



International Conference / Ministerial Meeting
16 november, 2017. Bourbon Conmebol Asuncion Convention Hotel. Asunción, Paraguay

TOWARDS INCLUSIVE SOCIAL PROTECTION SYSTEMS IN LATIN AMERICA AND THE CARIBBEAN

With the participation of:



OECD Latin America & the Caribbean
Regional Programme

INTERNATIONAL CONFERENCE & MINISTERIAL MEETING

Towards Inclusive Social Protection Systems in Latin America and the Caribbean

Since 2000, Latin American countries have managed to lift millions of people out of poverty, reduce inequality and build an emerging middle class, thanks to strong economic growth and innovative social policies, the latter mainly in the form of conditional cash transfer programmes. Key public services, notably health care and education, were also improved, both in coverage and quality. This contributed to a notable reduction in inequality, in contrast to the evolution in OECD countries

Despite this social progress, the economic slowdown registered since 2012 has brought to light the vulnerability of the so called *middle class*, with part of this group falling back into poverty. Besides, between half and three quarters of Latin America's middle class work in the informal sector, with limited access to labour training programmes, social protection benefits and pension coverage. Currently, only five in ten middle-income workers contribute to social insurance. Women and youth find significantly more obstacles in joining and remaining in the formal labour market, which limits the important productivity boost that they could give to Latin American economies.

At a global scale, globalisation, ageing and digitalisation are reshaping the world of work, directly challenging the traditional model of social policy that largely depends on regular formal employment. The OECD has been leading global discussions on the transition to new models of social policy and will hold a Ministerial Meeting on Social Policy in Canada during 2018.

Achieving the social inclusion objective in Latin America and the Caribbean goes beyond poverty alleviation. Facing the need to increase the coverage, adequacy and fiscal sustainability of its social protection systems, countries in the region should seize the opportunities that globalisation and digitalisation trends provide and limit the disincentives that they may pose to good-quality jobs and living standards. At the same time, like other emerging economies, Latin American countries may avail themselves of the option of re-engineering policies initially designed to address poverty to meet the needs of not only the poor, but also the middle class.

The Latin America and the Caribbean Regional Programme of the OECD provides a unique platform for engaging in a productive discussion in this field. After the Ministerial on Productivity for Inclusive Growth held in Santiago de Chile in December 2016, this second annual **Ministerial Meeting of the OECD Latin America and the Caribbean Regional Programme** aims to bring together Ministers and other High Level Officials in the fields of Social Protection, Planning, Finance/Budget, to engage in a discussion on the inclusiveness of social protection systems in the region.

The discussion will be facilitated and nurtured by the research and expertise of International Organisations working closely with LAC countries (including the UN ECLAC, the IDB, CAF, the World Bank) and the experience of OECD countries.

International Conference: Towards Inclusive Social Protection Systems in Latin America and the Caribbean (public session)

Conmebol Convention Centre
Block 3 and 4 – Hall Havelange
16 November 2017

This International Conference will bring together senior government officials from the LAC region and OECD countries, as well as other key stakeholders, including academic experts, representatives of international organisations, and the private sector, to analyse and discuss the key challenge of enhancing social inclusion in Latin America. The Conference will pay particular attention to the megatrends shaping social protection systems and to discussion of alternatives for efficient and inclusive reform. This morning event will be open to the press.

8:30-9:00	Accreditation/Coffee
9:00-9:30	<p>Opening</p> <ul style="list-style-type: none">• His Excellency Horacio Manuel Cartes, President of Paraguay• Gabriela Ramos, OECD Chief of Staff, Sherpa to the G20 and Special Counsellor to the OECD Secretary General• Ambassador Eladio Loizaga, Minister of Foreign Affairs of Paraguay• Lea Gimenez, Minister of Finance of Paraguay• José Molinas Vega, Minister - Executive Secretary of the Technical Secretariat for Economic Development Planning of Paraguay
9:30-10:45	<p>Panel: The Social Inclusion Challenge in Latin America and the Caribbean</p> <p>Moderator: Gabriela Ramos, OECD Chief of Staff, Sherpa to the G20 and Special Counsellor to the OECD Secretary General</p> <ul style="list-style-type: none">• Ana Olivera, Vice Minister of Social Development of Uruguay• Laís Abramo, Director of Social Development, ECLAC• Ferdinando Regalia, Head of the Social Protection and Health Division, IDB• José Molinas Vega, Minister - Executive Secretary of the Technical Secretariat for Economic Development Planning of Paraguay <p>The publication <i>Enhancing Social Inclusion in Latin America: Key Issues and the Role of Social Protection Systems</i> is proposed to guide the discussions of the event within a broader inclusive growth agenda. It presents an assessment of social inclusion in the region and identifies selected policy priorities, bringing together existing OECD knowledge and expertise.</p>
10:45-11:15	Coffee break
11:15-12:30	<p>Panel: Megatrends and societal challenges in Latin America and the Caribbean</p> <p>Moderator: Monica Aspe, Ambassador of Mexico to the OECD</p> <ul style="list-style-type: none">• Nora Lustig, Samuel Z. Stone Professor of Latin American Economics and Director of the Commitment to Equity (CEQ) Institute at Tulane University• Stefano Scarpetta, OECD Director of Employment, Labour and Social Affairs• Federico Bonaglia, Deputy Director of OECD Development Centre• Guillermo Sosa, Minister of Labour, Employment and Social Security of Paraguay• Pablo Gottret, Practice Manager, Social Protection and Jobs, World Bank <p>The panel's discussions will center on portraying current megatrends (demographics, globalisation and technological upgrading) affecting the labour market, workers, and families. It will discuss these trends in the region's context, as well as their interplay with inequality and informality, with the objective of moving towards an inclusive social protection systems in the region</p>
12:30-14:30	Lunch for Delegations – Bourbon Hotel

