

ILO and UN Resident Coordinators Dialogue on Decent Work and Economic Growth in the context of the Future of Work in Latin America and the Caribbean

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Session 4: Employment and social protection: skills and vocational training to achieve the Sustainable Development Goals

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Objectives

- Analyze the importance of skills development and vocational training with respect to the implementation of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals.
- Identify information gaps regarding skills development and vocational training in Latin America and the Caribbean and the need for urgent measures to guarantee new skills and training methods to support the UNCT.

Introduction

1. Vocational training (VT) is designed to develop work competencies and skills. Currently, in Latin America and the Caribbean (LAC), there are some 20 million people in VT and over 24 national public institutions dedicated to training, all of which are part of the ILO/Cinterfor network based in Montevideo.
2. Vocational training is an indispensable tool for entering the labour market, improving productivity, increasing incomes and eliminating poverty.
3. The 2030 Agenda for Sustainable Development contains two Sustainable Development Goals (SDG) featuring VT. The first is SDG 4, which calls for ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all. The second is SDG 8, which promotes sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. Target 8.6 is especially pertinent as it calls for substantially reducing the proportion of youth not in employment, education or training by 2020.
4. SDG 4 includes the following targets: ensuring equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university (Target 4.3); substantially increasing the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship (Target 4.4.); and eliminating gender disparities in education and ensuring equal access to all levels of education and vocational training for the vulnerable (Target 4.5).

5. Furthermore, VT is also associated with ending poverty (SDG 1); zero hunger (SDG 2); ensuring healthy lives for all (SDG 3); achieving gender equality (SDG 5); and, promoting just, peaceful and inclusive societies (SDG 16). Additionally, VT plays a key role in policies designed to develop industrialization, innovation and infrastructure (SDG 9); achieve inclusive, sustainable cities (SDG 11); ensure sustainable consumption and production patterns (SDG 12); combat climate change and its impacts (SDG 13); and conserve forests and oceans (SDG 14 and SDG 15).

— The context

6. The social and economic advances of LAC during the period 2002-2013 have given way to an economic cycle characterized by a slowdown in growth. The economic recovery in 2017 and 2018 contrasted with the slowdown/contraction cycle. Nevertheless, the GDP growth last year was less than 1% which is insufficient for reducing the poverty and informality persisting in most of the countries of the region.¹
7. Thanks also to the advances of the past decade, the general poverty rate has remained stable. People living in poverty account for 30.2% of the total regional population and a third of them live in conditions of extreme poverty, according to ECLAC.²
8. Nearly one of every two workers has informal employment. An estimated seven out of 10 jobs created in the region over the past 15 years are informal, most of them in microenterprises and own-account employment.³
9. While education performance indicators have improved in recent years in terms of coverage and access, quality still lags. Results of international tests such as PISA reveal that 15-year old students in the region perform below the global average and far behind the top performers.
10. While primary education coverage exceeds 95%, this percentage declines at the level of secondary education, where the completion rate is below 40%, as compared with OECD countries, for example, where it reaches 80%. Many youth do not have access to technical or vocational training. In global terms, while more than 20 million people are enrolled in training courses, a similar number of youth neither studies nor works.⁴
11. Average productivity in LAC is half that of the United States. Most countries in the region are expanding rather than closing the gap. The Inter-American Development Bank has called this the “Latin American tragedy.”⁵ The ECLAC refers to it as “the Achilles heel” of regional development.⁶
12. At the same time, the world of work continues to change at a dizzying pace. The digital economy has become one of the main drivers of change in all areas, affecting the ways in which humanity lives, produces, works, is educated and interacts.
13. This digital revolution includes several disruptive technologies such as artificial intelligence, cloud computing, the Internet of things, e-trade, blockchains and big data analytics.

1 Based mainly on ILO information. American Regional Meeting. Policies for Sustainable, Productive Development. Panama, 2018.

2 ECLAC 2018 *Social Panorama of Latin America*.

3 ILO *Thematic Labour Overview: Small Enterprises, Large Gaps*, Lima, Peru, 2015. https://www.ilo.org/wcmsp5/groups/public/---americas/---ro-lima/documents/publication/wcms_423684.pdf

4 *El futuro de la FP en ALC*. ILO Regional Office. Cinterfor, 2018.

