Labour Market Profile 2018

LO/FTF Council Analytical Unit

COLOMBIA

This updated profile provides a comprehensive overview of the labour market situation in the country.



Danish Trade Union Council for International Development Cooperation



PREFACE

The report is divided in eleven thematic sections including: trade unions, employers' organizations, tripartite structures, national labour legislation, violations of trade union rights, working conditions, situation of the workforce (with subsections: unemployment. sectoral employment. migration. informal economy, child labour, gender, and youth), education (with a subsection of vocational training), social protection, general economic performance, and trade. Additionally, the Appendix presents a list of approved labour market related legislations as well as status of ratification of International Organization (ILO) Conventions.

Data are used from international databanks (e.g. the International Labour Organisation's (ILO) Key Indicators of the Labour Market (KILM) and NATLEX as well as the World Bank's World Development Indicators), national statistical institutions and ministries. Information is also collected from the International Trade Union Confederation (ITUC), U.S. Department of State, media sources (e.g. LabourStart, national news, etc.) along with trade unions centers, employers' organizations, NGOs, among others.

Several indexes such as the Global Rights Index, the Doing Business Index, the Governance Indicators, the Human Development Index and the Global Competitiveness Index are used as proxy indicators of the labour market's environment. The indexes' methodologies and the data quality can be followed by the sources' websites.

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ACKNOWLEDGMENTS

The LO/FTF Council is the Danish trade union council for international development co-operation. It was established, under a slightly different name, in 1987 by the two largest Danish confederations: the Danish Federation of Trade Unions (LO) and the Danish Confederation of Salaried Employees and Civil Servants (FTF). The organization activities are related to: i) to support democratic development of the trade union movements in Africa, Middle East, Asia and Latin America; and ii) to contribute to democratic development in the societies in which the unions operate.

This Labour Market Profile is prepared by the LO/FTF Council Analytical Unit in Copenhagen with support from the Sub-Regional Office in Latin America.

All other labour market profiles of the countries where LO/FTF Council operates are available at our website: http://www.ulandssekretariatet.dk/content/landeanalyser

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EXECUTIVE SUMMARY

he Republic of Colombia has experienced a solid economic growth during the last ten years. This has mostly been driven by the extractive industries along with an expanding service sector. However, a recent drop in commodity prices has hurt the country's exports, and GDP per capita growth rates have been declining in recent years. Even though the productivity has increased throughout the last decade, Colombia is still below the Latin America & Caribbean (LAC) average. The increased productivity has mostly been limited to the capital intensive extractive sectors, and there has been no fundamental change in the aggregate sector employment, so certain sectors remain underdeveloped and unproductive. Still, the economic growth has caused a significant reduction in the number of working poor, and the middleclass in Colombia is growing. However, in terms of income Colombia still remains one of the world's most unequal countries.

Reforms of the national labour market legislation have been approved in recent years, but both the International Labour Organization (ILO) and the International Trade Union Confederation (ITUC) have still registered several flaws in both recent and older legislation with regards to international labour standards. Therefore, the judicial system fails to protect the freedom of association, and trade unions are still experiencing all sorts of harassment including anti-union sentiments, physical violence, murders along with legislation that make it possible for employers to circumvent the labour code, so that workers do not receive the salaries or social benefits they otherwise would be entitled to. Unions also experience problems with legislation that allows for employers to do collective bargaining agreements with non-unionised workers, and employers do not have to extend the negotiated terms to all relevant workers if the representation is lower than a third. These conditions have resulted in very low collective bargaining agreement coverage of just 1.2% of the Colombian workforce.

Structural deficiencies are also showcased in the business environment which is ranked at a medium level. Taxes and hiring/firing practices are considered problems by Colombian employers, and these aspects are contributing factors to a massive informal economy that has been suggested to employ as many as 62%. Furthermore, the yearly revised minimum wage was launched in January 2018 with an increase of 5.9% from 2017. The minimum wage is fairly high compared

to the value added per worker, which discourages employers from formalising more jobs. Creating decent employment in the formal sector therefore remains a major structural challenge with a large segment of the informal workers not receiving the minimum wage.

The unemployment rate in Colombia is higher than the South American average, and there are still deep gender gaps on the Colombian labour market. While women are less present on the labour market, they are well represented in the educational system, especially in tertiary education. Generally, the enrolment in tertiary education is on a fast increase in Colombia, superseding the LAC average, indicating that the future Colombian workforce will be better educated than previous generations. However, the unemployment rate is currently higher for those with tertiary education, and a challenge will be to create decent jobs for the many new graduates. The ratio of pupils in vocational training remains fairly low in Colombia, even though there are suggestions that vocational training has a significant effect on the chances of entering formal employment.

While the November 2016 peace accord with FARC is a positive step supported by the unions, it provides the extra challenge of integrating the ex-combatants into the economy. Migration flows also constitutes a challenge for the labour market with many Colombians being internally displaced, and recently many Venezuelan migrants have crossed the border fleeing from political conflict and economic deprivation.

The coverage and incidence of unemployment insurance is still fairly limited in Colombia, and the proportion of elderly receiving an old age pension remains low. On a more positive note, Colombia's healthcare protection coverage has been estimated at 88% of the population, and the country has one of the lowest out-of-pocket financed health-care expenditures in the region.

Although the number of trade union members has been increasing in recent years, the trade union density, i.e. ratio of trade union members to the total workforce, has remained flat. There are reports stating that employers avoid negotiating with industrial unions, federations and confederation which makes it almost impossible so secure national or even sectoral labour standards. Also, the Colombian trade union movement is not one cohesive unit, but consists of six main organisations complicating negotiations further.

Colombia Page ii



COUNTRY MAP



Source: Google

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TRADE UNIONS

The labour law provides the right of workers to form and join unions, bargain collectively, and conduct legal strikes. It prohibits antiunion discrimination. Members of associated workers' cooperatives are not allowed to form unions as members of a cooperative are characterized as owners. The law prohibits members of the armed forces and police from forming or joining unions. The law also provides for automatic recognition of unions that obtain 25 signatures from potential members that comply with a registration process.¹

According to Escuela Nacional Sindical's (ENS) August 2017 report, there were around 5,449 trade unions in Colombia with approximately 1.02 million members in June 2016. This means that only 4% of the labour force was part of a trade union in 2016, and even for only wages and salaries workers, the trade union density is just 9.1% (Table 1 and Figure 1).

Table 1: Status of trade unions in Colombia, 2016

Table 1: Status of trade unions in Colombia, 2016			
Number of Active Trade Unions	5,449		
Members of Trade Unions	1,025,754		
Ratio of Trade Union Members to Total Labour Force	4.0 %		
Trade Union Members to Employees	9.1%		
Women Member Share of Trade Unions	N/a		
Affiliated Trade Unions from the Informal Economy	N/a		

Source: <u>Escuela Nacional Sindical - SISLAB – August 2017 Report</u> and the trade union member ratios of labour force and waged workers are based on LO/FTF Council calculations.

Looking at sectoral distribution of trade union members in Colombia (Table 2), it is evident that the largest contributor, both in terms of number of unions and membership, is the service sector. However, there are major differences within the service sector in terms of level of organisation. The largest sub-sector is community, social and personal services, which cover large and relatively well organized groups such as teachers and the public servants. Just 20% of the total workforce work within this subsection (see also the section: Sectoral Employment), but 51% of all trade union members in Colombia belongs to this category. Trade, restaurants/hotels employ the most people, 27% of the workforce, but only 9.4% of the union members come from this subsector. For the industrial sector, the percentage of union members roughly corresponds to the percentage of the total workforce, while the agricultural sector contributes with fewer trade union members compared to the size of the workforce.

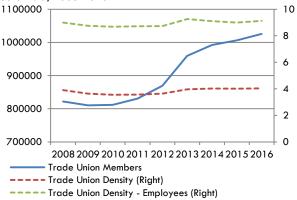
Table 2: Number of Trade Unions and Membership per Sector in Colombia, 2016

-				
Subsector	Number of Unions	%	Union Members	%
Agriculture, Hunting & Forestry	540	9.9%	92,750	9.0%
Mining & Quarrying	75	1.4%	18,901	1.8%
Manufacturing	620	11%	120,583	12%
Electricity, Gas & Water	88	1.6%	30,355	3.0%
Construction	124	2.3%	7,921	1.0%
Trade, Restaurants & Hotels	865	16%	96,796	9.4%
Transport, Storage & Communication	536	10%	85,940	8.4%
Finance, Real Estate & Business Services	220	4.0%	40,582	4.0%
Community, Social and Personal Services	2,180	40%	524,788	51%
Activities not Defined	201	3.7%	<i>7</i> ,138	1.0%
Total	5,449	100%	1,025,754	100%

Source: Escuela Nacional Sindical - SISLAB – August 2017 Report

Until the late 1980's and early 1990's, Colombia had one of the most organised workforces in Latin America. Afterwards, trade unions have been hit hard by several decades of anti-union violence, sentiments and impunity of violations of the labour law as the Colombian government has failed to protect workers' rights and safety (see also the section: Trade Union Right Violations). 2 So while the absolute number of trade union members has gone up in recent years, the trade union density (the ratio of union members to total labour force) has remained almost unchanged since 2008. This means that the number of labourers who are not members of a trade union has actually increased in the same period (Figure 1). Among those who are considered wage and salaried workers, i.e. those with formal contracts, the density has not changed much either during the same period.

Figure 1: Trade Union Membership & Density Trends in Colombia, 2008-2016



Note: Density trends are based on ${\it LO/FTF}$ Council calculations using ${\it ILO}$ data on the workforce.

Source: ILO, ILOSTAT & Escuela Nacional Sindical - SISLAB



Confederation of Workers in Colombia (CTC)

CTC dates back to the 1930s, and has traditionally been associated with the Liberal Party.³ CTC is a civil society organisation, legally recognised as non-profit organisation, representing workers in formal bi- and tripartite negotiations with the government and employers. CTC has around 250,000 members (Table 3), and is composed of regional and national federations from all sectors of the economy such as the private, public, informal, urban and agricultural sector. Regionally, CTC is a member of the Confederación de Trabajadores de las Américas (CSA) as well as Coordinadora de Centrales Sindicales Andinas (CCSA). Globally, CTC is affiliated with the International Trade Union Confederation (ITUC)⁴

On a national level, some of the major themes dealt with by the CTC in 2017 have been the protests against several government policies. The CTC has been protesting the raise in minimum wage which they deemed too little in comparison with the living costs in Colombia. In addition, they have been advocating against a raise in health care expenses for pensioners, and while a compromise was reached for the start of night hours was reached, they will continue to negotiate towards night compensations starting at 6 p.m. compared to the current 8 p.m. time. Internationally, the CTC has had meetings with the OECD, campaigning against the induction of Colombia into the OECD in an attempt to block the introduction before the government has taken steps to improve labour conditions and freedom of association in the country.⁵

General Work Confederation in Colombia (CGT)

CGT was founded in 1971 is a civil society organisation, legally recognized as non-profit organisation, representing workers towards employers and governments in formal bi- and tripartite institutions of the labour market. CGT is composed of regional and national federations from all sectors of the economy, but has primarily been representing state bureaucrats and rural informal workers. Some of the historically important unions have been UTRADEC, state and public sector workers, and ANUC, National Association of Peasant Farmers. Internationally, CGT is affiliated with ITUC.6

Some of the main areas of focus for the CGT in 2017 have been the newly signed peace agreement with FARC, where the economic development of previous conflict zones are a priority, as well as promoting the pensioners and community mothers' cause along with fighting the general anti-union environment in Colombia.

Furthermore, CGT has been working in the interest of the public sector workers in Colombia where they have worked to gain decent employment and avoiding outsourcing.⁷

Central Union of Workers (CUT)

CUT was created in 1986 by affiliates from preexisting trade union centres. CUT is a civil society organisation, legally recognized as non-profit organisation, representing workers towards employers and governments in formal bi- and tripartite institutions of the labour market. CUT is appointed union representative in tripartite commissions, such as the permanent commission on minimum wages and National Council on occupational health and safety. The two largest unions in Colombia, the teachers union (FECODE) and the agricultural workers' union (FENSUAGRO), are affiliated to CUT, and internationally CUT is a member of the global umbrella organisation ITUC.8

During 2017, the CUT has had three main causes which are all continuations from previous years. The CUT has worked with ITUC and TUCA in order to get the Colombian government to ratify ILO conventions along with limiting the free trade agreements hurting labour rights. Domestically, CUT has argued for a further increase in the minimum wage set by the Colombian government beside compensation rules for night and weekend work. They have also resisted the outsourcing of more public services. Furthermore, the CUT is working for the integration of demobilised FARC combatants and is promoting peace talks with ELN.9

Table 3 below provides a brief overview over the membership numbers of the three major trade union confederation described above.

Table 3: Membership Numbers for Trade Union Confederations in Colombia 2016

	Total Members	Proportion of Total Members
CTC Colombia - Confederation of Workers in Colombia	250,000	17 %
CGT Colombia - General Work Confederation	700,000	48 %
CUT Colombia - United Workers Confederation of Colombia	510,455	35 %
Total	1,460,455	100 %

Note: These numbers are from a different source and therefore vary from numbers presented in previous tables and figures.

Source: International Centre for Trade Union Rights (2016), Trade Unions of the World 2016, 7th Edition Published by ICTUR



EMPLOYERS' ORGANISATIONS

Employers constitute 4% of the total employment in Colombia (see more on Figure 7). The Global Competitiveness Index provides the employer's view on a wide range of indicators related to competiveness on the labour market in a given country. Looking at Table 4, it is apparent that Colombia is being ranked at a mediocre level by the employers. Colombia especially has problems when it comes to hiring and firing practices as well as effect of taxation on the incentives to work where the country is ranked as 101 and 107, respectively. The two best rankings are in flexibility of wage determination and cooperation in labouremployer relations, with the latter being a little surprise given the long history of conflicts between unions and employers in the Colombian society (see section: Trade Union Rights Violations).

