



# **CASE STUDY:**

Activities by the Guatemala Sugar Agroindustry supporting the implementation of the Sustainable Development Goal 10 (SDG 10) of the United Nations 2030 Agenda for Sustainable Development.







# REDUCE INEQUALITY WITHIN AND AMONG COUNTRIES





All rights reserved. 2023, Association of Sugar Producers of Guatemala (Asazgua)

Reduce Inequality Within and Among Countries / Asazgua

#### **Editorial Board:**

Alfredo Vila President of Asazgua

Luis Miguel Paiz CEO of Asazgua

**General Coordination:** International Affairs Office, Association of Sugar Producers of Guatemala (Asazgua).

**Editing and writing:** Iván Vera, María Silvia Pineda, Griseldo Say & Anita de Castillo.

**Text Reviewer:** Ivy Contreras.

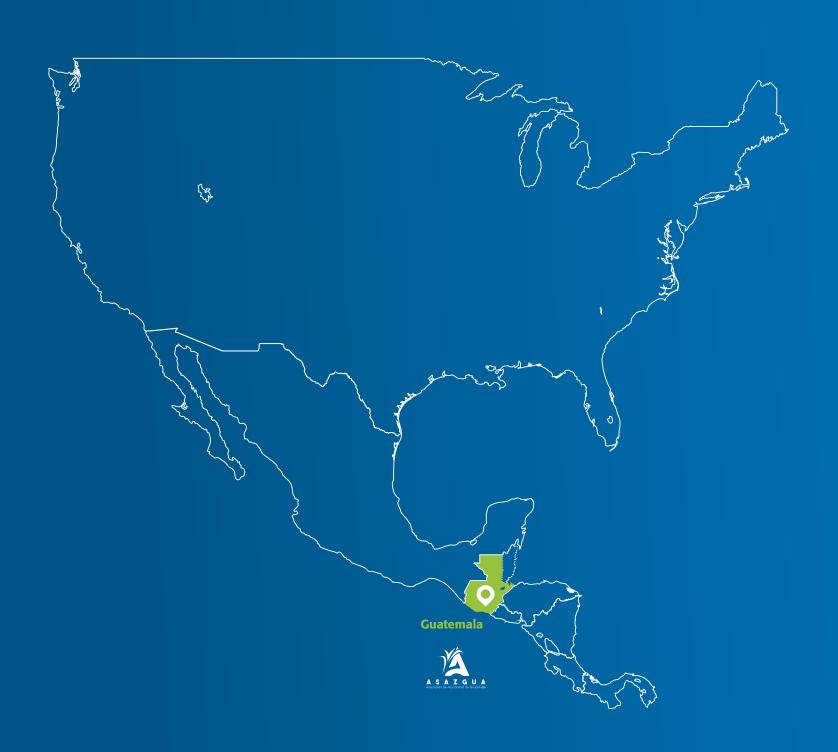
**Collaborators:** Luis Fernando Salazar, Gustavo Paredes, María Eugenia Ruiz, Lorena Flores, Leonel Díaz, Kelly Rosales & Ivy Contreras.

**Design and Layout:** Communications Department, Asazgua.

#### **Association of Sugar Producers of Guatemala (Asazgua)**

PBX: + (502) 2215-8000 Address: 5th avenue 5-55 zone 14 Europlaza tower 3 building, level 17 and 18 / 01014 Guatemala City, Guatemala

# **Association of Sugar Producers of Guatemala (Asazgua)**



# **CONTENTS**

THE GUATEMALA SUGAR AGROINDUSTRY	8
SUSTAINABLE DEVELOPMENT STRATEGY	9
THE GUATEMALA SUGAR AGROINDUSTRY AND THE SDG 10	10
1. Social Strategic Framework of the Sugar Agroindustry	11
2. Generation 15-30: Young People With a Future	13
3. Program Of Opportunities To Study (Scholarships)	15
INTERLINKAGES WITH OTHER SDGs	17
CONCLUSIONS	18
REFERENCES AND SOURCES FOR ADDITIONAL READING	19

# SDG 10: REDUCE INEQUALITY WITHIN AND AMONG COUNTRIES



Target 10.1: By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average.

Target 10.2: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

Target 10.3: Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.

Target 10.4: Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.

Target 10.5: Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of such regulations.

Target 10.6: Ensure enhanced representation and voice for developing countries in decision-making in global international economic and financial institutions in order to deliver more effective, credible, accountable and legitimate institutions.

