**Sustainable Development Goal 1**

*An Expert Group Meeting in preparation for HLPF 2024:*
*Reinforcing the 2030 Agenda and eradicating poverty in times of multiple crisis: the effective delivery of sustainable, resilient and innovative solutions*

Geneva, Switzerland,

7 May 2024

Meeting Summary[1]

## 1. Introduction

The theme of the 2024 High Level Political Forum (HLPF) is *"Reinforcing the 2030 Agenda and eradicating poverty in times of multiple crisis: the effective delivery of sustainable, resilient and innovative solutions"*. The 2024 HLPF will have an in-depth review of Sustainable Development **Goal 1,** End poverty in all its forms everywhere; **Goal 2** End hunger, achieve food security and improved nutrition and promote sustainable agriculture; **Goal 13,** Take urgent action to combat climate change and its impacts; **Goal 16,** Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels; and **Goal 17,** Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.

The HLPF in July 2024 will be the first HLPF under the auspices of ECOSOC after the **2023 SDG Summit**. It will support the implementation of the Political Declaration and other outcomes of the SDG Summit, and provide an opportunity to translate the political guidance and commitments into practical actions.

In preparation for the in-depth review of SDG 1, the UN Department of Economic and Social Affairs, Division for Sustainable Development Goals (UN-DESA/DSDG), UN Trade and Development (UNCTAD), and the World Bank organized an Expert Group Meeting (EGM) in May 2024.

In this second half of the 2030 journey, the objective of the meeting was to take stock of where we are in terms of progress towards SDG 1; to identify innovative solutions and different ways forward; to consider how the prevailing environment for ending poverty has changed including in relation to global intertwined challenges, the intensifying climate crisis, ongoing recovery from COVID-19 and others policy challenges that

[1] The recommendations expressed in this report are a summary of the contributions made by experts in the meeting and do not necessarily reflect the views of the United Nations or the World Bank.

require urgent action and bold solutions; to build on new opportunities, learnings and good practices that have emerged; and to harness the political momentum from the SDG Summit.

The discussions at the meeting will help inform the HLPF, assist in planning its sessions, and help to identify areas for collaboration and programmes of work on SDG 1 from 2024 onwards. They will consider how progress on SDG 1 can generate synergies across the 2030 Agenda, and how progress on other Goals can be aligned with poverty reduction.

## 2. Stocktaking and Challenges

According to official data, none of the SDG 1 targets are on track to be achieved by 2030[2]. Yet the 2030 Agenda recognizes that eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development. Despite decades of hard-won development progress, a world free of poverty remains out of reach.

Due to the impacts of the COVID-19 pandemic and other recent interconnected shocks, we lost around four years in the fight against poverty between 2020-2023. While extreme poverty in middle-income countries has started to decrease, poverty in the poorest countries and places affected by fragility, conflict, or violence remains higher than before the pandemic. Measured at $6.85 per day, the poverty line for upper-middle-income countries, close to half the global population, or 3.6 billion people, were living in poverty in 2022.[3]

Poverty reduction was a story of success for more than two decades, starting in the early 1990s. By 2010, the world had passed the milestone of cutting global extreme poverty in half, the first MDG target, 5 years early. Extreme poverty continued to fall, though the pace of reduction started to slow down by 2015. The 2021 review of SDG 1 noted that the pace of reduction in extreme poverty had been decelerating from 1 percentage point annually between 1990 and 2015 to less than half a percentage point annually between 2015 and 2017[4].

In 2020, progress in poverty reduction was dealt a severe blow by the COVID-19 pandemic and related restrictions and closures, and for the first time, the number of people living in extreme poverty increased. High-income economies have since recovered, but low-income economies were hit hardest and have yet to recover. It is estimated that, unless urgent action is taken, roughly 600 million people will be living in extreme poverty in 2030, with poverty particularly entrenched in sub-Saharan Africa and conflict-affected areas[5].

To monitor progress towards SDG 1.2, some countries have adopted national multidimensional poverty indicators to capture other aspects of poverty – such as those related to health, employment, education and access to basic services – as well as to reveal the interconnections between deprivations across multiple Goals within households. In 2022, 1.2 billion people lived in multidimensional poverty[6].

Regarding SDG 1.3, by 2020, only 47% of the global population was effectively covered by at least one social protection cash benefit, slightly improved from 45% in 2015. According to the most recent data, only 26% of children under 15 receive a social protection benefit; only one in three persons with severe disabilities worldwide receive a disability benefit; only 35% of workers are covered in case of work injury; and only 18.6% of unemployed workers worldwide are effectively covered. The 2021 data for 100 countries shows that globally, the average spending on essential social services is approximately 53% of total government spending, with an overall average of 62% for advanced economies and 44% for emerging market and developing economies.

