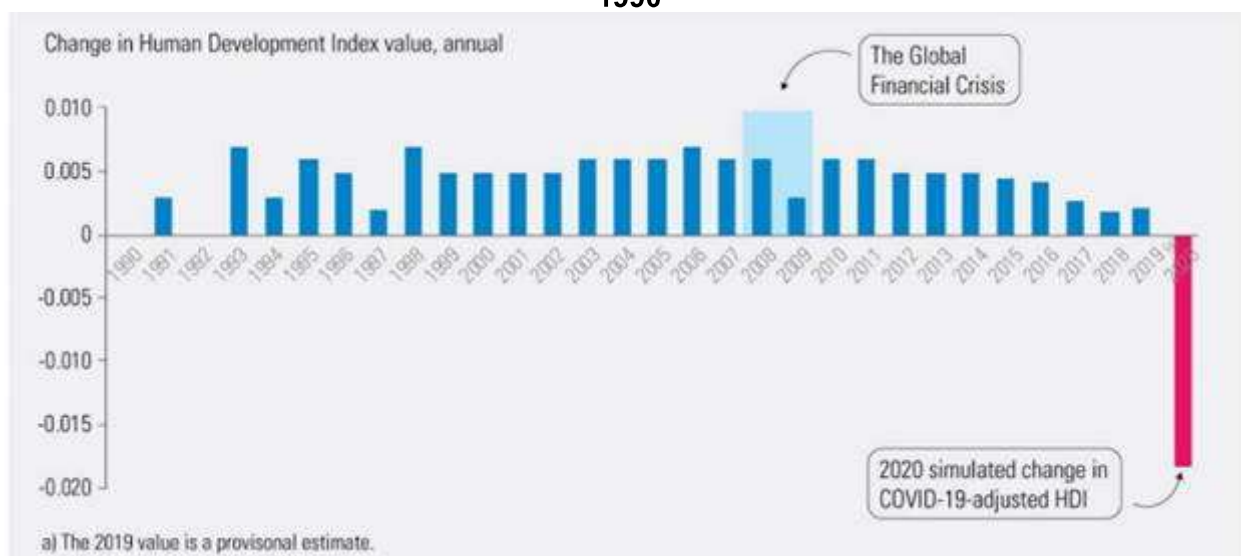


UNDP Communities of Practice on Poverty & Inequality and Gender Equality
E-discussion: Advancing Human Well-Being - 11 May to 22 May 2020
Preparatory process towards the 2020 HLPF

Summary of key findings

It's very important to note that global human development, based on estimates by UNDP, as the combined measure of the world's education, health, and living standards — is on course to decline for the first time since the measurement began in 1990 as a result of the COVID-19 crisis¹.

Human development is facing an unprecedented hit since the concept was introduced in 1990



Source: UNDP (May 2020)

The socio-economic impacts of the pandemics are already deeply felt by cities and communities across the world. The International Labor Organization has warned that COVID-19 threatens the livelihoods of nearly half the global workforce – that's 1.6 billion workers in the informal economy. The World Food Programme says that 265 million people in low and lower-middle-income countries could suffer from acute hunger by the end of the year.

Estimates from the World Bank suggest that COVID-19 could push an additional 40 to 60 million people into extreme poverty, 80 percent of them in Sub-Saharan Africa and South Asia.

The impact is being felt, too, in education, with 86 percent of children in primary school now effectively out-of-school in countries with low human development—compared with just 20 percent in countries with very high human development, according to new UNDP research. And as schools close and health

¹ UNDP (2020), COVID-19 and Human Development: Assessing the Crisis, Envisioning the Recovery.

systems are stretched, women and girls are under pressure to take on more unpaid care work.

We are witnessing only the beginning of the virus's economic and social implications. UNDP's data dashboards reveal widely different levels of ability to prepare and respond. For example, a very high human development country has on average 55 hospital beds, over 30 physicians, and 81 nurses per 10,000 people, compared to 7 hospital beds, 2.5 physicians, and 6 nurses in a least developed country.

UNDP has identified a number of strategic entry-points (but also challenges) for advancing wellbeing for all whilst tackling inequality and poverty in all their dimensions in the context of COVID-19 and beyond.

(i) Policies, actions, and trade-offs: Advancing progress towards human wellbeing during and in the aftermath of COVID-19 requires a comprehensive set of interventions while managing several potential trade-offs in both the short term and long term.

