



# Future-Ready Adult Learning in Latin America

## Action Plan



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## Foreword

Globalisation, technological progress and demographic change are profoundly transforming the world of work. These mega-trends are affecting the number and quality of jobs that are available, how they are carried out, and the skills workers need to succeed in the labour market. Although the timing and the speed of development differs across countries, it is expected that skill needs will continue to change, possibly at an accelerated pace, in the coming decades affecting advanced, emerging and developing countries alike.

While these changes in the world of work take place globally, adults in Latin American countries face particular challenges. Labour markets in the region have been among the most affected by the ongoing COVID-19 crisis, which has made the need for adults to upskill and retrain in new jobs and sectors even more pressing. Labour informality and low job quality continue to be prevalent in the region, and many workers are vulnerable to labour market risks. While substantial progress has been made, the educational attainment and the skill levels of Latin America's population remain comparatively low. Strengthening Latin American adult learning systems is key to support adults' access to high-quality training and education as well as better employment opportunities, and to underpin the development of the economy as a whole.

This booklet highlights five areas of action to improve adult learning systems in Latin America that emerged from discussions during a virtual conference on "[Future-Ready Adult Learning in Latin America](#)" in March 2021. It aims to provide practical insights for stakeholders who are directly involved in the design, implementation and monitoring of adult learning policies, including policy-makers, training providers and social partners. Each area of action draws on existing evidence, provides concrete recommendations and highlights best practices in Latin America and beyond.

The document is part of a series of publications on the functioning, effectiveness and resilience of adult learning systems in the context of a changing world of work. It accompanies the publication of the OECD report on [Getting Skills Right: Future-ready Adult Learning Systems](#), which includes the OECD Priorities for Adult Learning dashboard ([www.oecd.org/employment/skills-and-work/adult-learning/dashboard.htm](http://www.oecd.org/employment/skills-and-work/adult-learning/dashboard.htm)) and a cross-country analysis of the readiness of adult learning systems to address future skill challenges.

This note was prepared by the OECD with support from JPMorgan Chase Foundation as part of its \$350 million, five-year global commitment to the future of work. The five areas of action aim to support policy makers, firms and individuals to make the most of ongoing changes through adult learning. Together we can truly contribute to 'getting skills right' and create more responsive training systems and inclusive labour markets for the world of tomorrow.

# Introduction

Globalisation and technological progress, together with demographic developments, are transforming people's lives, workplaces and economies. Whether individuals can harness the benefits that arise from these changes will depend on their ability to develop and maintain relevant skills over their working lives as well as the future-readiness of their country's adult learning system. The profound effect of the COVID-19 crisis in the region has brought renewed focus on the need for adults to upskill and retrain in new jobs and sectors.

Against this backdrop, the OECD organised a virtual conference on "Future-Ready Adult Learning in Latin America" in March 2021. The event brought together over 300 participants to discuss challenges and good practices that are specific to adult learning systems in Latin American countries. The conference was organised with support from the JPMorgan Chase Foundation.

*"Adult learning is fundamental to help those who have been hardest hit by the COVID-19 crisis, who have lost their jobs and who urgently need to get back into the labour market. Today more than ever, we need to overcome the obstacles for adult learning and help people to get the skills they need for tomorrow's jobs."*

**Claudia Minzi,**  
Managing Director, Cybersecurity and  
Technology Controls (CTC) at JPMorgan  
Chase & Co.

COVID-19 is also likely to accelerate the adoption of new technologies. This can foster job creation in emerging sectors and occupations but also threaten existing ones. Recent OECD estimates suggest that almost a quarter of jobs across Chile, Ecuador, Mexico and Peru could be completely automated, and even more jobs are likely to undergo significant changes as a result of automation. At the same time, automation may not yet be a viable option in many cases, as it requires costly investment in advanced technology while labour is still comparatively cheap in the region. Policy makers in Latin America therefore have an opportunity to anticipate the potential changes that may result from automation, and prepare education and training systems according to the skills that will be needed in the future.

*"Adults need the opportunity to reskill and upskill, especially those who work in occupations that face a high probability of automation. This threat is particularly real for lower educated adults in Latin America, for whom the probability of automation is three times as high as for adults with tertiary education."*

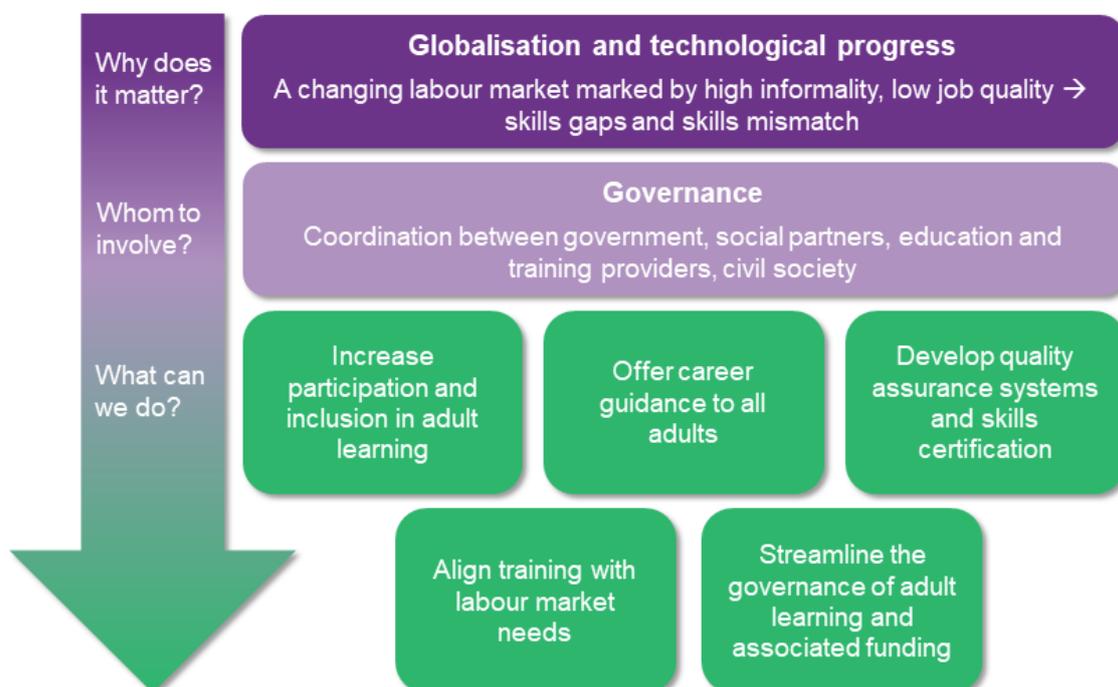
**Mark Pearson,**  
Deputy Director, OECD Directorate of  
Employment, Labour and Social Affairs

