1 SUPPLEMENTARY MATERIAL

2 Appendix A: Specific methodology for criteria selection

Following the methodology discussed in section 2, from the documents relating to "Green 3 Recovery", 33 initial impact criteria were identified. For this, the document "Proposed Sustainability 4 5 Checklist for Assessing Economic Recovery Interventions" of the World Bank (2020), establishes a 6 set of 34 questions or criteria ordered in 10 dimensions of analysis, which are taken as a first 7 approximation to evaluate the sustainability of the initiatives for rescue and recovery. These are 8 then reclassified into 27 criteria (see Table A1 in the Appendix A, "Adapted from World Bank (2020)" 9 criteria in "Source" column). Considering in a complementary way documents from GRO (2020), 10 Oxford (Hepburn et al., 2020), IMF (2020), IEA (2020) additional criteria are incorporated, totaling 33 criteria that together define a "Green Recovery". These initial criteria emphasize economic 11 12 aspects related to climate change.

13 To specify the dimensions and additional relevant criteria to consider in the context of developing 14 countries, these initial criteria are complemented with others that enrich the concept of "Green Recovery" and move towards a set of criteria that characterize a "Sustainable Recovery". To do this, 15 16 the criteria were first compared with the goals of the UN Sustainable Development Goals, signed by 17 the member countries in 2015. These goals look at 17 key issues to advance sustainable 18 development and identify specific goals for each one. When comparing these goals with the initial criteria, the need to include new criteria oriented to problems specific to developing countries 19 20 emerged such that 23 new criteria were added to complement 11 of the initial ones (see Table A1, 21 criteria with "Adapted from SDG" in the "Source" column). Then, based on complementary 22 literature (Loayza et al., 2020; OECD, 2020; CEPAL, 2020a; Sustainable Latin America, 2020; Rodrik, 23 2006; European Climate Foundation, 2020), 15 additional criteria were identified. As a result, 38 24 new criteria were added to the initial ones.

With the above, we arrived at 71 evaluation criteria to characterize the projects in terms of their impact on a sustainable economic recovery. Finally, each question or criterion has been carefully reviewed, avoiding the repetition or overlapping of certain topics, and ensuring that they are accurate and applicable to projects, programs, laws, policies and instruments. These are presented in Table A1 of the Appendix A. Also, a rigorous guideline was developed on the meaning of each of the four possible qualifications for each criterion, which are detailed in Table A2 of this section.

31 Table A1: Selected criteria.

N⁰	Criteria	Source
1	Does the intervention improve socio-economic resilience?	Adapted from World Bank
2	Does the intervention improve adaptive capabilities in society?	Adapted from World Bank
3	Does it allow natural systems to recover from natural disasters and the impacts of climate change?	Sustainable Recovery Complementary Literature
4	Will the intervention boost resilience to natural disasters?	Adapted from World Bank
5	Is it designed with long-term benefits?	Green Recovery Complementary Literature
6	Is there explicit concern about the climate impact of the measure?	Green Recovery Complementary Literature
7	Is there any consideration regarding natural disasters in the area of implementation of the project/initiative?	Adapted from World Bank
8	Does the intervention generate demand in the most affected sectors?	Adapted from World Bank
9	Will it be implemented within 24 months?	Adapted from World Bank
10	Do these new jobs make use of skills that already exist in the local population?	Adapted from World Bank
11	Are small industries, SMEs and local businesses gaining access to financial services?	Adapted from SDG
12	Does it boost local economies?	Adapted from SDG
13	Does it help to improve coordination failures?	Sustainable Recovery Complementary Literature
14	Does the intervention address market failures?	Adapted from World Bank
15	Does it consider resilience in value chains?	Sustainable Recovery Complementary Literature