Table 4: Labour Market Efficiency in Colombia, 2016-2017

Table 4. Eabout Market Efficiency III Colombia, 2010-2017			
Indicator	Rank	Value	
Overall	81	4.1	
Cooperation in labour-employer relations	48	4.6	
Flexibility of wage determination	43	5.3	
Hiring and firing practices	101	3.4	
Redundancy costs (weeks of salary)	72	16.7	
Effect of taxation on incentives to work	107	3.4	
Pay and productivity	87	3.7	
Reliance on professional management	78	4.1	
Country capacity to retain talent	72	3.5	
Country capacity to attract talent	84	3.1	
Women participation in the labour force	86	0.75	

Note: Rankings are from 1-138 with 1 being best. Values are on a scale of 0-7 with the exception of redundancy costs.

Source: World Economic Forum, Global Competiveness Report 2016/17

National Business Association of Colombia (ANDI)

ANDI was formed in 1944, and is a non-profit organization with the objective of disseminating and promoting those economic and social policies that are directed towards free commerce based upon human dignity, political democracy, social justice, private property, and liberty. The ANDI group has been a strong proponent of free trade in Colombia, collaborating with similar organisations in the United States and Europe to lay out the frameworks of eventual deals between those countries. In addition, the organisation is affiliated to the International Organisation of Employers (IOE). The organisation represents approximately 1,100 companies within all sectors of the economy. As representative of the private sector's interests, ANDI assumes the representation of its members before national and international institutions, dealing with economic, legal, social, environmental, and business issues.10

Through 2017, ANDI has been putting some emphasis on innovation and digitalisation of the Colombian Economy. Furthermore, the organisation has been working to improve the education of students and workers in Colombia through stronger cooperation between businesses, government and universities. There has also been some focus on the mining/energy sectors with ANDI holding a conference attempting to make stakeholders such as government representatives, businesses and academics share their knowledge and create a platform for cooperation.¹¹

CENTRAL TRIPARTITE STRUCTURES

Mediation and Arbitration

Labour disputes are governed by the Labour Law. Due to legal reform in 1990s, the government dropped most provisions on mediation of industrial disputes in the private sector, which used to be mandatory. For conflicts related to public and other essential services, as well as for conflicts that could not obtain absolute majority of the company's workforce, a compulsory arbitration tribunal has been installed. The tribunal consists of a company and union representative as well as an arbiter that has to be approved by both parties. In case the two parties cannot agree, the Ministry of Labour assign an arbiter. The number of arbitration tribunals increased between 2010 and 2014, but the share of cases that ended in agreement has dropped (Table 5). According to the National Trade Union School (ENS), the arbitration tribunals are often delayed by companies or the Ministry of Labour, often by withholding the appointment of an arbiter, in order to wear out the union. 12

Table 5: Number of arbitration tribunals convened and solved, 2011-2014

	July 2011 - Apr 2012	July 2012 – June 2013	July 2013 – June 2014
Tribunals convened, number	49	103	165
Assignation of an arbiter, %	61 %	57 %	70 %
Reached agreements, %	41 %	21 %	28 %

Source: OECD Reviews of Labour Market and Social Policies, Colombia, 2016

If disputes regarding freedom of association and collective bargaining cannot be solved by any other instances, the cases can be submitted to the Special Committee for the Handling of Conflicts referred to the International Labour Organization (ILO) (CETCOIT). There have been some improvements of this institution in



recent years, among others due to an independent facilitator. This has provided positive signals that social dialogue between employers and trade union federations can be beneficial. ¹³

The National Commission on Consultations regarding Wage and Policies of Colombia (Consejo Tripartito)

This institution was created in 1991 by the constitution, and is the main mechanism supporting social dialogue between the main actors of the labour market on work and wage policies, which include representative of the pensioners and a representative of the unemployed. It aims to promote good labour relations as well as contribute to settlement of collective labour disputes and it is made up by representatives from the government, employers and trade unions.

The head of the Labour Ministry chairs the commission and other members include the head of the Ministries of Finance, Agriculture, Commerce, Industry and Tourism as well as the National Planning Department. The employers are represented by ANDI, FENALCO ASOBANCARIA, SAC and ACOPI, while workers are represented by CGT, CUT, CTC, and CDP.¹⁴

Other bi/tripartite organs

 Inter-Institutional Commission for the Promotion and Protection of the Human Rights of Workers

Collective bargaining agreements

The negotiation of collective agreements is crafted by different contractual arrangements: i) collective labour agreements which are made with associated workers' cooperatives (CTAs); ii) Collective pacts; and iii) contractual trade union agreements. By Law 100 of 1993, the pension system is not covered by collective bargaining.¹⁵

Colombia has ratified both ILO conventions 87 on freedom of association and convention 98 on the rights to organise and do collective bargaining, but the ILO has registered problems with the implementation of both conventions. Many public-sector workers have the right to bargain collectively, and this was, to some extent, respected by the employers. However, several public services such as the police and military are, as previously mentioned, prohibited from forming unions and bargain collectively. It has been reported that the Colombian government has extended this to include several non-essential services such as workers in transportation, telecommunications, mining and civil servants not exercising the authority of the state, 17

thereby undermining the public servants fundamental labour rights.¹⁸

Furthermore, a problem with convention 98 is that the Colombian government allows for non-unionised workers to negotiate collective pacts (Pactos Collectivos) where the trade unions represent less than a third of the workers, which undermines the position of the unions. Furthermore, if the union involved in the negotiations doesn't represent more than a third of the workers, the company does not have to extend the agreed upon terms to the rest of the relevant employees within the enterprise. This has severe effects as there have been ubiquitous reports of companies refusing to negotiate terms with representatives from industrial unions, federations and confederations, making it almost impossible to establish national or even sectoral agreements. 19 Law no. 1453 from 2011 stipulates that those who grant collective pacts with non-unionised workers that provide better conditions overall than the terms agreed upon with unionised workers in the same enterprise, are liable to a 1-2 years and fine of between 100-300 times the legal minimum wage. In practice, this law has been difficult and complicated to apply as the judge has to assess what is the better agreement 'overall'.20

While unions being utilised as employers have been common practice for many years, Decree No. 36 of 2016, has failed to eradicate misuse of this legislation according to both CTC and CUT.21 Under a contractual trade union agreement/union service contract, Contrato Sindical, a company may contract the union, at times formed explicitly for this purpose, for a specific job or work, and the union then serves as an outsourcing agent for its members. The workers who belong to such an agreement with a company do not have a direct employment relationship with either the company or the union, so they are not covered by the labour code. Therefore they do not benefit from the rights it provides such as minimum wage, hiring and firing rules, affiliation to union and collective bargaining rights as well as social security benefits.²²

The Colombian trade union confederations have identified three main issues with this form of employment. First, it has extended the illegal use of intermediate labour arrangements. Secondly, it has perverted the union activity, and thirdly, it changes basic labour relations. ²³ The misuse of unions as intermediaries of illegal work was made possible in 2010, when the authority of signing the service contracts was transferred from the general assembly to



the union's president, which has caused the creation of many fake unions that supply labour services.²⁴

Looking at the number of collective bargaining agreements (CBAs) (Table 6), it is apparent that the share of regular union based agreements covers just around a third of the workers who were covered by agreements in 2015. About as many people were covered by both collective pacts and contractual trade union agreements as regular collective bargaining agreements made between the unions and the employers. This means that just 2.8% of the employees, i.e. those with a formal contract, and 1.2% of the total workforce were covered by collective bargaining agreements in 2015.²⁵

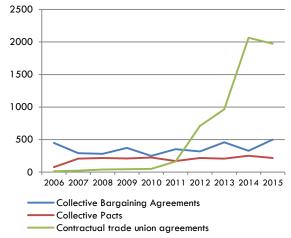
Table 6: Collective Bargaining Agreements in Colombia, 2015

2013		
Type of Agreement		Numbers
Collective Bargaining	Agreements	500
Agreements	Coverage	108,000
Collective Pacts (No	Agreements	216
Union Involvement	Coverage	100,875
Contractual Trade	Agreements	1,975
Union Agreements	Coverage	100,725
Total	Agreements	2,691
TOTAL	Coverage	309,600

Source: Escuela Nacional Sindical - SISLAB - August 2017 Report

The highest number of agreements made in 2015 was contractual trade union agreements. Thus, each agreement covers fewer people, but it is impossible to see from the numbers whether these were made in order to set up illegal labour arrangements. Looking at Figure 2, there is a very clear spike in the number of contractual trade union agreements after 2010, which coincides with the change in legislation that made it much easier to facilitate labour through so-called 'fake' unions. Examples of this tendency are two CBAs that were reached between the Port Worker's Union and Buenaventura employers Sociedad Portuaria Buenaventura and Tesca in June 2015. The agreements were the first collective bargaining agreements in the Buenaventura port in 24 years. Trade unions have argued that the majority of the 3,500 workers in the port were subcontracted and did not benefit from collective agreements and government social benefits.²⁶

Figure 2: Collective Contractual Agreement Trends in Colombia, 2006-2015



Source: Escuela Nacional Sindical - SISLAB - August 2017 Report

NATIONAL LABOUR LEGISLATIONS

Constitution

The Constitution from 1991 was last modified in 2015. The last major changes were from 2013, and cover the Labour Code in Article 25, 53 and 54. The constitution ensures the right of workers to unionise in Colombia through Article 39. 27 Several fundamental core principles were introduced with the latest modifications of the constitution: Equality of opportunity for workers, minimum basic remuneration which is flexible and proportional to the amount and quality of work, stability in employment; irrevocability of minimum benefits established in labour regulations; provision of a means to arbitrate conflicting rights; a situation more favourable to the worker in case of doubt in the application and interpretation of the formal bases of the law; the primacy of facts over established formalities in issues of labour relations; guarantees of social security; training, instruction, and adequate rest time, special protection of women, mothers, and minorage workers. The State guarantees the right of suitable payment and the periodic adjustment of legal retirement benefits. 28

Labour Code

The Labour Code from 1961 was last amended in 2017.²⁹ It regulates private employment relations. The Code establishes the laws applicable to employment agreements, wage, hours, collective bargaining agreements, vacation and sick time, and employment benefits.

The Colombian Labour Code is interpreted with both a territoriality and a reality principle. The territoriality



principle means that it is assumed that the Labour Code is applicable to all foreigners and nationals who render labour related services within Colombian territory. The Reality Principle means that any agreement where an individual obliges him/herself to provide to another person or entity a personal service under continuous dependence or subordination, remuneration for the work done, it is considered to be employment relationship (de-facto relationship). This does not change regardless of any changes in name or other conditions or modalities added to the agreement.30 In theory, this should mean that all workers in Colombia, regardless of whether the employment is in the formal or informal sector, are protected/covered by the Labour Code. The Code prohibits federations and confederations from calling strikes, which makes it extremely difficult to make legal general strikes as every single trade union need to call the strike separately.³¹

Other labour market legislations

Several other labour market legislations exist, which regulate and set standards and restrictions for the labour market. ILO registered as of November 2017, a total 691 national labour, social security and human rights related legislations. Overall, there have been implemented a series of decrees and legislative reforms with reference to the labour market during recent years (Table 7 and Appendix Table 30). 32

Table 7: Status of the national labour, social security and related to human rights legislations in Colombia

	2014	2015	2016	2017
Number of new	17	20	17	22
legislations	17	20	17	23

Source: ILO, NATLEX, Colombia

Observations on the Labour Legislation

There are several weaknesses in the Colombian labour legislation. These are primarily related to the overall themes of rights to organise, right to collective bargaining and the right to strike. The International Trade Union Confederation (ITUC) has registered the following issues:³³

- Anti-union discrimination
- Restriction on trade union's right to organise their administration
- Restrictions on the principle of free and voluntary bargaining
- Undermining of the recourse to collective bargaining and its effectiveness
- Ban or limitations on certain types of strike actions

- Undermining of the recourse to strike actions or their effectiveness
- Limitations or ban of strikes in certain non-essential sectors

The ILO has also noted several flaws of the Labour Code. Among others, the requirement that Government officials be present at assemblies convened to vote on a strike call; the legality of firing union organisers from jobs in their trade once 6 months have passed following a strike or dispute; the requirement that candidates for trade union offices belong to the occupation that their unions represent; the prohibition of strikes in a wide range of public services that are not necessarily essential; the Government's power to intervene in disputes through compulsory arbitration when a strike is declared illegal; and the power to dismiss trade union officers involved in an unlawful strike.³⁴

Ratified ILO Conventions

Based on the 2011 Colombian Action Plan Related to Labour Rights (also known as the Labour Action Plan), the government continues to take steps to protect internationally recognized labour rights. Today, a total 61 ILO Conventions are ratified (see also Appendix Table 31).

• Fundamental Conventions: 8 out of 8

Governance Conventions: 3 out of 4

• Technical Conventions: 50 of 177

The latest ratification was of C189 - Domestic Workers Convention, 2011 (No. 189) — in May 2014.35

TRADE UNION RIGHTS VIOLATIONS

During the last 25 years, the International Labour Organization (ILO) and many other international organisations have reiterated its deep concern about the grave situation of anti-union violence and the right to freedom of association in Colombia. Based on the ITUC's Global Rights Index, Colombia was ranked at 5 out of 5+ (5+ is the default level for countries with a complete breakdown in the rule of law) in 2017, and Colombia has been at this level since 2014 (Table 8). This ranking describes Colombia as a country with no guarantee of rights and among the "worst countries in the world to work in". While the legislation may spell out certain rights, the workers effectively have no access to these, and are therefore exposed to autocratic regimes and unfair labour practices.