Workers in Latin America tend to be more vulnerable to labour market risks than their counterparts in more advanced economies. This reflects a higher risk of falling into extremely low pay, considerable labour market insecurity as well as poorer quality of the working environment. Social security systems are less mature compared to those in many OECD countries, with many offering little or no unemployment insurance. Informal employment is also comparatively high, reaching up to 65% in Guatemala.

Reinforcing the skills of vulnerable individuals, most of whom are low skilled, is key to fight informality and poor job quality. The probability of being employed in the informal sector decreases dramatically with one's level of education. Workers in the informal sector, however, have more limited access to training opportunities, which further exacerbates existing inequalities. In Colombia, for instance, recent evidence points to skills upgrading as a major driver of the reduction in informality from 70% in 2007 to 62% in 2017 (OECD, 2020a). For a more comprehensive snapshot of the labour market, education and the training context in the Latin American region, see the first chapters of OECD (2021b; 2020a).

The OECD Priorities for Adult Learning Framework below is used to assess the performance of adult learning systems, and shows key areas of action towards more future-ready adult learning in the Latin American context, as identified by experts, practitioners and policy makers during the OECD 2021 virtual conference.

## Priorities for Adult Learning Framework – Latin America



GOVERNANCE  
CAREER GUIDANCE  
ADULT LEARNING  
DIGITALISATION  
INCLUSION  
LATIN AMERICA  
SKILLS  
PARTICIPATION



# Action 1

## Increase participation and inclusion in adult learning

### Why is this important?

In Latin America, approximately 57% of adults do not participate in adult learning activities (compared to the OECD average of 49%), according to the Survey of Adult Skills (PIAAC) (OECD, 2020a). This is problematic in a rapidly changing world of work impacted by digitalisation, automation and globalisation.

Low participation in training among adults could durably worsen long-term labour market outcomes in Latin American countries, especially for adults with low skills, older adults, women, informal workers and employees of SMEs. Income inequality, unemployment and informality in the region are high. PIAAC shows that in Chile, Ecuador, Mexico and Peru, on average, up to 60% of adults have low levels of literacy and numeracy skills, which makes them more vulnerable to changing labour markets.

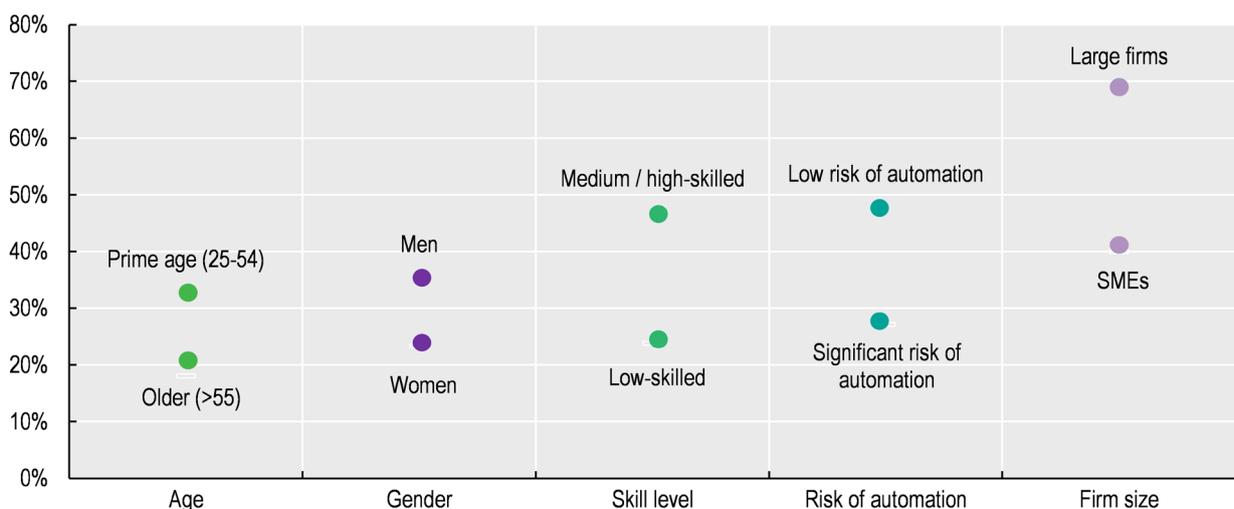
Automation is likely to exacerbate many of these challenges. Employment in sectors that employ large shares of low-skilled workers without formal qualification, such as manufacturing and agriculture, could more easily be automated in the future compared to sectors that require higher levels of education and skills (Nedelkoska and Quintini, 2018). In Brazil, Chile, Colombia, Costa Rica, Mexico and Peru, the share of workers employed in these sectors ranges between 30% and 40% of total employment.