16	Were profitability criteria such as the economic multiplier of the investment, social profitability, cost benefit analysis, among others considered?	Adapted from World Bank
17	Does it have a considerable impact on increasing income or reducing expenses to the public treasury?	Adapted from World Bank
18	Does it improve labor productivity through measures with socio-environmental co-benefits?	Adapted from World Bank
19	Do the jobs created also promote skill-building and opportunity for advancement?	Adapted from World Bank
20	Does it increase the number of people or spending on scientific research in the public or private sector?	Adapted from SDG
21	Does the technological capacity of the industrial sectors improve? Regarding diversification of assets and exports	Adapted from World Bank
22	Does it promote the diversification of the export balance?	Adapted from SDG
23	Does it promote digital transformation in schools, businesses or government?	Sustainable Recovery Complementary Literature
24	Is the incorporation, importation, development or piloting of new low-carbon and more efficient technologies or strategies promoted, either for mitigation, capture and / or adaptation with significant growth potential?	Adapted from World Bank
25	Is it part of an explicit and defined state policy for the medium or long term?	Sustainable Recovery Complementary Literature
26	Does it encourage and promote the establishment of effective alliances in the public, public-private and / or civil society spheres?	Adapted from SDG
27	Is it part of a network of multilateral efforts?	Green Recovery Complementary Literature
28	Does it promote efficiency and transparency in institutions?	Adapted from SDG
29	Does it take decentralization into account?	Sustainable Recovery Complementary Literature

30	Does it improve neighborhoods and access to housing?	Adapted from World Bank
31	Does the intervention increase local/national energy security?	Adapted from World Bank
32	Does it modernize and / or develop reliable, sustainable, resilient and quality infrastructures?	Adapted from SDG
33	Does it provide access to safe, affordable, accessible and sustainable transportation systems?	Adapted from SDG
34	Does it avoid risks to the health of the population, due to the quantity and quality of effluents, emissions or residues?	Sustainable Recovery Complementary Literature
35	Does it help to reduce the different forms of malnutrition?	Adapted from SDG
36	Does it end, reduce or prevent mistreatment, exploitation, trafficking, violence and / or torture of people?	Adapted from SDG
37	Does it promote universal and equitable access to drinking water and sanitation?	Adapted from SDG
38	Does it promote improvements in the quality of public health?	Sustainable Recovery Complementary Literature
39	Does it reduce poverty?	Green Recovery Complementary Literature
40	Does it respect the rights of indigenous and / or local communities?	Adapted from World Bank
41	Does the intervention build or strengthen social protection systems over the long term?	Adapted from World Bank
42	Does the intervention create decent jobs?	Adapted from World Bank
43	Does it prevent the resettlement of human communities or significant alteration of the life systems and customs of human groups?	Sustainable Recovery Complementary Literature
44	Does it promote universal and affordable access to the internet, information technologies and communications?	Adapted from SDG
45	Does it improve the connectivity to isolated or remote populations?	Sustainable Recovery Complementary Literature
46	Does it take into account changes in human behavior from the pandemic?	Sustainable Recovery Complementary Literature

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47	Does it help decrease labor informality?	Sustainable Recovery Complementary Literature
48	Does it provide support and / or tools to protect or enhance rural development?	Green Recovery Complementary Literature
49	Does it promote transparency in value chains?	Adapted from SDG
50	Does it have instances of citizen participation?	Adapted from SDG
51	Does it promote the social, economic and political inclusion of all people?	Adapted from SDG
52	Does it promote gender equality?	Adapted from SDG
53	Does it focus on the poorest, most vulnerable or marginalized populations?	Adapted from SDG
54	Does it focus on the poorest, most vulnerable or marginalized persons?	Adapted from World Bank
55	Does it manage waste rationally and ecologically?	Adapted from SDG
56	Does it prevent pollution or environmental impact of human settlements and industrialization?	Adapted from SDG
57	Does it improve universal access to safe, inclusive and accessible green areas and public spaces?	Adapted from SDG
58	Does it prevent irreversible cultural losses?	Adapted from World Bank
59	Does it support a sustainable and efficient management of renewable natural resources (water, soil and air) and ecosystem services?	Adapted from World Bank
60	Does it respect ecological flows, groundwater table levels or help to recharge groundwater?	Adapted from SDG
61	Does it prevent the significant alteration, in terms of magnitude or duration, of the landscape or tourist value of an area?	Sustainable Recovery Complementary Literature
62	Does it promote nature-based solutions?	Sustainable Recovery Complementary Literature

