Progress in the Implementation of the Third United Nations Decade for the Eradication of Poverty (2018–2027) - Economic Commission for Latin America and the Caribbean (ECLAC)

May 2025

According to ECLAC estimates, in 2023, the incidence of poverty in Latin America reached its lowest level since 1990, affecting 27.3% of the population. This figure reflects a continued, albeit gradual, decline in poverty after the increase observed during the COVID-19 pandemic, although it is very close to the level recorded in 2014 (27.7%). Complementary, multidimensional poverty declined from 45.7% in 2008 to 26.5% in 2022. Despite these advances, the region's income inequality remains a structural feature, as reflected in a Gini index of 0.452 in 2023, and poverty levels are higher among women, children, the rural population, Indigenous People and Afro descendants, among others. Furthermore, while labour market indicators have rebounded since the pandemic, they still show limited dynamism, with informality remaining notably high. In 2024, the average rate of informal employment was estimated at 46.7%. Despite improvements since 2015, substantial disparities in access to social protection persist. In 2023, 61.2% of the population in the region was covered by at least one social protection entitlement.

Key Activities and Assessment of Results

ECLAC's work has focused on a wide range of policy areas related to poverty eradication. It has produced robust policy analyses on social protection systems, including widely disseminated reports¹, as well as comparative data for public consultation on programmes implemented by countries². Additionally, regional groups for exchanging best practices have been promoted. For instance, the Latin American and Caribbean Social Registries Network was established with ECLAC participating in collaboration with the IADB and the World Bank. Furthermore, technical assistance initiatives have been developed at request of countries³, providing technical analyses and capacity-building activities focused on non-contributory policies, care policies, social information systems and financial sustainability, in articulation with the German Cooperation, within the framework of joint projects, as well as with the World Food Programme.

Efforts in labour market policies have also intensified, including strategic analyses aimed at reducing informality and enhancing the integration of labour inclusion and social protection policies to combat poverty. Furthermore, a peer-to-peer learning group has been set in place to discuss these strategies.

Work to promote universal health has also been a priority. ECLAC has assisted the Mexican Social Security Institute (IMSS) in estimating the costs of expanding health services to the uninsured population, a significant portion of whom are poor. In Chile and Colombia, efforts have focused on supporting the analysis and implementation of Primary Health Care. In collaboration with PAHO, a joint document has been produced to position investment in health as a crucial strategy for sustainable development and universal health coverage.

In the education sector, ECLAC has documented challenges in key indicators and has advocated for greater financial sustainability. In response to the mandate of the Santiago Declaration 2024, issued during the Extraordinary Meeting of Ministers of Education of LAC, a Working Group was established to develop a

¹ See for instance: <u>Social Panorama of Latin America and the Caribbean</u>, <u>2024</u> and <u>Non-contributory pension systems in Latin America and the Caribbean: towards solidarity with sustainability.</u>

² ECLAC's regularly updates the <u>Non-Contributory Social Protection Programmes Database in Latin America and the Caribbean</u>. It currently contains information on 265 non-contributory social protection programmes implemented by 30 countries in Latin America and the Caribbean.

³ Between 2023 and 2025, these countries were Brazil, Chile, Costa Rica, Dominican Republic, Haiti, Honduras, Paraguay and Peru.

proposal on education financing. This group is coordinated by ECLAC, with participation of several organizations, including the CAF, IADB, the World Bank, IIEP-UNESCO, UNESCO and UNICEF. Additionally, ECLAC, together with UNICEF, is providing technical assistance to Honduras to support the design and implementation of an educational plan aimed at addressing a decade of stagnant schooling rates at very low levels and high inequalities.

In addressing hunger and malnutrition, ECLAC's work has focused on a cooperation program with the WFP to estimate the Cost of the Double Burden of Malnutrition. In addition to the three pilot studies made in Chile, Ecuador, and Mexico, technical assistance was provided to develop seven national studies, and a joint <u>regional document</u> was launched. In 2024, ECLAC also supported the G20 work as a member of the Task Force for the Establishment of a <u>Global Alliance Against Hunger and Poverty</u>.

Other key activities include the annual Regional Seminar on Social Development. The fifth version of this seminar (June 25th to 27th, 2024) focused on inequality and was organized in collaboration with the German and Spanish cooperation. Additionally, the Regional Conference on Social Development in Latin America and the Caribbean, ECLAC's subsidiary body that gathers Ministers and High Authorities in Social Development of the region, hosted its Sixth Meeting of the Presiding Officers in Barbados on October 31, 2024. During this meeting, a document establishing key priorities and messages in preparation for the Second World Summit for Social Development was approved. A second document prepared by Presiding Officers on this topic was launched at the Eighth meeting of the Forum of the Countries of LAC on Sustainable Development 2025. As part of the preparations for the Second World Summit for Social Development, an initial proposal for a pact for inclusive social development, including the eradication of poverty and hunger as a priority, was also launched at this occasion. This effort is also aligned with a prior document prepared with the United Nations Regional Commissions, coordinated by ECLAC.

Proposed Solutions, Policies, and Best Practices

The ECLAC has proposed countries of the region to undertake profound transformations and moving towards more productive, inclusive and sustainable development. Strengthening universal, comprehensive, sustainable and resilient social protection systems remains a regional priority, aiming to expand coverage, increase sufficiency and ensure financial sustainability. Best practices can be found in countries that have implemented gradual strategies to enhance coverage and sufficiency, combining both contributory and non-contributory policies with robust social institutional frameworks.

Ensuring the health of the population is essential for eradicating poverty and reducing inequality. ECLAC has urged countries to move towards universal, comprehensive, sustainable, and resilient health systems by strengthening Primary Health Care and investing in health with a focus on financial sustainability. Expanding education policies is equally important with a view to lifelong learning and preparation in the context of rapid transformations. Labour inclusion policies must also be strengthened, with greater articulation to social protection policies and a focus on reducing informality.

Increasing governance capacities, including strengthening social institutional frameworks and mobilizing resources, is crucial. More robust social information systems are needed to ensure no one is left behind in poverty eradication efforts, leveraging the opportunities offered by digital social protection. As highlighted by the <u>Presiding Officers of the Regional Conference on Social Development</u>, one prioritized action could be the establishment of a spending standard for non-contributory social protection. Expenditure on non-contributory social protection policies could be increased to at least 1.5%–2.5% of GDP or 5%–10% of annual public spending, as a step towards achieving poverty eradication.