### Did you know?

Participation in adult learning differs greatly across groups of the population. Low-skilled and older adults as well as women participate less in training than their higher skilled, younger or male peers do. Workers in jobs at higher risk of automation and employees of SMEs train less than adults at low risk of automation or those working for large companies. Similar participation gaps exist across OECD countries.

Participation in adult learning is very unequal across different groups



Note: Percentage of adults who participate in job-related formal and non-formal learning across Latin America. Low-skilled refers to adults scoring at level 1 or below in literacy and/or numeracy in PIAAC. Workers in SMEs refers to workers in enterprises between 1 and 249 employees. Data is available for Chile, Ecuador, Mexico and Peru.

Source: Survey of Adults Skills (PIAAC) (2012, 2015), (database), [www.oecd.org/skills/piaac](http://www.oecd.org/skills/piaac); Nedelkoska and Quintini (2018).

## What can we do?

*“Adult education, especially for older adults, is based on different principles than basic education and one of the ways to attract more adults is to involve them directly in the planning of courses and trainings because they will have a say in what they want to learn.”*

**Claudia Costin**  
Fundação Getulio Vargas,  
Brasil

### Offer an integrated approach to training, particularly for vulnerable groups.

Many disadvantaged adults face multiple, intersectional barriers to participation, including care and work responsibilities, the cost of training, a lack of awareness of existing training opportunities or their benefits as well as a general lack of incentives to train. Cooperation between providers of different services or even one-stop-shop services can facilitate the access to training for vulnerable groups.

- *El Servicio de Ventanilla Única* (The One-Stop-Shop Service) in **Peru** is a service targeting vulnerable groups, such as unemployed, underemployed, young people, as well as enterprises. Services are delivered both virtually and face-to-face with the support of national, regional and local governments. The aim is to provide individuals and enterprises with information about which type of support is available to them, and to direct them to the service that best corresponds to their needs, including job placement, training, or the certification of competences (United Nations, CEPAL, 2015).
- A **European** example that could inspire projects in Latin America is the pilot project *GOAL* that ran between 2015 and 2018 in six different countries. It provided user-centred, personalised guidance services with the aim to improve adults' education and/or employment outcomes. Evaluations of the programme showed that partnerships between guidance providers, training institutions as well as employment and social services helped to address the full range of issues faced by low-qualified adults (OECD, 2019a).

### Diversify the channels used to offer training for adults.

Depending on their individual situation, adults have very different preferences about the channel they would like to use to access learning opportunities. For some forms of adult education and training, distance learning is a good solution, while for others a classroom setting might work best. Training courses with a strong activation component have shown to be more efficient face-to-face.

- *Modelo Educación para la Vida y el Trabajo* (The Education for Life and Work Programme) in **Mexico** offers basic skills training and modular learning for young people and adults. The programme provides learning opportunities for participants to complete their primary and secondary education according to a modular curriculum, with the aim of obtaining a certification at initial, intermediate or advanced level. Some modules are provided via an online platform, allowing flexibility throughout the learning process. The programme also offers tailored modules for disadvantaged groups, such as indigenous people, persons with disabilities or rural populations in Mexico whereby the modules are adapted to the linguistic, cultural and social needs of the various groups of learners (Hanemann, 2018).
- Many countries in Latin America have leveraged technology to deliver training and education at a distance. Educational programmes for students and adults on public radio or television shows, for instance, exist across the region (UNESCO, 2021). Especially during COVID-19, some countries have intensified their efforts to deliver training at a distance. An example is SENAI, **Brazil's National Service for Industrial Training**, which has strengthened web- and mobile-based distance learning during the pandemic (SENAI, 2021b).



## Action 2

### Offer career guidance to all adults

#### Why is this important?

Career guidance can help adults navigate the evolving labour market and supports their lifelong career development and learning. Career guidance, also called *orientación profesional* or *desarrollo de carrera* in Latin America, refers to a set of services that assist individuals to make well-informed educational, training and occupational choices throughout their working life.

Evidence suggests that career guidance can have a positive impact on learning outcomes, training participation, and employment outcomes such as finding a job or getting a promotion (OECD, 2021b; OECD, 2021a). In most Latin American countries, career guidance for adults is one component of a broader set of services, such as active labour market programmes, training programmes or labour intermediation services more generally (OECD, 2021b).

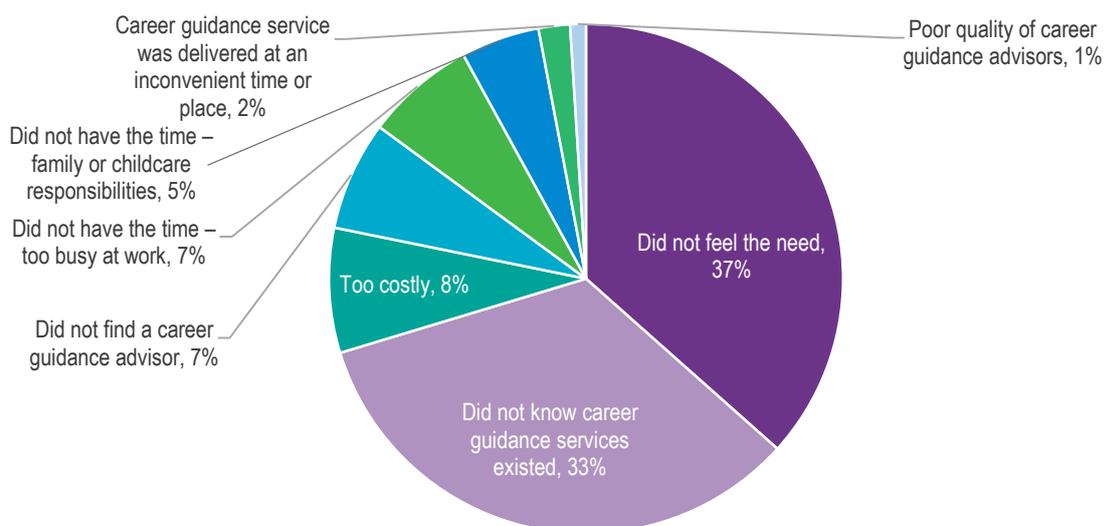
Strengthening career guidance is crucial in the recovery from the COVID-19 crisis, to help adults navigate a changed labour market. Survey evidence suggests that during the crisis, the demand by adults for career guidance has increased in Latin America (OECD, 2021b).