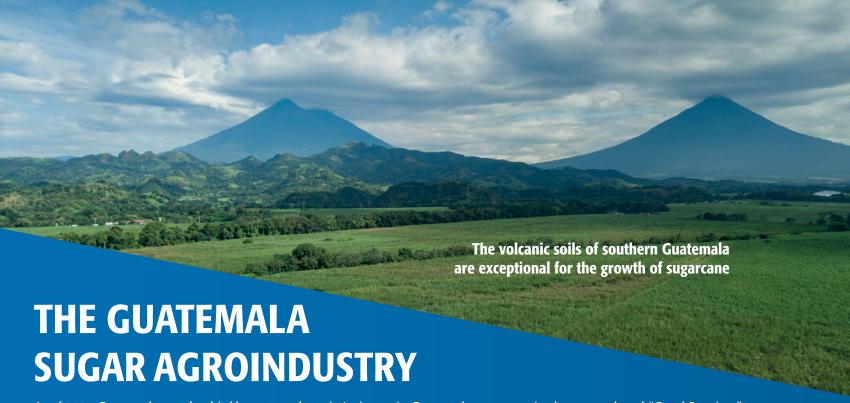
Target 10.7: Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies.

Target 10.a: Implement the principle of special and differential treatment for developing countries, in particular least developed countries, in accordance with World Trade Organization agreements.

Target 10.b: Encourage official development assistance and financial flows, including foreign direct investment, to States where the need is greatest, in particular least developed countries, African countries, small island developing States and landlocked developing countries, in accordance with their national plans and programmes.

Target 10.C: By 2030, reduce to less than 3 per cent the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5 per cent.

**Source:** United Nations, 2015.



As of 2021, Guatemala was the third largest producer in Latin America and the sixth largest exporter of sugar in the world. Sugar is the second agroindustrial product most exported of Guatemala. The Guatemala Sugar Agroindustry generates almost US \$700 million in foreign exchange annually and provides more than 55,000 direct jobs and 278,000 indirect jobs in the country. Besides, the sector receives products and services from more than 6,000 small, medium-sized and large enterprises, which also generate more employment. Only 2.97% of the cultivable land in Guatemala is used for sugarcane production. Asazgua, the Association of Sugar Producers of Guatemala, was created in 1957 to coordinate the activities of the Guatemala Sugar Agroindustry. It includes 11 sugar producers and five technical organizations specialized in research, climate change, sugar exportation and social responsibility (Asazgua, 2020). In addition, since 2022, it counts with an organization specialized in innovation. The sugar producers that are members of Asazgua include: Pantaleon, Concepción, Palo Gordo, Santa Ana, Magdalena, Santa Teresa, La Unión, Madre Tierra, Trinidad (San Diego), La Sonrisa and El Pilar.

The Guatemala Sugar Agroindustry is committed to generating opportunities and prosperity for the people of Guatemala that support the country's sustainable development. It promotes decent and valuable jobs for the wellbeing of the population, while at the same time promoting environmental protection and conservation.

The Guatemala Sugar Agroindustry follows sustainable development principles as reflected by its strategic objectives and integrated actions and programs, supporting social wellbeing, economic growth, industrialization, and environmental protection. The activities of the sugar industry

in Guatemala are recognized as examples of "Good Practices" in the effective implementation of the United Nations 2030 Agenda for Sustainable Development and the Sustainable Development Goals.

Associated organizations supporting specific sustainable objectives of the Guatemala Sugar Agroindustry have been created in the last decades. In 1990 Fundazúcar was launched as the social branch for the development and implementation of programs and projects on health, education and development. In 1992 Cengicaña started research activities to develop new varieties of sugarcane, to have integrated pest management, to study land quality and to implement more efficient processes for the cultivation of sugarcane and for the production of sugar. In 1994 Expogranel, one of the most efficient boarding terminals for sugar export in the world, was launched to cover international markets in a more efficient and competitive manner. In 2010, the Private Institute for Climate Change Research (ICC) was created to perform research, activities and projects related to climate change. In 2022 the Innovation Hub was created to develop a program of innovative projects through the identification and optimization of products, activities, processes and business models of the Sugar Agroindustry.

At the international level, the Guatemala Sugar Agroindustry supports the work of ICC on climate change mitigation and adaptation with other countries of Central America. Also through Asazgua, it participates actively in the Global Network on Sustainable Water and Energy Solutions. This is an initiative led by the Division for Sustainable Development Goals of the United Nations Department of Economic and Social Affairs (UNDESA). The Network promotes integrated water and energy solutions that address climate change objectives worldwide.

