## SDG1 Lead ECCA RCEM: Vitaly

## GENERAL GUIDANCE FROM UNDESA

• What is the current status of the Goal or target, in terms of actual measured progress and trends?

According to the Global Economic Prospects 2021 forecast it is expected that COVID-19induced new poverty in 2020 to rise between 119 and 124 million. The estimated increase in poverty in 2020 is unprecedented.

In the two decades since 1999 the number of people living in extreme poverty worldwide has fallen by more than 1 bln. Part of this success in reducing poverty is set to be reversed due to the COVID-19 pandemic.

## EU specific:

More than 20% of the EU population are at risk of poverty.

9.2% of employed persons are at risk of poverty despite having a job<sup>1</sup>.

Close to 14% of all people in the EU live in poor housing.

2% live without adequate sanitation and access to water.

An estimated 700,000 people were homeless in the EU in 2019,

Housing deprivation is at the heart of poverty and social exclusion, and closely linked to unemployment.

Women have borne the brunt of the pandemic in several ways. Since lockdown their share of unpaid house chores and child care increased dramatically. They have also been at the forefront of tackling the virus as most jobs in care and health support are female-dominated. Women comprise approximately 80% of the workforce in health care and social care.

• What has changed since the last time this Goal was reviewed at the HLPF?

Even before COVID-19, SDG1 was off-track to ending extreme poverty by 2030. As a consequence of severe economic depression, between 80 to 128 mln people may be pushed into poverty. Economic fallout from the pandemic emphasizes the need for robust and timely social protection systems in order to support extremely vulnerable people. Only one fifth of the global population has access to social protection. Unprecedented challenges require unprecedented measures, therefore the governments and international agencies must invest resources and create mechanisms for emergency preparedness, environmental hazards and other disasters.

o Any deviations in progress from what was expected (including due to Covid)?

<sup>&</sup>lt;sup>1</sup> Source: Eurostat

Since the start of 2020 the world has faced a severe public health and economic crisis. COVID-19 had a highly negative impact on SDG1 due to job losses and economic lockdown. The crisis has affected the poor and vulnerable groups (such as children, older people, people with disabilities, women, migrant and young workers, poor households) disproportionately. According to World Bank calculations pre-COVID 19 projections of extreme poverty placed the number at 613 mln in 2020 and 588 mln. In 2021. Instead, with the economic consequences due to COVID-19 the numbers are expected to rise from between 730 mln. (baseline projection) up to 751 mln. (downside projection).

As the governments around the world have taken urgent measures to respond to Covid-19 threat, including shutdown of economic activities for weeks and months, a massive global economic crisis has erupted with widespread job losses and major impacts on vulnerable groups. Women workers in the formal sector are especially affected due to unemployment linked to the pandemic and extra caring responsibilities which are unpaid and unrecognised. This trend is a serious challenge to achieving SDGs (in particular SDG1) for poor countries and population groups.

o Additional obstacles or opportunities in implementation including through interlinkages with other Goals, and connections to related processes?

There is a need for more data and better indicators in the EU SDGs monitoring report and Eurostat to provide disaggregated data on gender, sex, age, groups, people with disabilities, ethnic minorities, and migrants with regards to poverty risks, social exclusion and material deprivation.

o New/promising openings for tracking progress, including from additional data sources?

• What are promising strategies to accelerate action (by UN and partners) and to mobilize other stakeholders to advance implementation?

#### **Global Social Protection Fund**

Support the establishment for a Global Fund for Social Protection (GFSP) as a solidarity based financing mechanism to help countries design, implement and finance on a sustainable basis basic, national floors of social protection<sup>2</sup>.

Vaccinations for all without discrimination

<sup>&</sup>lt;sup>2</sup>Social protection floors should include:

<sup>-</sup>access to a nationally defined set of goods and services, constituting essential health care, including maternity care, that meets the criteria of availability accessibility, acceptability and quality;

<sup>-</sup>basic income security for children, at least at a nationally defined minimum level, providing access to nutrition, education, care and any other necessary goods and services;

<sup>-</sup>basic income security, at least at a nationally defined minimum level, for persons in active age who are unable to earn sufficient income, in particular in cases of sickness, unemployment, maternity and disability;

<sup>-</sup>basic income security, at least at a nationally defined minimum level, for older persons.

Ensure access to vaccines for all: efforts should be made to address the pandemic in a globally coordinated manner by joining the COVAX Global Vaccine Facility and for EU countries to avoid monopolizing supplies or vaccines.

