned manner, promoting catalyzing and high-impact actions that can comprehensively resolve the new normality we now face.

For all the reasons set out above, El Salvador reiterates to the member states the importance of all international cooperation efforts, but particularly those made through the DCF to mitigate the poverty and unemployment gaps that these two emergencies have caused in our countries’ societies. It therefore proposes to the MB/IACD that the Organization, for the 2021–2024 cycle, consider the area of **Social Development and the Creation of Productive Employment.**

We should also note that five years have passed since the launch of the 2030 Agenda for Sustainable Development on September 25, 2015, and that the Decade of Action on the SDGs (2020–2030) now requires the speeding up of sustainable solutions to address all the challenges, including combating rising poverty, empowering women and girls, reducing inequalities in and between countries, tackling the climate emergency, and closing the financial gap.

With only ten years to transform the world and attain the 17 Sustainable Development Goals—a set of global objectives to eradicate poverty, protect the planet, and ensure prosperity for all as part of the sustainable development agenda—it is vital that all sectors of society (governments, the private sector, civil society, international cooperation mechanisms, and all individuals) redouble their efforts and commitment to attain that objective without leaving anyone behind, particularly in such key areas as social development and productive employment, which provide people with social mobility and allow improvements in their quality of life.

The current global emergency caused by the COVID-19 pandemic has further heightened the challenges states face in meeting the SDGs—particularly developing and middle-income countries—since most of them have focused all their efforts and resources on combating this mortal disease, while not losing sight of the importance of making progress with the 2030 Agenda.

Notwithstanding the above, the COVID-19 pandemic has to be seen as a valuable opportunity for consolidating the principles of multilateralism and reactivating regional efforts in resolved pursuit of the 2030 Agenda and its key objectives—such as SDG 8, Decent Work and Economic Growth— with an emphasis on international solidarity toward those countries with persistent shortcomings that keep them from achieving sustainable development.

Finally, attention is again drawn to the importance, now more than ever, of the 2030 Agenda and its mandate through the Sustainable Development Goals, as a starting point for commencing this Decade of Action and, more importantly, for ensuring outcomes that after a few years will translate into improved standards of living for those that need it the most.

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1. United Nations: ECLAC and ILO (May 2020), *Employment Situation in Latin America and the Caribbean.* *Work in times of pandemic: the challenges of the coronavirus disease (COVID-19).* Accessed on June 10, 2020; available at <https://www.cepal.org/en/pressreleases/prioritizing-security-and-health-policies-work-necessary-post-covid-19-reactivation>. [↑](#footnote-ref-1)