Latin America and the Caribbean has plenty of natural resources, but historically the region has had difficulties translating its wealth into long-term economic development processes.

The region...

- ... has a fifth of native forests on the Earth
- ... has the biggest biological diversity in the world and various of the megadiverse countries
- ... has one third of the globe's freshwater reserves
- ... concentrates more than 1/3 of arable soils in the world
- ... is home to an important part of global mining reserves
- ... houses 12% of world’s oil reserves
- ... has 25% biofuel on the Earth
- ... has 20% of world’s oil reserves

To glean income from the export of these products, states usually can:

- use fiscal instruments (income tax or royalties)
- participate in the exploitation of resources (either through public companies or by owning shares of another kind of enterprise)

In order to maximize the contribution of this wealth to sustainable development, the Economic Comission for Latin America and the Caribbean (ECLAC) promotes the governance of natural resources as a set of sovereign policies regarding management of a given property and the appropriation and distribution of income coming from its exploitation.

ECLAC's recommendations

- To adapt with progressivity criteria the percentage the state receives from the exploitation of natural resources.
- To develop institutional mechanisms that allow for investment on next generations.
- To foster a State policy oriented towards a structural change with long-term productive diversification.

Source: Natural Resources Report: tendencies and conditions for a regional development agenda in Latin America and the Caribbean.