5 IDB *The Age of Productivity*, Washington D.C. 2010.

6 Alicia Bárcena, first high-level meeting of the Regional OECD Programme for Latin America and the Caribbean. Santiago, Chile, 16 October, 2016.

14. While the effects on forms of employment and the organization of production are still uncertain, it has created a new demand for socioemotional, crosscutting skills that facilitate employability and that therefore should be a focus of VT.
15. The creation of a better future of work requires developing and implementing effective policies for training workers of the region to mitigate the impact of technology on levels of employment and inequality and to promote labour inclusion.⁷
16. The UN system is also concerned about this future of work given that it has already affected populations in terms of the demographic transition of the region, health, migration, education, environment and global trade. In the different UN agencies, all these issues have an active agenda that is associated at different times with skills development.

— ILO/CINTERFOR and the United Nations focused on sustainable development and the future of work

17. In the region, ILO/Cinterfor conducted a study on the future of work and VT (2017), in which it reviewed the different advances, limitations and areas to improve in terms of the skills gap and the organization of VT systems and institutions for each country.
18. Additionally, at the ILO's 19th American Regional Meeting (2018), constituents of ILO Member States of LAC adopted the Panama Declaration. The Declaration says that workforce development policies “...are key to building a better future of work. Vocational education and training systems that respond to the present and future needs of employers and workers can be achieved through robust education and training systems that include lifelong learning. We emphasize the need to promote synergies between education, vocational training and the world of work to match labour supply and demand. These policies must be aligned with policies on productive development and attracting investments.” (No. II.11.vi).
19. The United Nations Sustainable Development Group (UNDG) promised to “leave no one behind” and identified education, work and employment as the axes of social inclusion and relevant factors of social cohesion (Panama, 2018). The UNDG's assessment of education gaps and the significant dependency of household income on work is shared and can serve as a solid base for joint work.
20. The International Labour Conference issued the ILO Centenary Declaration for the Future of Work⁸ (2019), which took a close look at the profound changes in the world of work and developed a constructive human-centred approach. Among other areas, it focuses ILO efforts on “*promoting the acquisition of skills, competencies and qualifications for all workers throughout their working lives as a joint responsibility of governments and social partners...*”.
21. The Declaration calls for the ILO to “*take an important role in the multilateral system, by reinforcing its cooperation and developing institutional arrangements with other organizations to promote policy coherence in pursuit of its human-centred approach to the future of work, recognizing the strong, complex and crucial links between social, trade, financial, economic and environmental policies.*”

⁷ *El futuro de la FP en ALC*. ILO Regional Office. Cinterfor, 2018.

⁸ Adopted by the 108th Session of the ILO's International Labour Conference, Geneva, June 2019: https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_711290.pdf

— ILO/CINTERFOR, extensive experience and many possibilities for interagency work to achieve the SDG

