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Eradication of poverty and other development issues

Implementation of the Third United Nations Decade for the Eradication of Poverty (2018–2027)

Report of the Secretary-General

Summary

The present report, submitted pursuant to General Assembly resolution [75/230](#), provides a review of the progress made and the gaps and challenges in implementing the Third United Nations Decade for the Eradication of Poverty (2018–2027), including the coronavirus disease (COVID-19) pandemic and the response thereto. Inclusive social policies to build back better are discussed and policy recommendations made.

* [A/76/150](#).



I. Introduction

1. The Third United Nations Decade for the Eradication of Poverty (2018–2027) and its inter-agency, system-wide plan of action have been a platform to rally coordinated action for the implementation of the 2030 Agenda for Sustainable Development. The present report provides an assessment of the gaps, challenges and progress made in the implementation of the Third Decade, including the coronavirus disease (COVID-19) pandemic and the response thereto, and the work undertaken by the United Nations system to implement the plan of action. It contains a discussion of the inclusive social policies required to build back better and concludes with recommendations for consideration by the General Assembly.

II. Progress in eradicating poverty and reducing inequality

A. Income poverty¹

1. World

2. For decades, the world had made remarkable progress in reducing income poverty, driven mainly by drastic poverty reduction in countries of East Asia and South-East Asia as a result of sustained economic growth. The number of people worldwide living in extreme poverty, that is, below the international poverty line of \$1.90 per day, fell from 1,912 million in 1990 to 696 million in 2017. However, progress began to slow over the past few years. Between 1990 and 2015, the global rate of extreme poverty dropped by more than one percentage point per year, from 36.2 to 10.1 per cent. After 2015, the rate dropped by only less than half a percentage point per year, to 9.3 per cent in 2017.

3. Between 2015 and 2019, extreme poverty rates continued to decrease in Asia, Eastern Europe and sub-Saharan Africa. By contrast, they increased in the Middle East and North Africa (driven by conflict-afflicted countries) and in Latin America and the Caribbean (owing mainly to the increase seen in Brazil and Venezuela (Bolivarian Republic of)).

4. The COVID-19 pandemic is reinforcing pre-existing obstacles to realizing the Sustainable Development Goals, including structural inequalities. It has overwhelmed health systems worldwide and caused significant disruption to essential health-care services; shut down schools, businesses and factories, thus keeping hundreds of millions of pupils out of school and having an impact on the livelihoods of half of the global workforce; exacerbated unemployment and pre-existing high debt levels; and placed unprecedented demand on social protection systems.

5. The pandemic is derailing progress in the implementation of the 2030 Agenda and the Third Decade. In particular, the goal of eradicating poverty by 2030 faces serious challenges. Extreme poverty has increased for the first time in 20 years. The pandemic is estimated to have pushed an additional 119 million to 124 million people

¹ The information presented herein has been drawn from the following sources: PovcalNet database, available at <http://iresearch.worldbank.org/PovcalNet/povOnDemand.aspx>; Nishant Yonzan and others, “Available data and estimates of the impact of the COVID-19 pandemic on global poverty”, paper presented at the Inter-Agency Expert Group Meeting on the Implementation of the Third United Nations Decade for the Eradication of Poverty (2018–2027), 24–27 May 2021; *The Least Developed Countries Report 2020* (United Nations publication, 2020); and “Income, poverty and unemployment”, available at <https://dgff2021.unctad.org/sids-challenges/social-development-issues/income-poverty-and-employment/>.

into extreme poverty in 2020, of whom over half were women and girls, and with around 60 per cent living in South Asia.

6. Rising incomes and wealth over the past three decades have led to concerns about the adequacy of the \$1.90 per day indicator, which reflects the typical national poverty line of the poorest countries, in capturing the real extent of poverty and low standards of living, especially in middle-income countries. Some 1 billion people live on between \$1.90 and \$3.20 per day, and that number is increasing. Their situation is extremely precarious because they are at high risk of falling into extreme poverty.

2. Africa, least developed countries and small island developing States

7. Africa has succeeded in reducing income poverty, but at a much slower pace than other developing regions. In sub-Saharan Africa, the rate of extreme poverty has fallen by only half a percentage point per year since 1990, stagnating at a high level – 40.4 per cent in 2018. The subregion has the highest level of extreme poverty in the world and, owing to rapid population growth, its number of people living in extreme poverty increased from 281 million in 1990 to 436 million in 2018, making it home to more than half of all people living in extreme poverty. If the historically low growth rate of its economy continues, the subregion is not expected to eradicate extreme poverty by 2030 unless its average economic growth rate could be raised above the 7 per cent per annum target required in the Goals, through a major increase in growth-generating investment and a substantial redistribution of income in favour of the poorest. In 2020, the COVID-19 crisis pushed an estimated 32 million to 34 million additional people into extreme poverty in Africa.

8. In the majority of the least developed countries, poverty has slowly declined, but their extreme poverty rates remained high, at 32.2 per cent, in 2019. Even before the COVID-19 crisis, the average economic growth of the least developed countries remained significantly below the level required (at least 7 per cent of gross domestic product (GDP) growth per annum) for them to eradicate extreme poverty by 2030. With the crisis, the economic growth of the least developed countries plunged from 5 per cent in October 2019 to -0.4 per cent in October 2020. That recession led to an increase in their extreme poverty rate, to 35.2 per cent on average in 2020, corresponding to an increase of more than 32 million people living in extreme poverty. Far-reaching policy responses are needed to help the least developed countries to experience much swifter economic growth, accompanied by sharp reductions in inequality so that they are not left behind.

9. Although the small island developing States rank above the world average using several social metrics such as infant and child mortality, their economies, which are heavily reliant on tourism and services exports, have been severely hit by the pandemic. In 2020, they experienced an estimated fall in GDP of 9 per cent, compared with a 3.3 per cent decline in other developing countries. Consequently, they lost approximately 8 per cent of their working hours in 2020.