Acknowledging that complexity of human wellbeing and the need for integrated approaches: Advancing human wellbeing is a complex multidimensional issue, calling for evidence-based, context-specific and holistic policy action to address the economic, social, cultural, political, environmental but also more 'subjective' drivers of human wellbeing in an integrated manner, and critically also, to ensure that human wellbeing is sustained across generations. The COVID-19 crisis is challenging human wellbeing in many ways and is reminding us of the constant trade-off that we face: humans have unlimited needs, but the capacity of the planet to satisfy them is limited. Policy responses to COVID-19 and to advance human wellbeing will need to strike a careful balance between aspects of development.

Since the crisis has multiple interconnected dimensions (health, economic and several social aspects, decisions on the allocation of fiscal resources that can either further lock-in or break free from carbon-intensive production and consumption), a systemic approach — rather than a sector-by-sector sequential approach — is essential. A recent survey conducted in 14 countries found that 71 percent of adults globally consider that climate change is as serious a crisis as COVID-19, with two-thirds supporting government actions to prioritize climate change during the recovery.

Expanding and strengthening social protection: Ensuring that all people and particularly those who are the hardest hit are given the capabilities to cope and recover from the COVID-19 crisis emerges as a top priority in the short term. There is a need to assist governments in rapidly expanding safety nets and other social protection schemes to include all affected people and, in particular, the many informal workers, including women, who are currently unprotected. UNDP should

continue to partner with other international organizations to support the development of social protection programs as it has recently done in Madagascar².

Social protection is key to preserving human capital and livelihoods, without which no economic recovery is possible. UNDP could notably help establish and improve the effectiveness of social registries to help scale-up existing programs, including through leveraging the use of digital technologies. However, support for social protection should go beyond scaling-up safety nets. We need to advocate for and support a longer-term, more holistic, and human rights-based approach to social protection as a key, transformative pathway to reducing inequalities and build resilience in the face of future shocks. Social protection systems should not only be 'ready' to protect and stabilize the incomes of people in case of shocks but also guarantee continued access to basic services and capabilities (health, education, water, and sanitation, etc.). In that sense, UNDP is adopting emergency measures to maintain the delivery of essential services in conflict-affected communities in Yemen³.

Given the extent and dynamics of vulnerabilities exacerbated and/or generated by the COVID-19, as well as the institutional and administrative constraints associated with the expansion of social protection, there is a need to discuss the case for poverty-targeted further viz more universal approaches, including the case for Universal Basic Income (UBI)/UBI-like interventions (and likewise Universal Basic Services (UBS)), as potential policy responses in the context of COVID-19 and beyond.

Advancing resilience and wellbeing through social protection carries some challenges and potential trade-offs. The most apparent issue relates the capacities of Governments to invest in and sustain investments in social welfare, in a context where the social impacts of COVID 19 are likely to be protracted, and where economies also need to be saved from collapse.

First, it was acknowledged that one should not merely look at trade-offs from a short term perspective only. Social protection should not be seen as 'charity' but rather as 'smart economics' in efforts to build socio-economic resilience (e.g., through increasing consumption and demand, boosting human capital investments, raising job access, increasing national income and revenues); UNDP, as already done in Uganda, can help build evidence on positive economic returns from expanding social protection.

Second, efforts to support the expansion of social protection need to be accompanied by equivalent efforts to help countries create fiscal space inclusively and sustainably (avoiding cuts in public services and preserving debt sustainability). Among others, this means rethinking fiscal policies, including taxation policy and

² <https://www.undp.org/content/undp/en/home/blog/2020/undp-support-for-coronavirus-affected-countries-goes-beyond-heal.html>

³ <https://www.arabstates.undp.org/content/rbas/en/home/coronavirus.html>

governance frameworks (e.g., curbing tax evasion). It is also essential to prioritize fiscal incentives and financial support to the Micro Small and Medium Enterprises MSMEs. In many countries, fiscal space and cost of doing business incentives for MSMEs are still constrained; this needs to be realigned and prioritized in national economic recovery visions, strategies, policies, regional and local economic development plans.

Third, expanding social protection should not divert the attention away from the need to sustain jobs and livelihoods creation; UNDP supports countries in building capacity and creating an enabling environment for productive and decent employment targeted toward disadvantaged groups, including women. Support entails building government capacity to develop and implement legislative, institutional, and policy frameworks that help remove structural barriers that underprivileged groups face in the labor market. For example, in Colombia, UNDP built the capacity of the Ministry of Employment to develop policies to eliminate gender inequalities in the public and private sectors. Twenty private companies with more than 60,000 employees developed action plans to reduce gender gaps in recruitment, address salary differentials, and promote career development for women.

Fourth, social protection programs should be complemented by efforts to strengthen social cohesion and public trust, including through the dimensions of positive peace. This is another critical area of demand and a long-standing area of UNDP's engagement.

