

**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)

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Assessment of results and impact, gaps and challenges¹

ECLAC has estimated that 32.1% of the population of Latin America was living under poverty and 13.1% under extreme poverty in 2022; extreme poverty is 1.7 percentage points higher than in 2019, before the COVID-19 pandemic. When considering children and adolescents, poverty reaches 45.4% and extreme poverty 18.5% of this population, illustrating a very worrying scenario. In 2021, poverty among women of working age (27.5%) was higher than among men (23.7%), and from 2019, the poverty femininity index (the ratio between the female and male rates) for this age group only declined in Panama, while in the other countries it remained constant or trended upward. Additionally, poverty is higher in rural (44.1%) compared to urban areas (29.5%), and among indigenous peoples (46.3%) and the Afrodescendent population (30.0%), compared to the non-indigenous and non-Afrodescendent population.

The region's setback on poverty and extreme poverty rates, which began in 2015, has recently been accompanied by significant inflationary pressures, that affect mainly the lowest economic quintiles and the most vulnerable middle-income strata, together with a slowdown of economic growth; estimated growth for 2022 is of 3.8% and projections for 2023 reach only 1.2%. The worsening of these indicators took place in an unstable global geopolitical context and a combination of successive economic crises.

Despite the regional progress in building social protection systems over the past two decades, these were insufficiently prepared to confront the social impacts of the pandemic, and later, the repercussions of a cascade of crises. Although the countries of the region had implemented 506 non-contributory social protection emergency measures in response to the pandemic until August 2022, alongside other measures to contain the most acute impacts of the inflationary trend, the region is confronting a prolonged and aggravated social crisis. This is partly explained by the inadequacy of the coverage, sufficiency, and financial sustainability of social protection systems in the region, which leave a large part of the population unprotected, especially women. In 2020, 40.1% of people aged 65 and over in Latin America either did not receive a pension or the pensions received was less than one poverty line.²

With regard to care, when State provision is insufficient, households that have the necessary resources can hire these services in the market, while lower-income households rely mostly on women's work³.

Analyses on time use and the contributions of the feminist economy have provided in-depth studies on the quantifiable contributions of women to economies and societies through unpaid household work. On average, in those Latin American and Caribbean countries where unpaid household domestic and care

¹ Data and analyses from ECLAC (2022), Social Panorama of Latin America and the Caribbean, 2022 (LC/PUB.2022/15-P), Santiago; and ECLAC (2022), Social Panorama of Latin America, 2021 (LC/PUB.2021/17-P), Santiago.

² See ECLAC (2022b), Ageing in Latin America and the Caribbean: Inclusion and rights of older persons (LC/CRE.5/3), Santiago).

³ Economic Commission for Latin America and the Caribbean (ECLAC), The care society: a horizon for sustainable recovery with gender equality (LC/CRM.15/3), Santiago, 2022.

work has been economically valued, it is estimated that this value represents 21.3% of gross domestic product (GDP) and that women do 74.5% of this work⁴. The excess burden of unpaid work obstructs women's participation in the labour market and overcoming poverty grows more challenging. Prior to the pandemic, between 2014 and 2018, the average spending on education and care for children under six years of age remained practically constant at 0.35% of GDP in 12 countries of the region (in OECD countries it accounted for twice as much).

Regarding health, notwithstanding improvements in terms of coverage and access, the region's health systems have structural weaknesses that include: i) high out-of-pocket expenses; ii) Weak solidarity mechanisms iii) and high levels of segmentation in health systems, lacking proper coordination and reproducing inequality. The persistent inequality in health was broadened during the COVID-19 pandemic, with high levels of mortality due to COVID-19 and excess of mortality affecting mainly groups in vulnerable situations.

In terms of education, during the last two decades, the countries of Latin America and the Caribbean have made significant progress in terms of access to and completion of school education. However, the expansion of access, mostly at the pre-primary and higher education levels, has mainly favored the middle and upper strata and students from urban areas, where inequalities persist for the Afro-descendant population, indigenous peoples, and persons with disabilities. Even before the COVID-19 pandemic, the region already had significant debts in terms of educational quality and learning results in standardized tests showing stagnation at worrying levels. The pandemic, which involved the longest school closures in the world, threatens to deepen inequalities in educational attainment and learning in the region.

In addition, **Latin America and the Caribbean experienced a rebound in employment** almost three and a half years after the onset of the pandemic. This recovery has been slow, incomplete, and asymmetrical, with a lag in employment levels compared to economic activity and the persistence of structural inequalities, particularly for women and young people. In response, countries have implemented labor policies to address unemployment, promote labor formality, and provide incentives to increase the participation of women. In 2020, average public spending on labor policies reached 0.9% of GDP, three times higher than before the pandemic, despite remaining well below levels in other regions of the world.

Key activities and response

ECLAC has continued to maintain and improve the **Social Development Observatory in Latin America and the Caribbean** with data on social protection initiatives implemented by the countries of the region, articulated with the COVID-19 Observatory.

Additionally, ECLAC has produced **analyses based on evidence, alongside key policy recommendations**. Some of these are the future of social protection systems and alternatives to secure minimum income levels, challenges for early childhood integrative development due to the impacts of the pandemic (a joint report with UNICEF's regional office), among others. Moreover, through its activities ECLAC encourages dialogue and articulation among different social actors and policy makers to promote consensus on the social problems faced by the countries.

⁴ ECLAC, 2022. Breaking the statistical silent to achieve gender equality by 2030.