B. Non-income poverty²

10. Set out in the 2030 Agenda is the goal to eradicate poverty in all its dimensions. The extent of poverty is higher when it is measured using the multidimensional poverty index, which looks beyond income to include non-monetary indicators of

² The information presented herein has been drawn from the following sources: UNDP and Oxford Poverty and Human Development Initiative, *Global Multidimensional Poverty Index 2020: Charting Pathways out of Multidimensional Poverty – Achieving the SDGs* (2020); and Food Security and Information Network and Global Network against Food Crises, *Global Report on Food Crises 2021* (Rome, 2021).

deprivation that people face in their daily lives, such as access to safe water, education, electricity, food and six other critical services. In 107 developing countries, 1.3 billion people – 22 per cent, located mainly in sub-Saharan Africa and South Asia – lived in multidimensional poverty in 2020. More than two thirds were living in middle-income countries and half were children. Multidimensional poverty index levels in 65 out of 75 countries with data between 2000 and 2019 were significantly reduced. If observed trends continued, 47 countries were on track to halve multidimensional poverty between 2015 and 2030, while 18, including 14 in sub-Saharan Africa, were off track. In 2020, sub-Saharan Africa had the highest percentage of population that was multidimensionally poor: 55 per cent, or 558 million people, 466 million of whom were residing in rural areas. The pandemic is expected to jeopardize progress in reducing multidimensional poverty in Africa through its severe impact on two of its indicators: nutrition and school attendance.

11. Chronic and acute hunger have been on the rise, driven mainly by protracted conflict and insecurity, economic shocks (including those relating to COVID-19), climate change and weather extremes, and pests. The number of people who were in food crisis or worse (emergency or catastrophe/famine) increased from 134.7 million in 2019 to around 155 million in 55 countries and territories in 2020. Africa continues to be the most affected by food crises, accounting for 63 per cent of the world's total number of people in food crisis or worse in 2020, up from 54 per cent in 2019.

C. Inequality³

12. Before the COVID-19 crisis, economic, health, gender, age, educational and other socioeconomic inequalities were already high within and across countries and regions. Young workers were twice as likely to live in extreme poverty than adult workers, and 85 per cent of people without access to electricity lived in rural areas. Women and girls were overrepresented in the informal economy. Three quarters of stunted children lived in just two regions: Southern Asia (39 per cent) and sub-Saharan Africa (36 per cent). Owing to a range of intersecting factors, the crisis has exacerbated and further revealed those inequalities, making the world's pledge to leave no one behind and to reach those furthest behind first much more difficult to achieve. While the 1,000 richest people regained their COVID-19 losses in nine months, the world's poorest may need more than a decade to recover from the economic impact. The increase in the wealth of the world's billionaires since the pandemic (at least \$540 billion) is more than enough to cover the amount needed (\$88 billion for a year) to help all vulnerable people so that they do not fall into poverty because of the pandemic and also pay for two doses of a vaccine for everyone (\$141.2 billion). Calculations show that, with strong government action to reduce inequality, it is possible to return to pre-crisis poverty levels much faster.

13. In virtually every country, the crisis has increased social inequality, with profound harmful societal and economic effects. For example, it has accelerated the global transition towards a digital economy. However, it has also exposed the wide digital divide that exists, both within and across countries. In 2019, the percentage of households that had access to the Internet was almost twice as high in urban areas than in rural areas: 72 and 37 per cent, respectively. The percentage was also higher among men than women: 55 and 48 per cent, respectively. The urban-rural and gender gaps were small in developed countries, but significant in developing countries.

³ The information presented herein has been drawn from the following sources: Department of Economic and Social Affairs, "Impact of COVID-19 on SDG progress: a statistical perspective", Policy Brief No. 81 (August 2020); Esmé Berkhout and others, *The Inequality Virus* (Oxford, Oxfam International, January 2021); E/2021/60; and International Telecommunication Union, *Measuring Digital Development: Facts and Figures 2020* (Geneva, 2020).

Inequalities in terms of Internet access and digital readiness hamper the ability of large parts of the world to take advantage of technology that helps to cope with the pandemic in terms of learning and working from home, as well as obtaining social benefits.

14. Between regions, a huge disparity in COVID-19 vaccination coverage exists, with widespread access to vaccines a reality in rich countries only. For example, at the time of writing, only about 2 doses of vaccine had been administered per 100 people in Africa, compared with an average of 68 doses per 100 people in high-income countries. Less than 2 per cent of the population of Africa has been fully vaccinated. However, to ensure a broad-based and inclusive recovery of the world economy, rapid and universal access to vaccines is needed, as that will help to create herd immunity and allow reopening and the resumption of economic activities.

15. There is also a huge difference in economic recovery between countries. After contracting by 3.6 per cent in 2020, the world economy is now projected to expand by 5.4 per cent in 2021, thanks to robust growth in China and the United States of America against the backdrop of the rapid roll-out of COVID-19 vaccines, additional fiscal stimulus and the reopening of the economy in those countries. The pandemic is, however, far from over, with many countries still struggling to contain second and third waves. For many developing countries, economic output is projected to return to pre-pandemic levels only in 2022 or 2023. With the risks of a prolonged pandemic and insufficient fiscal space to stimulate growth, the world's most vulnerable countries are facing the prospect of a lost decade in their efforts to eradicate poverty.

III. Gaps and challenges in implementing the objectives of the Third Decade

A. Data gaps and challenges⁴

16. The progress made in increasing the availability of data notwithstanding, developing countries continue to face significant challenges, including the disruption caused by the pandemic, in terms of collecting, generating, analysing and utilizing timely and disaggregated data. Such challenges compromise their ability to track progress in the achievement of the Goals. Fewer than 50 per cent of 194 countries or areas have internationally comparable data for 4 of the 17 Goals. The latest data point available for poverty-related indicators is for 2016 or earlier in at least 50 per cent of those 194 countries or areas.

17. About 500 million people live in economies distressed by fragility, conflict and violence, for which no or outdated poverty data are available. Several countries lack adequate data to monitor health inequalities and assess the situation of those in vulnerable situations. Only 50 per cent of the 133 countries assessed by the World Health Organization (WHO) included disaggregated data in their published national health statistics reports. Such a lack of timely and reliable data makes those in vulnerable situations invisible and worsens their vulnerability, misleading efforts to allocate resources effectively and accord proper priority to interventions. The pandemic has once again demonstrated the importance of modern national statistical

⁴ The information presented herein has been drawn from the following sources: *The Sustainable Development Goals Report 2020* (United Nations, 2020); Paul Corral and others, *Fragility and Conflict: On the Front Lines of the Fight against Poverty* (Washington, D.C., World Bank, 2020); and WHO, *SCORE for Health Data Technical Package: Global Report on Health Data Systems and Capacity, 2020* (Geneva, 2021).

systems and data infrastructure and shown a need for timely and high-quality data for informed preparedness, prevention, mitigation and response to emergencies.