Table 8: Global Rights Index, Colombia, 2014-2017

Tuble 6. Olobul Rights index, Colombia, 2014-2017				
	2014	2015	2016	2017
Ranking on the Global Rights Index	5	5	5	5

Source: ITUC, Global Rights Index

A wide range of violations of trade union rights have been registered in Colombia in recent years. ITUC reported that there were at least 266 violations of the life, liberty and integrity of union members in Colombia.³⁶ These cases are related to many different issues such as: collective bargaining violations, violations of freedom of association, anti-union dismissals, arrests, murders of trade union leaders, and threats against trade unions, anti-union practices, among others. 37 Forced labour including organised begging, mining, agriculture, and domestic service also remain serious issues. Not just union leaders but also social and political leaders are victims of violence, and Afro-Colombians, indigenous Colombians, and inhabitants of marginalized urban areas are at higher risk of assassinations, forced labour, domestic servitude, forced begging and recruitment by illegal armed groups.³⁸

In their August 2017 report, Escuela Nacional Sindical (ENS) reported the violations of trade union representatives in Colombia for 2014 and up until June 2016 as shown in Table 9. These show that union members in Colombia experience all sorts of violations, and that many are of the worst kinds.

Overall the numbers show that after a significant decrease in violence in 2015, the anti-union violence started to go up again in 2016. ENS also attempted to register the alleged perpetrators, and, according to ENS, the by far the biggest group was unidentified, which imply that there is a large degree of impunity when attacking trade union members. While most attackers were unidentified, paramilitaries were the most frequently alleged perpetrators, but state organisations and employers were also suspected offenders in one or more cases.³⁹ ITUC have detected a correlation between these cases and union political or educational activities surrounding the peace process between the government and FARC.⁴⁰ In 2017, the ITUC has recorded a spike in the violence against union leaders again with six murders happening between mid-May and mid-July alone.41

Table 9: Violations of the Life, Liberty & Integrity of Union Representatives in Colombia by Type, 2015-2016

Type of Violation	2014	2015	2016
Threats	242	87	186*
Harassment	77	19	13
Homicides	21	13	19*
Attacks With & Without injuries	24	10	17*
Arbitrary Detentions	1 <i>7</i>	5	4
Illegal Searches	2	2	2
Torture	1	4	1
Kidnappings	0	3	0
Forced Disappearings	0	2	0
Total	385	145	149

* Numbers are from the entirety of 2016, while the rest only go up until June 2016, and are therefore most likely to be even higher.

Source: Escuela Nacional Sindical - SISLAB — August 2017 Report * ITUC, Global Rights Index 2017

The Interior Ministry in Colombia has implemented the Protection Programme for Human Rights Defenders, Trade Unionists, Journalists and Social Leaders. The programme covers more than 10,000 individuals. But the Inter-American Commission of Human Rights Commission (IACHR) is concerned to note that on many occasions the beneficiaries of the Commission's precautionary measures must repeatedly undergo a "risk demonstration" process in order to receive State protection, even when the IACHR has already determined that they are subject to risk, at the moment of granting precautionary measures.⁴²

The ILO's Committee on Freedom of Association has registered a 208 complaint cases, of which 28 are active. Five of these are from 2017 (Table 10).

Table 10: Freedom of Association cases in Colombia, 2017

ILO Complaints Procedure	
Active	28
Follow-up	20
Closed	160

Source: ILO, NORMLEX, International Labour Standards country profile, Colombia

WORKING CONDITIONS

The monthly minimum wage is revised yearly and was increased January 1st 2018, to 781,242 pesos per month (US\$273) (Table 11), which is an increase of 5.9% from the 2017 minimum salary. Likewise, the transport allowance was increased by 6.1% to 88,211 Pesos (US\$30.8) per month.⁴³ Approximately 2.5 million people in Colombia receive the minimum wage, which is highly important in Colombia because many salaries and pension contributions, especially in the public sector, are calculated based on the minimum salary.⁴⁴



Looking at the ratio of minimum wage to value added per worker, which is an indicator of difficulty of hiring, it is apparent that is very low (the scale goes from 0-10), meaning that the Colombian minimum wage is fairly high compared to the value added per worker, which discourages the hiring of more people. The relatively high minimum wage compared to value added per worker could also, to some degree, explain the high degree of informality in the Colombian economy (see section on informal economy).

Table 11: Wages and Earnings per month in Colombia

Tuble 11. Wages and Ear	Current Colombian Peso	Current US\$
Minimum Wage (2018)	781,242	273
Mean earnings of employees (2015)	1,283,520	467
Ratio of Minimum Wage to Value Added per Worker	0.3 *	
Real Minimum Wage Growth 2014/18	27 %	

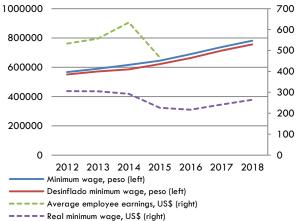
^{*} Ratio of minimum wage to value added per worker denotes the minimum wage share of labour productivity.

Source: WageIndicator.org, ILOSTAT, Earnings and Labour Cost,

Source: <u>WageIndicator.org</u>, <u>ILOSTAT</u>, <u>Earnings and Labour Cos</u> <u>World Bank</u>, <u>Doing Business Index</u> and LO/FTF Council calculations

The minimum wage in Colombia has been on an upward trajectory for the last five years, even when taking into account the effects of inflation in consumer prices (Figure 3). However, many people in the large informal economy receive less than the minimum wage.

Figure 3: Minimum Wage & Average Monthly Employee Earnings in Colombia, 2012-2018



Source: <u>IMF - Inflation Forecast</u>, <u>Salariominimocolombia.net</u> <u>& ILO - ILOSTAT - Earnings</u>

There are reports that many people in Colombia are especially struggling with increasing food prices that are triggered by a truckers strike, weather phenomenon El Niño and free trade agreements that have caused basic family products, previously produced in Colombia,

to now be imported.⁴⁵ This constitutes a problem, as the Colombian Peso has been weakened which increases the prices on imported goods.⁴⁶ Furthermore, the VAT was increased from 16% to 19% in January 2017 as part of a larger tax reform, which have increased the consumer prices even further (the increase in VAT is not included in Figure 3 below). ⁴⁷

The Labour Law provides for workers' occupational safety and health in the formal sector. It does not, however, cover the workers from the informal economy, including many mining and agricultural workers. Enforcement of labour regulations is lacking in Colombia with many of the governments labour inspectors lacking training in occupational health and safety issues. Labour inspectors are also undertaking administrative actions to enforce the minimum wage regulations in the informal sector, but, according to the unions, the attempts have been mostly unsuccessful so far. The unions claim that there is a general failure to collect the fines that are actually being dealt to employers dealt so the inspections fail to discourage violations of the labour regulations.

As of August 2016 the Ministry of Labour employed 836 labour inspectors throughout the country, meaning one inspector per 30,386 workers based on calculations. ⁴⁸ Not to mention, inspectors are concentrated in urban areas leaving rural offices underfunded just as not all of the labour inspectors are conducting worksite inspections, which leave many workplaces free of inspections. ⁴⁹ The ILO recommends 1 inspector per 40,000 workers in less developed countries and 1 per 20,000 workers in transition economies. ⁵⁰ A brief overview of the working condition regulations in Colombia is available in Table 12 below.

Table 12: Working Conditions in Colombia

Table 12: Working Conditions in Colombia	
Fixed-Term Contracts Prohibited for	No
Permanent Tasks	1.0
Maximum Length of a Single Fixed-Term	36 Months
Contract (Months)	30 /Monins
Maximum Number of Working Days per	6 Days
Week	o Days
Premium for Overtime Work (% of Hourly	25 %
Pay)	23 %
Paid Annual Leave (Average Working	15, 15 & 15
Days with 1, 5 & 10 Years of Tenure)	13, 13 & 13
Minimum Length of Maternity Leave	126 Days
Amount of Materiativ Leave Ponetite	100% of
Amount of Maternity Leave Benefits	Wages
Source of Maternity Leave Benefits	Government *
Unemployment protection after one year	Yes
of employment	res
Causes Mandal Bomb Daines Business Calambia	* 110 \\/ankina

Source: World Bank, Doing Business - Colombia, * ILO, Working Conditions Law Report 2012



WORKFORCE

Colombia had a total population of 48.6 million in 2016, and a workforce of 25.8 million in 2017. ⁵¹ Overall, Colombia has a similar employment-to-population ratio to that of South America, except for the youth which has considerably lower ratios for both genders. This, however, does not just mean that there is a lack of opportunity for young people, but could reflect that the Colombian youth prioritise education as Colombia has significantly higher enrolment rates in both secondary and tertiary education compared to the South American average (see also the section: Education).

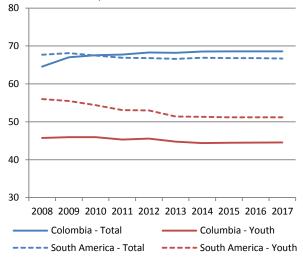
Table 13: Employment-to-Population Ratio in % in Colombia, 2017

Gender	Age		Colombia	South America
Men & Women	Total	15 +	62 %	62 %
/vien & vvomen	Youth	15-24	34 %	42 %
Men	Total	15 +	74 %	74 %
Men	Youth	15-24	41 %	50 %
Women	Total	15 +	51 %	50 %
women	Youth	15-24	27 %	34 %

Source: ILO, Key Indicators of the Labour Market (KILM) 9th edition

The labour force participation rate has increased slightly for the entire population, while it has dropped only on a margin for the Colombian youth (Figure 4). While the total participation rate of Colombia has been quite similar to that of South America since 2008, young people have a lower rate compared to the rest of the continent.

Figure 4: Labour Force Participation Rate in % in Colombia and South America, 2008-2017

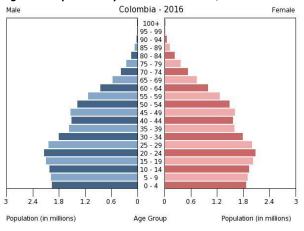


Source: ILO, Key Indicators of the Labour Market (KILM) 9th edition

Colombia's demographics have changed profoundly since the 1960s as the birth rate has gone from around

six children per woman to just above replacement levels. ⁵² This means that the future generations might become smaller relative to the current generations, but looking at Figure 5 it seems as if the workforce will continue to grow for now, as the younger generations are larger than the retiring ones. The two biggest age groups are the ones from 15-19 and 20-24, which make up a bit more that 17% of the total population.

Figure 5: Population Pyramid for Colombia, 2016

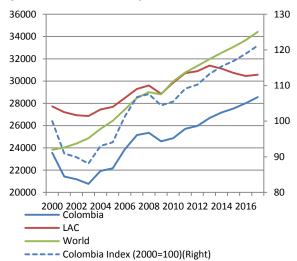


Source: CIA, World Factbook

From Figure 6, it is apparent Colombia has been on an upward trajectory, in terms of labour productivity, since 2000, but the country remains significantly lower compared to both the world and Latin America & Caribbean (LAC) average. Colombia had a steeper decline in productivity between 2000 and 2003 than the regional average, but since then, the country has had bigger gains, and is now closer to the LAC productivity levels. While Colombia has had a larger increase in productivity than the LAC average, the difference between the world average and Colombia's has remained roughly the same since 2008. An important factor in this is the continued capital formation in the country, which in large part is caused by the expanding extractive industries (see chapters on Sectoral Employment General and Performance).



Figure 6: Labour Productivity Trend, 2000-2017



Note: Labour Productivity is defined as output per worker in GDP Constant 2011 international \$ in PPP. Indexed year 2000 = 100.

Source: ILO, ILOSTAT & LO/FTF Council calculations

Regarding the status of employment, there have only been slight changes during the last 15 years in Colombia. As seen in Figure 7, the proportion of contributing family members have decreased a little and while the percentage of own-account workers is higher in 2017 compared 2002. The development in status of employment is important because it is an indicator of whether people are in what ILO terms 'vulnerable employment'. Contributing family members and own-account workers often lack elements associated with decent employment such as adequate social security and a voice at work.⁵³ This means that approximately 47% of the employed in Colombia potentially are in vulnerable employment which is higher compared to 2002. In comparison with the Latin America and Caribbean average, Colombia has a relatively low share of wage and salaried workers and a high share of workers on vulnerable employment.

Figure 7: Status of Employment in % in Colombia, 2002-2017



Source: ILO, ILOSTAT - Status in Employment

Colombia, as many other Latin American countries, faces problems with skill mismatches in the workforce.⁵⁴ In 2017, 50% of the employers in Colombia reported that they had difficulties filling open job positions with rightly qualified talent. As a comparison, the world average was 40%. ⁵⁵ Talent mismatch has increased slightly and is increasing pressure on the labour market. However, the Colombian government is trying to mediate this by enlarging the talent pool through an increase educational flexibility, having put educational reform in the latest national development plan. The key skills in demand are: Business unit members, product managers, supply chain managers, financial controllers and human resource managers with labour relations experience.⁵⁶

Looking at Table 14, it is evident that there is a clear gender gap in terms of inactivity rate. While approximately 20 % of the male working age population (WAP, 15+) is inactive, a staggering 42 % of the women are not engaged in labour market either by working or looking for work. Around one out of two (55%) of the youth population (15-24 years old) are inactive on the labour market.

Table 14: Inactivity rate in Colombia, 2017

	Total	Male	Women
Inactivity rate	31 %	20 %	42 %
Inactivity rate, youth	55 %	50 %	61 %

Note: Inactivity Rate is the proportion of the country's working-age (+15) population that is not engaged on the labour market by either working or looking for work.

Source: ILO, Key Indicators of the Labour Market (KILM), 9th Edition

Unemployment

Colombia's unemployment rate was estimated at 9.4% in 2017 (Table 15). This is a little higher than the estimate for the South American average which was set at 7.4%. Again, there is a major gap between men and women in terms of unemployment. The women have a considerably higher inactivity rate than men both for the young and the entire population aged 15+. The gender gap is also wider in Colombia compared to the South American average.



