The countries of Latin America and the Caribbean face two core development dilemmas that are woven deeply into the fibre of their societies: poverty and inequality. Poverty rates have risen for over three decades; more than 50 percent of nations here will find it difficult to reach the first MDG by 2015. And although this is the wealthiest of all developing country regions, it is also the most unequal, with a vast gulf separating the lives of the rich and poor. Because divisions such as these can be a source of instability, UNDP places a major emphasis on helping countries strengthen democratic governance and participation.

In 2004, UNDP drew on its experience in 18 countries to issue *Democracy in Latin America: Towards a Citizens’ Democracy*. A comprehensive and widely-acclaimed report launched in Peru, it is built upon opinion surveys carried out with nearly 19,000 people, and consultations with 231 political and social leaders. It looks at how democracy is not just about elections, but about allowing people across societies to become fully involved in the decisions that shape their lives. In Latin America, the report concludes, the failure to share power has resulted in widespread distrust in political systems, and, along with inefficient public institutions, helps keep people mired in poverty.

With decades of experience in 44 countries in Latin America and the Caribbean, UNDP is well-placed to assist governments, civil society and the private sector as they seek to establish development priorities, particularly in poverty reduction, democratic governance, and energy and environmental issues. Our major regional partners include the Inter-American Development Bank (IDB), with whom we reaffirmed a longstanding formal cooperation agreement in 2003.

**CONSENSUS ON A COMMON FUTURE**

Through country and regional programmes, UNDP helps Latin American and Caribbean nations build stronger public institutions and foster consensus through participatory dialogue. In 2003, after two years of negotiations supported by UNDP and the Netherlands Institute for Multiparty Democracy in Guatemala, the leaders of 21 political parties signed a National Shared Agenda, a significant step in the country’s journey towards peace and reconstruction. In the lead-up to general elections, it provided a blueprint for development that reflects not only the MDGs, but also the agreement of civil society and the political establishment.

St. Kitts and Nevis turned to UNDP and the Caribbean Community for assistance in constitutional reform, critical to easing the threat of secession made by the Nevis Island Assembly. In Colombia, UNDP released the 2003 *National Human Development Report*, the result of consultations with over 4,000 Colombians to explore the multi-faceted nature of the conflict. The report proposed a series of concrete solutions for achieving peace, and prompted extensive public debate.

In Peru, UNDP advised the government on setting up an emergency jobs programme during 2003 that provided short-term employment for over 125,000 poor urban dwellers. In Brazil, we...
have disbursed over $230 million provided by the government and the IDB to help the Ministry of Finance make fiscal management more effective at the federal, state and local levels. A regional project to strengthen local governance has documented more than 300 success stories from various municipalities, and holds knowledge fairs to share expertise and information among local officials and other stakeholders.

Across the region, the sustainable use of natural resources and vulnerability to natural disasters remain challenges. Renewable energy sources will soon be a reality for the 35 islands of the Chiloé archipelago in southern Chile, thanks to a partnership between UNDP, the National Energy Commission and the non-profit E7 Fund for Sustainable Development. In 2003, we also began working with 16 Caribbean countries and the Caribbean Disaster Emergency Response Agency on a comprehensive disaster management plan for the region.

The countries of Latin America and the Caribbean can clearly testify to the costs of development skewed in favour of a few. UNDP’s support, which draws upon the inclusive vision of the MDGs, helps nations heal some of the rifts and build sustainable societies, where democracy and prosperity extend to all.

### UNDP PRACTICES AT WORK

- **Argentina**: Mobilized businesses to support the MDGs. (1)
- **Brazil**: Helped preserve a forest and assist its poor communities. (2)
- **Chile**: Chronicled development disparities among indigenous peoples. (3)
- **Guyana**: Trained entrepreneurs in business skills. (4)
- **Honduras**: Secured new resources for HIV/AIDS prevention. (5)
- **Nicaragua**: Convened town meetings to debate development strategies. (6)
- **Trinidad and Tobago**: Provided UNV doctors for short-term human resources gaps. (7)

The central mission of the UN Volunteers (UNV) is to tap the full potential of volunteers for development that advances human well-being. Increasingly, there is a recognition that harnessing the solidarity and creativity of millions of ordinary people through voluntary action will be essential to achieving the MDGs. Ten million volunteers, for example, supported the immunization of 550 million children as part of the Global Polio Eradication Initiative. The value of their contribution was estimated at $10 billion, well beyond the reach of governments or international organizations.

In playing its part on the MDGs, UNV, which is administered by UNDP, continues to develop an ever-widening range of opportunities for people to contribute. Globally, 2003 marked another record year for the organization, with more than 5,600 volunteers representing 165 nationalities carrying out over 5,800 assignments in 150 countries.

To engage youth, UNV, together with UNDP and national authorities in Bolivia, has brought together over 1,200 university students to assist local communities on poverty reduction. In a number of countries, UNV helps emerging national organizations strengthen their administrative practices and outreach. An online volunteering service allows 12,000 volunteers from 180 countries to share their skills from home.

Building on a broad constituency established during the International Year of Volunteers 2001, International Volunteer Day now serves as a rallying point for organizations and individuals to support the MDGs in practical ways.

The success of the International Year is one of the greatest legacies of former UNV Executive Coordinator Sharon Capeling-Alakija, who passed away in November 2003. She was a true advocate of volunteerism’s immense contributions.