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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 77/179, 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), in the context of a series of severe and mutually reinforcing crises: the coronavirus disease (COVID-19) pandemic, the war in Ukraine, the food and energy crises, rising inflation and climate change. Policies for an inclusive and sustainable recovery are discussed and recommendations put forward for consideration by the Assembly.







I. Introduction

1. The objective of the Third United Nations Decade for the Eradication of Poverty (2018–2027) and its inter-agency, system-wide plan of action was to accelerate global actions for a world without poverty. Five years into implementation, the world is facing unprecedented challenges brought about by a series of mutually reinforcing crises: the coronavirus disease (COVID-19) pandemic, the war in Ukraine, the food and energy crises, rising inflation and climate change. The present report provides an examination of the gaps, challenges and progress made in the implementation of the Third Decade, and the activities carried out by the United Nations system under the plan of action are presented. It also includes a discussion on innovative data approaches to poverty and proposals for social and fiscal policies that mitigate the impacts of the current multiple crises and build resilience to shocks. It concludes with a set of recommendations for consideration by the General Assembly.

II. Progress in eradicating poverty and the impact of the multiple overlapping crises

A. Income poverty

1. World

2. On the basis of the World Bank's new international poverty lines, ¹ poverty declined steadily at the global level between 1990 and 2019, although at a slower pace beginning in 2014. In 2019, extreme poverty remained high, with 8.5 per cent of the world's population, or 659 million people, living in extreme poverty.² In 2020, the disruptions caused by the COVID-19 pandemic led to an increase in extreme poverty for the first time in more than two decades. Since then, worldwide progress towards poverty eradication has been further stalled by a compounding cost-of-living crisis and related inflationary shocks, triggered by the war in Ukraine. Approximately 670 million people were estimated to be living in extreme poverty in 2022, an increase of 70 million people compared with pre-pandemic projections. ³ If current trends continue, 575 million people will still be living in extreme poverty in 2030, and only one third of countries will have halved their national poverty rates from 2015 (see A/78/80-E/2023/64).

2. Africa and countries in conflict

3. In 2019, 35.1 per cent of the population of sub-Saharan Africa lived in extreme poverty, the highest rate of all regions. That rate corresponds to 391 million people, representing some 60 per cent of the world's extreme poor.⁴ The recent overlapping crises are estimated to have pushed an additional 30 million people into extreme poverty in sub-Saharan Africa between 2019 and 2022, compared with pre-pandemic

¹ The World Bank updated the international poverty lines in September 2022 on the basis of 2017 purchasing power parities. A poverty line of \$2.15 is used to measure the extent of extreme poverty, while higher lines of \$3.65 and \$6.85 are used to measure poverty in lower-middle- and upper-middle-income countries, respectively.

² See Samuel Kofi Tetteh Baah and others, "March 2023 global poverty update from the World Bank: the challenge of estimating poverty in the pandemic", World Bank, 29 March 2023.

³ See World Bank, *Poverty and Shared Prosperity 2022: Correcting Course* (Washington, D.C., 2022).

⁴ See "March 2023 global poverty update from the World Bank: the challenge of estimating poverty in the pandemic".

projections.⁵ In 2030, 30 per cent of the population in sub-Saharan Africa is expected to still be living in extreme poverty.⁶ According to the World Bank, eradicating extreme poverty in the subregion would require each country to have an annual growth rate of per capita gross domestic product (GDP) of 9 per cent beginning in 2023, which is a challenge, given that their economies grew by an average of only 1.2 per cent annually in the decade preceding the pandemic.⁷

4. In 2019, the countries that were chronically experiencing fragility and conflict also had some of the world's highest extreme poverty rates, between 40 and 50 per cent. Since 2007, the number of people living in proximity to conflict has nearly doubled worldwide, representing approximately 10 per cent of the world's population in 2019. As a result, by the end of 2020 the number of extremely poor people living in economies affected by fragility and conflict (representing almost 40 per cent of the world's poor) had exceeded the number of poor people in all other settings combined.