Ministerial Meeting: Towards Inclusive Social Protection Systems in Latin America and the Caribbean (closed session)

Conmebol Convention Centre
Blocks 3 and 4 - Hall Havelange
16 November 2017

This is the Second Ministerial Meeting of the LAC Regional Programme. It is an invitation for Latin American and Caribbean Ministers to engage in a productive discussion of the reform alternatives for social protection systems, with the objective of making them more inclusive and sustainable. Participation in this event is limited to invited authorities and international organisations. Each Minister or Head of Delegation registered for this session will have a designated seat at the main table, and will be able to contribute to the discussions. Participants are encouraged to confirm their interest in becoming lead discussants.

14:30-14:45

Welcoming remarks

- José Molinas, Minister - Executive Secretary of the Technical Secretariat for Economic Development Planning of Paraguay
- Gabriela Ramos, OECD Chief of Staff, Sherpa to the G20 and Special Counsellor to the OECD Secretary General

14:45-15:45

Session 1: Rethinking Social Protection Systems in Latin America and the Caribbean

Moderator: Héctor Cárdenas, Minister - Executive Secretary of the Secretariat of Social Action of Paraguay

- Heidi Berner, Undersecretary of Social Evaluation, Ministry of Social Development of Chile (5 min)
- Nancy Marin, Vice Minister of Labour and Social Security of Costa Rica (5 min)
- Gina Magnolia Riaño, Secretary General of the Ibero-American Organisation of Social Security (5 min)
- Paula Marcela Escobar, Social Development Director, National Planning Department, Colombia (5 min)

Discussion amongst Delegations (40 minutes)

This session will discuss the evolution of social protection systems in Latin America and the Caribbean and how they can be adapted and reformed to consolidate the region's growing middle class, promote formal jobs, and address the old and new risks outlined in the International Conference, while ensuring fiscal sustainability.

15:45-16:00

Coffee break

16:00-18:00	Session 2: Towards Sustainable Protection Systems: Good practices
16:00-17:00	<p>A. Making the tax system more inclusive. Low tax revenues in several countries in Latin America is linked to high levels of informality, which on the one hand limits the base and potential progressivity of income taxes and weakens the contributory systems of social protection. Breaking this vicious circle poses challenges in the creation of public policies and reforms to achieve a tax system that encourages formalisation and leads to greater social inclusion. Participants in the LAC Fiscal Forum, held days before in Asuncion, will present and discuss the main findings in this area.</p> <p>Moderator: Lea Gimenez, Minister of Finance of Paraguay</p> <ul style="list-style-type: none"> • Grace Perez Navarro, OECD Deputy Director, Centre for Tax Policy and Administration (5 min) • Sebastian Galiani, Vice Minister of Treasury of Argentina (5 min) • Piritta Sorsa, Head of Division, Economics Department Country Studies Branch, OECD (5 min) <p>Discussion amongst Delegations (40 minutes)</p>
17:00-18:00	<p>B. Efficiency of social expenditure and transfers. Between 2003 and 2016, public social spending increased from 7% to almost 9% of GDP, mainly driven by higher health and social protection expenditures (insurance and social assistance). The region also saw a sharp reduction in poverty and inequality thanks to strong economic growth. However, governments must face a current context of low economic growth and fiscal constraints to make social spending more efficient, effective and with greater impact.</p> <p>Moderator: Humberto Colman, Vice Minister of Finance of Paraguay</p> <ul style="list-style-type: none"> • Stefano Scarpetta, OECD Director of Employment, Labour and Social Affairs • María Eugenia Mujica San Martín, Vice Minister of Social Policy and Evaluation of Peru • Angel Melguizo, Head of the Latin America and the Caribbean Unit, OECD Development Centre (5 min) <p>Discussion amongst Delegations (40 minutes)</p>
18:00-18:30	<p>Conclusions: Towards an articulated agenda for Social Inclusion in Latin America and the Caribbean</p> <ul style="list-style-type: none"> • José Molinas, Minister - Executive Secretary of the Technical Secretariat for Economic Development Planning of Paraguay • Andreas Schaal, Director of Global Relations, OECD • Federico Bonaglia, Deputy Director of OECD Development Centre • Claudia Serrano, Ambassador of Chile to the OECD and Co-Chair of the OECD Latin America and the Caribbean Regional Programme
20:00-22:30	<p>Reception hosted by Eladio Loizaga, Minister of Foreign Affairs of Paraguay Venue: Benigno López Palace - Ministry of Foreign Affairs</p>

17 November 2017

For information: the Steering Group of the OECD Latin America and the Caribbean Regional Programme will hold its 5th meeting on 17 November 2017. Participation in this event is by invitation only. For further information please contact LACRegionalProgramme@oecd.org