[2] https://unstats.un.org/sdgs/report/2023/progress-chart/Progress-Chart-2023.pdf
[3] World Bank Poverty and Inequality Platform (2024)
[4] UN (2021), Report of the UN Secretary-General on Progress Towards the SDGs (advance unedited copy).
[5] SDG Progress Report 2023 https://unstats.un.org/sdgs/report/2023/
[6] https://hdr.undp.org/content/2023-global-multidimensional-poverty-index-mpi#/indicies/MPI

On SDG indicator 1.4.2 - legally recognizing tenure security of women and men by 2030 - the SDG Land Momentum Group finds that at the end of 2023, only 12 percent of countries have reported on the target. Robust reporting of indicators such as 1.4.2 is a means to an end – to achieve the other indicators in SDG 1 and beyond. To this end, holistic reporting and actions are needed, not only by the custodians and the member States but other stakeholders including civil society organizations (CSOs) who generate people centric data, actions and stories to achieve the 2030 Agenda. The lack of data availability and data gaps that persist remain an ongoing concern, however.

Poverty is both a driver of risk and a consequence of disasters. Disaster risk reduction is thus fundamental to saving lives and reducing poverty. In the context of SDG 1.5, moving past the mid-point of the 2030 Agenda for Sustainable Development and the Sendai Framework for Disaster Risk Reduction, there has been a progressive decline in disaster-related mortality. The global average annual number of deaths or missing persons per 100,000 of the population has steadily decreased worldwide, from 1.604 in the period 2005–2014 to 1.15 in 2013–2022. Despite the decline in global disaster-related mortality, the number of people affected by disasters per 100,000 of the population has increased, from 1,092 during the period 2005-2014 to 2,034 in 2013-2022.

## 3. Multiple crises and recovery

Global efforts to eradicate extreme poverty have faced significant setbacks since the COVID-19 pandemic and a series of major shocks during 2020-22, with none of the SDG 1 targets on track to be achieved by 2030. In 2022, 9% of the world's population or 712 million people were living in extreme poverty, an increase of 23 million people compared to 2019[7].

The world economy is forecast to grow 2.7 percent in 2024 yet multiple interlinked crises continue to challenge stable and sustained growth[8]. There is a triple deficit in growth, trust and hope. The debt situation in many developing countries is such that they spend more on debt servicing than on health and education, which in turn leads to a crisis in development. SDGs need financing, especially in the long term. In addition to stepping up efforts in domestic resource mobilization, we need stronger financing from International Financial Institutions (IFIs). We are also starting to see innovations that could be brought to scale, including through reallocation of Special Drawing Rights (SDRs) to Multilateral Development Banks (MDBs). More immediate solutions are provided by the UNSG's SDG Stimulus, which includes recommendations on tackling the high cost of debt; massively scaling up affordable long-term financing for development; and expanding contingency financing to countries in need.

Economic shocks can significantly reverse advances in poverty reduction and these impacts are multidimensional. Economic shocks affect poor households through multiple channels, including public expenditures that decline in response to shocks. In poor countries, human capital accumulation of children is procyclical. Infant mortality rises and school enrolment and nutrition fall during recessions. This underlines the importance of a pro-poor crisis response, with a focus on preserving human capital. Safety nets and secure financing are key. Disaster risk management is an important policy area and within this, insurance (health, crops, livestock) should be strengthened. Policies should focus on household debt, which is not as well managed or regulated during shocks, and as such, poor households frequently fall into debt traps that they cannot escape.

Climate change disproportionately affects the poorest populations, often in countries with limited fiscal space and high debt burdens. A significant share of people living in poverty are vulnerable to climate shocks and reside in areas that are highly exposed to extreme weather events, such as floods, cyclones, drought, or extreme heat. In addition, millions of people are vulnerable to falling (back) into poverty as a result of extreme weather events

[7] World Bank Poverty and Inequality Platform (2024)
[8] World Economic Situation and Prospects mid 2024 https://www.un.org/development/desa/dpad/publication/world-economic-situation-and-prospects-as-of-mid-2024/

Latest data indicate a record high of 75.9 million internally displaced people (IDP) in the world in 2023[9], with a 50% increase in the last 5 years. Out of the 75.9 million IDPs, 68.3 million were displaced by conflict and violence, and 7.7 million by disasters. Eight out of 10 of the countries with the highest numbers of IDPs feature at the lower end of the Human Development Index.[10] Additionally, it is estimated that IDPs spend on average 10 years in displacement[11], during which rights to public services are limited, keeping them in vulnerable situations, generating long term effects on poverty and marginalization. Displacement often erodes a displaced person's productive, social, and psychological capacities and assets, thus hindering opportunities to recover and their ability to lead productive and fulfilling lives. In many settings, IDPs tend to be poorer than the national average and the host community where they find themselves.