B. Employment creation⁵

18. The world has witnessed unprecedented disruption in the labour market owing to the pandemic. About 9 per cent of the global working hours were lost in 2020, equivalent to 255 million full-time jobs, four times greater than the working-hour losses during the global financial crisis of 2009. Latin America and the Caribbean, Southern Europe and Southern Asia experienced the highest losses. They remained high during the first and second quarters of 2021, at 4.8 and 4.4 per cent, respectively.

19. Some 114 million people, the majority of them women and young people, also lost jobs in 2020. The labour force participation rate declined globally, by 2.2 per cent, to 58.7 per cent. Furthermore, the global unemployment rate increased, by 1.1 per cent, to 6.5 per cent, resulting in an increase in global unemployment of 33 million people, to 220 million people, in 2020. Informal workers, many of them women and young people, were three times more likely to lose their jobs than their counterparts in the formal sector.

20. Although the increase in unemployment rates was highest in the least developed countries, it did not fully capture the extent of the long-term damage to the labour market. The resulting income decline led to a significant increase in poverty and a change in the profile of the poor and where they live. The poor are now more urban, more literate and engaged in non-farm activities.

C. Education⁶

21. The progress made notwithstanding, persistent challenges remained on the education front even before the pandemic. Globally, youth and adult literacy rates were 92 and 86 per cent, respectively, in 2018. Illiteracy, however, was widespread worldwide, in particular among women. Sub-Saharan Africa had the lowest adult and youth literacy rates. In 2017, 6 out of 10 children and adolescents were not acquiring basic literacy and numeracy after several years at school, fuelling poverty and marginalization. About 1 in 60 children, most of them in low-income countries, were also not attending school.

22. Since the pandemic struck, more than 190 countries have implemented nationwide school closures. More than 1.5 billion learners, representing over 90 per cent of the global school population, were affected. Although many countries provided remote learning options, over 500 million children and young people were excluded from

⁵ The information presented herein has been drawn from the following sources: ILO, "ILO Monitor: COVID-19 and the World of Work", 7th ed., 25 January 2021; and ILO, *World Employment and Social Outlook: Trends 2021* (Geneva, 2021).

⁶ The information presented herein has been drawn from the following sources: UNESCO, *Global Education Monitoring Report 2020: Inclusion and education – All Means All* (Paris, 2020); Silvia Montoya and Karen Mundy, "New data reveal a learning crisis that threatens development around the world", available at <https://sdg.uis.unesco.org/2017/09/21/new-data-reveal-a-learning-crisis-that-threatens-development-around-the-world/>; www.education-progress.org/en/articles/access; UNESCO, *Supporting Learning Recovery One Year into COVID-19: The Global Education Coalition in Action* (Paris, 2021); *The Sustainable Development Goals Report 2020*; João Pedro Azevedo and others, "Simulating the potential impacts of COVID-19 school closures on schooling and learning outcomes: a set of global estimates" (Washington, D.C., World Bank Group, 2020), available at <https://thedocs.worldbank.org/en/doc/798061592482682799-0090022020/original/covidandeducationJune17r6.pdf>; João Pedro Azevedo, "Learning poverty: measures and simulations", Policy Research Working Paper, No. 9446 (Washington, D.C., World Bank, 2020).

them owing to the digital divide and lack of access to information and communications technology. Global learning losses from five months of school closures could amount to between \$6,472 and \$25,680 in lost earnings over a typical pupil's lifetime, and 72 million children could be pushed into learning poverty as a result of the crisis.

D. Health care and services⁷

23. The world was facing tremendous health challenges even before the pandemic, despite having made remarkable progress. In 2017, about 810 women died every day from preventable causes relating to pregnancy and childbirth. Two thirds of global maternal deaths occur in sub-Saharan Africa and one fifth in Southern Asia. Around 5.3 million children died before reaching their fifth birthday in 2018. Sub-Saharan Africa has the highest under-5 mortality rate, with 1 in 13 children dying before the fifth birthday. About one third to one half of the global population, or between 2.5 billion and 3.7 billion people, and only 12 to 27 per cent of the population in low-income countries were covered by essential health services in 2017.

24. The pandemic has created a health-care crisis globally, thus far killing over 4 million people and infecting more than 184 million. It found many health systems ill-equipped and unprepared. It has disrupted access to essential medicines and health services, stretched the capacity of the global health workforce and revealed significant gaps in country-level health information systems. It has proved that underinvestment in health may have severe global social and economic effects.

25. WHO and partners launched the Access to COVID-19 Tools Accelerator framework to collaborate in the areas of diagnostics, treatment, vaccines and health system strengthening. The vaccines pillar, COVAX, aimed to speed up the search for an effective vaccine for all countries, supporting the building of manufacturing capabilities and buying supply ahead of time so that 2 billion doses could be distributed fairly in the places of the greatest need by the end of 2021. That target, however, is far from what is required, and the number of doses made available thus far is inadequate, once again perpetuating the inequity that is already a major driver of unequal health outcomes worldwide, both before and during the pandemic. To speed up efforts to end the pandemic, it is imperative to scale up the development and equitable distribution of vaccines and treatments.

E. Gender equality and the empowerment of women and girls⁸

26. Women and girls continue to disproportionately bear the burden of unpaid care and domestic work. Women perform three times as much unpaid care and domestic work as men globally and work longer hours than men when paid and unpaid work are combined. The situation is even worse for rural women. They also face more challenges in gaining access to employment than men, and migrant women in particular are overrepresented in the informal sector. Although women represented 39 per cent of the world's workers in 2019, they held only 28 per cent of managerial

⁷ The information presented herein has been drawn from the following sources: WHO, "Maternal mortality", available at www.who.int/news-room/fact-sheets/detail/maternal-mortality; Inter-Agency Group for Child Mortality Estimation, *Levels & Trends in Child Mortality: Report 2019* (New York, UNICEF, 2019), available at www.unicef.org/media/60561/file/UN-IGME-child-mortality-report-2019.pdf; and WHO, *Primary Health Care on the Road to Universal Health Coverage: 2019 Monitoring Report* (Geneva, 2019), available at www.who.int/healthinfo/universal_health_coverage/report/uhc_report_2019.pdf.