### GUIDANCE FROM UNDESA - SPECIFIC TO GOAL 1

Ending poverty in all its dimensions, enhancing human well-being and building resilience

Poverty and hunger are on the rise after years of decline, a trend exacerbated by the COVID-19 pandemic, and past progress in many areas of health and well-being, including declining maternal mortality and expanding childhood vaccination programmes, is facing headwinds. At the same time, the pandemic has renewed focus on social protection, and driven new approaches to

service delivery in many countries.

• While countries and regions are at different points in the transition from crisis management to recovery from the pandemic, are there some promising examples of mechanisms and partnerships that can help to reduce the depth of pandemic related deprivations in the short-term and to leave no one behind in the long-term?

COVID-19 pandemic will have both immediate and long-term economic and social consequences for the population across the globe. The impact from the pandemic has clearly exposed glaring income and opportunities inequality both across and within countries.

#### COVID-19 impact:

Loss of income; vulnerable population fall below the poverty line; informal workers, freelancers, migrant workers, women, older and disabled persons, homeless, refugees, children from poor households are the most adversely affected.

EU states generally have the lowest rates of poverty. Despite relative well-being different aspects of poverty are still at play. The progress made in recent decades is currently under threat due to COVID-19 induced crisis which has put livelihoods, incomes and jobs at risk across the EU. The poor and vulnerable are hit the hardest. The EU uses European Social Fund and other social protection mechanisms to address poverty and social exclusion. However, countries beyond the EU have a limited range of instruments to help alleviate the consequences of pandemic and economic crisis. Most countries continue to gauge economic well-being based on Gross Domestic Product, an indicator which no longer captures social problems or allows to adequately target the population at most risk of poverty.

Strong social protection systems are essential to counter economic shocks and help vulnerable populations endure hardship. Global Social Protection Fund initiative could be such an internationally supported initiative that can alleviate the impact of deprivation in the short-term.

Access to microfinance, employment-creation initiatives, continuous education and training, as well as measures to promote housing affordability for the most vulnerable population could ensure that no one is left behind in the long term.

UN should urge governments to avoid 'vaccine nationalism' and urge governments and the private sector to make vaccines available and affordable to poor countries.

International organizations including IMF and WB should lead the way in making emergency funding available for economic recovery programs to support small and medium enterprises and foster self-employment. IMF could start a solidarity initiative letting LDCs make use of Special Drawing Rights allocated to richer countries that do not need such funding.

WB might consider extending loans to poorer countries to invest in critical infrastructure (public health, human resources) and support innovative employment mechanisms (microfinance and start-up businesses).

UN should also urge G7 countries to step up their pledge to allocate 0.7% to ODA (Overseas Development Assistance). A significant amount should be allocated to poverty reduction, health system strengthening in poor countries and stronger social protections systems. As the financial markets and cryptocurrencies develop fast, the UN could urge to reconsider FTT and a certain 'solidarity' tax on cryptocurrency that could be invested in building resilience and emergency preparedness, especially by LDCs.

• How can these measures contribute towards establishing resilience and recovery from shocks in the future?

The pandemic has demonstrated the importance of public health, preparedness to address global challenges at local, regional, national and global levels. The UN, governments and private sector should all contribute to special funds that can build capacity, community-level resilience and recovery capacities in the face of future shocks (environmental, health hazards, economic or other). Funding could be allocated through WHO for rapid emergency response to public health threats to help poor countries address shortages in medicines, vaccines and infrastructure.

• What are the opportunities to be realized (and pitfalls to be avoided) in the immediate and medium terms towards these ends? How can international cooperation support?

Reconsider the principles of solidarity and mutual support. There is an opportunity to invest in human capital and attain a more equitable and thriving global community.

As this crisis demonstrates, we can no longer ignore such issues as climate change, gender equity, public health and well-being, responsible consumption and production (need to approach SDGs holistically bearing in mind the interlinkages and the impacts on progress overall). Focusing on economic growth and GDP is a misguided principle that does not take into account the multi-sectoral approach reflected in SDGs and at times only contributes to inequality.