Table 15: Unemployment Rates in % in Colombia and South America, 2017

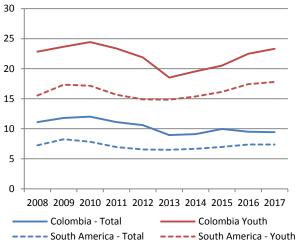
		Colombia	South America
	Total	9.4 %	7.4 %
Unamalaymant	Men	7.2 %	6.0 %
Unemployment	Women	12 %	9,2%
	Total	23 %	18 %
Youth Unemployment	Men	18 %	15 %
(15-24)	Women	30 %	22 %
	Total	1.3 %	N/a
Long-term		(15 %) 0.8 %	,
unemployment *	Men	(12 %)	N/a
(2014)	Women	2.0 % (17 %)	N/a

^{*} Under long-term unemployment, the numbers in parentheses indicates the proportion of long-term unemployed as a percentage of those unemployed while the other indicates the proportion of long-term unemployed of the labour force

Source: ILO, Key Indicators of the Labour Market (KILM) 9th edition

Looking at the unemployment rate (Figure 8), Colombia has done worse than the South American average, both overall and for youth, during the last 10 years. Overall, unemployment has gone down from 11% in 2008 to just over 9% in 2017, while youth unemployment has gone almost unchanged the last 10 years.

Figure 8: Unemployment Trend in % in Colombia & South America, 2008-2017, %

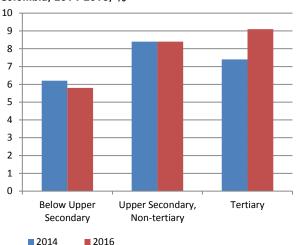


Source: ILO, Key Indicators of the Labour Market (KILM), 9th Edition

As seen on Figure 9, unemployment is actually higher among the better educated in Colombia. Those with an educational level below upper secondary had an unemployment rate of 5.5% compared to 8.4% and 9.1% for upper secondary, non-tertiary and tertiary respectively. As mentioned earlier (see section: Workforce), Colombian employers have troubles finding the right talent, and often have trouble filling certain positions, especially highly educated business workers are sought after. This could indicate that there

is a discrepancy between what is taught in higher educational facilities, and what is sought after on the labour market. This has been reported in Colombian media, and it has further been reported that there is a lack of communication between the institutions for higher learning in Colombia and representatives from the labour market.⁵⁷

Figure 9: Unemployment by Level of Education in % in Colombia, 2014-2016, %



Note: The unemployed are defined as people without work but actively seeking employment and currently available to start work. This indicator measures the percentage of unemployed 25-64 year-olds among 25-64 year-olds in the labour force.

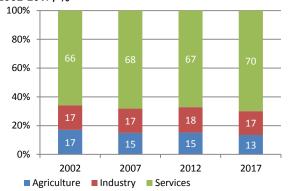
Source: OECD (2017), OECD DATA, Unemployment Rates by Education Level

Sectoral Employment

Looking at the aggregate sector employment (Figure 10) it is evident that the service sector is by far the largest in Colombia. Around 7 out of 10 are employed here while industry and agriculture employs 17% and 14%, respectively. There have been no major changes during the last 15 years, but both the industrial and agricultural sectors have decreased slightly compared to the service sector. Overall, women are mostly working in the service sector with 85% working there compared to 11% and 4% for the industrial and agricultural sectors, respectively. For the men, the service sector is still the largest employer although not as dominant with just 59% working there and 21% and 20% working in industry and agriculture.⁵⁸



Figure 10: Employment by Aggregate Sector in Colombia, 2002-2017, %



Source: ILO, ILOSTAT - Employment by Sector

The trade, restaurants/hotel sector from the service sector is the largest sector in terms of employment in Colombia. An estimated 6.2 million workers, 28% of total employment, are present in this sector. The second and third largest subsectors are community, social and personal services and agriculture, hunting and forestry, respectively. As indicated in Figure 10, the agricultural and industrial sectors are smaller compared to the service sector (see more on Table 16).

Table 16: Employment Distribution in Colombia, November 2016 – January 2017

2016 - January 2017		
Subsector	Total Sectoral Employment	Sectoral Employment Share, %
Agriculture, Livestock, Fishing Hunting & Forestry	3,568,000	16 %
Mining & Quarrying *	N/a	N/a
Electricity, Gas & Water *	N/a	N/a
Manufacturing	2,676,000	12 %
Construction	1,404,900	6.3 %
Trade, Restaurants & Hotels	6,244,000	28 %
Transport, Storage & Communication	1,761,700	7.9 %
Real Estate, Business & Rental Activities	1,806,300	8.1 %
Community, Social and Personal Services	4,237,000	19 %
Other Activities *	602,100	2.7 %
Total	22,300,000	100 %

Note: * Other activities include Mining & Quarrying, Electricity – Gas & Water and Financial Services

Source: DANE, Boletín Técnico, Enero 2017

Looking at Table 17, it is noteworthy that some sectors have a significantly higher GDP share per worker, which is an reflection of the productivity in the given sector, than others. While the agricultural sector employs 17% of the employed people in Colombia, it only contributes with around 6.4% of GDP, giving it the

lowest GDP share per worker at US\$1,238 per worker per year. On the other hand, other activities - which include the mining & quarrying, electricity, gas & water and financial services — have a GDP per worker of US\$11,660, which is way above the average.

It should be noted, however, that the subsector categories of Table 16 and Table 17 (calculations are based on numbers from these) do not match up completely, and as it has been impossible to isolate the both the number of workers and GDP share from the financial sector (listed under 'other activities' in Table 16, but under finance, real estate & business services in Table 17) numbers are slightly off. As the number listed in Table 17 is without the financial sector, it can be concluded that the just 2.6% working in these sectors generate more than 9.1% of the Colombian GDP.

Subsectors Mining & Quarrying and Electricity, Gas & Water both lie within the industrial sector, and both are highly capital intensive. As mentioned before, productivity in Colombia is increasing, but the high capital formation mostly takes place in the extractive industries (see part on general economic performance), and productivity gains are therefore quite narrow, which put the Colombian economy at risk as there is a high dependence on the volatile commodity prices.

Table 17: GDP Share by Subsector and GDP per Worker by Sector in Colombia, 2016

Sector in Colombia, 2016	1	
Subsector	GDP Share per Sector, %	GDP Share per Worker by Subsector, US\$
Agriculture, Livestock,		
Fishing, Hunting &	6.5 %	1,245
Forestry		
Mining & Quarrying	5.4 % *	N/a
Manufacturing	12 %	3,313
Electricity, Gas &	3.5 % *	N/a
Water	0.40/	,
Construction	9.4 %	4,913
Trade, Restaurants & Hotels	13 %	1,557
Transport, Storage & Communication	6.4 %	2,615
Finance, Real Estate & Business Services	20 % *	8,075
Community, Social and Personal Services	17 %	2,892
Other Activities	> 9.1% *	11,660
Total/Average	92% **	4,545

Note: The GDP share per worker was calculated from Colombian Pesos to US\$ with the exchange rate on October 31st 2017. * Other Activities include Mining & Quarrying, Electricity, Gas & Water and Financial Services, but the latter is not included in the listed number. It should be noted that the number of employees per sector categories from Table 16 do not match up perfectly to the categories used for GDP share per sector, and the GDP share per worker calculations are should therefore

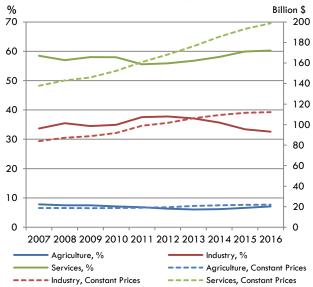


be read with care. ** The sectors do not add up to 100 % because GDP also consists of various taxes, import duties and subsidies.

Source: <u>Banco de la República - Colombia</u>, <u>XE – Currency Converter</u> & LO/FTF Council calculations

Figure 11 shows that while the agricultural sector has remained almost stagnant in terms of value added in constant prices, both the industrial and the service sector has grown at a fairly fast pace. Comparing these numbers with Figure 10, it is evident that the growth in Colombia in recent years is due gains in the industrial and the service sectors. While the employment ratio in the industrial sector has gone slightly down, the value added in constant prices has actually gone up, indicating strong gains in productivity during the last decade.

Figure 11: Colombia Value Added by Sector as % of GDP & Value Added in Constant 2010 US\$, 2007-2016



Migration

Source: World Bank, Development Indicators

More people leave than stay in Colombia. Around 3.4 million Colombians are living abroad. The net migration is on a declining trend (Table 18 and Figure 12). The emigration has gone from an average of 1 out of every 1,513 inhabitants in 2003-2007, to 1 out of 1,583 on average in the period 2008-2012. The country's net migration is relatively lower than the LAC region average, and the country's top migration destinations are the United States, Spain, Ecuador, and Argentina.⁵⁹ The amounts of remittances received as a percentage of GDP is very close to the regional average, and is fairly close to the world average of middle income countries.

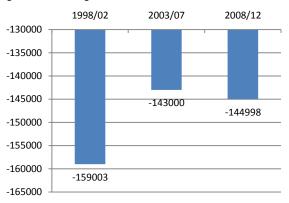
Table 18: Migration Status in Colombia and Latin America & the Caribbean

Net migration (2008-2012)	Colombia	- 144,998
Net migration to average population	Colombia	- 1 : 1,583 Inhabitants
per year (average, 2008-2012)	Latin America & the Caribbean	- 1 : 1,438 Inhabitants
Remittances	Colombia	1.73 %
received, % of GDP (2016)	Latin America & the Caribbean	1.57 %

Note: Net migration is the total number of immigrants minus the annual number of emigrants, including both citizens and noncitizens and divided by the total population.

Source: World Bank and calculations from LO/FTF Council

Figure 12: Net Migration in Colombia, 1998-2012



Note: Net migration is the total number of immigrants minus the annual number of emigrants, including both citizens and noncitizens.

Source: World Bank, Net Migration, DataBank

The migration flows in and out of Colombia have been affected by external factors in recent years. Among others there is a tougher U.S. immigration policy and countries like Panama have closed the borders to curb the growing popularity of routes through South and Central America towards the United States. ⁶⁰ Political turmoil in neighbouring country Venezuela has created a huge inflow of immigrants which have reversed the migration flow between the two countries. It has been estimated that there are around 300,000 Venezuelans in Colombia, of which many are unregistered. It has been reported that around 25,000 cross the border each day. Many of these, however, return after buying basic necessities on the Colombian side of the border in order to avoid the rampant inflation in Venezuela.⁶¹

Close to three out of four (77%) of the Colombian population live in urban areas, and the annual rate of urbanisation is estimated to be at 1.5% between 2015 and 2020.



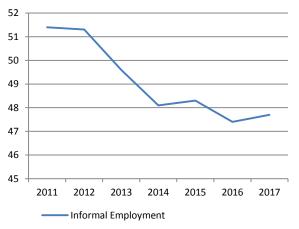
The country also has had big group of internally displaced people due to many years of civil conflict. In November 2016, the Colombian government and the country's largest guerrilla group FARC reached a peace agreement, and now a 'Special Jurisdiction for Peace' is going to start looking over the massive amount human rights abuses, as well as land restitution cases for millions of hectares of land stolen by armed groups. 62 lt has been estimated that as February 2017, 7.4 million persons have been internally displaced since 1985. 63 A 2007 study demonstrated that forcibly-displaced workers earned the lowest wages and faced the lowest probability of finding a job. 64

Informal Economy

A prominent feature of the Colombian labour market is the size of its informal economy, which remain vast even though it has been decreasing during the last six years. There are varying reports on the size of the informal economy, but in 2012 it was estimated to be somewhere between 40% and 49% of GDP depending on the method of calculation.⁶⁵

In the third quarter of 2017, the rate of informal employment in Colombia was estimated at 48% in the 13 largest cities and metropolitan areas by the national statistics department (see Figure 13). However, reports from trade unions claim that the rate of informality in Colombia is as high as 62% when including data from rural and decentral territories.⁶⁶

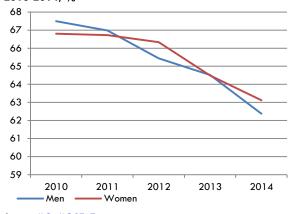
Figure 13: Official Rate of Informal Employment in Metropolitan Areas in Colombia in %, 2011-2016



Source: <u>DANE, Boletín Técnico – Gran Encuesta Integrada de Hogares</u>
<u>Junio-Agosto 2017</u>

Looking at the differences in level of informality between the genders (Figure 14), it is apparent that they are fairly similar. Both were on a declining trend between 2010 and 2014, but with a slightly higher rate of informality among women in Colombia compared to the men.