⁸ The information presented herein has been drawn from the following sources: UN-Women, *Progress of the World's Women 2019-2020: Families in a Changing World* (New York, 2019); and *The Sustainable Development Goals Report 2020*.

positions. The labour force participation rate for women aged between 25 and 54 years decreased from 64 per cent in 1998 to 63 per cent in 2018. Women continue to have unequal access to income, assets and productive resources.

27. Furthermore, women continue to be victims of discriminatory laws and social norms, harmful practices and violence. Of every five women between the ages of 20 and 24 years in 2019, one was married before turning 18. Only 41.1 per cent of mothers with newborn infants receive a maternity benefit. One in three girls aged between 15 and 19 years had been subjected to female genital mutilation in the 30 countries where the practice was concentrated in 2017. In countries where the practice is universal, at least 9 in 10 girls and women aged between 15 and 49 years have been subjected to it. Globally, close to 18 per cent of ever-partnered women aged between 15 and 49 years have been subjected to intimate partner violence in the previous 12 months.

28. The pandemic has made matters worse, disproportionately affecting women and girls. School closures could put more girls at risk of child marriage. Women are likely to be engaged in more care and domestic work owing to the closure of schools and day-care centres. They are also working on the front line, as they represent 70 per cent of global health and social workers. The lockdowns have also put women and children at increased risk of domestic violence.

F. Social protection⁹

29. A key building block of decent work and the realization of the 2030 Agenda is the creation and progressive improvement of social protection systems. Such systems, including floors, are essential to ensuring that no one is left behind. They are fundamental to preventing and reducing poverty across the life cycle, including benefits for children, mothers with newborn infants, persons with disabilities, the unemployed or those poor or without jobs, and older persons. Before the pandemic, only 30.6 per cent of the global population was legally covered by comprehensive social security systems that included a full range of benefits, from child and family benefits to old-age pensions. The levels of benefit were often below the minimum levels stipulated in international social security standards and too low to lift people out of poverty. In many countries, the level of non-contributory pensions represented less than 50 per cent of the national poverty line. Those social protection gaps are associated with significant underinvestment in social protection systems, especially in Africa, Asia and the Arab States. On average, low-income countries spend 1.1 per cent of GDP on social protection, excluding health, compared with 16.4 per cent in high-income countries.

30. The pandemic has hit the 2 billion workers in the informal economy particularly hard. The majority work in the most adversely exposed sectors and are not covered by contributory schemes. Following the onset of the crisis, the financing gap in social protection expressed as a percentage of countries' GDP increased by approximately 30 per cent. Low-income countries would need to invest an additional \$77.9 billion, or 15.9 per cent of GDP, in order to guarantee at least a basic level of social security and access to health care for all through a nationally defined social protection floor.

⁹ The information presented herein has been drawn from the following sources: ILO, *Women and Men in the Informal Economy: A Statistical Picture*, 3rd ed. (Geneva, 2018); and Fabio Durán-Valverde, José F. Pacheco-Jiménez, Taneem Muzaffar and Hazel Elizondo-Barboza, "Financing gaps in social protection: global estimates and strategies for developing countries in light of the COVID-19 crisis and beyond", ILO Working Paper (Geneva, ILO, 2020), available at www.ilo.org/wcmsp5/groups/public/---ed_protect/---soc_sec/documents/publication/wcms_758705.pdf.

31. The COVID-19 crisis has increased the need for and exacerbated pre-existing challenges in achieving universal social protection. The pandemic has also reaffirmed the important role of social protection in mitigating shocks, reducing extreme and persistent poverty and enabling workers and enterprises to navigate the changing world of work.

G. Climate change and natural disasters¹⁰

32. The world continues to suffer from the effects of climate change and natural disasters. The period 2010-2020 has been the warmest decade, and 2020 was the second-warmest year on record. Scorching temperatures, droughts and devastating tropical cyclones and wildfires have had an impact on all regions. The global temperature has risen by 1.2°C, while greenhouse gas emissions dropped by only 6 per cent in 2020, the massive reduction in human activity notwithstanding, falling short of the 7 per cent yearly target. If uncontrolled, climate change will push 132 million people into poverty over the next decade, reversing development gains. Floods and droughts have affected 3 billion people over the past two decades, while droughts alone affect 55 million people each year. The damage caused by natural disasters to power generation and infrastructure costs about \$18 billion per year in low-income and middle-income countries. The disruptions to households and firms also cost at least \$390 billion per year.

33. In 2020, climate-related disasters affected 98.4 million people and resulted in economic losses of at least \$171.3 billion. Among those were severe droughts in the Sahel region, affecting 13.4 million people in Burkina Faso, Mali and the Niger. Furthermore, the greater Horn of Africa and Yemen have been battling swarms of desert locusts since the beginning of 2020, experiencing the worst upsurge in more than 70 years. Consequently, an estimated 46.2 million people were in crisis or worse levels of acute food insecurity in the region in 2020.

34. To tackle climate change, the international community needs to take action by building a global coalition for net-zero emissions by the middle of the century. All countries, beginning with major emitters, should submit new and more ambitious nationally determined contributions for mitigation, adaptation and finance, laying out action and policy for the next 10 years aligned with a pathway to net-zero emissions by 2050. All countries must also translate those commitments into specific and immediate action.