63	Does it restore ecosystems?	Adapted from SDG
64	Will the intervention manage and/or protect biodiversity and ecosystem services?	Adapted from World Bank
65	Does it end the degradation of ecosystems?	Adapted from SDG
66	Does it end, reduce or prevent mistreatment, exploitation, violence and torture of animals?	Sustainable Recovery Complementary Literature
67	Does the intervention prevent or reduces irreversible environmental losses/damage?	Adapted from World Bank
68	Does the intervention create or amplify a lock-in of carbon- or energy-intensive development patterns, or represent a future stranded asset risk due to decarbonization, technology change or other market trends?	Adapted from World Bank
69	Does the intervention remove or reduce financial market, tax, or regulatory obstacles to decarbonization (e.g., for energy efficiency or low- carbon technology deployment)?	Adapted from World Bank
70	Does it consider cost efficient measures to reduce GHG emissions?	Green Recovery Complementary Literature
71	Is the intervention consistent with and supportive of existing long-term decarbonization targets and strategies?	Adapted from World Bank

- **Table A2:** Detailed characterization of the responses to criteria.

	Positive Evaluation	Negative Evaluation	Neutral Evaluation	Missing Information Evaluation
1	The initiative contributes to the socio-economic security of people and the ability of the population to face and recover from future shocks	Initiative delays resilience	It does not contribute or delay	No project information

2	Improves the ability to reduce negative impacts or capture opportunities	Gets worse	Does not improve or worsen adaptation	No project information
3	Civil infrastructure works or natural resource management aimed at the recovery of natural systems	It is a setback in the recovery of natural systems	It does not allow nor is it retrogression	No project information
4	Improvement in infrastructure due to natural disasters	Does not promote infrastructure resilience	It has no relation	No project information
5	The initiative is long-term. Solutions that can last and are structural	It does not generate explicit long-term benefits, the results can only be seen in the short term	Does not apply	No project information
6	Explicit concern about climate impact	It is not evaluated and causes climate impact	It is not explicit	No project information
7	There is concern about the risks of natural disasters in the area of implementation	The initiative promotes investments in risk areas	There is no explicit concern	No project information
8	Demand increases	Negatively affects demand	Does not affect demand	No project information
9	Measure considers start of implementation or construction within 24 months from March 2020	Long-term measure	Does not apply	No project information
10	Measure does not need intensive human training	Needs intensive human training to implement the measure	They do not need productive capacity	No project information
11	The initiative increases the coverage of financial services to less represented sectors	Decrease coverage	Does not affect	No project information
12	ldem	Setback in the development of the local economy	Does not affect	No project information
13	The initiative directly dissolves oligopolies or allows new players to enter certain industries	The measure encourages coordination failures	Does not apply	Information is missing

14	The initiative is responsible for solving market failures / externalities directly, where the market does not "want" to intervene. These can be badly delivered subsidies, lack of subsidies to the finances of vulnerable populations, solve information asymmetries, solve oligopolies, among others.	The initiative exacerbates market failures (misallocated subsidies, protection of oligopolies, among others)	It has no relation	Information is missing
15	The proposal generates improvements in the market value chain in the face of climatic, geopolitical and / or social shocks	The initiative goes directly against what is stated in the point "Positive"	It has no relation	Information is missing
16	There is a high multiplier or the initiative is explicitly cost- efficient	The initiative is not cost effective	The initiative has a multiplier, but it is not high, or it is not explicitly cost- efficient	Information is missing
17	The project is correctly accounted for with clear details and the treasury or whoever corresponds will receive income to finance the initiative	The project has higher costs than benefits		Information is missing
18	Measures that, due to other environmental benefits, improves productivity. For example, reducing air pollution and water pollution improves public health and increases productivity.	Productivity worsens	No co-benefits or productivity improvement	Information is missing
19	Idem	Delays capacity and opportunity building	It does not promote or delay	Information is missing
20	Idem	Scientific research decreases	It has no relation	Information is missing
21	Idem	Technological capacity worsens	It has no relation	Information is missing
22	The initiative allows diversifying the country's export balance	The initiative aims to consolidate sectors already strongly represented in the country's exports	It has no relation	Information is missing