In a challenging context with multiple interlinked crises, the world needs a new playbook for getting back on track to achieve SDG 1.

**4. Policies and actions to maximize synergies, mitigate trade-offs and drive transformation**

**People at the bottom of the income distribution must participate actively in the process of growth.** Growth and its distribution or incidence are jointly determined. We need policies that invest in the productive capacity of the poor so that the benefits of growth accrue to them. Eradicating poverty in all its dimensions requires breaking the patterns and cycles of deprivation and exclusion that persist over time, including of groups based on caste, gender, race or groups discriminated against on the basis of work or descent. We must try to better understand how different parts of the population contribute to growth and thereby introduce policies that address regressive patterns of economic growth. This will help those people at the bottom of the income distribution to participate increasingly in the process of growth itself, and to use their assets more optimally.

**At the same time, pursuing growth as the only policy objective needs to be avoided**[12]. Such an approach can be counterproductive to achieving SDG1 and related goals. When policy choices are dominated by a focus on achieving or accelerating economic growth, this can overshadow the importance of inclusive economic practices and of redistributive policies. Instead, the policy space should be expanded so that growth becomes an instrument for, and not the end goal of, development, using human rights as the roadmap to achieve this. Rightly, world leaders gathered at the SDG Summit in September 2023 agreed on the need to "go beyond" GDP[13].

**Policies should aim to improve people's overall well-being.** Economic growth alone does not guarantee that people will be lifted out of poverty. Reducing inequality of income and opportunity is also critical. Poverty also goes beyond income and has many dimensions. Policies must aim therefore to improve people's well-being, including through more equitable access to health, education, social services, and basic infrastructure. Combined with these investments, countries need broad-based economic growth that creates more and better jobs, especially for women and youth. In addition, countries need to lift the constraints poor households face in accumulating assets, including natural, financial, human, physical, and social capital, and help them use those assets to earn higher incomes.

**There are opportunities that low- and middle-income countries can capitalize on, that help to achieve SDG 1 and other linked goals.** Achieving SDG1 will not happen in isolation—it is deeply interlinked with other goals. Thus, effective solutions must consider potential synergies and trade-offs across objectives. For example, the growing demand for critical minerals, used in green energy technologies, and deposits heavily concentrated

[9] IDMC Grid Report, 2024
[10] United Nations Development Programme, Human Development Index, 2024.
[11] OECD, Social Protection for the forcibly displaced in low- and middle-income countries: a pathway for inclusion.
[12] Report of the Special Rapporteur on extreme poverty and human rights https://www.ohchr.org/en/documents/thematic-reports/ahrc5661-eradicating-poverty-beyond-growth-report-special-rapporteur
[13] Political declaration of the high-level political forum on sustainable development convened under the auspices of the General Assembly, adopted by the UN General Assembly on 29 September 2023, UN Doc. A/RES/78/1, para. 30

in low-income countries, can be an opportunity for boosting growth and achieving the SDGs[14]. If the value addition takes place largely in poor countries and is broadly shared, it can be a powerful force for poverty reduction.

**Building resilience to climate shocks is critical.** Many people living in poverty, or vulnerable to poverty, reside in areas that are highly exposed to extreme weather events. There is an urgent need to integrate and create synergies in development and climate change agendas, to enhance effectiveness and impact. When possible, countries should aim for "double" and "triple win" policies that simultaneously work to improve the livelihoods of people living in poverty today, reduce their vulnerability to climate risks tomorrow, and/or help to mitigate future climate hazards. There are also many opportunities to be found in transitioning towards a low-carbon and climate-resilient economy, but with a strong emphasis on just transition. Transition costs, such as higher energy prices or job losses in carbon-intensive sectors, often affect poor people the most. A just transition, based on dialogue and inclusion, must be ensured.