¹⁰ The information presented herein has been drawn from the following sources: *The Sustainable Development Goals Report 2020*; World Bank, “Climate change”, available from www.worldbank.org/en/topic/climatechange/overview; Greg Browder and others, *An EPIC Response: Innovative Governance for Flood and Drought Risk Management* (Washington, D.C., World Bank, 2021), available at <https://openknowledge.worldbank.org/handle/10986/35754>; WHO, “Drought”, available at www.who.int/health-topics/drought#tab=tab_1; Centre for Research on the Epidemiology of Disasters and United Nations Office for Disaster Risk Reduction, “2020: The non-COVID year in disasters” (Brussels, Centre for Research on the Epidemiology of Disasters, 2021), available at www.undrr.org/publication/2020-non-covid-year-disasters; and FAO, “Desert locust upsurge: progress report on the response in the greater Horn of Africa and Yemen (January–April 2021)” (Rome, 2021), available at www.fao.org/3/cb4925en/cb4925en.pdf.

IV. Financing poverty eradication efforts¹¹

35. Financing for sustainable development is at a crossroads. With the COVID-19 crisis having caused the worst recession in decades, mobilizing sufficient national and international resources for the achievement of the 2030 Agenda has become an uphill battle. To avert a major crisis, countries responded with tremendous support packages, totalling \$16 trillion. However, the response by the least developed countries was inadequate owing to a lack of resources. Many of them are on the brink of a debt crisis. The responses notwithstanding, tax revenues, foreign direct investment and remittances have decreased and debt levels increased. The median tax revenues for developing countries, even if insufficient, had been increasing from 2008 to 2019. They are, however, expected to decline because of the crisis. The median general government revenue as a percentage of GDP is also projected to have fallen, from 41 to 39 per cent for all developed countries and from 26 to 24 per cent for middle-income countries between 2019 and 2020.

36. Official development assistance in 2020 increased by 3.5 per cent in real terms over 2019 as a result of COVID-19-related activities and increases in bilateral loans. Official development assistance as a share of donor country gross national income also increased, from 0.30 to 0.32 per cent, amounting to \$161.2 billion. That was, however, below the agreed target of 0.7 per cent. Bilateral official development assistance provided by States members of the Organisation for Economic Co-operation and Development to the least developed countries and Africa also increased in real terms, by 1.8 per cent to \$34 billion and 4.1 per cent to \$39 billion, respectively.

37. Foreign direct investment in developing countries fell by 16 per cent. It was lower by 28 per cent in Africa, 25 per cent in Latin America and the Caribbean and 12 per cent in Asia. Remittances are estimated to decline by 7.2 per cent, to \$508 billion, in 2020 and by another 7.5 per cent in 2021. The remittance flows were almost the same in 2020 as in 2019 for Latin America and the Caribbean, while they declined in Europe and Central Asia by 16 per cent. More importantly, the Access to COVID-19 Tools Accelerator is facing a funding gap of more than \$20 billion for 2021. If the gap is not filled, vaccine access for low-income and lower-middle-income countries will be further delayed, prolonging the pandemic.

V. Inclusive policies to build back better¹²

38. The COVID-19 crisis has shown how economic, social and environmental risks are interlinked in today's intertwined world. Therefore, to build back better so that societies and economies have greater resilience to future pandemics and other shocks, and grow sustainably, policies need to be focused on inclusiveness and the green economy and be integrated. The crisis offers an opportunity to redesign the social contract by investing in people. Promoting the active participation of those living in extreme poverty and the most disadvantaged and marginalized groups in the design

¹¹ The information presented herein has been drawn from the following sources: *Financing for Sustainable Development Report 2021* (United Nations publication, 2021); E/2021/60; Organisation for Economic Co-operation and Development "Creditor Reporting System" database; and "Global official development assistance surges in 2020 in response to COVID-19; more support needed", available from https://developmentfinance.un.org/sites/developmentfinance.un.org/files/FSDR%202021%20ODA%20Data%20Update_April%202021_final.pdf.

¹² The information presented herein has been drawn from the following sources: www.un.org/development/desa/dspd/2021-meetings/egm-3rd-decade-poverty.html; and *Financing for Sustainable Development Report 2021*.

and implementation of policies and programmes has proved to be effective in achieving that objective.

39. Governments should accord priority to spending on social protection and human capacity, with international support provided to the poorest countries. Social protection is critical to reducing poverty, enabling an inclusive and resilient recovery and facilitating a socially just transition towards a green and digital economy. Social protection can help to improve nutrition, health and education, with implications for future productivity, employability, income and well-being. Governments have responded to the COVID-19 crisis with a range of schemes that provide benefits through existing social protection systems. They have also taken emergency measures to extend coverage and improve benefits, that is, targeting populations who were previously not adequately protected, such as workers in the informal economy or the urban poor. Countries with solid social protection systems were able to respond more swiftly and better than others. However, those ad hoc measures were temporary in nature and their coverage and spending in low-income and middle-income countries were too low to reverse the impacts of the pandemic and go further to reduce poverty and vulnerability. Strengthening social protection systems, including floors, and investing in universal systems are crucial for greater resilience.

40. The pandemic has demonstrated that investment in health brings long-term returns. Catastrophic out-of-pocket health expenditure is a significant risk factor for impoverishment and should be limited. Countries need to progressively achieve universal health coverage and increase public spending for health, for example through budget reprioritization towards the sector and funding for common goods for health, in order to improve both service coverage and financial protection.

41. Governments should also invest in education and training, including digital skills, to build a twenty-first-century workforce. Lastly, Governments should modernize labour market policies, social protection systems and fiscal policies in a world of increasing digitalization and economic interconnections. Such policies include promoting economic inclusion, helping workers to cope with the labour market consequences of economic crises, technological change, climate-related change and seasonal variations, and improving the quality of jobs. Recovery efforts should facilitate a return to work considering the needs of diverse workers, such as women, who bore the brunt of the economic impact of the pandemic because they account for a higher share of the economic sectors disproportionately affected by lockdown measures.

42. Investment in people must be complemented by investment in sustainable and resilient infrastructure and in innovation. Such investment helps to combat climate change, create employment, stimulate growth, improve debt sustainability in the long run, reduce inequalities and build resilience to future crises. The best solutions rely on developing financing and investment strategies with very long-term horizons from official lenders, the international community and the public, as well as private sectors.