Figure 14: Informal Employment by Gender in Colombia, 2010-2014, %



Source: <u>ILO, ILOSTAT</u>

The Colombian government has made different changes to the legislation in order to reduce the high rate of informal work in Colombia and promote labour formalisation. In 2010, the Formalisation and Job Creation Law introduced different incentives to formalise firms and employment, and a tax reform in 2012 reduced the cost of non-wage labour. However, it has been reported that some of the costs of the employer have just been shifted towards the worker making it more difficult to cover basic needs. 67 From 2015 the government established subsidies for 40,000 young workers, cooperation with ILO to formalise rural jobs, a campaign to increase information about the advantages of social security and it also eased the process of registering a business by creating a 'onestop-shop'. Furthermore, the rights of domestic workers were extended, an accident-insurance for selfemployed workers was introduced and a six month apprenticeship programme for university graduates in the public sector was organised.68

Earlier studies have estimated that the informality in Colombia is correlated with unemployment, and has an inverse correlation with the GDP growth, i.e. the size of the informal economy moves in opposite direction to the business cycle. It suggests a segmentation of the labour market. It is also interesting to observe that the informality rate disaggregated by age groups shows that the oldest people have the highest informality rate, followed by the youngest workers.⁶⁹



Child Labour

Colombia has ratified all key international conventions concerning child labour, and the country made significant efforts in 2016 to eradicate child labour, including introduction of new legislation to combat child labour. The Colombian Ministry of Labour conducted 274 child labour inspections in high risk sectors in 2016 compared to zero the year before. ⁷⁰ The law in Colombia sets the minimum age for employment at 15 and at 18 in case of hazardous work. According to Colombian law, children under the age of 15 are only allowed to work up till 14 hours a week, and only in the sectors arts, sports, or recreational and cultural activities. Furthermore, they need signed documentation from their parents and either a labour inspector or a local authority.⁷¹

Even with the increased efforts, an estimated 10% (Table 19) of children in Colombia are still working which is significantly higher in comparison with the LAC average. Data collection remains a problem, though, and numbers should therefore be read with care. For example, the Colombian National Household Survey from 2015 estimated the percentage of child labour to be around just 4.6%. However, that survey did not take into account hard-to-reach populations including children engaged in street work, which could skew the numbers significantly. 72 Significant examples of child labour were reported to occur in the production of clay bricks, coal, emeralds, gold, coca, as well as pornography, and prohibitions against children in construction and mining was largely ignored. Children working as street vendors and domestic servants as well as in the agricultural sectors of coffee and sugar cane have also been reported as common. 73

Table 19: Working Children in Colombia and Latin America & the Caribbean

& IIIE CUIIDDEUII			
Region	Age	Year	Proportion
Colombia*	5-14	2013	10 %
Latin America & the Caribbean**	5-1 <i>7</i>	2016	7 %

Source: * UNICEF ** United States Department of Labor

In 2016, the Colombian government registered 292 cases of commercial sexual exploitation of children of which 247 were girls, and in mining areas trafficking of children for forced labour and sexual exploitation remains common. Children are also recruited to both illegal gangs and guerrilla armies. As part of the peace agreement between the Colombian Government and FARC, it was agreed that FARC would stop recruiting minors, and that they would release all children below the age of 15. Although extra funds have been

allocated towards combatting child labour, there were still weaknesses due to labour inspection mainly concentrating in urban areas. 74

Gender

As seen in Table 20, there is a massive gender gap in both participation rate and unemployment rate. While fewer women participate in the labour market, the ones that do are at greater risk of being unemployed.

Table 20: Gender Gaps among Workers in Colombia, 2017

	Men	Women	Men/Women, Percentage Point Differential
Participation Rate	80%	58%	22 %
Unemployment Rate	7.9%	14%	- 6.1%

Source: ILO, ILOSTAT

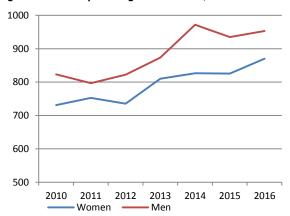
The country has laws in favour of women's rights, political will and institutions that support gender equity, e.g. a 30% quota of women candidates in all elections. Under Labour Code, Section 236-239, women in both the public and private sectors have the right to 18 weeks of maternity leave with full coverage of their salaries. This is provided through the General Social Security System that covers all employees in the formal sector. The spouse or partner is also entitled to eight working days of paid paternity leave.⁷⁵ The 2006 Anti-Discrimination Law forbids any kind of different treatment based on race, gender, family, social status, among others. This law was revised in 2008 by the Violence Against Women Law. This law, which applies to both the public and private sector, requires employers to put in mechanisms to prevent workplace harassment and to resolve incidents internally. If not resolved internally, the harasser or the employer are subject to a fine ranging between two and ten months of the victims salary. 76

Despite these legal reforms, it is important to realize that gender based discrimination remains high in Colombia. As seen on Figure 15, there is a persistent wage gap between men and women with women earning US\$83 less than men on average in 2016. Similarly a 2014 study showed that the wage gap in 2010 increased with the wages, meaning that the wage gap between men and women was largest for those who earned the most. 77 Furthermore, 85% of women in Colombia consider sexual harassment to very present in the workplace. 78 This illustrates that there is still some



way to go in order to achieve gender equality on the Colombian labour market.

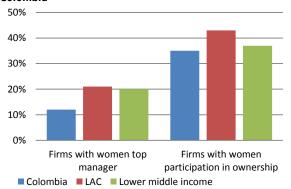
Figure 15: Monthly Earnings in Colombia, 2007-2016



Note: Monthly earnings are measured in constant 2011 \$ PPP Source: <u>ILO, ILOSTAT</u>

A 2010 Enterprise Survey reported that 17% of Colombian firms had a female manager, which was lower than the Latin America and the Caribbean (LAC) average that was 21%. The country also scores lower in terms of firms with women participation in ownership which was estimated at 35 % while the LAC's average at 43% (Figure 16).

Figure 16: Women in management and ownership in Colombia



Source: World Bank, Colombia Enterprises survey, 2010

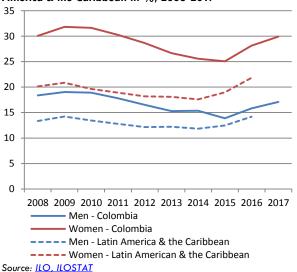
A major concern is that women and men are often unable to secure formal employment and are forced into the informal economy in order to support themselves.⁷⁹ Most women have informal jobs where the enforcement of labour law regulations sector is weak. This opens up for discrimination based on gender. For example, discrimination takes place in certain agricultural sectors, such as the highly profitable cutflower industry, where women are subjected to pregnancy screenings before being hired and fired in case of pregnancy.⁸⁰

Colombia also remains a major source and transit country for women and girls for sexual exploitation, and especially displaced women and children are at risk of both trafficking and sexual violence. Approximately 50% of the displaced households are women headed. The longstanding armed conflict also caused very high numbers of sexual violence, but most perpetrators go with impunity as less than 10% have been sentenced in the more than 90,000 cases.⁸¹

Youth

Figure 17 shows that the youth unemployment in Colombia has been relatively stable during the last decade, but it remains higher than the regional average for Latin America & the Caribbean. While a clear gender divide is common for the region, the Columbian youth unemployment for women is significantly higher than the regional average, with the unemployment rate for young men being only slightly higher. It is also important to note that the rate of unemployed youth is extended by a huge group of young people, 11% in 2016, who are underemployed, meaning that they are able and willing to work more than what they currently are, but cannot find further employment.⁸²

Figure 17: Youth Unemployment in Colombia and Latin America & the Caribbean in %, 2008-2017



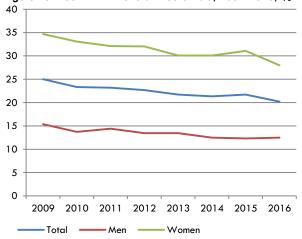
Jource: ILO, ILOSTAT

Another key point is that of the young unemployed - the proportion of youth not in employment, education or training (NEET) - was as high as 20% in 2016, even after a slight drop in recent years, and much higher among women than men. This group of young people is neither improving their future employability through investment in skills nor gaining experience through



employment, and they are therefore especially vulnerable to both labour market and social exclusion.⁸³

Figure 18: Youth NEET Levels in Colombia, 2009-2016, %



Source: ILO, ILOSTAT

EDUCATION

Since 2008, there has been almost no gap between the enrolment rate for boys and girls in primary school (see Figure 19). While it remains relatively high, the enrolment rate took a relatively sharp downturn of around 5 percentage points between 2011 and 2014. This means that the enrolment rate is now a little lower than the average for Latin America & the Caribbean, although the trend turned in 2015 (data from 2016-17 is lacking). The mean years of schooling in Colombia has been estimated to be 7.6 years in 2016.84

For secondary school, a gender gap is introduced with the enrolment rate almost 10 percentage points higher for males compared to females. The Colombian enrolment in secondary school rate is higher for females than the LAC, though, while it is slightly lower for males.

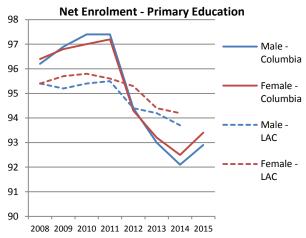
For tertiary education the gender disparity from high school reverses. Here, the enrolment rate is significantly higher for women, but with both genders on a steep upwards trend. While the labour force in Colombia is getting better educated, the labour market structure has not necessarily changed as rapidly, and, as seen in the section about unemployment, the unemployment rate is actually higher for the tertiary educated compared to the two lower levels (Figure 19).

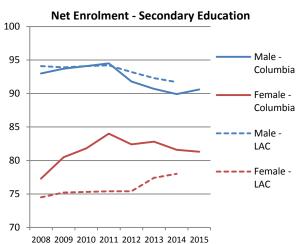
The out-of-school children are not evenly spread, though. Data from 2010 show that the rate of out-of-school children is significantly higher for the poorest quintile of the population, for both primary and

secondary school, compared to the richest quintile.⁸⁵ For those in school, inequalities persist too.

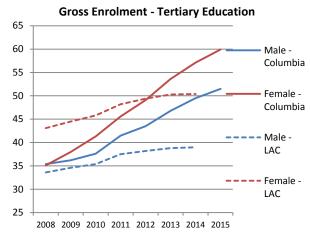
In 2015, Colombia had 12,845 public high school and 9,530 private establishments, and there are noteworthy differences in the quality of the institutions. It was registered that young people that graduate from private high schools leave with higher possibilities of reaching university level than the majority of their peers in state high schools. Also a worldwide Programme for International Student Assessment (PISA) test from 2014 sent Colombians on the rock-bottom among 44 countries in terms of students' capacity to resolve everyday problems. It has been argued that Colombia's schools system is confronting poor facilities, the location of schools, lack of internet access and low salaries for professors' work which affect the respect educators.86

Figure 19: Enrolment in Primary, Secondary and Tertiary Education in Colombia and Latin America & the Caribbean, 2008–2015









Note: Net enrolment is the ratio of children of official school age, who are enrolled in school to the population of the corresponding official school age. Gross enrolment is the ratio of total enrolment, regardless of age, to the population of the corresponding official school age.

Source: World Bank, Data Bank

Overall, the educational attainment for those aged 25-64, which partly shows the human capital present in the workforce, was as follows in 2016: 48% were below upper secondary, 30% had upper secondary and 22% had attained tertiary education. It should be noted that these numbers will change quite a bit when the rising number of students in tertiary education graduate and reach the age of 25. Furthermore, it should be noted that to only measure the level of human capital through formal education is flawed, and that informal education as well as intrinsic factors are important too.

Vocational training

The National System of Education for Work (el Sistema Nacional de Formación para el Trabajo, SNFT) aims to promote the technical and vocational education and training (TVET) of the workforce and improving national work competencies. The National Training Service (el Servicio Nacional de Aprendizaje, SENA) administers a formal, integral system of professional education. The latter institution provides free comprehensive training; the board of directors and technical committee of its training centres involve employers and trade unions.

The provision of vocational training includes secondary education establishments, institutions of higher education, and training centres run by SENA. This institution is divided into several technological areas: industrial, commercial, pedagogical, agricultural, and social promotion. In addition, higher professional technical education in the field of TVET is provided by professional technical institutions that offer programs of 2-3 years. SENA also offers non-formal and informal

TVET programmes that open a qualification in Arts and Business. Those completing a minimum of 1 year of the full 4-semester programme are awarded a certificate of occupational skills.⁸⁷

Table 21: Formal vocational training institutions in Colombia

Institutions	Public	Private	Total
Technological education	12	42	54
Technical Professional education	9	30	39

Source: UNESCO, World TVET Database

Looking at the number of pupils in vocational training, there has been an increase of 66,000 pupils between 2011 and 2015. The percentage of females has remained stable over that period. Colombia has a slightly lower ratio of pupils in vocational education to secondary education in comparison with the LAC average (Table 22), and it also has a lower ratio of the 15-24 year olds.

Table 22: Vocational Training facts

Colombia	2011	2015
Pupils in vocational training	288.364	354.831
Enrolment in Secondary Vocational, females (%)	54 %	54 %
Comparative Estimations	Country/Region	%
Ratio of Pupils in Vocational Training to all Pupils in	Colombia (2015)	7.40 %
Secondary Education	LAC (2014)	8.85 %
Ratio of pupils in vocational training out of	Colombia (2016)	4.31 %
15-24 year olds	LAC (2010)	5.36 %

Source: World Bank, Data Bank, CIA, World Factbook, UN, Youth Regional Overview

Vocational training has, according to studies, showed to have a positive impact on employment for at risk youth in Colombia. The Jóvenes en Acción programme reached more than 80,000 youths during four years, 2002-2005, and it provided three months of classroom training as well as three months of on-the-job training. Studies showed that the Jóvenes en Acción programme had some good results, but that it had diverging impacts on women and men. There were sizable and significant results for women with the probability of formal employment increasing by close to 7%, hours per week by almost 3 hours, and wages by close to 20%. Men did not achieve the same benefits, but the programme gave a slight increase in formal employment for men too.88



SOCIAL PROTECTION

The foundation for the current Colombian social protection system was laid by Law 100 in 1993. The purpose of the law was to protect citizens against the emergencies that can arise through a life cycle. It established a system with a general pension, healthcare, professional risks and complementary services which includes a pension for elderly in extreme poverty. This was further defined by Law 798 from 2002, and the responsibility for public social protection was established under the Ministry of Social Protection. Specifically, the system is made up of the Integral Social Security System, under which the pension system, healthcare as well as occupational risks, and the Social Assistance System is responsible for monetary benefits aimed at the most vulnerable parts of the population. 89

Colombia's General Pension System provides protection before contingencies as old age, disability, and death. The system is comprised of two branches: I) The Average Premium Solidarity Regime with Defined Contributions, and II) The Regime of Individual Accounts with Solidarity. Affiliation to the pension system is compulsory for both dependent and independent workers, although they might choose their scheme of preference and change it once every five years. The pension system is financed through contributions made by employees and employers, equivalent to 16% of monthly wages: the employer contributes by 12% and the employee by 4%. Independent workers also contribute by 16%, although on only 40% of their monthly incomes. The minimum pension received from a contribution scheme is equal to the minimum wage in Colombia. 90

Persons who cannot afford making contributions to the pension system, due to their socio-economic status, receive a pension subsidy. 91 Colombia's pension system coverage has deep gaps, though. Only around a fourth of the elderly received a pension and just 24% of the working population contributed (Table 23) Some of the challenges are related to the enforcement of employer's obligation to pay the contributions for their workers. Moreover, less than a third of the employed population belongs to a pension fund, and informal workers are largely excluded from access to insurance. Other data showed that independent workers represented 42% of the occupied population in 2008, but just 7.2% contributed to a pension fund. Similar issues occur among labourers, who represented 18% of the employed population, although only 40% was contributing to a pension fund.92

Table 23: Coverage and contributions to pension schemes in Colombia, 2009, %

Indicator	Measure	%
Old-age effective coverage	Active contributors to pension scheme, age 15+	24 %
Proportion of elderly receiving an old age pension	Proportion of elderly, Total, %	23 %
Public social protection expenditure for older persons	% of GDP	3.5 %

Source: ILO, Social Protection, Statistics and indicators

The country's expenditures on social protection is a little lower relatively compared to the LAC average based on the total expenditure as part of GDP (Table 24). It covers 11% and 12%, respectively. While the overall expenditure on public social protection is a little lower than the regional average, the amount spent on public healthcare is 1.6 percentage points higher, and Colombia's health social protection coverage is relatively high at 88% of the population.