# SUSTAINABLE DEVELOPMENT STRATEGY

The Sustainable Development Strategy of the Guatemala Sugar Agroindustry is based on its vision, mission and objectives which promote a comprehensive and forward-looking transformative pathway to prosperity and peace for the people of Guatemala, at the same time supporting a healthy and sustainable planet. It follows an integrated approach based on transformation and adaptation to changes expected in the future due to new challenges. With its inclusive participation policy with multi-stakeholder

partnerships, the Sugar Agroindustry, through Asazgua, is committed to coordinating the work of enterprises, governmental entities and civil society to achieve the final goal of prosperity and sustainable development for Guatemala. The Guatemala Sugar Agroindustry is a global example of efficiency and technological advance representing a very relevant factor for the economy of Guatemala with important positive impacts also on the social and environmental dimensions of sustainable development.

#### **Objectives**

- **1.** Increase productivity through development and improvements in the field and in sugar refineries
- **2.** Provide technical training and capacity building for human resources
- **3.** Develop projects and programs that increase the capacity of the production systems in the field and in sugar refineries, in distribution and commercialization of products, and of the export boarding systems.

One of the objetives of the Guatemala Sugar Agroindustry is to Increase productivity through development and improvements in the field and in sugar refineries.



#### **Vision**

Before 2025 the Guatemala Sugar Agroindustry will be the most respected productive sector of the country due to diversification, competitive efficiency, generation of dignified jobs, and respect for the environment, suppliers and communities with whom it relates.

Given its policy of unified action, proactive attitude and strong socioeconomic support, the Sugar Agroindustry leads as a positive agent of change for integral development, boosting the progress of its members and the country.

#### Mission

The Guatemala Sugar Agroindustry mission includes the following: to act in united manner to cultivate and process sugarcane to produce sugar, electricity, ethanol and other products; to undertake other activities to increase the value of the associated enterprises with a positive impact on the integrated development of the country; to innovate constantly improving competitive efficiency; to facilitate national and international commercialization of sugar; and to ensure sustainability while building trust responsibly.



# THE GUATEMALA SUGAR AGROINDUSTRY AND THE SDG 10

The Guatemala Sugar Agroindustry has initiatives in place with the aim of reducing inequalities and promoting the social, economic and political inclusion of all of the people of Guatemala which are the main objectives of SDG 10. Most Activities supporting equality by the Sugar Agroindustry are coordinated through the Foundation of Sugar of Guatemala (Fundazúcar).

ASAZGUA created Fundazúcar in 1990 as the social branch of the Guatemala Sugar Agroindustry for the development and implementation of programs and projects on health, education, development and the wellbeing of the population. The Foundation implements programs at the community level with a focus on women, youth, teachers, health workers, community leaders and municipal leaders who are all key actors for responsibly citizenship. A considerable number of people in municipalities of interest of the Sugar Agroindustry live in vulnerable communities exposed to poverty in most of its forms. The Social Strategy of the Guatemala Agroindustry emphasizes building human capital with an integrated focus that empowers people to implement changes towards the improvement of their quality of life and wellbeing.

The most important activities of the sustainable development strategy of the Sugar Agroindustry supporting the objectives of SDG 10 include: the Social Strategic Framework, the Program Generation 15-30 and the Program of Opportunities to Study (scholarships). As a result of the combination of these initiatives, the Sugar Agroindustry is able to support efforts to reduce inequalities in Guatemala particularly in the region of operation of the Sugar Agroindustry.



# 1.1. Social Strategic Framework of the Sugar Agroindustry

### **Objectives and Description**

The vision of the Social Strategic Framework of the Sugar Agroindustry is that everyone should have equal opportunities to satisfy basic needs. The Mission of Fundazúcar is to become a model for the promotion of social development that the Sugar Agroindustry could share for implementation in other sectors of the country with the objective of supporting the social and economic development of the people of Guatemala. The specific target is to promote the development of the Pacific Lowlands region and of the communities of migrant workers through the development and implementation of programs and projects on education, health and municipal development that aim to reduce poverty, increase prosperity and ensure the wellbeing of the population.