#### Did you know?

Of those adult who did not speak with a career guidance advisor over the last 5 years, one third says that they did not know career guidance services existed. The biggest group of respondents did not feel the need for those services (37%), which might in part stem from a lack of awareness about their benefits. Adults also state other reasons for not seeking career guidance, such as the cost of services, or a lack of time.

#### Adults' awareness of career guidance services is low



Note: Percentage of adults who did not speak with a career guidance advisor over the past 5 years, by reason. Four countries participated in the survey: Argentina, Brazil, Chile and Mexico.

Source: OECD 2020 Survey of Career Guidance for Adults (SCGA), (OECD, 2021b).

## What can we do?

*“Our job counselling and orientation services prioritise target groups that may be facing higher barriers to access labour markets. [...] I think that the sum of efforts, the synergy and the inter-institutional coordination can be a successful strategy to create a kind of national career guidance system.”*

**Lucien Pedauga,**  
National Employment Service,  
Mexico

### Implement proactive outreach measures.

The lack of awareness and information on possible training options often play a role in explaining low participation. Equally, the lack of visible benefits of training (e.g. career progression, higher wages, more satisfying work opportunities) prevents people from taking up training. This is why active outreach is key to engaging adults in training, ideally combined with guidance focussed on people’s professional history and aspirations.

- *Hacemos Futuro* (We create the future), now subsumed under the Potenciar Trabajo programme in **Argentina**, leverages community leaders to reach out to low-skilled adults. The programme supports early school leavers in gaining primary and secondary level qualifications. It also provides access to vocational training. Potential participants receive the relevant information via Whatsapp and bring together people in their community to pass on this information. This is particularly relevant in a context with low digitalisation and internet connectivity (Gobierno de Argentina, 2021b).
- The **Peruvian** *Programa Nacional para la Empleabilidad* (National Employability Programme) was created in the end of 2020 and targets the population aged 18-64 in extreme poverty, poverty, or those who experience other vulnerabilities on the labour market. It offers training, comprehensive assistance, the certification of competencies and other employment services. Training and services are provided in-person, virtual, or as a combination of the two (OECD, 2019b; Gobierno del Perú, 2021).

### Display all guidance options in a centralised location.

Once individuals decide to seek guidance on how to find training opportunities, it needs to be easy for them to find the right information. Widely known, centralised portals are a good solution, as they can serve as one-stop-shops, providing labour market information, assessing skills and preferences and directing adults to available services that correspond to their need. This can be initiated by a single actor or ideally involve several main stakeholders of the adult learning/ career guidance landscape.

- In several countries, online guidance portals have been strengthened in recent years, for example the *Bolsa Nacional de Empleo* (National Employment Exchange) in Chile, the *Observatorio Laboral* (Labour Observatory) in **Mexico** or the *MiTrabajoFuturo* (MyFutureWork) website in **Uruguay**. Most of them serve as an entry portal that centralises all offers available, such as a guidance telephone line, referral to guidance offices across the country, chats, guidance via email or combinations such as co-browsing: talking to a guidance counsellor on the phone while the counsellor explains and shows how to navigate the guidance platform.



## Action 3

### Develop quality assurance systems and skills certification

#### Why is this important?

In order to ensure that investments in training provide value for money, education and training need to be of high quality. High-quality provision is also key to build trust in the adult learning system, especially for non-formal training, and can function as a marker of distinction for providers. Whether their funding is private or public, meeting quality standards can make providers more accountable to their stakeholders and students.

A culture of continuous programme improvement contributes to promoting providers' future performance and creating a virtuous circle in the whole education and training sector (OECD, 2021c). In Latin America, this is particularly important given the unequal quality of initial education and training provision.

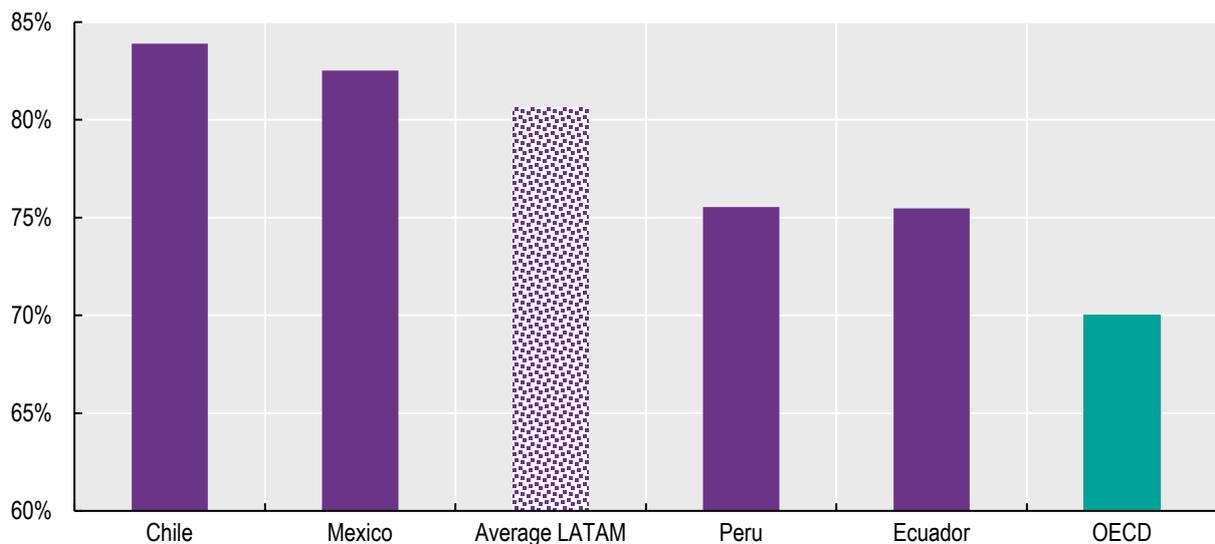
In addition to quality assurance, certification enables individuals, particularly the most vulnerable, to make their skills visible and valuable in the labour market. It is a way to formally assess and demonstrate skills and knowledge acquired in non-formal or informal ways, for example through work experience, or during a training course. While many countries in Latin America have regulation in place for the certification of skills in particular sectors or industries, very few have a coherent, nation-wide framework of certification.