Table 24: Public Spending on Social Protection Schemes in Colombia and Latin America & the Caribbean

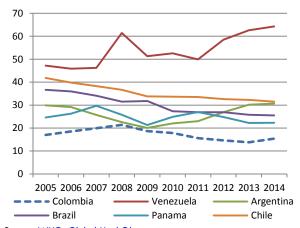
Indicator	Measure	Colombia	LAC
Total Public Social Protection Expenditure	% of GDP	11 % (2010)	12 % (2012/13) **
Public Expenditure on Health	% of GDP	5.4 % (2014)***	3.8 % (2014) ***
Health Social Protection Coverage	% of Total Population	88 % (2010) *	N/a

Source: <u>ILO</u>, <u>Social Protection - Colombia</u>, * <u>ILO</u>, <u>Social-Potection.org</u>, ** <u>ILO</u>, <u>Social Protection Systems in Latin America</u>, *** <u>World Bank</u>, <u>Development indicators</u>

Being an employee in Colombia, 12.5% is paid in healthcare contributions (8.5% by employer and 4% by employee), unless the employee earns less than 10 monthly minimum salaries a year in which case the employers' contribution has been eliminated since January 2014.⁹³ This strongly disfavours those with the lowest salaries. Looking at Figure 20, it is apparent that Colombia has a fairly low level out-of-pocket expenditure on health care compared to several other countries in the region. Having a low out-of-pocket expenditure is usually considered positive, as high numbers are associated with catastrophic and impoverishing spending. ⁹⁴ The relatively low out-of-pocket expenditure is also related to the relatively high healthcare protection coverage in Colombia.



Figure 20: Out-of-Pocket Expenditure as a Percentage of Total Expenditure on Health in %, 2005-2014



Source: WHO, Global Heal Observatory

Colombia has a system aimed to mitigate occupational risks, which covers health expenses and sick days incurred at work and is paid by the employers. However, the condition of being part of this programme is to have an employment contract which is a problem with almost 62% of all employment in Colombia being informal (see section: Informal Economy). The coverage and incidence of unemployment insurance is still very limited. To have access to the insurance scheme, the workers must have been previously registered at a family compensation fund for at least a year during the three years previous to obtaining the support. The unemployment insurance is available as an in-kind transitory allowance for up to six months, equivalent to 1.5 minimum wages divided in six monthly transfers to the workers. The aim is that workers can afford their basic expenses (i.e. food, education and health expenditure). Based on the limitations of data availability, during 2008, 87,000 workers received this subsidy, which equalled 3.7% of the total unemployed. In addition, 80% were enrolled at family compensation funds. 95

There are several poverty reduction policies in place under the Ministry of Social Protection in Colombia. The Red Unidos programme evaluates the living conditions of the 20% poorest households and those who have been registered as displaced, and then assign social workers to help the households. The biggest noncontributory poverty reduction programme is a Conditional Cash Transfer (CCT) programme led by Acción Social and is targeted at poor families, displaced people and indigenous populations. The programme focuses on the nutrition of children below the age of seven and the school attendance for those aged 7-18.96

GENERAL ECONOMIC PERFORMANCE

Colombia has experienced a fast real GDP growth of 4.7% on average during the last decade. It was hit hard by the falling commodity prices in 2016, which resulted in a reduction of the growth to 2.0%. Despite the relatively high economic growth, the economic development is affected by inadequate infrastructure, income inequality; drug-trafficking and an uncertain security situation (see more on Table 25).

Table 25: Key Facts on Colombian Economy

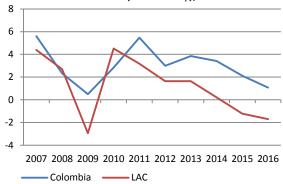
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GDP (2016)	US\$ 282 billion
GDP Per Capita (current US\$)	US\$ 5,805
GDP real growth (2016)	2.0 %
Budget Deficit (% of GDP) (2016)	-3.6 %
Tax Revenue (% of GDP) (2016)	28.5 %
Doing Business (2018)	- 6 change in rank 59 of 190 countries
Human Development Index rank	+ 2 change in rank
(2015)	95 of 188 countries
Gini Index (2015)	51.1
Gill lildex (2015)	10 of 150 countries

Note: A high ranking on the Ease of Doing Business Index means the regulatory environment is more conducive to the start-up and operation of a local firm. ⁹⁸ The Human Development Index (HDI) measures the average of a long and healthy life, access to knowledge, and a decent standard of living. A Gini coefficient of 1 (or 100%) expresses maximal inequality among values. This Gini Index ranks the first country with the highest inequality while the number 144 has the highest equality.

Sources: <u>World Bank, Development Indicators, CIA, World Factbook,</u> World Bank, Doing Business Rankings, <u>UNDP, Human Development</u> Index

Looking at Figure 21, it is apparent that the GDP per capita growth in Colombia has been above the regional average. Overall, Colombia has followed the same trends as the rest of the region, but at no point has Colombia had negative growth rates, even during the financial crisis 2008/09 where the Latin America and the Caribbean growth rate was negative.

Figure 21: GDP Per Capita Growth in Colombia and Latin America & the Caribbean (Current US\$), 2007-2016



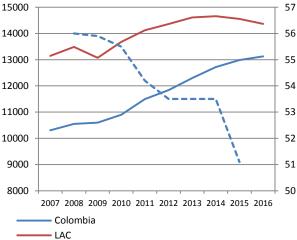
Source: World Bank, Development Indicators



While the Colombian growth rates have been higher than the LAC average for the last decade, the purchasing power is still lagging behind the regional average (Figure 22). Looking at the country's purchasing power it is evident that the average purchasing power has been increasing for the same period. This constitutes a real income gain for the Colombians.

To point out, Colombia has a very high income inequality with the Gini Index estimated at 51.1 in 2015, which places the country as the 10th most unequal country in the world out of 150 situated in between Hong Kong and Guatemala (Table 25). The Gini Index trend is slowly decreasing, meaning that the country has become a little more equal in terms of income in recent years. However, reports on the proportion of the GDP constituted by salaries suggest that it is decreasing from 39% in 2000 to 32% in 2015.99 While this is a sign of gained labour productivity, it is also an indicator that macroeconomic performance does not translate into improvements in personal income, which over time could lead to higher inequality in the distribution of income.¹⁰⁰ It should therefore be noted that, on their own, these numbers do not necessarily suggest that the poorest population has strengthened their purchasing power much during this last decade. However, looking at additional data, there are signs that conditions have been improved for a large group of people (see Table 26).

Figure 22: GDP per Capita PPP (Constant 2011 International \$) and Gini Index, 2007-2016



Source: World Bank, Development Indicators

Looking at the proportion of the working poor, Table 26, it is apparent that the three lowest levels of income all experienced significant drop. As an example, the

extremely poor fell from 7.6% in 2007 to 3.1% in 2017; and the total amount of working poor (below US\$3.1) is now at an estimated 8.4%. Simultaneously, there was a massive rise of 15 percentage points in the developed middle-class in that same period. Overall, Figure 22 and Table 26 indicate that there have been at least some real wealth gains for the Colombian population, also for people on the lower parts on the income scale.

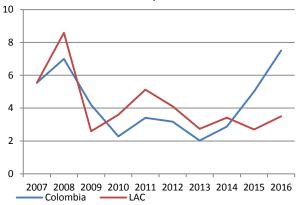
Table 26: Working Poor and Middle Class Trends in Colombia, 2007-2017

TOIOIIIDIU/ TOO	20.7			
Estimated Poverty Line (PPP)	2007	2012	2017	Percentage Point Growth 2007-2017
Extremely Poor (<us\$ 1.9="" a="" day)<="" td=""><td>7.6 %</td><td>3.1 %</td><td>3.1 %</td><td>- 4.5 %</td></us\$>	7.6 %	3.1 %	3.1 %	- 4.5 %
Moderately Poor (≥US \$ 1.9 & <us\$ 3.1="" a="" day)<="" td=""><td>9.8 %</td><td>6.0 %</td><td>5.3 %</td><td>- 4.5 %</td></us\$>	9.8 %	6.0 %	5.3 %	- 4.5 %
Near Poor (≥US \$ 3.1 & <us\$ 5<br="">a day)</us\$>	16 %	11 %	10 %	- 6 %
Developing Middle Class (≥US \$ 5 & <us\$ 13 a day)</us\$ 	39 %	39 %	39 %	0 %
Developed Middle Class & Above (≥US \$ 13 a day)	28 %	41 %	43 %	+ 15 %

Source: ILO, ILOSTAT - Employment by Economic Class

After the fast increasing inflation in 2007/08, which was related to the global financial crisis, the inflation has stayed below 6% in Colombia (Figure 23). The inflation in Colombia has roughly followed the same trend as the rest of the region, but with slightly lower rates, until 2015 where the inflation rate increased markedly, and it increased further in 2016 landing on 7.5%. The spike in inflation happened even though there was a drop in GDP growth rates, caused by falling commodity because prices, Colombia experienced sharp currency depreciation, increasing the price on imports heavily. 101 Parts of the inflation can also be explained by the El Niño weather phenomenon, as well as a 40 day truckers strike, which caused food and energy prices to rise. 102 After a few years with high inflation rates, the rate has dropped to 3.4% as of July 2017, which coincides with a general slowdown of growth in GDP.103

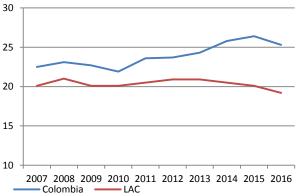
Figure 23: Inflation in Consumer Prices in Colombia and Latin America & the Caribbean, 2007-2016



Source: World Bank, Development Indicators

Colombia has a relatively high gross fixed capital formation which has hovered between 22% and 26% of GDP during the last decade (Figure 24). This means that there has been a strong capital accumulation in machinery and assets used for production of goods and services within Colombia during the last 10 years. 104 The large investments in means of production will likely lead to a further increase in labour productivity, and thereby increase the competitiveness of the Colombian economy. Much of the capital accumulation is in infrastructure and in the resource extraction industries. 105

Figure 24: Gross Fixed Capital Formation as % of GDP in Colombia and Latin America & the Caribbean, 2007-2016



Source: World Bank, Development Indicators

On the Doing Business Index, Colombia was ranked at 53 out of 190 countries in 2017. Out of the ten indicators, the country's highest ranking is in getting credit (2), followed by protecting minority investors (13) and resolving insolvency (33). However, several of the rankings are very low, e.g. enforcing contracts (174) and paying taxes (139). There has especially been registered some improvements starting a business (Table 27).

Table 27: Ease of Doing Business in Colombia, 2017

Topics	2017	2016	Change
Overall	53	51	-2
Starting a Business	61	80	+19
Dealing with Construction Permits	34	35	+1
Getting Electricity	74	69	-5
Registering Property	53	53	0
Getting Credit	2	2	0
Protecting Minority Investors	13	10	-3
Paying Taxes	139	133	-6
Trading Across Borders	121	118	-3
Enforcing Contracts	174	177	+3
Resolving Insolvency	33	31	-2

Note: Note: Doing Business 2017 indicators are ranking from 1 (top) to 190 (bottom) among other countries. The rankings tell much about the business environment, but do not measure all aspects of the surroundings which matter to firms and investors, and that affect the competitiveness of the economy. Still, a high ranking does mean that the government has created a regulatory environment conducive to operating a business.

Also, this Index has been controversial due to flawed data, especially in terms of the indicators labour market flexibility and undervalued paying taxes. However, the table can still be used with reservations.¹⁰⁶

Source: World Bank, Ease of Doing Business Ranking

As with the ease of doing business rankings, Colombia has a middling ranking for most of the Governance Indicators (Table 28). Five out of six indicators are on a medium level internationally, and just two have improved slightly, while four has kept status quo. The country scores especially low in the political stability indicator being in 14th percentile worldwide, but with a little improvement between 2011 and 2016. This was related to the armed conflict between the Colombian state and the *Fuerzas Armadas Revolucionarias de Colombia* (FARC). Peace negotiations were initiated in 2014, and a final peace agreement was signed in November 2016. The government is using tax reforms to help finance implementation of a peace deal between FARC and the government.¹⁰⁷

Table 28: Colombia's Governance Indicators

Table 20. Colombia 3 Oovernance malcalors			
Indicator	2011	2016	Change
Voice & Accountability	-0.1/47%	0.1/50%	ŧ
Political Stability	-1.3/12%	-1.0/14%	•
Government Effectiveness	0.0 / 56%	0.0 / 54%	No change
Regulatory Quality	0.4/62%	0.4/67%	No change
Rule of Law	-0.3/47%	-0.3/41%	No change
Control of Corruption	-0.3/49%	-0.3/44%	No change

Note: The Governance Indicators score from -2.5 to 2.5 while the percentiles rank from 0 (lowest) to 100 (highest). ¹⁰⁸ The first number is the indicator estimate, while the second number refers to the world ranking percentile.

