

**CONCLUSIONS**



Latin America and the Caribbean  
**3<sup>rd</sup> OECD MINISTERIAL  
SUMMIT ON  
SOCIAL INCLUSION**  
Bogotá - Colombia 2024

***Productive Inclusion Revisited***

## Background

The [Third Ministerial Summit on Social Inclusion](#) of the [OECD Latin America and the Caribbean Regional Programme \(LACRP\)](#) took place on 22 October 2024 Bogota, Colombia. 17 LAC Ministers/Vice-Ministers led the discussions, with representatives of 24 OECD and LAC countries and 12 international organisations.

The Summit gathered Ministers and senior officials from Labour, Education, Social Inclusion/Development, Planning and other sectorial ministries from OECD and LAC countries, international organisations, private sector and civil society representatives, to have a timely and pertinent discussion about how to address social inclusion challenges, such as addressing the root causes of stalled social mobility, empowering the grassroots economy and local communities, and improving fragmented social protection systems. (see [List of Participants](#)).



A total of 664 participants registered in the [oecd-events.org/lac-social-inclusion](https://oecd-events.org/lac-social-inclusion) virtual platform for the ministerial and side events. Close to 300 people participated in person during the public sessions and close to thousand people followed the streaming in English and Spanish. Replay of the public sessions, PowerPoint presentations, policy briefs and other supporting material are available on the Ministerial Summit website.

## Public Sessions

The Ministerial Summit was opened by Mathias Cormann, OECD Secretary-General, and Alexander López Maya, Director of the National Development Department, Colombia. Four public panels followed.

- The first public panel ***Social and gender inclusion as part of the solution***, was introduced by Ulrik Knudsen, OECD Deputy Secretary General and Gender & Diversity Champion, and moderated by Marta Encinas-Martin, OECD Senior Advisor and Education Gender Ambassador. The panel featured Cindy Quesada Hernandez, Minister for the Status of Women of Costa Rica, and Gilbert F. Hougbo, Director General of the ILO.
- The second public panel ***Boosting social mobility through Education and Skills*** was led by Andreas Schleicher, Director of Education and Skills at the OECD. Panellists included, Daniel Ysau Maurate

Minister of Labour and Employment Promotion of Peru, José Flores Vice-Minister of Education of Ecuador, and CAF's Education Director Miriam Preckler.

- The third public panel on **Formalisation and the grassroots economy** was led by Ragnheiður Elín Árnadóttir, OECD Development Centre Director, and counted with the participation of Luis Carlos Reyes, Minister of Trade, Industry and Tourism Colombia, Gina Magnolia Riaño, OISS Secretary General and Luz Maria Velasquez, Vice President of People, SMEs, and Enterprises at BanColombia.
- The fourth public panel **Quality jobs for the largest youth generation leveraging the digital and green transitions**, was led by Stefano Scarpetta, OECD Director of Employment, Labour, and Social Affairs. The speakers were: Molly McCoy, Associate Deputy Undersecretary of the U.S. Department of Labour, and Colin E. Jordan, Minister of Labour, Social Security, and Third Sector of Barbados.
- **The conclusion of the public sessions and opening of the Ministerial** featured the remarks of Karim Dahou, OECD Deputy Director for Global Relations and Cooperation and Head of the China Unit.

## Ministerial Sessions

Three closed Ministerial roundtables were held in which LAC and OECD country representatives, as well as international organisations, discussed and shared policy experiences.