Finally, the COVID-19 crisis also provides an opportunity to explore and maximize the use of 'green solutions' that can support a resilient economy recovery. Circular economy and small cleantech enterprises can be leveraged through climate change fiscal incentives to offset carbon pushed further by a new Paris Accord amid global consumers awareness of the COVID19 impact on the quality of air, breathing cities, nature revival, and wellbeing.

Leveraging the potential of digital technologies and bridging the digital divide:

Widespread lockdowns around the world mean many people are having to rely on internet access to work, continue with their education, and interact with others. The digital divide has become more significant than ever, as hundreds of millions of people around the globe still don't have access to reliable broadband internet.

We need to increase efforts to reduce the digital divide (in particular in terms of access to the internet) and, more generally, to leverage the transformative potential of digital technologies to foster greater inclusion and efficiency in access to basic services. In Bangladesh, for example, 90,000 underserved people (70% of women) were able to access digital mobile financial services through 2,000 digital centers, through UNDP support. The union digital centers have revolutionized financial inclusion in Bangladesh by bringing banking services to the disadvantaged.

The post-COVID 19 global economy will accelerate disruptive technologies and e-commerce, digital economy. Programs for women and youth empowerment need to focus on transformative training and education and enable pro-poor access to e-commerce, high-speed bandwidth, coding, e-learning, online platforms/applications, content, smart logistics, and social entrepreneurship enabling ecosystem through policies, regulations with access to the global market.

In the context of a shock like COVID-19, access to the internet has proved to be a key driver of people's resilience, preserving their ability to access information, goods, and services, and in some instances, sustaining their livelihoods. However, digital technologies can also create inequities and new risks. In particular, the expansion of online tools for greater outreach raises the issue of digital literacy and data privacy, and hence the need for a comprehensive response, including adequate governance frameworks.

(ii) Leaving No One Behind: the conversation recalled the need to acknowledge 'upfront' the specific and, in many instances, the entrenched vulnerabilities facing some population groups in the context of COVID-19. These include women, children, the elderly, but also people with disabilities, the elderly, people with preexisting conditions, minority communities, people living in overcrowded settings, those working in the informal sectors, people in detention, homeless people, migrants and refugees, as well as those that suffer from stigma; UNDP needs to advance efforts to help government map these groups. In Peru, for example, the organization is working closely with the government and indigenous groups to conduct territorial vulnerability and wellbeing assessments⁴.

Whilst the current response is somehow characterized by an 'urban bias', the conversation underscored the need to carefully address vulnerabilities of populations, including informal agricultural workers in rural areas.

(iii) Inequality: COVID-19 has revealed structural inequalities in our societies in two basic ways: (i) those population groups already disadvantaged are unable to cope with the impacts of the pandemic; and (ii) the pandemic further exacerbates the existing disadvantages and discrimination against those groups. It has also exacerbated many wealth and non-income inequalities, including gender inequalities at play in economies and societies, and within households.

The COVID-19 crisis entails a risk of reversing progress on *basic capabilities* (education, health, water and sanitation, energy...) whilst there are also signs that inequalities in more *advanced capabilities* (digital technology and literacy, freedom, voice, resilience) are widening. Countries, cities, communities and groups already lagging in enhanced capabilities will be particularly affected and leaving them further behind will have long-term impacts on overall human development.

⁴ https://www.undp.org/content/undp/en/home/blog/2020/supporting-peru_s-indigenous-people-in-the-fight-against-covid-1.html

There is a reason why COVID-19 is impacting a disproportionately high number of specific segments of the population. For example, in the US, 30 percent of COVID cases are African Americans, whereas that group is only 13 percent of the overall population. It is because certain groups have already been subjected to structural discrimination, exclusion, or marginalization in their societies, which has then been augmented in the COVID context. These complex contexts pertain to uneven power dynamics, often historical discrimination in laws, policies and practices and a high degree of intersectionality.

The reduction of structural and entrenched inequalities and their transmission across generations should guide policy and programmatic responses in both the short term (avoiding a deepening of existing inequalities) and in the longer-term.

(iv) Knowledge wealth and gaps:

Social exclusion and gender norms are key structural barriers that can limit human wellbeing and exacerbate inequalities. They can impede the mobility and agency of women and other marginalized groups, and evade existing laws that lack the power of implementation and/or monitoring.

Intersectional inequalities due to social exclusion and harmful gender norms shed some light on why certain groups in society are systematically left behind or excluded from any progress experienced by the wider society. In the context of gender, intersectional inequalities capture how gender is manifested when combined with other characteristics such as age, ethnicity, disability, migrant background, sexual orientation or socio-economic background. An intersectional perspective highlights the complexity of gender inequality. Yet research and policymaking rarely address this intersection.