Source: World Bank, Worldwide Governance Indicators



TRADE

Colombia depends heavily on energy and mining exports. The country is the world's fourth largest coal exporter and Latin America's fourth largest oil producer. However, the Colombian economy is vulnerable to declining commodity prices and it was affected heavily by the drop in global prices from 2015 to 2016. This has created a drop in government revenues, but tax reforms have been launched to curb this issue.¹⁰⁹

Table 29: Trade & Foreign Direct Investment (FDI) in Colombia, 2016

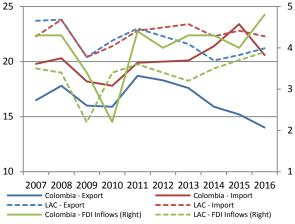
20:0:::::::::::::::::::::::::::::::::::	
Evmonto	US\$ 40 Billion
Exports	14 % of GDP
Immonto	US\$ 58 BillionO
Imports	21 % of GDP
FDI Net Inflow	US\$ -9 Billion
FDI Ner Inflow	4.8 % of GDP
FDI Net Outflow	US\$ 4.5 Billion
FDI Nei Ouriow	1.6 % of GDP

Note: All numbers are in current US\$.

Source: World Bank, Development Indicators

Colombia exported US\$40 billion in 2016, but in recent years the exports as a share of GDP have decreased (Figure 25). In contrast, the import has been on an increasing trend, but with a drop from 2015 to 2016, increasing the trade balance deficit. Overall, the export from Colombia is relatively low in comparison with the LAC average, while the import has increased to approximately the same level as the regional average. Since 2011, the foreign direct investment (FDI) has been at a slightly higher rate in Colombia compared to the LAC average, and it has been fairly stable, fluctuating between 4.0% and 4.5% of GDP but with a sharp rise in 2016.

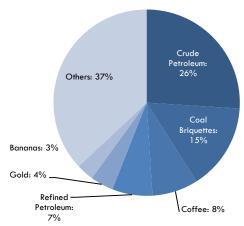
Figure 25: Trade & Foreign Direct Investment (FDI) Trends in Colombia and Latin America & the Caribbean, 2007-2016, %



Source: World Bank, Development Indicators

As previously mentioned, the Colombian exports are dominated by Crude Petroleum which represents 26% of the total export, while refined petroleum and coal briquettes accounted for 7% and 15%, respectively (Figure 26). As mentioned before, the downturn in commodity prices has affected the Colombian economy a lot, and the export share of petroleum, coal and gold has therefore decreased significantly the past few years.

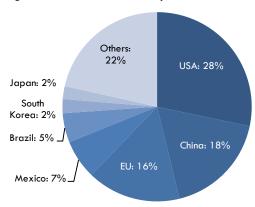
Figure 26: Colombia's Main Exports, 2016



Source: Observatory of Economic Complexity

Colombia's main export markets are USA, China, the EU and then regional countries such as Mexico and Brazil (Figure 27).

Figure 27: Colombia's Main Export Markets, 2016



Source: European Commission, Directorate for General Trade

Trade Agreements

Colombia Is a WTO member, and has been a member of the Andean Community (Bolivia, Ecuador and Peru.; Venezuela left in 2011) since 1969, which has since then, as part of the Andean community, agreed to a free trade agreement with the MERCOSUR countries consisting of Brazil, Argentina, Paraguay and Uruguay



in 2005. 110 The MERCOSUR agreement was updated in July 2017. 111

The U.S.-Colombia Free Trade Agreement (FTA), which entered into force in 2012, is aiming to benefit both countries. As showed in the previous section on trade, Colombia's limited export diversification is reducing the ability to take full advantage of this agreement. It has been raised that the protection of intellectual property, customs and arbitration, delayed the trade pact, including with concern for the rights of unionists. In addition, legislative processes in Colombia have delayed the implementation of the FTA, including the approval of pre-requisite laws, decrees, and resolutions. 112 A Labour Action Plan, which is known as the Obama-Santos agreement, 113 has since its implementation been criticised for failing to improve the Colombian export and hurting the agricultural sector. Furthermore, the planned protection of trade unionists hasn't worked labour conditions have not been changed drastically.114

Colombia has free trade agreements with several other associations and individual countries. These include the European Union (this agreement does not include any enforcement mechanisms to support workers' rights)¹¹⁵ and the European Free Trade Association (EFTA: Switzerland, Norway, Iceland and Lichtenstein), the Central American Northern Triangle (El Salvador, Guatemala and Honduras), South Korea, Costa Rica Canada, Mexico and Chile. In 2012, Colombia helped form the Pacific Alliance which is a regional trade block along with Chile, Mexico and Peru to promote trade and economic integration.¹¹⁶ Colombia has also signed agreements with Panama and Israel, but these have not entered into force yet. The country is currently negotiating with Turkey and Japan along with negotiating of several Bilateral Investment Treaties (BITs) with China, India and the United Kingdom. 117

Special Economic Zones (SEZs)

Colombia has a somewhat rare legislation regarding Special Economic Zones (ZEEEs in Spanish). Law 1004 allows single companies to be regarded as a Free Trade Zone (FTZ), and it also allows for a pre-existing plant to become a FTZ. In this case, companies must commit to providing at least 500 jobs within a five year period. In return the companies only pay a 15% tax and are exempt from custom duties and the valueadded tax on imported materials. From 2005-12, the number of FTZs went from around 10 to 104. Few of these are multi-purpose areas but cater to a specific cluster in manufacturing or services. 118 As of January 2017, 104 FTZ's were registered spread over 800 municipalities and 19 geographic departments. 119 The FTZs accounted for US\$7.8 billion in investments, and provided employment for 47,076 direct and 96,291 indirect jobs in 2012. In total, this accounted for just 1.4% of the employees or 0.7% of the total number of workers for that year. 120

While these zones are made in order to strengthen the Colombian economy through increased investments and higher exports, they come with a cost for the workers employed there. Employees in the Special Economic Zones for Exports (ZEEEs) do not have the same rights as workers do in the rest of Colombia. In these zones, employers don't have to compensate employees for night, dominical and holiday surcharges and they can subscribe labour contracts which apply the integral salary regime to workers with three times the minimum salary compared to the normal ten. 121 The integral salary regime is an all-inclusive contract which indicates that the base salary is higher while the worker on the other hand signs off any extra over/night time compensation, bonuses, pension, severance payment or other employment benefits. 122



APPENDIX: ADDITIONAL DATA

Table 30: List of approved labour related legislations in Colombia, 2014-2017

Type of legislation	related legislations in Colombia, 2014-2017 Legislation
,, ,	acgistant II
2014	
General provisions	Decreto núm. 089 de 20 de enero de 2014 por el cual se reglamenta un artículo del Código Sustantivo del Trabajo
Freedom of association, collective	Resolución núm. 810, de 3 de marzo de 2014, que establece el trámite interno para el
bargaining and industrial relations	registro sindical de organizaciones sindicales de primer, segundo y tercer grado
Labour administration	Decreto núm. 1444 de 31 de Julio de 2014, por el cual se estructura la Red Nacional de Observatorios Regionales del Mercado de Trabajo (Red Ormet) y se dictan otras disposiciones
	Decreto núm. 1444, de 31 de Julio de 2014, por el cual se estructura la Red Nacional de Observatorios Regionales del Mercado de Trabajo (Red Ormet) y se dictan otras disposiciones
Employment policy, promotion of employment and employment services	Decreto núm. 2089, de 17 de octubre de 2014, por el cual se adoptan medidas especiales para garantizar la vinculación de mano de obra local a proyectos de exploración y producción de hidrocarburos
	Decreto núm. 1444 de 31 de Julio de 2014, por el cual se estructura la Red Nacional de Observatorios Regionales del Mercado de Trabajo (Red Ormet) y se dictan otras disposiciones
	Decreto núm. 1444, de 31 de Julio de 2014, por el cual se estructura la Red Nacional de Observatorios Regionales del Mercado de Trabajo (Red Ormet) y se dictan otras disposiciones
Education, vocational guidance and training	Decreto núm. 681 de 2014 por el cual se crea un Programa para el reentrenamiento laboral y la formación a lo largo de la vida
Conditions of employment	Decreto núm. 567 de 2014 por el cual se estructura la Red Nacional de Formalización Laboral y se dictan otras disposiciones
Social security (general standards)	Decreto núm. 2087, de 17 de octubre de 2014, por el cual se reglamenta el Sistema de Recaudo de Aportes del Servicio Social Complementario de Beneficios Económicos Periódicos (BEPS)
	Ley núm. 1733 (Ley Consuelo Devis Saavedra), de 8 de septiembre de 2014, que regula los servicios de cuidados paliativos para el manejo integral de pacientes con enfermedades terminales, crónicas, degenerativas e irreversibles en cualquier fase de la enfermedad de alto impacto en la calidad de vida
	Decreto núm. 135 de 2014 por el cual se desarrolla el esquema de ahorro de cesantías, se establece el beneficio económico proporcional al ahorro en el Mecanismo de Protección al Cesante y se dictan otras disposiciones
Migrant workers	Decreto núm. 682 de 2014 por el cual se establecen mecanismos de protección social para los colombianos migrantes y sus familias en Colombia
Indigenous and tribal peoples	Decreto núm. 1953, de 7 de octubre de 2014, por el cual se crea un régimen especial con el fin de poner en funcionamiento los Territorios Indígenas respecto de la administración de los sistemas propios de los pueblos indígenas hasta que el Congreso expida la ley de que trata el artículo 329 de la Constitución Política
Specific categories of workers	Decreto núm. 1047 de 2014 por el cual se establecen normas para asegurar la afiliación al Sistema Integral de Seguridad Social de los conductores del servicio público de transporte terrestre automotor individual de pasajeros en vehículos taxi, se reglamentan algunos aspectos del servicio para su operatividad y se dictan otras disposiciones
	Decreto núm. 160 de 2014 por el cual se reglamenta la Ley núm. 411 de 1997 aprobatoria del Convenio núm. 151 sobre las relaciones de trabajo en la administración pública, 1978 de la OIT
	Decreto núm. 160 de 5 de febrero de 2014 por el cual se reglamenta la Ley núm. 411 de 1997 aprobatoria del Convenio núm. 151 de la OIT, en lo relativo a los procedimientos de negociación y solución de controversias con las organizaciones de empleados públicos
2015	, , , , , , , , , , , , , , , , , , , ,
General provisions	Ley núm. 1761, de 6 de julio de 2015, por la cual se crea el tipo penal de feminicidio como
•	delito autónomo y se dictan otras disposiciones
	Decreto núm. 1072 de 2015, de 26 de mayo, por medio del cual se expide el Decreto Único Reglamentario del Sector Trabajo
	Decreto núm. 1076 de 2015, de 26 de mayo, por medio del cual se expide el Decreto Único Reglamentario del Sector Ambiente y Desarrollo Sostenible
Education, vocational guidance and	Decreto núm. 1075 de 2015, de 26 de mayo, por medio del cual se expide el Decreto
Lastanon, rocanonal goldance and	Desire in item 107 5 de 2015, de 25 de imayo, por medio del codi se explue el Decleto