**Reforming fiscal policy can accelerate poverty reduction.** Fiscal policies helped mitigate the impacts of the pandemic on poverty levels – without which, the average poverty rate in developing countries would have been 2.4 percentage points higher[15]. Nevertheless, fiscal policies can often lead to lower incomes for poor households in low-and middle-income countries. It is important to reform fiscal policy in ways that protect household incomes of the poorest and accelerate poverty reduction. For example, public spending can be reoriented away from subsidies towards more targeted support of poor and vulnerable households. One-half of spending on energy subsidies in low- and middle-income countries currently goes to the richest 20 percent of the population[16]. Cutting these subsidies can free up significant fiscal space for policies that are more effective in reducing poverty.

**International trade can be an engine of economic growth, yet trade alone is insufficient for significant poverty eradication.** International trade is key to stimulating growth and creating jobs, and tremendous development gains can be reaped from deeper and broader regional trade agreements. In regions like Africa, despite noticeable increases in exports and economic output, poverty reduction has been limited. The impact on poverty reduction is larger in countries with greater export diversification. There is a need for complementary policies to ensure that the benefits of trade are shared more broadly and lead to more inclusive socio-economic outcomes. For example, the *African Continental Free Trade Area*, if fully implemented, could raise incomes by 9 percent by 2035 and lift 50 million people in Africa out of extreme poverty[17]. The effectiveness of trade in poverty reduction is contingent upon a supportive domestic and international policy environment. Trade facilitation is key, especially for the Least Developed Countries (LDCs).

**Digital connectivity in developing countries can have multiplier effects.** Digital solutions, enhancing consultative processes, and streamlining and automating procedures (at the border) offer much potential for more engagement in global trade. Digital connectivity in developing countries needs to be strengthened to enable these countries to tap into the efficiencies and opportunities of digital trade. However, investment on this front tends to be inadequate. Appropriate regulatory frameworks are also needed. As some countries have imposed higher standards for emissions and climate impacts, many developing countries are facing capacity constraints and challenges in being able to meet these new standards. This is making it harder for them to join the global trading markets.

**Effective and transparent governance is essential for the successful implementation of policies aimed at poverty reduction.** Without governance that ensures accountability, efficiency, and inclusiveness, even well-designed programmes may fail to reach their objectives. Governments play a key role in providing the right infrastructure and the basic resources to increase human capital and empowering people to foster steady

[14] World Economic Situation and Propects mid 2024 https://www.un.org/development/desa/dpad/publication/world-economic-si tuation-and-prospects-as-of-mid-2024/

[15] World Bank Poverty and Shared Prosperity Report 2022
[16] World Bank Poverty and Shared Prosperity Report 2022
[17] Making the Most of the African Continental Free Trade Area: Leveraging Trade and Foreign Direct Investment to Boost Growth and Reduce Poverty (World Bank, 2022)

growth. Moreover, effective governance influences the stability and attractiveness of countries as destinations for foreign investment.

**Policies to address poverty among women and girls are essential.** Global poverty rates are systematically 0.5 percent higher for females than for males. Policies that improve gender equality are thus an essential tool in reducing poverty. Access to family planning, adolescent health, maternity benefits are some of the most crucial services that can have multiplier affects for households' wellbeing and build higher productive capacity. Building the productive capacity of those at the bottom of the income distribution includes allowing women' participation in the labour force, lowering the care burden among other things. Synergies among care work, human well-being and productive capacity should be leveraged. Goods and services alone do not inherently create capabilities. The development of capabilities must also consider the amount of care work invested. Care work, which enables children to reach their full potential, plays a pivotal role in poverty alleviation and sustainable development. Investing in the care economy presents an opportunity to create jobs while addressing pressing social needs. CIPPEC from Argentina has developed a Basic Care Package, which measures the resources required to foster children's capabilities without disproportionately burdening women's time, to complement existing basic consumption baskets[18]. In the current climate of recurrent shocks, there must be a special focus on securing the multidimensional well-being of children as short-term deprivation (education, hunger) leads to long term deficits in human development.

**Investing in universal social protection systems is key.** Universal social protection allows societies to manage the urgently needed transformations in a socially just and sustainable way and gives countries a fighting chance to achieve SDGs across the social, economic, and environmental dimensions of the 2030 Agenda. Following the Social Protection Floors concept, the cost of universalizing essential health care, and five key basic social protection guarantees (namely for children, persons with severe disabilities, mothers of newborns, older persons and the unemployed) has been estimated. In low- and middle-income countries, the "new" financing gap to achieve universal social protection accounts for 3.3% of GDP annually, with 2.0% of GDP required for essential health care and 1.3% for key social protection cash benefits. The social protection financing gap is much larger in some regions. Africa faces the most substantial challenge in achieving universal coverage for social protection, with a financing gap of 17.6% of the region's GDP per year.