22. The LAC region has a consolidated system of public policies and institutions specializing in VT. The first institutions were created in the 1940s in Brazil and later extended throughout region in the 1950s, 1960s and 1970s.
23. **ILO/Cinterfor, created in 1961, is the core of this network of VT institutions**, currently including 24 public and more than 35 private institutions. It also has incorporated institutions of Spain, Portugal and Cape Verde. Given that it is the only specialized centre for VT development cooperation, the ILO/Cinterfor enjoys considerable flexibility and is in tune with both social demands and those of the productive infrastructure.
24. **ILO/Cinterfor has built capacities of inter-institutional collaboration and promotion of South-South and Triangular cooperation**, working with UN agencies in areas such as a manual for developing vocational skills in the health sector (PAHO), environmental conservation (UNIDO) with the PAGE Programme, training of incarcerated people (UNDP and PAHO) in a project underway in Uruguay, the establishment of schemes of governance and linkage with education and VT and qualifications frameworks, as well as the development of a framework of management of schools and vocational training centres (UNESCO). Additionally, it implemented training activities in Haiti on environmental conservation and reforestation in a project with vulnerable youth (UN Environment) and has engaged in initial discussions with UNICEF regarding the Generation Unlimited Programme.
25. **ILO/Cinterfor has developed and/or implemented cooperation agreements with national VT institutions**, as well as with agencies such as the CAF and the IDB (in learning systems and national qualifications frameworks) providing a broad vision of the demands for human capital development in the region and significant learning resulting from its participation in VT projects.
26. **ILO/Cinterfor promotes the use of digital technologies** for training, facilitating the development of digital skills and promoting actions for the development of the digital economy. To this end, it works with SENA in Colombia, INA in Costa Rica, SENCE in Chile and UTEC in Uruguay, among others.
27. **ILO/Cinterfor supports the linkage between formal education and VT**. It has worked with UNESCO to develop methodologies and train instructors of training institutes and has supported several countries in designing qualifications frameworks and tools for linkage, quality and educational mobility (the Dominican Republic, Panama, Costa Rica, Chile and Peru).
28. **ILO/Cinterfor is a partner for anticipating the skills demanded in the 21st century**. It applies methodologies to identify new skills together with SENAI in Brazil, SENA in Colombia, INA in Costa Rica, the Ministry of Labour of Argentina, INTECAP in Guatemala, INFOTEP in the Dominican Republic, HEART-NTA in Jamaica, and NTA in Trinidad and Tobago, among others. It has also worked with ECLAC in this area.
29. **ILO/Cinterfor supports the participation of social actors in guiding and directing VT systems**. It generates and disseminates experiences and good practices in the oversight and tripartite management of VT. Together with the CSA and Argentina's UOCRA Foundation, it promotes a network to train union actors to strengthen their participation in VT.
30. **ILO/Cinterfor promotes the development of teacher training mechanisms**. It promotes innovation in training methods using project-based training and the development of crosscutting skills in training processes, working jointly with SENAC in Brazil, INTECAP

in Guatemala, SENA in Colombia, the Paula Souza Centre in Brazil, and INSAFORP in El Salvador. In this support area, it organized a workshop in 2018 to train managers of technical and vocational training, in collaboration with UNESCO.

31. **ILO/Cinterfor studies, disseminates and promotes the development of quality learning schemes in enterprises based on rotation.** To this end, it studies and disseminates successful experiences and provides technical assistance to several countries to develop their dual or rotation learning systems, such as with INFOTEP in the Dominican Republic, INA in Costa Rica and the Ministry of Labour and SENA in Colombia. It will soon support these efforts in Paraguay, Belize and Guyana, among others.
32. **ILO/Cinterfor promotes the use of modern technologies to innovate VT and skills development.** With SENAI in Brazil, UTEC in Uruguay, SENA in Colombia, SENATI in Peru and INSAFORP in El Salvador, it has disseminated experiences in the use of technologies to generate training, productive development and innovation. This year, it will work with Brazil's SENAR to provide rural sector training and SENAC of that country for the trade and services sector. Additionally, it will work with INA in Costa Rica to promote services in rural areas.
33. **ILO/Cinterfor generates and disseminates knowledge on training activities to serve disadvantaged populations vulnerable to unemployment; youth, women and migrants, among others.** It developed a project to improve VT for incarcerated people in Uruguay, with the participation of the UNDP and PAHO. Currently, it is collecting experiences in LAC to design a new interagency cooperation programme.
34. **ILO/Cinterfor participates in and coordinates efforts to create environmentally sustainable training programmes** to reduce carbon emissions and to use renewable energy in institutions such as SENATI in Peru, INA in Costa Rica, SENA in Colombia, INTECAP in Guatemala, and UTEC in Uruguay, among others.
35. For all the above reasons, ILO/Cinterfor CINTERFOR offers a favorable scenario for articulation and inter-agency work in favor of development and clearly linked to the SDGs..

→ Suggested talking points

- 1) How can the work in the system be harnessed to favour VT and skills development?
- 2) How can the culture of interagency coordination and cooperation be fostered to improve access to, coverage and pertinence of VT systems?
- 3) What actions can the ILO Office and the UN Coordinator's Office take to encourage interagency programmes that promote increased access to training to disadvantaged populations and productive areas that require incentives and development?