#### Did you know?

An important part of adult learning takes place in informal, less structured ways. In Latin America, close to 80% of adults participate in informal job-related learning, while the OECD average is 10 percentage points lower.

Participation in informal job-related learning is comparatively high in Latin America



Note: Percentage of workers who participate in informal job-related learning. Informal learning is defined as learning from others, learning by doing, or keeping up-to-date with new products or services at least once per week. OECD refers to the average across all OECD countries. Average LATAM includes data from Chile, Mexico, Peru and Ecuador.

Source: OECD (2020a), Survey of Adults Skills (PIAAC) (2012, 2015), (database), [www.oecd.org/skills/piaac](http://www.oecd.org/skills/piaac).

## What can we do?

*“Hiring for skills rather than degrees, and moving towards shorter training alternatives and more versatile credentials than traditional university degrees is the trend we are seeing in the market. And that might actually be good news for equality and for closing the skills gap faster.”*

**Mercedes Mateo Diaz,**  
Inter-American Development Bank

### Set up quality assurance systems for adult learning.

Ensuring that training providers respect universal minimum quality requirements ideally needs to be encouraged by public stakeholders. Using guidelines and examples of good practices can also inspire providers to engage in quality development efforts (OECD, 2021c). This requires building the capacity of providers to implement quality criteria. Standardising certain aspects of training programmes, such as curriculum setting, teachers training and credentials, class sizes and assessment methods, is also a good way to increase the quality of adult learning systems. It makes training comparable across the country, increases acceptance by employers, guarantees transparency and facilitates the step-by-step completion of training modules that build upon each other, where available.

- **PRONATEC** (National Program for Access to Technical Education and Employment) in **Brazil** is a large scale adult learning program that aims to expand the offer of vocational education, increase its quality and create incentives to enrol in free-form short adult training courses. The Ministry of Education assures quality through defining specific requirements for training providers, including minimum qualifications for instructors. This limits the heterogeneity in the quality of training by restricting the type of institutions that can offer training courses. The Ministry also recommends training providers to monitor students' outcomes after they finish the course. SENAI technical school have developed a systematic survey to track students after the training to evaluate the quality of their training courses (OECD, 2018a).
- In eight countries in the region (**Colombia, Costa Rica, Dominican Republic, Guatemala, Mexico, Nicaragua, Paraguay, Peru**) there are policies that regulate the quality of initial teacher training. Generally, teacher training institutions and universities are autonomous, but are monitored and evaluated through different systems of quality assurance in order to assure that they comply with national standards (UNESCO, 2016).

### Establish a framework for the certification of informally acquired skills.

Such a framework is a way to set sectoral competence standards, align the certification of skills with local labour market needs and oversee the quality of training. Some countries in Latin America already have a framework of skills certification as well as a public body responsible for it.

- In **Chile**, *ChileValora* is the public body that evaluates, recognises, and certifies non-formal and informal skills, competencies, and knowledge of individuals according to a nation-wide framework. It targets its services especially at workers with no formal qualifications.
- **CONOCER** (National Council for Standardisation and Certification of Labour Competences) is a public institution subordinated to the Ministry of Public Education in **Mexico**. Individuals can have their skills assessed through a network of service providers and receive a certification that is valid at national level.
- **Rede CERTIFIC** (National Network for Professional Certification, Initial, and Continued Training) in **Brazil** is a programme that aims to formally recognise the knowledge, skills and professional competencies acquired by individuals during their working lives. This recognition can lead to a certification with equivalence to a particular educational level (OECD, 2018a).



## Action 4

### Align training with labour market needs

#### Why is this important?

Imbalances between labour market needs and the population's skills and qualifications can have severe consequences for economies and societies. They can lead to shortages, whereby firms struggle to find workers with adequate talent, or surpluses, whereby adults with skills and qualifications in low demand face difficulties finding work. Countries with more pronounced labour market imbalances show lower productivity levels and higher wage inequalities, which can hamper economic development (OECD, 2016).