23	Idem	Delays digital transformation	It has no relation	Information is missing
24	Development of low carbon technologies	Development of polluting technologies	It has no relation	Information is missing
25	The initiative responds to a long-term policy of the State, aligned with the efforts of previous administrations or it is an initiative whose time is longer than that of the current government	The initiative is short-term (Example, only promote civil works that "my government" can cut the ribbon)	Does not apply	Information is missing
26	The project generates public- private alliances and collaboration with territorial and grassroots organizations	The project destroys public-private partnerships	It does not generate or destroy	Information is missing
27	The project has an international collaboration / multilateral approach (must be explicit). In terms of technical, economic or financial capacity with least developed countries, landlocked developing countries and small island developing states.	It is not explicit or it is not part	There's no need	Information is missing
28	It promotes efficiency (fulfillment of institutional objectives) and / or transparency (funds and projects are public knowledge).	It is not aimed at the objective of the institution and / or the funds are not transparent, there is no clear information	It neither promotes nor worsens	Information is missing
29	The project is developed in sectors other than the capitals or urban centers	Only in capitals and urban centers		Information is missing
30	Idem	Neighborhoods and access to housing worsens	It does not improve or make neighborhoods worse	Information is missing
31	Idem	Energy security worsens	Doesn't get better or worse	Information is missing
32	ldem	Infrastructure worsens	It has no relation to infrastructure	Information is missing

33	Improve transportation systems	Transportation infrastructure, security and affordability deteriorate	Doesn't get better or worse	Information is missing
34	Avoid contamination and health risk	Increase pollution and health risk	It has no risk	Information is missing
35	Reduce malnutrition directly or indirectly	Malnutrition increases	It does not reduce or increase	Information is missing
36	ldem	Promotes mistreatment, exploitation, trafficking, violence and / or torture of people	It does not reduce or promote	Information is missing
37	Idem	Access to water and sanitation decreases	It does not promote or diminish	Information is missing
38	ldem	The quality of the public health system worsens	It has no relation	Information is missing
39	The initiative contributes to the reduction of multidimensional or income poverty directly or indirectly	Increases it	It does not decrease or increase	Information is missing
40	ldem	Move to bring indigenous, traditional or local peoples	Does not take into account	Information is missing
41	Extension of social protection	Decreases social protection	It has no relation	Information is missing
42	Create decent jobs, with fair income, security, social protection, social integration and freedom	Create indecent jobs or do not create jobs	For small industries, not dependent on the state, they may create indecent jobs	Information is missing
43	Avoid altering people's lives or positively altering	Alters people's lives in a negative way	It does not alter or prevent	Information is missing
44	ldem	Delay access	It does not promote or delay	Information is missing
45	Idem	Connectivity worsens	Doesn't get better or worse	Information is missing

46	They are initiatives that adapt to the new reality from the pandemic	It does not take into account the new reality and are initiatives that promote the transmission of the virus		lt is not explicit
47	Create formal jobs	Create informal jobs	Doesn't create jobs to a great extent	Information is missing
48	Idem	Delays rural development	No relationship	Information is missing
49	ldem	Forced labor increases	It does not promote transparency or forced labor	Information is missing
50	Citizen opinion is taken into account	Does not take public opinion into account	The initiative does not require public participation processes	lt is not explicit
51	ldem	Inequality increases	It does not promote or diminish inclusion	Information is missing
52	ldem	Decrease gender equality, charge benefits or costs to just one gender	It does not promote or diminish gender equality	Information is missing
53	Idem	Negatively affects vulnerable population	There is no explicit concern	Information is missing
54	Idem	Negatively affects vulnerable people	There is no special concern for vulnerable people	Information is missing
55	ldem	Generates waste and is not properly managed or is not explicit	Does not generate waste	Information is missing
56	Prevents human environmental impact	Generates environmental impact	There is no significant environmental impact	Information is missing