VI. Progress made by the United Nations system in accelerating the implementation of the system-wide plan of action

43. Since the pandemic struck, the United Nations system has mobilized to save lives, protect societies, promote better recovery and accelerate the implementation of the 2030 Agenda. A critical component of the response measures has been access to timely and accurate data on the impact of the pandemic on the economy and segments of society. The system has been actively engaged in the provision of technical assistance to Member States in the generation and use of reliable, timely and disaggregated data, including those pertaining to monetary and non-monetary poverty and inequality. The Department of Economic and Social Affairs, as the secretariat of

the Intersecretariat Working Group on Household Surveys, makes collaborative efforts to advance survey methodologies in measuring socioeconomic characteristics, including poverty. Through the Data for Now initiative, the Department is mobilizing resources and partnerships to promote the use of innovative technology, data and methods.

44. The Department also produced thematically focused, action-oriented policy briefs to assess the socioeconomic impact of the pandemic in the context of the 2030 Agenda. They provided timely analysis and policy suggestions to Member States to support emergency response and better recovery strategies that also contribute to many of the priorities of the system-wide plan of action.

45. Set out below is the progress made¹³ by the United Nations system in implementing the system-wide plan of action. The plan is intended to capitalize on and leverage synergies and benefits across economic, social and environmental policy areas, as well as between national development priorities and the Goals, through integrated, coordinated and coherent strategies at all levels.

A. Supporting structural transformation, productive employment and decent work

46. The Economic Commission for Africa (ECA) assisted more than 40 African countries and regional economic communities to develop strategy plans for implementing the African Continental Free Trade Area, which is expected to boost intra-African trade, promote industrialization and structural transformation, create productive employment and reduce poverty.

47. The Food and Agriculture Organization of the United Nations (FAO) provided policy and programme support to countries for the design and implementation of initiatives that promote decent youth employment in agrifood systems in the context of COVID-19 response and recovery, including through a joint regional programme on opportunities for youth in Africa run by FAO and the United Nations Industrial Development Organization (UNIDO). Collaborating with the International Labour Organization (ILO) and other organizations, FAO stepped up its advocacy and capacity-building activities for agricultural stakeholders in the context of the International Year for the Elimination of Child Labour, 2021.

48. The International Organization for Migration (IOM) continued to work in the area of migrant worker rights protection by mobilizing governmental and non-State stakeholders towards achieving ethical recruitment standards through its International Recruitment Integrity System in the face of increasing unemployment of migrants owing to the pandemic. A significant milestone was the launch of the Global Policy Network in December 2020, which adopted a set of non-binding recommendations fully compatible with all existing international norms and standards.

49. The United Nations Conference on Trade and Development provided technical assistance to countries aimed at strengthening linkages between trade and poverty reduction and building resilience to shocks by enhancing productive capacities. In particular, it launched a project, under the twelfth tranche of the United Nations Development Account, on coherent strategies for productive capacity development in African least developed countries, which was aimed at building productive capacity

¹³ For detailed interventions by the United Nations system and further information on the plan of action, see www.un.org/development/desa/socialperspectiveondevelopment/united-nations-decade-for-the-eradication-of-poverty/swap3rd.html.

for poverty reduction in beneficiary countries, including Burkina Faso and the United Republic of Tanzania.

50. UNIDO has worked with artisanal and small-scale miners in formalizing employment, promoting access to more responsible and efficient technology, creating safer and healthier working conditions, improving access to financial services and to international markets and removing barriers for women. Increased access to resources, markets, services and skills for miners is essential for rural development and poverty eradication, given that artisanal and small-scale mining is concentrated mainly in rural and remote areas in developing countries and countries with economies in transition.

B. Expanding social protection systems to underpin inclusive poverty-reducing development

51. The five regional commissions – ECA, the Economic Commission for Latin America and the Caribbean, the Economic and Social Commission for Asia and the Pacific, the Economic Commission for Europe (ECE) and the Economic and Social Commission for Western Asia – are jointly implementing a project on strengthening social protection for pandemic response to build national capacity to design and implement social protection policies, with a gender perspective, for a rapid recovery from the pandemic and to increase resilience, especially of the most vulnerable populations, to the negative impact of future exogenous shocks. They are working with the United Nations Conference on Trade and Development to facilitate interregional cooperation and sharing of experiences in tackling the impact of the pandemic and building resilient societies through social protection.

52. The Joint United Nations Programme on HIV/AIDS conducted HIV and social protection assessments in 16 countries and developed a methodology to measure the coverage of social protection for people living with HIV, orphans and vulnerable children and key populations.

53. The United Nations Children’s Fund (UNICEF) has played a critical role in leading and coordinating social protection responses at the country level, participating in 33 of 36 social protection initiatives selected by the Joint Sustainable Development Goals Fund. Its efforts to build inclusive and shock-responsive social protection systems supported emergency responses in 115 countries, reaching more than 130.7 million children in 93 countries through cash transfer programmes in 2020. UNICEF partners with ILO on social protection, including on a joint programme on improving synergies between social protection and public finance management that is aimed at ensuring universal social protection through sustainable financing.

54. WHO and other partners from developed countries support and fund the Universal Health Coverage Partnership to strengthen the capacity of countries to respond to the impact of the pandemic, maintain essential health services and protect communities from future health threats. Live monitoring of WHO country support plans provides a unique opportunity for WHO and its partners to review progress and actively engage in regular dialogue on the support provided to States to deliver on their universal health coverage goals and strengthen their pandemic response.

55. ILO and the Department of Economic and Social Affairs continued to highlight the critical role of social protection, including nationally determined social protection floors, in making progress towards multiple Goals in their policy analysis and support for States in the implementation of the 2030 Agenda. The Department provided analytical reports to intergovernmental bodies in which it underscored the potential to leverage social protection as a practical policy platform to create synergies among

the three dimensions of sustainable development to reduce poverty, hunger and inequality, to advance gender equality, education, health and access to basic services, including water, sanitation and modern energy, and to facilitate a just transition to greener growth. ILO and the Department jointly implemented capacity development projects in low-income countries to improve the governance of social protection systems for poverty eradication.

C. Human capability development: addressing non-income forms of poverty

56. FAO is enhancing the use of poverty diagnostics and analysis through the development of poverty measurement methods, including a rural multidimensional poverty index, and has been conducting assessments and responding to the pandemic. ECE, in collaboration with the WHO Regional Office for Europe, promotes the tools of the Protocol on Water and Health to the 1992 Convention on the Protection and Use of Transboundary Watercourses and International Lakes to assist countries in enhancing equitable access to water and sanitation. The Economic and Social Commission for Asia and the Pacific initiated a programme on catalysing women's entrepreneurship, which is being implemented in six countries. The Economic and Social Commission for Western Asia developed national multidimensional poverty indices, designed an assistance tool and is developing a set of guides and training modules.