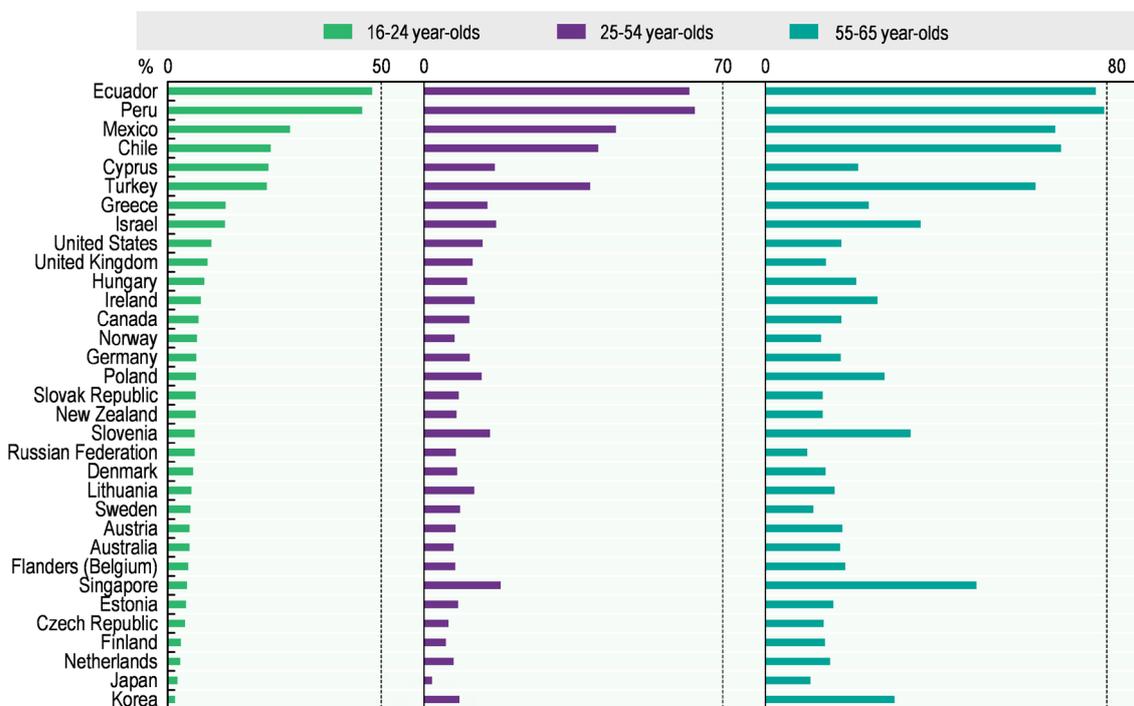
Evidence from the OECD Skills for Jobs database shows that 44% of workers in Latin America hold higher or lower qualifications than are required in their jobs, in contrast to 35% across OECD countries. This mismatch signals a lack of alignment between the educational offer and labour market needs. Part of the problem is also a relatively high share of the population lacking basic skills (see below), which contributes to persistent skill gaps. It is crucial to provide training that allows the workforce to develop skills for in-demand jobs, and to target adults whose skills are most at risk of becoming redundant.



#### Did you know?

In international comparison, youth and adults in Latin America still often lack basic skills. Despite significant improvements in younger cohorts, more than half of all prime age adults in Ecuador and Peru, 45% in Mexico and 41% in Chile lack basic skills.

#### The share of adults lacking basic skills in Latin America is high in international comparison



Note: Percentage of youth (16-24), prime age adults (25-54) and older people (55-65) lacking basic skills, by country. Individuals lacking basic skills score at most Level 1 (inclusive) in literacy and numeracy and at most Level 1 in problem solving. Year of reference is 2015 for Chile, Greece, Israel, Lithuania, New Zealand, Singapore, Slovenia and Turkey, 2017 for Ecuador, Hungary, Mexico, Peru and the United States and 2012 for the remaining countries. Source: Survey of Adults Skills (PIAAC) (2012, 2015, 2017), (database), [www.oecd.org/skills/piaac/](http://www.oecd.org/skills/piaac/).

## What can we do?

*“In the design of the Programa de Inserción Laboral Acelerada (PILA), we consulted with our partner companies to understand their employment requirements for the coming months, what kind of people they were looking for, and what skills they needed.”*

**Marina Levin,**  
Randstad  
Argentina

### Develop skills assessment and anticipation exercises.

Many countries attempt to assess and anticipate labour market needs through forecast and foresight surveys, conducted at different levels of government and by different public or private bodies. These exercises can generate information about the current and future skills needs of the labour market (skill demand) and the available skill supply. To reach this objective, skills assessment and anticipation (SAA) exercises need to be well aligned with potential policy uses, e.g. sufficiently disaggregated at the regional, sub-regional or sectoral levels. The information can then be used to tailor training to the identified labour market needs.

- In **Chile**, the public employment services use information on labour demand, collected through interviews, surveys and roundtables. In **Brazil**, different ministries can submit requests to the Ministry of Education for creating specific training programmes that correspond to the identified skill needs, as part of the *PRONATEC* programme.
- In **Mexico City**, the *Diagnóstico de Competencias Demandadas* (DiCoDe, Demanded Skills Diagnosis) is a tool that collects, structures and visualises information on local labour demand and supply using web scraping algorithms. The objective of DiCoDe is to reduce information asymmetries between job seekers and employers, identify in-demand competences, inform training policies and monitor labour market developments.

### Steer the training choices of individuals and providers towards skills in demand.

Guidance services for individuals can be a good tool to encourage them to take up training and develop in-demand skills (see also Action 2). Restricting publicly-funded training options to those aligned with labour market needs is another option. Alternatively, providing more generous incentives for participating in in-demand training courses may encourage adults to develop future-ready skills. Digital skills have received particular attention by governments wanting to align training with skill demand.

- The *Centros de Inclusión Digital* (Centres for Digital Inclusion) in **Mexico** provide basic training on technology topics such as robotics, entrepreneurship and innovation, digital inclusion as well as English.
- Several countries have implemented initiatives to improve digital literacy. **Uruguay** and **Peru** have both introduced *National Digital Literacy Plans* (Plan Nacional de Alfabetización Digital). Their goal is to train individuals in information and communication technologies (ICT) skills, the use of computer tools as well as mobile devices (Lapeyre, 2016). **Argentina** has a *National Digital Inclusion Plan* (Plan Nacional de Inclusión Digital) with similar objectives (Gobierno de Argentina, 2021a).
- *Digital Talent* for Chile is a public-private initiative in **Chile** that offers inclusive digital skills training. The program seeks to improve the employability of vulnerable groups with low skills through pilot programs and initiatives that allow participants to develop skills to access quality jobs, in line with the demands of the digital economy (Fundación Chile, 2021).
- In **Costa Rica**, the *Programa de Innovación y Capital Humano para la Competitividad* (Innovation and Human Capital for Competitiveness Programme) developed by the Ministry of Science, Technology and Telecommunications, the IDB, and the Coalition of Development Initiatives (CINDE), is a scholarship

programme in areas of high labour demand. The benefit covers 100% of the cost of the training in the areas of science, technology and innovation. The objective of the programme is to support individuals to improve their skills in the fastest-growing areas of the labour market, and thereby to contribute to the country's competitiveness (MICITT, 2021).