- The first session, **Addressing barriers to social mobility: Education and skills, gender, and migration**, focused on the background paper prepared for the discussion on: Education and Skills: social mobility and social inequality in LAC. The participants agreed that education is a key driver for social inclusion and breaking the intergenerational cycle of poverty. Furthermore, the importance of aligning education with labour market needs was emphasised, highlighting the necessity to develop skills that enable young people to enter a transforming the job market. The discussion also focused on the necessity to better coordination among international organisations to collect data in the LAC region and on a further focus on gender equality in education, particularly in career choice in STEM areas.
- The second session titled **Empowering local communities and the grassroots economy: Innovative tools and new approaches** examined how the social, solidarity, and grassroots economy can be key to integrating the most underserved sectors, especially in rural areas, in a more equitable, greener, and digital way. The session highlighted the importance of financial inclusion, particularly access to credit, as well as the technical training of these communities. Additionally, it emphasized the role of public-popular alliances in fostering this integration and empowerment.
- The third session, **Investing in social protection: Enhancing formalisation and achieving universal coverage**, discussed innovative strategies for financing and extending social protection to improve safety net coverage even when the traditional conditions for formalisation are not met.
- **The conclusion of the ministerial sessions** featured the remarks of the Minister of Foreign Affairs of Colombia, Luis Gilberto Murillo, the OECD Deputy Secretary General Ulrik Knudsen, the Director of the OECD Development Centre, Ragnheiður Elín Árnadóttir, and the Co-Chairs of the OECD LAC Regional Programme, Ambassador Luis Fernando Medina, of Colombia to the OECD, and Cynthia Filartiga, Ambassador of Paraguay to France.

## Synergies and Side-events

The Ministerial Summit took place within the OECD-Colombia Social Inclusion Week from 21 to 24 October. The coordination between the OECD and the OAS to hold the Ministerial Summit back-to-back with the [XII Inter-American Conference of Ministers of Labour \(IACML\)](#) which took place 23-24 October contributed to secure a high-level attendance for both events. The Ministers of Labour of Costa Rica, Peru, Barbados, Colombia and the Associate Deputy Undersecretary of the U.S. Department of Labour praised this coordination at the concluding session of the IACML.

In addition, partners of the OECD LAC Regional Programme organised 10 side events, which mobilised participation from a diverse spectrum, including international organisations, delegates from OECD and Latin American countries, representatives from both public and private sectors, as well as the academia and civil society:

- Business at OECD (BIAC) organised a full day event on the [Private sector's role in enhancing social inclusion. This event was jointly organized by BIAC, OECD and ANDI](#) and issued a [Vision Paper](#) in the context of the Ministerial.
- The Trade Union Advisory Council (TUAC) hosted the event Ensuring social inclusion through a just transition in Latin America and the Caribbean.
- The Regional Office of the International Labour Organization (ILO) its [Global Business and Disability Network Latin American Conference](#)
- Telefonica organised the [2nd Meeting for Digital Inclusion: Integral Development of Latin America](#)
- The OECD Education Directorate organized a [Dialogue on the Assessment of Youth and Adult Education and Competencies in Latin America and the Caribbean](#) with other International Organizations and representatives from LAC countries on the importance of Skills Assessments.
- The Delegation of Colombia to the OECD organised, together with the Universidad de los Andes, SELA, CAF, and the Ministries of Foreign Affairs, Trade, Industry and Commerce of Colombia an event on [Gender, Trade, and Economic Transformation: Approaches for a Feminist Foreign Trade Policy](#)
- The Cooperation Agency of Türkiye (TIKA) organised an event on [Circular Economy and Social Cohesion: Innovative Strategies for Inclusion](#) and a field trip to a recycling project in Funza, in the region of Cundinamarca, near Bogota.
- The Organisation of Ibero-American States for Education, Science and Culture (OEI) organised a side event entitled [Paving the way for productive and equitable inclusion in Ibero-America, from a Colombian to a multilateral perspective](#) organised.
- Grupo Once, a Spanish civil society organisation specialised on the inclusion of people with disabilities, with the support of the Spanish Delegation to the OECD, organised an event entitled [Economic and social growth: inclusive development in Latin America and the Caribbean](#)
- The Universidad del Rosario and the Australia-Latin America Emerging Leaders Dialogue (ALELD) organised a youth-side event entangled [Future-Ready: How Economic Empowerment Can Deliver Social Mobility for Youth](#)

## Key conclusions

The following Summary highlights key conclusions and actionable recommendations from the OECD Secretariat and the Government of Colombia as Chair, discussed and enhanced with comments of delegations at the 19<sup>th</sup> Steering Group of the OECD LACRP held on 23 October 2024.