57. The Economic Commission for Latin America and the Caribbean has contributed to strengthening the implementation of gender equality policies in line with the Regional Gender Agenda and the 2030 Agenda and has also convened an internal working group to advance the discussion on the multidimensional poverty index and generate a regionally comparable index for Latin America.

58. The United Nations Development Programme (UNDP) launched the 2020 global multidimensional poverty index and supported the design and adoption of more than 30 national indices by the end of 2020. Together with the Oxford Poverty and Human Development Initiative, it is developing a multidimensional poverty index for middle-income countries and supporting FAO in facilitating the use of the new rural multidimensional poverty index. The United Nations Environment Programme (UNEP) supported countries to develop new policies and legal frameworks to manage COVID-19-contaminated waste and, where feasible, its associated infrastructure. The United Nations Educational, Scientific and Cultural Organization (UNESCO) continued to support countries, especially those with literacy rates below 50 per cent and the nine countries in which 67 per cent of the global population of young people and adults who lack basic literacy skills live. Since 2018, UNESCO has supported more than 60 countries in transforming their technical and vocational education and training systems.

59. The United Nations Population Fund supported countries in ensuring the continuity of sexual and reproductive health services during the pandemic. In 2019, it became the host of the secretariat of the Every Woman, Every Child, Every Adolescent partnership and, co-chairing with WHO, revitalized the partnership on ending preventable maternal mortality.

60. The UNICEF response to the pandemic was its largest response to date, resulting in more than 301 million children gaining access to education through remote learning and 43 per cent of countries having education systems that are equitable in their delivery of education services. UNICEF and partners supported the vaccination of 66.3 million children with the diphtheria-tetanus-pertussis vaccine in 64 priority countries. The United Nations Office for South-South Cooperation convened more than 60 knowledge exchange and capacity development webinars and policy dialogues to share good practices in tackling the socioeconomic impact of the pandemic.

61. WHO has been co-leading the vaccine pillar, COVAX, together with the Gavi Alliance and the Coalition for Epidemic Preparedness Innovations. The country-level implementation of the Global Action Plan for Healthy Lives and Well-being for All, in which WHO collaborates with 12 other agencies, was scaled up to 37 countries in 2020.

D. Future of food and sustainable agriculture

62. FAO facilitates knowledge dissemination and capacity development and supports community empowerment and rural women's agency. It has also supported countries in designing policies to strengthen family farming. ECA is at the forefront of the application of climate-smart agriculture. It convened a regional dialogue on food security as part of the Africa Regional Forum on Sustainable Development in 2021.

63. ECE, together with the Economic and Social Commission for Asia and the Pacific and ECA, has been engaged in a project to reduce food losses in the supply chain. ECE has also worked in countries in Central Asia to improve the analysis of the existing situation and produce training material for capacity-building. The Economic and Social Commission for Western Asia, in collaboration with FAO and others, provides knowledge and technical support to States on food and sustainable agriculture issues in the region. It and FAO have recently produced a report that contains policy options to respond to the impact of the pandemic on food security in the Arab region.

64. In November 2020, IOM and the World Food Programme (WFP) published key findings from a joint study in which they explored the pandemic's impact on livelihoods, food security and the protection of migrants and displaced populations. UNDP supported Zambia in gaining access to \$32 million from the Green Climate Fund to build resilient lives for 3 million small-scale farmers, as well as Guatemala in bridging the gap between ecosystem-based approaches and climate-smart agriculture and food security. It also improved the productive capacity of 10,384 vulnerable farmers affected by locusts and drought in the Red Sea and Debub Regions of Eritrea.

65. UNESCO developed dedicated action towards improving the management of ecosystem services, biodiversity and integrated water resources as an essential means of eradicating poverty. Work by the United Nations Human Settlements Programme (UN-Habitat) on urban and territorial planning helps to strengthen physical, socioeconomic and political connections between urban and rural areas, which are crucial for food security and livelihood diversification.

66. In 2020, the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) supported 30 new and/or improved gender-responsive policies on land and supported 100,906 rural women in gaining access to, using and/or controlling productive resources in several countries. It is also strengthening the economic empowerment and resilience of women and their communities and environments. Some 125,000 rural women and farmers, along with 384,000 family members, have benefited from greater access to sustainable livelihoods and productive resources, such as finance, energy and climate-resilient infrastructure, as well as improved food security and nutrition.

67. In 2020, WFP training related to Food Assistance for Assets programme activities and other livelihood support programmes benefited 7.7 million people in 50 countries and supported or protected 2 million people in 13 countries through climate risk insurance solutions. WFP has also protected 140,000 farming households in 10 countries from the risks of irregular rainfall or floods, providing a safety net to

700,000 people against climate shocks, and 1.3 million people in five African countries from the risk of catastrophic drought events.

E. Reducing inequalities

68. In its *World Social Report 2021: Reconsidering Rural Development*, the Department of Economic and Social Affairs calls for an end to the rural-urban divide and offers new approaches to allow rural populations to reach the urban standard of living without having to migrate to urban areas. Such an urgent reconsideration of rural development is needed for achieving the 2030 Agenda, given that, of every five people who face extreme poverty around the world, four live in rural areas.

69. FAO work on gender equality and women's economic empowerment is focused on enhancing women's leadership and equitable access to resources, services, information, technology, institutions and economic opportunities. A joint programme on women's economic empowerment, implemented by FAO, the International Fund for Agricultural Development, UN-Women and WFP in seven countries, and the FAO Framework on Rural Extreme Poverty guide dedicated action to support the extremely poor.

70. Recognizing the unequal impact of the pandemic on migrants and displaced populations, IOM has promoted an integrated response, in particular on universal access to health care and vaccination campaigns, to mitigate growing inequalities globally.