Intersectional inequalities need to be tackled on different levels – economic, political, spatial and cultural. While various institutions in society can play a key role in combating intersectional inequalities, the role of the state is central, given its mandate to respond to the claims of all citizens. Intersecting disparities, however, are most likely to be addressed when responsive states work in tandem with active citizens.

(v) Relevant means of implementation:

The 2030 Agenda will only deliver the expected results if successfully implemented at local level. This will depend on local action, community buy-in and local political leadership, well-coordinated in between all levels of governance.

All around the world, cities and towns are at the forefront of SDG localization initiatives, and there is an extraordinary engagement at the local level, with mayors and governors making this agenda a reality. Tapping into the existing capacities, experience and knowledge of local and regional governments in advancing human wellbeing is a great opportunity.

Multi-stakeholder partnerships and platforms involving actors from government, civil society, youth and the private sector are a critical mechanism for the achievement of SDG locally. Robust and transparent institutional arrangements are needed that are inclusive, as well as systems that foster key transformative elements, vertical and horizontal policy coherence, and - crucially important - systems for development cooperation effectiveness at the local level, to guarantee a meaningful localization of the SDGs.

Local economic development (LED) strategies have proven to be an effective mechanism to localize SDG: effectively reduce disparities between territories, foster social cohesion from the bottom up, generate local business opportunities and jobs, and, very importantly, bring women and excluded groups into productive employment. LED is a locally driven multi-actors' partnership process that allows to tailor and apply a whole set of participatory governance mechanisms to very concrete local development needs and opportunities, reinforcing and diversifying partnerships through stronger and more consistent CSOs and private sector engagement. Being equally originated and rooted in local contexts and dynamics, Social and Solidarity Economy (SSE) and other alternative economic development patterns (green, circular, community-based economy) can be particularly suited to convey people-centred and planet sensitive development trajectories. SSE is a unique mechanism to provide universal access to opportunities and socio-economic empowerment, promoting active citizenship and participatory democracy as basis for a more pluralistic and well-being-oriented economy.

Amidst the COVID-19 crisis, local and regional governments are also at the forefront of responses. Many initiatives that foster knowledge sharing and solidarity among cities and territories are supported by UNDP, for instance: Live-learning-experience with UCLG and Cities for Global Health platform with Metropolis. Likewise, many Decentralized Cooperation partners, especially European local governments, are playing a key role in articulating responses from a multi-stakeholder perspective by bringing together a wide range of actors operating at the territorial level.

Final remarks

The establishment of inclusive and shock responsive social protection systems, reducing the digital divide across urban and rural areas ensuring outreach to the poor and most vulnerable, securing greater equity in fiscal, including taxation policies (in particular ensuring that wage earners are not harmed disproportionately) and supporting inclusive, gender-responsive and environmentally sustainable economic transformation processes are important areas for advocacy and policy action. Commensurate efforts are also needed to end discriminatory laws against women and secure genuine participation of the (multidimensionally) poor and vulnerable in decision-making processes.

The SDGs and the human rights-based approach can provide a useful framework for action. Ninety-two percent of the SDG goals and targets correspond with human rights obligations. Policy responses must be based on the recognition of the dignity

and equality of all. The human rights-based approach also reinforces the standards in the normative framework but also the principles of participation, non-discrimination and accountability, and the rule of law.

In this process, evidence-building will be key: Continuous efforts to support multidimensional measurements and assessments of poverty, vulnerability and wellbeing to identify people and areas that are most deprived in basic but also more advanced capabilities are needed to guide policy, legal and budgetary interventions in the fight against inequality and reduce exclusion. UNDP can notably leverage the use of a number of tools (including HDIs, MPIs) together with digital technologies to help identify people and areas facing most acute deprivations in the basic capabilities but also the more advanced capabilities needed to confront the current crisis and future shocks and disruptions. Equally critical is the need to promote open and inclusive dialogue among different stakeholders to discuss policy options and build trust.

Finally, we need to take into account corruption as a considerable impediment to human development (whether it be the linkages of resources from the public purse, which a development financing issues or the bribery/fraud/embezzlements which is directly linked to the access and quality of basic services). In response, UNDP's next-generation anti-corruption programming focuses on four key priority areas: integrating anti-corruption in SDGs; social accountability by engaging citizens and civil society in monitoring and oversight; business integrity and private sector engagement to promote a fair business environment; and harnessing the benefits of technology and innovation to enhance openness, transparency, and integrity.