## Addressing Barriers to Social Mobility

**Education and skills** have been key drivers for social inclusion and social mobility in many countries around the world. However, in the LAC region, **deep inequalities persist**, sometimes the educational systems in LAC reproduce such inequalities, and investments in education have not always translated into improved quality, especially for disadvantaged populations. Key concerns include high dropout rates, particularly in secondary education, the need for better alignment between education systems and labour market demands, and the importance of promoting gender equality in STEM fields. Participants also highlighted the necessity of investing in challenging classrooms and developing educational pathways that address the needs of children at risk of dropping out and joining criminal groups.

To tackle these challenges, several actionable points were proposed. These included **strengthening early childhood education, promoting STEM education, addressing gender disparities** in these fields, and tackling youth unemployment by **connecting young people with both employment and educational opportunities. Emphasis was also placed on improving skills assessments to better understand the skills of the LAC population, conducting more thorough analyses of existing data, and enhancing vocational education and skills training systems** to better align skills development with economic development goals. Additionally, the importance of strengthening social dialogue and collaboration in skills development was underscored.

## Empowering Local Communities and the Grassroots Economy

The social and solidarity economy (SSE) plays a vital role in **supporting social inclusion at the local level**, particularly by providing opportunities for vulnerable groups. Experiences around the world show that, with their local knowledge and close ties to the communities where they operate, organisations of the social and solidarity economy can create trust in the design of public policies, a necessary condition for their good functioning. The SSE is actively engaged in supporting **women, youth, migrants and Indigenous people**. SSE entities (typically co-operatives, mutual societies, foundations, associations and social enterprises, as well as community groups or initiatives) operate across diverse sectors, from agriculture and care services to handicrafts and finance, contributing to employment and GDP. To maximise the impact of the SSE, **governments can partner with SSE entities** through procurement of goods and services as well as strengthen policy outcomes in areas such as employment, skills development, and social services. Additionally, supporting **newer SSE forms like platform cooperatives** can foster collective entrepreneurship to empower communities and create a more just digital transition.

Countries emphasised the need to **recognise and integrate the grassroots or popular economy** as a reality in national economic structures. This involves not only acknowledging the economic contributions of this often-informal sector but **actively working to incorporate it into formal systems** through targeted policy measures and support as well from the SSE. For instance, **public procurement** can be used as a tool to empower local communities ensuring that resources are channelled back into the communities they originate from, promoting more equitable economic development. **Expanding access to credit and financial services** for individuals and businesses operating in the SSE and informal sector is crucial to foster their growth and formalisation. Finally, countries underscored the importance of **fostering partnerships between the public sector, the SSE and the popular economy**, moving beyond a purely supportive role to one of active collaboration. This involves providing technical assistance, creating favourable conditions for

small businesses, and supporting community empowerment initiatives. This collaborative approach promotes a more inclusive and resilient economy, enabling the popular economy to become more productive and improve access to decent work, contributing to sustainable development.

## Investing in Social Protection: Enhancing Formalisation and Achieving Universal Coverage

**Informality is a long-standing structural challenge of Latin American labour markets**, as almost half of people in the region live in a household that depends solely on informal employment. Informal workers are often insufficiently covered by social protection policies, for which the **eligibility is often tied to formal-sector employment**. The opening presentation argued that among the many roots of labour informality, including low access to high-quality education and training, low levels of productivity, and a weak institutional framework and enforcement, the design of **the social protection system is a key factor, and one that may deserve more attention and further study**. High level of social contributions by firms and SMEs can be a key barrier to formal job creation in the region.

**Reforming social protection systems to ensure some basic social protection coverage for all**, regardless of whether they work in the formal or informal sector, while simultaneously reducing the cost of formal employment would have significant potential to reduce labour informality, raise productivity, and decrease poverty and inequality, all of which are crucial challenges in the region. Implementing this approach would imply that a part of **basic social protection would need to be sustainably financed by general tax revenues**, rather than social security contributions, as this could reduce non-wage labour costs for low-wage earners. In their interventions, some countries reported that they established such tax-financed social protection schemes, including Barbados, Morocco and Paraguay. The introductory remarks also highlighted the need to make social protection more future-ready, to respond to the digital transformation and the transition to net-zero, and the need for cross-sectoral investments in education and healthcare in order to promote more resilient and equitable societies, to strengthen the social contract and to empower workers to enter formal employment.