The activities of FUNDAZCAR are based on the formation of human capital with an integral development focus in which each individual has the capabilities and potential to effectively support the prosperity of communities. The sharing of knowledge empowers people allowing a behavioral change that induces greater autonomy and more assertive decisions which in turn improves the quality of life and reduces poverty at all levels.

The experience of Fundazúcar of the last 30 years has demonstrated that better results are obtained when the focus is on the cause of the problems; therefore, each of its programs is designed with a methodology of logical framework that allows the training and empowering of key actors. These actors effectively support the sustainable development of communities allowing the constant identification of solutions for the short, medium and long term. The key actors include women, youth representatives, teachers, school directors, health workers, community leaders and municipal authorities.

Through this strategic framework, Fundazúcar has an active and permanent role in the communities. Today the Sugar Agroindustry represents a strategic partner for the state that promotes a model of responsible citizenship with trained and informed individuals that support a continuous process to eradicate poverty. These individuals play an important role in the sustainability of the communities helping to optimize the use of state resources in priority projects and programs, and to strengthen public institutions.

#### **Related Targets**

The Social Strategic Framework of the Sugar Agroindustry supports the objectives of Target 10.2 on empowering and promoting the social, economic and political inclusion of all people, and of Target 10.4 on adopting policies that promote and progressively achieve greater equality.

#### **Challenges**

One of the major challenges is to ensure that the programs and projects from the private sector strengthen public institutions. Poverty eradication is a continuous challenge that needs dynamic intervention not only from the public authorities but also from the private sector for the generation of jobs and for the formation of community leaders as active members of development.

Another important challenge is the coordination of activities between the government and the communities to ensure the implementation of projects based on integrated development planning. The main objective is to define public policies and implement them locally based on priorities with the efficient administration of public resources.

#### **Lessons Learned**

An important lesson from the experience of decades is the need to empower and build the capacities of key actors at the local level in order to effectively identify and perform the necessary actions that ensure the prosperity and sustainability of communities participating in the programs. The implementation of programs should support the state institutions strengthening the participation of qualified and informed citizens.

Continuous monitoring of poor and vulnerable communities is key to ensure progress related to the objectives of reducing poverty, increasing prosperity and supporting sustainable development. Therefore, programs are necessary for the continuous monitoring of social and economic indices and indicators that reflect progress in development objectives including on poverty, health, education, nutrition, etc.

#### **Results**

The Guatemala Sugar Agroindustry is playing an important role in Guatemala supporting the reduction of inequalities and empowering people at all levels through its Social Strategic Framework. Many people are benefiting from the activities related to this social strategy, especially the people from the Pacific Lowlands region which is the area of operation of the Sugar Agroindustry.





# 2.1. Generation 15-30: Young People with a Future

### **Objectives and Description**

This program promotes responsible citizenship and empowers youngsters to make assertive decisions based on knowledge. The program helps the young segment of the population to develop life plans with desirable objectives and goals, and to define the course of action to achieve them.

The program, which started in 2015, is aimed at teenagers 13 to 15 years old who are students of the basic level of the public educational system. It strengthens the productive and development areas of the Base National Curriculum of the Ministry of Education. The purpose of the program is to provide the knowledge and information necessary to develop good habits, attitudes and values. The aim is for students to become active and responsible citizens, with the ability to take appropriate decisions and promote the development of their communities.

The program fosters the involvement of young people in the affairs of their communities and promotes communal identity and sense of belonging through activities, such as: creation of murals, neighborhood cleaning campaigns, theater, sports championships, recycling campaigns, among others. The final objective is to improve social interaction among youngsters, allowing them to exercise an active and responsible citizenship.

### **Related Targets**

The Generation 15-30 Program supports the objectives of Target 10.2 on empowering and promoting the social and economic inclusion particularly of youngsters and of Target 10.4 on achieving greater equality by adopting policies that help this specific segment of the population.

## **Challenges**

One of major challenges for this program is to ensure the continuous participation of students of the basic educational level despite the large number of external distractions that exist for potential participants. Another challenge is to maintain a well-qualified staff that could effectively guide the implementation of this program throughout all the area where the Sugar Agroindustry operates.

An important challenge is to ensure the adequate and sustainable investment in training to take advantage of the Demographic Bonus that is available in the country.

#### **Lessons Learned**

It is important to involve responsible teachers in the capacity development process to ensure the sustainability of the process. The implementation of community actions jointly with Development Community Councils and youngsters allowed the creation of a sense of identity and ownership that promotes a generation with community leadership.