57	Improve access to public or green spaces	Decrease access to public or green spaces	It has no relation	Information is missing
58	Prevents cultural losses	Increase cultural losses	It has no relation	Information is missing
59	Sustainable management of natural resources	Unsustainable management of natural resources, negatively affects their quality and quantity	Does not use natural resources	Information is missing
60	Respects or does not affect ecological flows, groundwater tables and groundwater	Negatively affects ecological flows, groundwater tables and groundwater	It has no relation	Information is missing
61	Prevents significant alteration of landscapes	Alters landscapes significantly	Does not alter	Information is missing
62	Uses ecosystem functions to solve problems, instead of relying solely on conventional solutions	It uses solutions contrary to those based on nature, conventional solutions that generate damage to the environment		Information is missing
63	Restore and / or rehabilitate ecosystems	Degrades ecosystems	Does not degrade or restore	FI (potential damage or no info)
64	Sustainably manage and / or protect ecosystems and biodiversity	Negatively affects ecosystems and biodiversity	Does not negatively affect	FI (potential damage or no info)
65	Prevents and / or stops degradation	Degrades ecosystems	It does not degrade or prevent	FI (potential damage or no info)
66	Idem	Animal abuse increases	It does not reduce or increase	Information is missing
67	ldem	Irreversible environmental damage increases	It does not prevent or increase	Information is missing
68	Prevents large long-term investments in polluting energy	Increases polluting development patterns	It does not prevent or increase	Information is missing

69	Reduces regulatory obstacles to decarbonization. Increases competition favoring decarbonization	Increases obstacles to entering the market for initiatives that decarbonise	It does not reduce or increase	Information is missing
70	It is cost efficient in reducing emissions	Does not consider emission reduction measures, increases emissions	It has no relation to energy or transport	Information is missing
71	Idem	Not consistent with decarbonization goals	It has no relation	Information is missing

- 36 Appendix B: Selected initiatives of each country.
- 37 <u>LINK</u>

38 Appendix C: Exploratory Factor Analysis results

39 **Table C1:** Selected analysis dimensions with their criteria.

Nº	Factor	Criteria	Load factor	Average
1	Support for decarbonization and reduction of environmental impact	70	0.888	0.077
		69	0.877	0.041
		68	0.826	0.018
		71	0.814	0.030
		24	0.778	0.077
		6	0.762	-0.060
		34	0.754	0.112
		56	0.748	-0.018
		55	0.700	-0.036
		18	0.651	0.136
		67	0.651	0.041
		59	0.600	0.077
2	Promotion of employment and economic activity	47	0.821	0.485

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		42	0.779	0.574
		10	0.728	0.586
		11	0.670	0.266
		5	0.662	0.335
		1	0.640	0.409
		13	0.635	0.345
		26	0.609	0.598
		16	0.594	0.065
		14	0.485	0.615
3	Protection of ecosystems and natural resources	63	0.843	0.030
		3	0.813	0.041
		7	0.761	0.060
		60	0.731	0.042
		4	0.680	0.066
		61	0.655	0.053
		62	0.590	0.006
		64	0.579	0.036
		65	0.485	0.030

	4 Promotion of development and human well-being through inclusive institutions	36	0.738	0.166
		41	0.707	0.237
		51	0.662	0.428
		17	0.594	0.355
	28	0.577	0.608	
	43	0.559	0.325	
		52	0.526	0.089
		2	0.506	0.353
		48	0.491	0.516
5	Inclusive infrastructure development	33	0.793	0.112
		45	0.761	0.189
		32	0.743	0.325
		57	0.663	0.136
		30	0.650	0.228
		46	-0.430	0.164
6	Emphasis on solidarity and inclusion	54	0.819	0.435
		53	0.726	0.619
		29	0.668	0.883

		50	0.380	0.196
7	Promotion of local development	27	-0.755	-0.598
		12	0.594	0.444
		25	-0.470	-0.377
8	Poverty reduction	8	0.756	0.396
		39	0.502	0.568
		35	0.501	0.325
		38	-0.489	0.112
9	Support for the development of technological capabilities	44	0.789	0.083
		23	0.712	0.101
		19	0.557	0.308
		20	0.173	0.065
10	Development of diversified, sustainable and transparent value chains	21	0.692	0.131
		15	0.616	0.155
		49	0.317	0.101
		22	0.296	0.089
11	Promotion of universal access to basic services	37	0.537	0.101
		31	0.297	0.090

12	Respect for local, traditional or indigenous communities	58	0.805	0.143
		40	0.239	0.086

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- 41 Appendix D: Full list of projects and their positive impacts on the
- 42 sustainability dimensions

43 <u>Link</u>