B. Non-income poverty⁸

5. In the years prior to the outbreak of the COVID-19 pandemic, multidimensional poverty had decreased significantly in 72 countries. India lifted some 415 million people out of multidimensional poverty over a 15-year period, contributing to the decline in South Asia. However, the pandemic reversed the progress made, and estimates indicate that it could set back progress in reducing multidimensional poverty by up to 10 years.

6. According to a recent report on the global Multidimensional Poverty Index, 1.1 billion people across the 110 countries surveyed (18 per cent of the population of 6.1 billion) are living in multidimensional poverty in 2023. Approximately five of six multidimensionally poor people reside in either sub-Saharan Africa (534 million, or 48 per cent) or South Asia (389 million, or 35 per cent). The great majority of them (84 per cent, or 964 million people) live in rural areas, and half of them (566 million people) are children younger than 18 years of age. Although middle-income countries host the majority of the world's poor, multidimensional poverty disproportionately affects low-income countries.

7. In 2022, between 690 million and 783 million people faced hunger in the world, which was 122 million more people than before the pandemic. Moreover, 2.4 billion people were moderately or severely food insecure; that is, they did not have access to adequate food. Furthermore, 148 million children younger than 5 years of age were stunted, 45 million were affected by wasting and 37 million were overweight. Owing to the economic recovery from the pandemic, some 3.8 million fewer people suffered from hunger in 2022 than in 2021, but the international community should avoid complacency, given that hunger continues to increase throughout Africa, Western Asia

⁵ See Daniel Gerszon Mahler and others, "Pandemic, prices, and poverty", World Bank, 13 April 2022.

⁶ See Marta Schoch and others, "To end extreme poverty, getting back to pre-COVID-19 reduction rates is not enough", World Bank, 30 November 2022.

⁷ See World Bank, "Global progress in reducing extreme poverty grinds to a halt", 5 October 2022.

⁸ The information presented herein has been drawn from the following sources: United Nations Development Programme (UNDP) and Oxford Poverty and Human Development Initiative, Global Multidimensional Poverty Index 2023: Unstacking Global Poverty – Data for High Impact Action (New York, 2023); Food and Agriculture Organization of the United Nations and others, The State of Food Security and Nutrition in the World 2023: Urbanization, Agrifood Systems Transformation and Healthy Diets across the Rural–Urban Continuum (Rome, 2023); A/78/80-E/2023/64; and World Bank, "Joint statement: the heads of the World Bank Group, IMF, WFP, and WTO call for urgent coordinated action on food security", 13 April 2023.

and the Caribbean. Indeed, it is projected that almost 600 million people will still face hunger in 2030.

8. The cost of food can have an enormous effect on poverty. Estimates show that every additional 1 per cent increase in food prices pushes 10 million more people into extreme poverty. During the COVID-19 pandemic, the proportion of countries facing moderately to abnormally high food prices reached a record of 48 per cent in 2020. With the lifting of COVID-19 restrictions, the proportion of countries facing food-price challenges fell to 21.5 per cent in 2021, still much higher than the average of 15 per cent during the period 2015–2019. In sub-Saharan Africa and among the least developed countries, the proportion of countries facing high food prices increased in 2021 for the second consecutive year.

9. In 2022, 2.2 billion people lacked safely managed drinking water, 3.4 billion lacked access to safely managed sanitation services and 1.9 billion lacked basic hygiene services. In addition, approximately 675 million people lacked access to electricity and 2.3 billion people did not have access to clean cooking fuels in 2021.

C. Inequality⁹

10. Prior to the COVID-19 pandemic, global inequality was declining as a result of the convergence of mean incomes across countries (i.e., a decrease in between-country inequality). The rapid economic growth of China, which lifted more than a billion people from the bottom towards the middle of the global income distribution, played a key role in that decline. The global Gini coefficient decreased by approximately half a point annually between 2003 and 2013, reflecting solid growth in the income of the middle class. A similar decline was also observed between 2014 and 2019. However, recent estimates indicate that the pandemic caused the largest annual increase in global inequality since the Second World War. The global Gini coefficient rose from 62.0 in 2019 to 62.6 in 2020. That reversal in global inequality was caused primarily by larger income losses in more populous countries, such as India.