**It is key to protect the gains in terms of poverty reduction, among the vulnerable.** In the face of multiple shocks any gains in well-being can be easily reverse and must be protected, as modest as they may be. It is important to build resilience among vulnerable populations such as IDPs. Children comprise more than half of those living in extreme poverty, while their share of the population is less than one-third[19]. In 2023, only 28.2 percent of children globally received child cash benefits, compared to 22.1 percent in 2015, leaving 1.4 billion children aged 0-15 without coverage (SDG 1.3). Countries must put a greater policy focus on children and youth. All efforts at addressing poverty in all its forms and ensuring social protection for everyone must address internally displaced persons.

## 5. Means of implementation: mechanisms and partnerships to accelerate progress

**Approaches to tackling poverty must include resilience.** Climate-related projects often overlook poverty reduction. Attention to adaptation to climate change has been growing, but the focus is seldom on the people who are most in need of adaptation. These are often the poor and the most vulnerable, and they are disproportionately women. In countries most impacted by climate change, it is especially important to integrate both climate adaptation and poverty reduction strategies. Building household resilience to climate shocks requires an increase of investments in adaptation – especially for LICs. We need more concessional financing and a greater focus on adaptation. Climate finance, including from the new Loss and Damage Fund, is not flowing to poor households and communities that need them the most and this is one area where efforts should be directed. Investing in resilience- building technologies and a focus on nature-based

[18] https://southernvoice.org/a-new-indicator-for-care-needs-feedback-session-on-the-basic-care-basket-on-the-sidelines-of-csw67/

solutions offer much potential, as well as rethinking institutional arrangements to address vulnerability and resilience. Investments are needed in all sectors, including climate smart agriculture. Investments in inclusion and empowerment programs are critical and the approach should be tailored to each country's specificities.

**Coordinated action is needed on long-term financing.** Financial constraints and debt servicing limit many countries' fiscal space and ability to invest in areas that are essential for sustained poverty reduction. Delivering on existing commitments of 0.7% of donors' gross national income for Official Development Assistance (ODA) would help provide a much- needed boost to poverty eradication. The catalysing role of multilateral and development banks to leverage ODA financing for sustainable development is extremely important. For example, the World Bank's International Development Association (IDA), is one of the largest and most effective platforms for fighting extreme poverty in the world's poorest countries. An ambitious IDA21 replenishment in 2024 would constitute a lifeline for the world's poorest countries. With mounting needs, innovative financing mechanisms and new initiatives, such as the SDG Stimulus, can be promising avenues. The international initiatives to avoid tax competition among countries and introduce minimum levels of corporate taxes are very important. Efforts are underway, driven by African leadership within the UN, to advance discussions on a UN tax framework convention and advocate for progressive taxation, particularly a wealth tax.

**Relief from high debt burdens is needed.** Sovereign debt is not a permanent source of finance for closing the social protection financing gap. However, the management of debt could unlock resources to expand fiscal space for social protection. Several global initiatives are aimed at scaling up efforts to support the expansion of fiscal space for social protection and to close the social protection financing gaps. These initiatives include the Brazil G20 Presidency Task Force on the establishment of a Global Alliance on Hunger and Poverty, the proposal to create a Global Fund on Social Protection, and debates at the Social Protection Inter-Agency Cooperation Board and the Global Partnership for Universal Social Protection to Achieve the Sustainable Development Goals (USP2030).

**The international community plays a central role.** The ODA resource distribution to those most affected by climate change is very limited. More efforts should be deployed to mobilize concessional resources/climate funding and support countries with limited fiscal space to manage trade-offs and prioritize investments. An integrated, whole-of-government approach is needed to tackle resilience. In addition to the poverty reduction agenda, policies should look at energy transition and taxation measures to discourage fossil fuels. Across all low- and middle-income countries, explicit fuel subsidies represent, on average, 1.2% of GDP, while implicit fuel subsidies represent 9.8% of GDP. These subsidies compare with a social protection floor financing gap of 3.3%of GDP.

**Data provides the infrastructure for policy.** Data systems and poverty statistics, including disaggregated data, are critical for monitoring progress on poverty reduction and motivating governments to maintain poverty reduction as a policy priority[20]. Statistical evidence about the extent and nature of poverty has heavily influenced political action in the last few decades. It is essential to continue investing in the statistical capacity of governments to build accurate and robust data systems.

[20] Reference to 2017 Atkinson Commission on "Monitoring Global Poverty"