#### **Results**

Over 15,000 youngsters have been trained in citizenship values allowing the participation of many of them in community activities that have increased the quality of life. The program is an excellent example of an important action supported by the Sugar Agroindustry that promotes reduction of inequalities, as well as respect for the rule of law. It is also designed to enhance inclusiveness of youngsters and their empowering with knowledge and information supporting a sustainable future





# 3.1. Program of Opportunities to Study (Scholarships)

## **Objectives and Description**

The Program of Opportunities to Study of Asazgua is a scholarship program that provides the chance to young students to pursue studies in different subjects and at different levels. This initiative is considered very effective in the long-term for inducing a transformational change towards moving families out of poverty.

The program is implemented in different educational institutions including the Technical Institute for Training (INTECAP), the Universidad del Valle de Guatemala (UVG), the Guatemalan Institute of Radiophonic Education (IGER) and others. One of the main areas is technical careers with potential for specialized jobs such as industrial mechanics, automobile electromechanics, industrial electronics, maintenance of hydraulic circuits, computers, etc. The program is open to students between 15 and 25 years old especially for careers that are in high demand in the labor market.

### **Related Targets**

This activity is directly linked to the Targets 10.2 and 10.3 on reducing inequalities. By providing scholarships to those with financial needs, the Sugar Agroindustry through Asazgua is helping to reduce the gap between rich and poor and consequently inducing equal opportunities, peace, prosperity, inclusiveness and ultimately sustainable development.

## **Challenges**

One important challenge faced in the implementation of this program is related to the scholarship selection program. There are many qualified young students with economic restrictions but only a limited number of scholarships can be awarded every year. Therefore, there is always the need to expand the program and the necessary funding to be able to support more students.



The Opportunities to Study program has provided scholarships to over 2,700 students who have already graduated in different careers allowing them to find jobs in many areas of interest in the country.

#### **Lessons Learned**

A major lesson learned from the implementation of this program is that scholarships provide unique opportunities that allow students with limited economic means to compete for jobs that are in great demand in the labor force. This program has proved to be effective in reducing inequalities and fomenting economic growth and prosperity in Guatemala.

#### **Results**

The Opportunities to Study program has provided scholarships to over 2,700 students who have already graduated in different careers allowing them to find jobs in many areas of interest in the country. The program demonstrates that the private industry can effectively support social objectives related to education that at the same time help to reduce inequalities.

# INTERLINKAGES WITH OTHER SDGs



The activities of the Guatemala Sugar Agroindustry related to the objectives of SDG 10, on reducing inequalities, are greatly interlinked to activities related to SDG 16 (peaceful and inclusive societies), SDG 4 (education) and SDG 8 (economic growth). Many of the activities and efforts by Asazgua, Fundazúcar and other partners ultimately promote the reduction of inequalities and reduction of the gap between rich and poor while supporting peaceful and inclusive societies. Other strong interlinkages are with respect to poverty eradication (SDG 1) and partnerships (SDG17), given the important commitment of the Sugar Agroindustry for supporting effective policies and actions that promote prosperity and the well-being of the population in the region and based on the integrated approach with respect to partnerships in which all stakeholders are encouraged to be part of the relevant actions.



The Guatemala Sugar Agroindustry has a number of important programs supporting the reduction of inequalities and the empowering and promotion of the social, economic and political inclusion of everyone in Guatemala without discrimination. Its Social Strategic Framework, the Generation 15-30 program and the Program of Opportunities to Study represent actions that support equal opportunities, the promotion of the rule of law and the reduction of discriminatory practices.

# REFERENCES AND SOURCES FOR ADDITIONAL READING

Asazgua (2021), Memorias de Labores 2020. Asociación de Azucareros de Guatemala. 2021.

Asazgua (2020), Memorias de Labores 2019. Asociación de Azucareros de Guatemala. 2019.

Fundazúcar (2018). Informe de Resultados. Fundación del Azúcar. 2018.

International Sugar Organization (2022): "Sugar Year Book 2022", Londres, 2022.

United Nations (2015): Transforming our World: the 2030 Agenda for Sustainable Development, A/RES/70/1.

https://sustainabledevelopment.un.org/post2015/transformingourworld/publication





**Association of Sugar Producers of Guatemala (Asazgua)** 

**PBX:** + (502) 2215-8000

Address: 5th avenue 5-55 zone 14

Europlaza tower 3 building, level 17 and 18 / 01014

Guatemala City, Guatemala