- Support the establishment of a **Global Fund for Social Protection** (GFSP) as a solidarity based financing mechanism to help countries design, implement and finance on a sustainable basis basic, national floors of social protection
- Vaccinations for all without discrimination. Ensure access to vaccines for all: efforts should be made to address the pandemic in a globally coordinated manner by joining the COVAX Global Vaccine Facility and for EU countries to avoid monopolizing supplies or vaccines.
- Allocate funding for resilience and recovery programs (strengthening public health systems, invest in R&D, initiate and streamline funding for emergency programs- child and maternal health, HSS in LDCs, climate change mitigation and adaptation)
- While economic growth and employment are significant the past several decades have demonstrated limitations in trickle-down effect. Economic policies should focus on more equitable, sustainable and fair approaches in income distribution and competitive advantages, highlighting the need to respect and reward more traditional non-profit professions for which humanity relies on in times of unforeseen and devastating crises like global pandemic.
- Expand SDG Forum to integrate civil society structurally in the implementation, monitoring and reporting.

## VITALY's ADDITION:

Interlinkages with other SDGs, e.g. SDG 2, hunger, SDG 3, health, SDG 5 gender, SDG 6, water, SDG 8, decent work and social protection, SDG 10 inequalities, SDG SDG13, Climate change, SDG 16 justice and human rights, SDG 17, partnerships and data

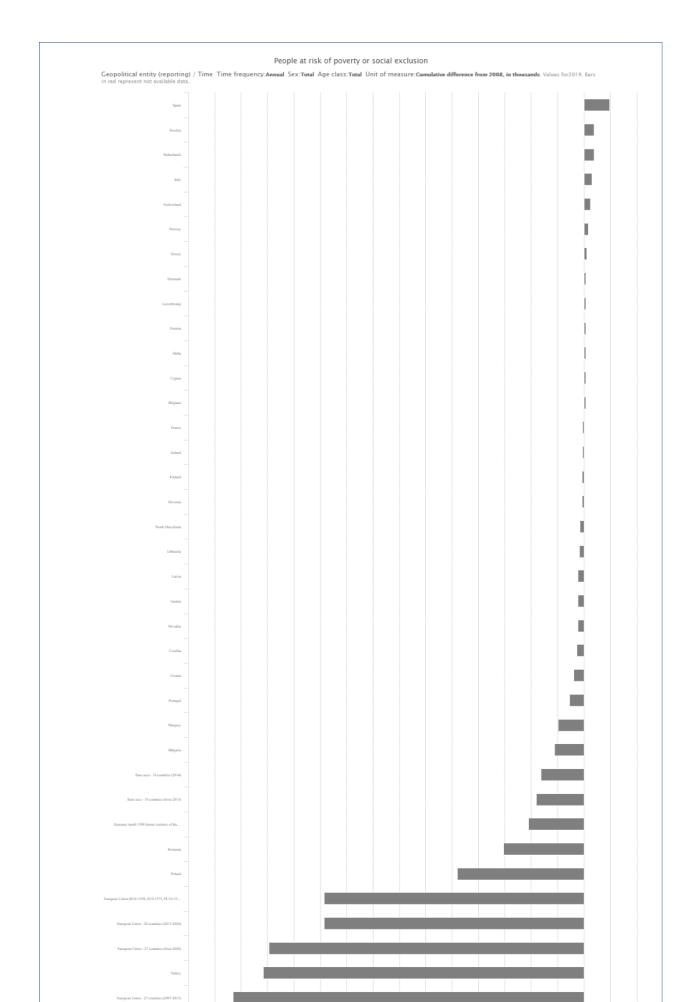
Useful resources:

https://www.worldbank.org/en/topic/poverty https://blogs.worldbank.org/opendata/updated-estimates-impact-covid-19-global-povertylooking-back-2020-and-outlook-2021?cid=pov\_tt\_poverty\_en\_ext

https://www.sdgindex.org/

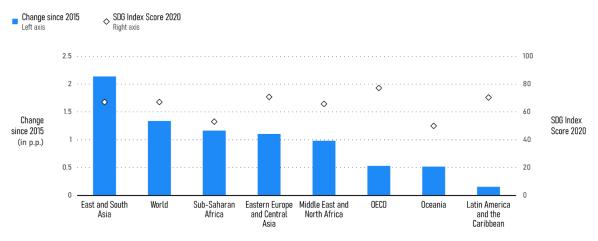
https://ec.europa.eu/info/sites/default/files/aid\_development\_cooperation\_fundamental\_rights/an nual\_report\_ge\_2021\_en.pdf

Progress on SDGs Eurostat data People at risk of poverty or social exclusion EU region.



# The Covid-19 crisis should not dismantle the SDG efforts and momentum that have taken place since their adoption in 2015

Progress on the SDG Index by region (2015-2019)



Source: Sachs et al., 2020. See section 2 for more details.