training	Único Reglamentario del Sector Educación
, , , , , , , , , , , , , , , , , , ,	Decreto núm. 345, de 25 de febrero de 2015, por medio del cual se promulga el "Acuerdo
	de Reconocimiento de Títulos y Grados de Educación Superior Universitaria entre el
	Gobierno de la República de Colombia y el Gobierno del Reino de España", suscrito en Mar
	de Plata el 4 de diciembre de 2010
	Decreto núm. 055, de 14 de enero de 2015, que reglamenta la afiliación de estudiantes al Sistema General de Riesgos Laborales y modifica el artículo 15 del Decreto núm. 2376 de
	2010
Conditions of work	Decreto núm. 2564, de 30 de diciembre de 2015, por el cual se autoriza el reconocimiento
	en dinero de días compensatorios
Occupational safety and health	Decreto núm. 2509, de 23 de diciembre de 2015, que modifica el Capítulo 9 del Título 4
	de la Parte 2 del Libro 2 del Decreto núm. 1072 de 2015, referente al Sistema de Compensación Monetaria en el Sistema General de Riesgos Laborales
	Decreto núm. 1886, de 21 de sepotiembre de 2015, que establece el Reglamento de
	Seguridad en las Labores Mineras Subterráneas
	Decreto núm. 0472, de 17 de marzo de 2015, por el cual se reglamentan los criterios de
	graduación de las multas por infracción a las normas de Seguridad y Salud en el Trabajo y
	Riesgos Laborales, se señalan normas para la aplicación de la orden de clausura del lugar de trabajo o cierre definitivo de la empresa y paralización o prohibición inmediata de
	trabajos o tareas y se dictan otras disposiciones
Social security (general standards)	Decreto núm. 2459, de 17 de diciembre de 2015, que reglamenta la prestación de servicios
	de salud por los distritos creados con posterioridad a la expedición de la Ley núm. 715 de
	Decreto núm 2353 do 2015, do 3 do diciembro, por el cual se unifican y actualizan las
	Decreto núm. 2353 de 2015, de 3 de diciembre, por el cual se unifican y actualizan las reglas de afiliación al Sistema General de Seguridad Social en Salud, se crea el Sistema de
	Afiliación Transaccional y se definen los instrumentos para garantizar la continuidad en la
	afiliación y el goce efectivo del derecho a la salud
	Decreto núm. 2245 de 2015, de 24 de noviembre, por el cual se adiciona un capítulo al
	Decreto núm. 1069 de 2015, Único Reglamentario del Sector Justicia y del Derecho, en lo relacionado con la prestación de los servicios de salud a las personas privadas de la
	libertad bajo la custodia y vigilancia del Instituto Nacional Penitenciario y Carcelario (Inpec)
	Decreto núm. 2071 de 2015, de 23 de octubre, que modifica el Decreto núm. 2555, de
	2010, en lo referente al régimen de protección al consumidor financiero del Sistema
	General de Pensiones
	Decreto núm. 1768 de 2015, de 4 de septiembre, por el cual se establecen las condiciones para la afiliación al Sistema General de Seguridad Social en Salud de los migrantes
	colombianos que han sido repatriados, han retomado voluntariamente al país, o han sido
	deportados o expulsados de la República Bolivariana de Venezuela
	Ley estatutaria núm. 1751, de 16 de febrero de 2015, por medio de la cual se regula el
	derecho fundamental a la salud y se dictan otras disposiciones
	Decreto núm. 056 de 2015, de 14 de enero, por el cual se establecen las reglas para el funcionamiento de la Subcuenta del Seguro de Riesgos Catastróficos y Accidentes de
	Tránsito-ECAT y las condiciones de cobertura, reconocimiento y pago de los servicios de
	salud, indemnizaciones y gastos derivados de accidentes de tránsito, eventos catastróficos
	de origen natural, eventos terroristas o los demás eventos aprobados por el Ministerio de
	Salud y Protección Social en su calidad de Consejo de Administración del Fosyga, por parte de la Subcuenta ECAT del FOSYGA y de las entidades aseguradoras autorizadas para
	operar el SOAT
Specific categories of workers	Decreto núm. 2565, de 31 de diciembre de 2015, por el cual se crean unas bonificaciones
	para los servidores públicos docentes y directivos docentes al servicio del Estado en los
	niveles de preescolar, básica y media regidos por el Decreto Ley núm. 2277 de 1979, que pertenezcan al grado 14 del Escalafón Nacional Docente, y se dictan otras disposiciones
	Decreto núm. 2418, de 11 de diciembre de 2015, por el cual se regula la bonificación por
	servicios prestados para los empleados públicos del nivel territorial
	Decreto núm. 1886, de 21 de sepotiembre de 2015, que establece el Reglamento de
	Seguridad en las Labores Mineras Subterráneas
2016	
General provisions	Decreto núm. 1314, de 10 de agosto, por el cual se crea la Comisión Intersectorial de
	Garantías para las Mujeres Lideresas y Defensoras de los Derechos Humanos Ley núm. 1804, de 2 de agosto de 2016, por la cual se establece la Política de Estado
	para el Desarrollo Integral de la Primera Infancia de Cero a Siempre y se dictan otras
	disposiciones
	Decreto núm. 1036 de 2016, de 24 de junio, por el cual se adiciona un capítulo al Decreto
	núm. 1066 de 2015, Decreto Único Reglamentario del Sector Interior, con el fin de adoptar
I	la "Estrategia nacional para la lucha contra la trata de personas, 2016-2018



	Decreto núm. 017, de 8 de enero de 2016, por el cual se adiciona un capítulo al título 2 de la parte 2 del libro 2 del Decreto núm. 1072 de 2015, Decreto Unico Reglamentario del
	sector Trabajo
Freedom of association, collective bargaining and industrial relations	Decreto núm. 624 de 2016, de 18 de abril, por el cual se crea y reglamenta la Mesa Permanente de Concertación con las Centrales Sindicales CUT, CGT, CTC y la FECODE para la Reparación Colectiva al Movimiento Sindical
Labour administration	Decreto núm. 583 de 2016, de 8 de abril, por el cual se adiciona un capítulo al título 3 de la parte 2 del libro 2 del Decreto núm. 1072 de 2015, Decreto Único Reglamentario del Sector Trabajo
Employment policy, promotion of employment and employment services	Ley núm. 1780, de 2 de mayo de 2016, por medio de la cual se promueve el empleo y el emprendimiento juvenil, se generan medidas para superar barreras de acceso al mercado del trabajo y se dictan otras disposiciones
Conditions of employment	Ley núm. 1788, de 7 de julio de 2016, que garantiza el acceso en condiciones de universalidad al derecho prestacional de pago de prima de servicios para los trabajadores y trabajadoras domésticos Decreto núm. 123 de 2016, de 26 de enero, por el cual se crea una bonificación para los
	servidores públicos docentes y directivos docentes al servicio del Estado en los niveles de preescolar, básica y media, y se dictan otras disposiciones
Occupational safety and health	Decreto núm. 1117 de 2016, de 11 de julio, por el cual se modifica el Decreto núm. 1072 de 2015, Decreto Único Reglamentario del Sector Trabajo, en lo referente a los requisitos y términos de inscripción para el ejercicio de intermediación de seguros en el ramo de riesgos laborales
Social security (general standards)	Decreto núm. 1345 de 2016, de 19 de agosto, por el cual se reglamenta el artículo 111 de la Ley núm. 1769 de 2015, referente al acceso de las Madres Sustitutas al Subsidio otorgado por la Subcuenta de Subsistencia del Fondo de Solidaridad Pensional
	Decreto núm. 1184 de 2016, de 19 de julio, que adiciona un Capítulo 5 al Título 10, Parte 1, Libro 2, del Decreto núm. 780 de 2016, Decreto Único Reglamentario del Sector Salud y Protección Social
	Decreto núm. 780 de 2016, de 6 de mayo, por medio del cual se expide el Decreto Único Reglamentario del Sector Salud y Protección Social
	Decreto núm. 582 de 2015, de 8 de abril, por el cual se modifica el Decreto núm. 1072 de 2015, Decreto Único Reglamentario del Sector Trabajo, para reglamentar parcialmente el artículo 77 de la Ley núm. 1753 de 2015 y adoptar medidas para fortalecer el Mecanismo de Protección al Cesante en lo relativo a Bonos de Alimentación
Specific categories of workers	Ley núm. 1788, de 7 de julio de 2016, que garantiza el acceso en condiciones de universalidad al derecho prestacional de pago de prima de servicios para los trabajadores y trabajadoras domésticos
	Decreto núm. 123 de 2016, de 26 de enero, por el cual se crea una bonificación para los servidores públicos docentes y directivos docentes al servicio del Estado en los niveles de preescolar, básica y media, y se dictan otras disposiciones.
Domestic workers	Ley núm. 1788, de 7 de julio de 2016, que garantiza el acceso en condiciones de universalidad al derecho prestacional de pago de prima de servicios para los trabajadores y trabajadoras domésticos
2017	y nubujuudrus uomesneos
General Provisions	Ley núm. 1846, de 18 de julio de 2017, por medio de la cual se modifican los artículos 160 y 161 del Código Sustantivo del Trabajo y se dictan otras disposiciones
	Decreto Ley núm. 895, de 29 de mayo de 2017, que crea el Sistema Integral de Seguridad para el Ejercicio de la Política Decreto Ley núm. 896, de 29 de mayo de 2017, que crea el Programa Nacional Integral
	de Sustitución de cultivos de uso ilícito (PNIS) Decreto-Ley núm. 897 de 2017, de 29 de mayo, por el cual se modifica la estructura de la
	Agencia Colombiana para la Reintegración de Personas y Grupos Alzados en Armas y se dictan otras disposiciones
	Decreto-Ley núm. 899 de 2017, de 29 de mayo, por el cual se establecen medidas e instrumentos para la reincorporación económica y social, colectiva e individual, de los integrantes de las FARC-EP, conforme al Acuerdo Final suscrito entre el Gobierno Nacional y las FARC-EP el 24 de noviembre de 2016
	Decreto-Ley núm. 902 de 2017, de 29 de mayo, por el cual se adoptan medidas para facilitar la implementación de la Reforma Rural Integral contemplada en el Acuerdo Final en materia de tierras, específicamente el procedimiento para el acceso y formalización y el Fondo de Tierras
	Decreto Ley núm. 898, de 29 de mayo de 2017, que crea la Unidad Especial de Investigación para el desmantelamiento de las organizaciones y conductas criminales responsables de homicidios y masacres, que atentan contra defensores/as de derechos humanos, movimientos sociales o movimientos políticos o que amenacen o atenten contra las
	personas que participen en la implementación de los acuerdos y la construcción de la paz,



	incluyendo las organizaciones criminales que hayan sido denominadas como sucesoras del
	paramilitarismo y sus redes de apoyo
	Decreto Ley núm. 900, de 29 de mayo de 2017, por el cual se adiciona el artículo 8 de la
	Ley núm. 418 de 1997, a su vez modificado por el artículo 1 de la Ley núm. 1779 de 2016,
	y se dictan otras disposiciones.
	Decreto Ley núm. 901, de 29 de mayo de 2017, por el cual se prorroga la duración de las
	Zonas Veredales Transitorias de Normalización (ZVTN) y los Puntos Transitorios de
	Normalización (PTN), establecidos por los Decretos núm. 2000, 2001, 2002, 2003, 2004,
	2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017,
	2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026 de 2016 y núm. 150 de 2017
	Decreto Ley núm. 890 de 2017, de 28 de mayo, por el cual se dictan disposiciones para la
	formulación del Plan Nacional de Construcción y Mejoramiento de Vivienda Social Rural
	Decreto Ley núm. 890 de 2017, de 28 de mayo, por el cual se adiciona un parágrafo al
	artículo 190 de la Ley núm. 1448 de 2011 en lo relacionado con el proceso de restitución
	de los derechos de los niños, niñas y adolescentes a cargo del ICBF, desvinculados de las
	FARC-EP en virtud del Acuerdo Final para la Terminación del Conflicto y la Construcción de
	una Paz Estable y Duradera
	Decreto Ley núm. 893, de 28 de mayo de 2017, por el cual se crean los Programas de
	Desarrollo con Enfoque Territorial (PDET)
	Decreto Ley núm. 889 de 2017, de 27 de mayo, que adiciona un artículo transitorio al
	Decreto núm. 2067 de 1991
	Decreto Ley núm. 883 de 2017, de 26 de mayo, por el cual se modifica la Ley núm. 1819
	de 2016 para incluir a las empresas dedicadas a la minería y a la explotación de
	hidrocarburos en la forma de pago de obras por impuestos -
	Decreto Ley núm. 884 de 2017, de 26 de mayo, por el cual se expiden normas tendientes a
	la implementación del Plan Nacional de Electrificación Rural en el marco del Acuerdo Final
	para la Terminación del Conflicto y la Construcción de una Paz Estable y Duradera
	Decreto Ley núm. 885 de 2017, de 26 de mayo, por medio del cual se modifica la Ley núm.
	434 de 1998 y se crea el Consejo Nacional de Paz, Reconciliación y Convivencia -
Education, Vocational Guidance and	Decreto Ley núm. 892, de 28 de mayo de 2017, por el cual se crea un régimen transitorio
Training	para la acreditación en alta calidad de los programas académicos de licenciaturas a nivel
	de pregrado que son ofrecidos en departamentos donde se localizan municipios priorizados
	para la implementación de los Programas de Desarrollo con Enfoque Territorial (PDET)
	Decreto Ley núm. 882 de 2017, de 26 de mayo, por el cual se adoptan normas sobre la
	organización y prestación del servicio educativo estatal y el ejercicio de la profesión
	docente en zonas afectadas por el conflicto armado
Social Security	Decreto núm. 546 de 2017, de 30 de marzo, por el cual se modifica el Decreto núm. 1429
,	de 2016, que modificó la estructura de la Administradora de los Recursos del Sistema
	General de Seguridad Social en Salud - ADRES.
Maternity Protection	Ley núm. 1822, de 4 de enero de 2017, por medio de la cual se incentiva la adecuada
,	atención y cuidado de la primera infancia, se modifican los artículos 236 y 239 del Código
	Sustantivo del Trabajo y se dictan otras disposiciones"
	Ley núm. 1823, de 4 de enero de 2017, por medio de la cual se adopta la estrategia Salas
	Amigas de la Familia Lactante del Entorno Laboral en entidades públicas y empresas
Specific Catagories of Workers	Decreto Ley núm. 894, de 28 de mayo de 2017, por el cual se dictan normas en material
Specific Categories of Workers	
	de empleo público con el fin de facilitar y asegurar la implementación y desarrollo
	normativo del Acuerdo Final para la Terminación del Conflicto y la Construcción de una Paz
Source: IIO NATIFX Country Profile Colom	Estable y Duradera

Source: ILO, NATLEX, Country Profile Colombia, Basic Laws



Table 31: Ratified of ILO Fundamental and Governance Conventions in Colombia

Subject and/or right	Convention	Ratification date
Fundamental Convention	ns	
Freedom of association and collective bargaining	C087 - Freedom of Association and Protection of the Right to Organise, 1948	1976
	C098 - Right to Organise and Collective Bargaining Convention, 1949	1976
Elimination of all forms of forced labour	C029 - Forced Labour Convention, 1930	1969
	C105 - Abolition of Forced Labour Convention, 1957	1963
Effective abolition of child labour	C138 - Minimum Age Convention, 1973	2001
	C182 - Worst Forms of Child Labour Convention, 1999	2005
Elimination of discri- mination in employment	C100 - Equal Remuneration Convention, 1951	1963
	C111 - Discrimination (Employment and Occupation) Convention, 1958	1969
Governance Conventions	s	
Labour inspection	C081 - Labour Inspection Convention, 1947	1967
	C129 - Labour Inspection (Agriculture) Convention, 1969	1976
Employment policy	C122 - Employment Policy Convention, 1964	Not ratified
Tripartism	C144 - Tripartite Consultation (International Labour Standards) Convention, 1976	1999

Note: Fundamental Conventions are the eight most important ILO conventions that cover four fundamental principles and rights at work. Equivalent to basic human rights at work. Governance Conventions are four conventions that the ILO has designated as important to building national institutions and capacities that serve to promote employment. In other words, conventions that promotes a well-regulated and well-functioning labour market. In addition, there are 71 conventions, which ILO considers "up-to-date" and actively promotes.

Source: ILO, NORMLEX, Ratification for Colombia



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