71. To tackle the devastating effects of spatial inequality – the concentration of disadvantage in a specific location, typically characterized by physical segregation, which manifests itself in unequal access to land, adequate, accessible and affordable housing, employment opportunities, basic and social services, mobility and public space – UN-Habitat, in its strategic plan for the period 2020–2023, identifies reduced spatial inequality and poverty in communities across the urban-rural continuum as one of four domains of change.

72. UN-Women developed a programme on gender-responsive prevention and management of the COVID-19 pandemic as a response to the gender inequality implications of the pandemic. It is aimed at supporting over 3 million people in 20 countries in the response to and recovery from the pandemic, with a focus on five critical areas that leave women and girls most vulnerable.

F. Addressing climate change and the intensification of natural hazards

73. ECA organizes the annual Conference on Climate Change and Development in Africa and assists member States in the formulation of nationally determined contributions and their alignment with national development plans under the Paris Agreement.

74. In partnership with UNEP and UNESCO, ECE is co-leading the inter-agency issue-based coalition on environment and climate change, which brings together 18 agencies, funds and programmes in the region. UNEP, in partnership with FAO, established a multi-partner trust fund for the United Nations Decade on Ecosystem Restoration (2021–2030) and worked with States to modernize global environmental governance. The joint UNEP and UNDP Poverty-Environment Action for Sustainable Development Goals programme supports the Governments of five countries in Africa and five in Asia and the Pacific.

75. Through UN-Habitat resilience profiling and adaptation planning tools, 189 towns and villages benefited from inclusive planning processes. Moreover, several informal settlements and peri-urban areas in Fiji, Mongolia and Solomon Islands undertook climate change assessments to guide priority action, benefiting nearly 200,000 people. In Mozambique, the Safer Schools Programme proved successful in the face of Cyclones Idai and Kenneth. In 2020, UNICEF supported Governments in developing child-sensitive climate and environmental action plans in 65 countries.

76. UN-Women contributed to the COVID-19 needs assessment methodology of the World Bank, the European Union and the United Nations system, which was used to assess the gendered socioeconomic impacts of the pandemic in nine countries, and successfully worked with 50 United Nations partners to mainstream gender into the review of progress in the United Nations Plan of Action on Disaster Risk Reduction for Resilience: Towards a Risk-informed and Integrated Approach to Sustainable Development. UN-Women contributed to gender-responsive disaster risk reduction legislation, strategies, plans and assessments in 41 countries through new gender-responsive policies and assessments.

G. Fighting poverty in fragile and humanitarian contexts

77. In 2020, 3 million people, 43 per cent of whom were women, in 27 crisis-affected countries improved their livelihoods through UNDP programmes. UNDP continued to support access to basic services, including the strengthening of health systems for COVID-19 readiness. In Iraq, more than 1.2 million people benefited from rehabilitation projects, while over 1.4 million displaced persons in 13 countries benefited from durable solutions in 2020. UNESCO scaled up its work in eight countries to enhance learning opportunities and continuity for the most marginalized during the COVID-19 crisis. In addition, in cooperation with the Office of the United Nations High Commissioner for Refugees, it is supporting migrants and refugees to attain further education or to integrate into the labour market through the innovative UNESCO Qualifications Passport for Refugees and Vulnerable Migrants initiative.

78. The Office of the United Nations High Commissioner for Refugees has worked within the Expert Group on Refugee and Internally Displaced Persons Statistics to provide technical guidance for the production of reliable disaggregated data on forced displacement. A common joint outcome of the Office-UNICEF Blueprint for Joint Action is the strengthening of national data systems to improve the availability and accessibility of high-quality disaggregated data, information and analysis on the situation of refugee and returnee children.

79. Using city and neighbourhood profiling tools in six countries, UN-Habitat has assessed and identified urban recovery needs. It and the Global Land Tool Network, in collaboration with a core group of United Nations agencies, developed a guidance note on the United Nations and land and conflict in order to strengthen the approach to the subject. UN-Women improved the gender responsiveness of COVID-19 responses by providing gender expertise to humanitarian coordination mechanisms in 18 countries. The Inter-Agency Standing Committee COVID-19 gender alert and localized guidance in 13 countries, developed by UN-Women, guided the humanitarian response to the pandemic. In 38 countries, UN-Women built the self-reliance of crisis-affected women and girls.

VII. Conclusion and recommendations

80. **The growing economic and social challenges, as well as the effects of the COVID-19 crisis and climate change, call for policies focusing on integrated,**

inclusive and sustainable measures that leave no one behind for a rapid, better and sustainable recovery. The General Assembly may wish to consider the following recommendations:

(a) Countries should seize the opportunity offered by the crisis to reset socioeconomic policies for a better recovery, including by reallocating public resources to protect people living in poverty and in vulnerable situations through the provision of adequate social protection, high-quality health care and education and decent and green jobs;

(b) Countries need to invest in agriculture, support smallholder farmers, preserve humanitarian food and nutrition assistance and promote financial inclusion, especially in rural areas;

(c) Countries should build stronger health systems, aiming at achieving universal health coverage, by investing in health infrastructure, with particular attention paid to emergency preparedness and integrated health-care service delivery supported by improved health information and monitoring systems;

(d) Aiming for universal coverage and addressing the risks and vulnerabilities that individuals face throughout their life cycle, Governments need to establish nationally appropriate social protection systems, including floors, and invest in, adapt, extend and scale up comprehensive social protection measures, taking into account the different needs of disadvantaged and marginalized social groups;

(e) Countries need to invest in inclusive and equitable high-quality education, promote lifelong learning opportunities for all and strengthen public education and its financing. They also need to protect national and international financing of public education;

(f) Countries should mainstream a gender perspective and the unique needs and responsibilities of women and girls in their recovery plans and socioeconomic policies;

(g) Countries need to invest in, and use, timely, reliable and disaggregated data, which are essential to identifying people living in poverty and in vulnerable situations;

(h) The international community, including the United Nations system, should provide support to the poorest countries that have insufficient capacity to fully finance social protection and health systems. Countries and their development partners should strengthen multilateralism, meaningful cooperation and partnership with all, including civil society and their networks, as well as the private sector, and coordinate among a wide range of stakeholders in order to eradicate poverty and hunger, protect people and communities from existential threats and accelerate the implementation of the 2030 Agenda.