ECLAC is providing **technical assistance** to countries in the region in these dimensions. Support provided has included strategies to close coverage gaps, including on health and pension systems, and strengthening both policy and institutional frameworks and social information systems. A joint work with UNICEF/LACRO and IIEP UNESCO Buenos Aires were developed on national studies in six countries in the region and ECLAC is currently undertaking technical assistance with regional countries for the prevention and eradication of child labor in conjunction with the ILO.

Furthermore, with the collaboration of ILO, PAHO, the German Cooperation and the European Union's Facility for Development in Transition, ECLAC organized in 2022 the **Second Regional Seminar on Social Development** which promoted a policy dialogue on strategic orientations for reform and restructuring in pension and health systems as part of the recovery efforts.

ECLAC is joining the **regional efforts to follow-up on the agreements of the Transforming Education Summit 2022**, by contributing to monitor educational progress or setbacks in the region concerning the agreed goals. For example, in 2022 with the regional offices of UNESCO and UNICEF, a regional monitoring report for SDG 4 was prepared and presented in a regional Ministerial meeting and in the HLPF.

During the XV Regional Conference on Women in Latin America and the Caribbean, the Government adopted the Buenos Aires Commitment. The intergovernmental meeting had as main issue the Care Society and the representatives agreed to *Ensure that fiscal adjustment measures or budget cuts aimed at addressing economic slowdowns are in line with the principles of human rights and non-discrimination, avoiding in particular cuts to programmes and support that would increase poverty rates among women and their burden of unpaid and care work*⁵;

At the Sixth meeting of the **Forum of the Countries of Latin America and the Caribbean on Sustainable Development 2023**, held in Santiago on 25-28 April, ECLAC presented the document "**Halfway to 2030 in Latin America and the Caribbean: progress and recommendations for acceleration**", which shows that the region is not on track to attain the targets of Sustainable Development Goal 1, ending poverty in all of its forms, as trends are moving away from the targets or progress is too slow for the target to be met in 2030.⁶ At a parallel event of the Forum, ECLAC presented the document "**Towards a transformative economic recovery in Latin America-Abya Yala: challenges to guarantee the collective rights of indigenous peoples**", which addresses the higher poverty rates and the impact of the pandemic on indigenous peoples in the region and highlights that the autonomous governance of the territories of indigenous peoples is a key factor for a sustainable recovery.⁷

Furthermore, ECLAC organized the **Fifth Intergovernmental Conference on Ageing and the Rights of Older Persons in Latin America and the Caribbean**, held in Santiago on 13-15 December 2022, where governments and civil society organizations discussed public policies geared to preventing poverty in old age, such as social protection, care, decent work, lifelong education and health. As a basis of the

⁵ ECLAC, 2022. Buenos Aires Commitment, paragraph 31.

⁶ See ECLAC (2023), Halfway to 2030 in Latin America and the Caribbean: progress and recommendations for acceleration (LC/FDS.6/3), Santiago.

⁷ See Pedrero, M. (2023), "Hacia una recuperación económica transformadora de América Latina-Abya Yala: desafíos para garantizar los derechos colectivos de los pueblos indígenas", Documentos de Proyectos (LC/TS.2023/35), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).

discussions at the conference, ECLAC, in its capacity as Technical Secretariat, prepared the document titled “Ageing in Latin America and the Caribbean: Inclusion and rights of older persons”.

Key policy recommendations

ECLAC has made several policy recommendations to make progress in these areas, which are key for the eradication of poverty. **In terms of social protection, particularly on health and pensions**, the recommendations are to: i) Move towards social protection systems that are universal, comprehensive, sustainable, and resilient; ii) extend the coverage, sufficiency and financial sustainability of social protection policies by increasing articulation between contributory and non-contributory policies, widening the contributory coverage of excluded groups and providing effective non-contributory income security for individuals and households; iii) strengthen the links between labor inclusion and social protection policies through active labor market policy strategies; iv) strengthen primary health care to achieve universal access to health,; and, v) support pension systems’ reforms from a perspective of sustainability and solidarity that considers the challenges of the labor market.

With respect to care, the six guiding principles for the design of comprehensive care systems are: i) progressivity prioritising the needs of different people, ii) an intersectoral and interinstitutional approach due to the complexity and comprehensiveness of care, iii) co-responsibility between genders, the state, the market, households and the community, iv) varying combinations of non-transferable financing instruments, v) a localized and intersectional view, and vi) gender equality in the policymaking process and the participation of the society, particularly of the women’s and feminist movement. Regarding financing, it is necessary to seek an appropriate combination of social insurances, taxes, private sector contributions, companies or trade unions’ funds, and co-payments. The State may also channel resources to the market or establish public-private management agreements and must avoid segmentation and ensure the quality.**The main recommendations in education are to:** i) promote financial sustainability and institutional strengthening of education systems; ii) extend investment in early childhood education; iii) universalize access to and completion of secondary education, focusing on inclusion; iv) strengthen the development of cognitive, socioemotional, and digital competencies in education systems; and v) implement education and training policies linked to work and the productive sectors throughout the life cycle.

Regarding labor inclusion, ECLAC has recommended to i) expand unemployment insurance; ii) guarantee training policies and labor intermediation; iv) guarantee access to universal social protection for independent and labor rights to workers that are independent, informal and/or work at digital platforms.

In general, it is vital to integrate the **intersectional perspective** into the design of public policies, programmes and measures, as this allows to respond to the diverse nature of poverty by population group. Gender, age, social stratum, ethnicity and race, territory of residence, disability and migration status, among other factors, intersect and reinforce each other with respect to barriers of access to sufficient income levels and access to production resources, decent work opportunities, quality education, health care, and social protection, among other areas of development. Addressing this social inequality matrix characteristic of the region enables consideration of the multidimensional nature of poverty and can thus guide public policies that guarantee the rights and freedoms of all persons.