### **Involve employers in the design of training.**

Training provided in companies or in cooperation with employers ensure that workers are being trained in skills that are in demand. In Latin America, 63% of workers who participated in training report to have received funding from their employer for at least one learning activity<sup>1</sup>. However, individuals working in micro to small firms in Latin America are almost half as likely to receive any training compared to individuals working in firms of similar size across OECD countries (OECD, 2020a). Public incentives can encourage companies to provide their employees with transferable, not strictly company-related training courses. Collaborations between companies, particularly those working in the same sector, are widespread in Latin America and often promoted by government.

- The **Argentinian** Ministry of Labour, Employment and Social Security has implemented the *Programa de Inserción Laboral, PIL* (Labour Insertion Programme), based on the cooperation among several companies that combined efforts to train individuals from the surrounding neighbourhoods in skills projected to be needed in the near future. The programme includes cooperation with neighbourhood representatives, functioning as a kind of tutor or mentor.
- **Argentina** and **Costa Rica** have set up country-level apprenticeship networks with the objective to promote work-based training opportunities for vulnerable and marginalized youth. The project proposes several actions to be taken at the national level to promote work-based training. The networks are set up with the support of GAN (Global Apprenticeship Network) in co-operation with key stakeholders, to increase awareness and coordination and to promote increased private sector investment in work-based learning (WBL) programmes.
- The Sistema S in **Brazil** is a network of industry-led institutions providing training services for the industrial (SENAI), commercial (SENAC), transportation (SEST SENAT) and rural (SENAR) sectors (Inter-American Development Bank, 2015). While these institutions are mainly financed through a compulsory payroll tax, they are managed by industry bodies, which creates a strong link between vocational training and labour market needs. Involved institutions are based on a partnership between government organisations and stakeholders such as employers' associations, rural labour unions, cooperatives and other associations in their respective sectors (SENAC, 2018; SENAI, 2021a; SENAT, SEST, 2021; SENAR, 2021).
- The *Consejos Sectoriales* (Sectoral Councils) in **Argentina** are tripartite sectoral bodies that include representatives of workers, employers and the government. They meet regularly, with the aim of finding a consensus for short- and medium-term skills policy. The role of the Sectoral Councils is to define competence standards for particular occupations, identify sectoral skill needs, and develop relevant training programmes as well as recognition of prior learning processes (ETF, CEDEFOP and ILO, 2016).

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<sup>1</sup> On average across the Latin American countries which participated in the OECD Survey of Adult Skills (PIAAC) in 2015 (Chile, Ecuador, Mexico and Peru).



## Action 5 Streamline the governance of adult learning and associated funding

### Why is this important?

Governments in Latin America are challenged to develop good adult learning policies and diversify sources of funding, bringing together national stakeholders. Unfortunately, most countries in Latin America lack a clear framework for adult learning or a national skills strategy (OECD, 2020a; OECD, 2019c; OECD, 2018a).

On average, Latin American countries spend almost half as much as the average OECD country on active labour market policies, of which training is a big part (OECD, 2020a). National Training Institutions (NTIs) have been a traditional way to provide training in the region. NTIs are public agencies that are often financed with a specific tax on the payroll of formal workers. Although investments in National Training Institutes (NTIs) are sizable, their effectiveness could be strengthened to reach a larger share of workers.

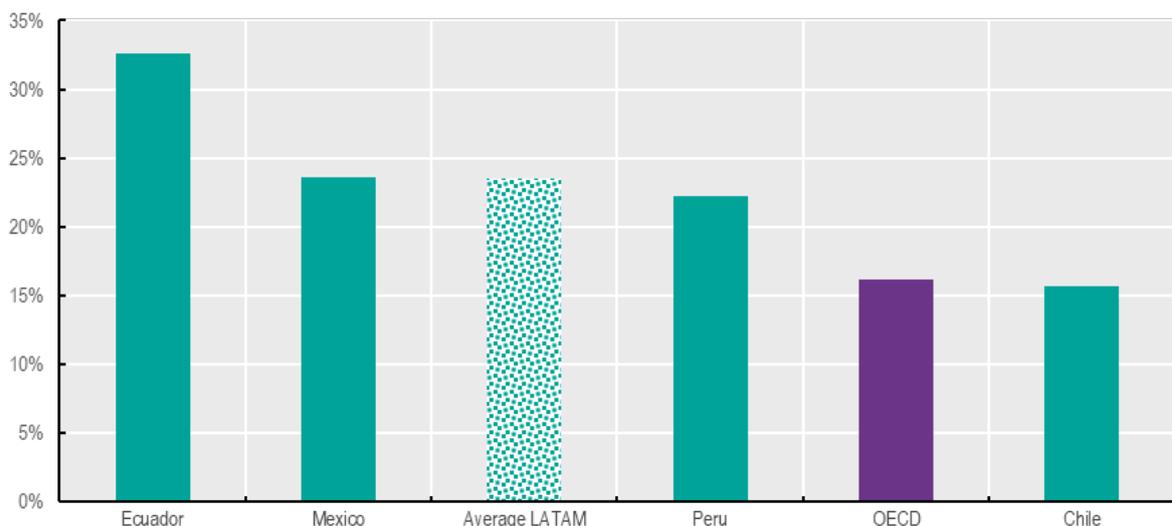
While investment in adult learning has benefits for individuals, companies and government, the costs are not equally shared. In particular, investment by employers remains low, due to a range of barriers such as the lack of information, capacity and/or resources.



### Did you know?

The most commonly reported barrier to participating in adult learning was the cost of training or education, cited by one in four adults. Cost was followed closely by other reasons, including being too busy at work (24%) and childcare or family responsibilities (17%), according to the Survey of Adult Skills (PIAAC). Smaller barriers were an inconvenient time or place for training as well as a lack of support from employers (OECD, 2020a).

**The cost of adult learning is a key barrier to participation**



Note: Percentage of adults who wanted to participate (more) in learning, but did not because it was too expensive. Data includes formal and non-formal job-related education and training and in Latin America covers Ecuador, Chile, Mexico and Peru. OECD refers to the average across all OECD countries. Source: Survey of Adults Skills (PIAAC) (2012, 2015), (database), [www.oecd.org/skills/piaac](http://www.oecd.org/skills/piaac).

## What can we do?

“There has to be state intervention to ensure a strategic vision for the provision of education and training. [...] Vocational training and labour market policies are often run in parallel, however, their coordination and integration is fundamental.”

**Gerhard Reinecke,**  
International Labour Organisation,  
Santiago

### Develop and adopt a national skills strategy.

The purpose of such a strategy is to improve the governance of adult learning, steer policy development, and improve coordination between adult learning stakeholders. Ideally, strategies on adult education take a whole-of-government approach, involve all major stakeholders and social partners, and set concrete objectives (OECD, 2020b; OECD and ILO, 2020).

- Several Latin American countries have set up tripartite bodies that engage social partners in policymaking processes and the governance of institutions responsible for employment policy. Examples are *CODEFAT*, an advisory body to the **Brazilian** Ministry of Economy, *CONOCER* in **Mexico**, *ChileValora* in **Chile** or the *Sectorial Councils for Job Skills Certification and Training* in Argentina (OECD, 2021b). This engagement can be built upon and expanded.
- Public Employment Services (PES) and National Training Institutions (NTIs) exist across Latin American countries and are important stakeholders to involve in the governance of adult learning. Examples are *SENCE* in Chile, *SENA* in **Colombia**, *INA* in **Costa Rica**, *INFOTEP* in the **Dominican Republic**, *SECAP* in Ecuador, *INADEH* in **Panama**, and *SNPP* in **Paraguay**.
- Some countries outside Latin America have national skills strategies, for instance, the **German National Adult Education Strategy** of 2019, or the **Malaysia Education Blueprint 2015-2025**, based on a process of public and stakeholder consultation.

### Design financial incentives for individuals and companies.

Effective financial incentives can help to reduce the cost of training for adults, boost participation and increase employers' investment in training. It is important to consider both the direct costs of the training services, but also the foregone earnings associated with taking time off work to participate in training.

- **Chile's** *Servicio Nacional de Capacitación y Empleo* (SENCE) provides different tax credits to firms to incentivise the training participation or skills certification of their employees, employment subsidies and other financial incentives for companies. In 2016, tax credits for training participation reached approximately 8% of the labour force, among them the most vulnerable workers (OECD, 2018b).
- The **Argentinian** Ministry of Labour, Employment and Social Security offers a tax credit to firms that train employed or unemployed workers. Firms submit a training project to obtain a tax credit for up to 30% of total wages, depending on company size (Ministerio de Trabajo, Empleo y Seguridad Social, 2021). Training for work (*Entrenamiento para el trabajo*) is another programme that provides economic incentives to firms for the training of apprentices. The Ministry pays a monthly grant to the apprentice, according to the size of the firm.
- The state of **Tlaxcala** (Mexico) runs *Supérate*, a cash transfer programme aimed at reducing extreme poverty that also promotes training among beneficiaries through its productive training component (*componente de entrenamiento en habilidades productivas*). Participants can take training courses for high-demand sectors (Gobierno del Estado de Tlaxcala, 2019).

## Main challenges and key actions

Main challenges	Key actions
<b>Action 1: Increase participation and inclusion in adult learning</b>	
Many adults in Latin America have low skills, but training participation is low due to barriers such as a lack of time and financial resources. Those adults who need reskilling and upskilling the most are the least likely to train.	Offer an integrated approach to training, particularly for vulnerable groups.
	Diversify the channels used to offer training for adults.
<b>Action 2: Offer accessible career guidance to all adults</b>	
The demand for career guidance has increased during the COVID-19 crisis, but career guidance for adults does not receive focused public policy attention. Many adults are not aware of existing services.	Implement proactive outreach measures.
	Display all guidance options in a centralised location.
<b>Action 3: Develop quality assurance systems and skills certification</b>	
Very few Latin American countries have a rigorous quality assurance system for adult education and training, which leads to highly heterogeneous offers.	Set up quality assurance systems for adult learning systems.
Informal job-related learning is widespread, yet most countries do not have clear standards for certification, which limits the visibility and portability of adults' skills.	Establish a framework for the certification of informally acquired skills.
<b>Action 4: Align training with labour market needs</b>	
Education and training is not well connected to labour market needs and relatively high shares of adults lack basic skills.	Develop assessments of current and emerging skill needs in the labour market to inform training content.
	Steer individuals' and providers' training choices towards skills in demand.
There is limited systematic exchange between training providers and employers on the skills needed in the labour market.	Involve employers in the design and provision of training.
<b>Action 5: Streamline the governance of adult learning and associated funding</b>	
Most countries in Latin America do not have a coherent, unified approach to the development of adults' skills.	Develop and adopt a national skills strategy.
Cost is the biggest barrier to the take-up of training for adults and the investment by employers remains suboptimal.	Design effective financial incentives for individuals and companies.

## Further reading

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