11. Within-country inequality, measured by the ratio between the average incomes of the top 10 per cent and the bottom 50 per cent of the population, almost doubled between 1980 and 2020 (from 8.6 to 15.1 per cent). The increase during the pandemic was driven by severe job and income losses among low-skilled workers, low-income households, informal workers and women. The uneven recovery from the pandemic, the climate crisis and the war in Ukraine are further deepening several non-monetary pre-existing inequalities, which further threaten long-term social and economic development, including the eradication of poverty.

⁹ The information presented herein has been drawn from the following sources: World Bank, *Poverty and Shared Prosperity 2022: Correcting Course* (Washington, D.C., 2022); *Global Sustainable Development Report 2023* (United Nations publication, forthcoming); Lucas Chancel and others, *World Inequality Report 2022* (World Inequality Laboratory, 2021); and World Bank, *Global Economic Prospects, January 2022* (Washington, D.C., 2022).

D. Climate change and natural disasters¹⁰

12. Unchecked climate change could increase poverty by pushing an additional 130 million people into poverty over the coming 10 years and more than 200 million people into forced migration or displacement within their own countries by 2050. At the same time, poverty makes people highly vulnerable to the impacts of climate change, including in terms of hunger, food insecurity, health and survival, because people living in poverty tend to depend on natural resources for their livelihoods and have a limited capacity to cope with the extreme weather events, natural disasters and environmental degradation brought about by climate change.

13. Addressing climate change is therefore a priority in order to save lives and reduce poverty and inequality. It requires not only mitigation and adaptation efforts, but also global solidarity with the most climate-vulnerable people, communities and countries in support of a just energy transition, including collaboration and knowledge-sharing across interest groups and borders, as well as climate financing. In 2020, only \$83.3 billion of the global \$100 billion climate finance commitment had been fulfilled. Developing countries should begin to play a key role by helping to set the international agenda and identify strategies and projects for addressing their own climate and development challenges.

14. The prevalence of poverty is also positively correlated with the level of fragility and prolonged humanitarian challenges facing countries in their relevant regions. In 2022, fragile contexts, mainly in Africa and the Middle East, accounted for 73 per cent of the people living in extreme poverty worldwide. That number has been projected to increase to 86 per cent by 2030, even without accounting for the impact of the war in Ukraine on livelihoods and stability.

III. Gaps and challenges in eradicating poverty

A. Economic growth and structural transformation¹¹

15. Structural economic transformation is a key driver in the creation of a more dynamic and competitive economy, leading to higher economic growth rates and providing sustainable livelihoods for all, in particular in developing countries.

16. Historically, manufacturing has led economic transformation and was associated with poverty alleviation and a reduction in income inequality. In Africa, however, a

¹⁰ The information presented herein has been drawn from the following sources: Akihiko Nishio, "When poverty meets climate change: A critical challenge that demands cross-cutting solutions", World Bank, 5 November 2021; *Financing for Sustainable Development Report 2023: Financing Sustainable Transformations* (United Nations publication, 2023); Amar Bhattacharya, Homi Kharas and John W. McArthur, "Developing countries are key to climate action", Brookings Institution, 3 March 2023; Margaret Oduk, "Progress, gaps and challenges: pathways toward a green economy", presentation to the Inter-Agency Expert Group Meeting on the Implementation of the Third United Nations Decade for the Eradication of Poverty, Addis Ababa, May 2023; and Lydie Kouame, "Progress, gaps and challenges in eradicating poverty and building resilience in fragile and humanitarian contexts", paper presented at the Inter-Agency Expert Group Meeting on the Implementation of the Third United Nations Decade for the Eradication of Poverty, Addis Ababa, May 2023.

¹¹ The information presented herein has been drawn from the following sources: Economic Development in Africa Report 2022: Rethinking the Foundations of Export Diversification in Africa – the Catalytic Role of Business and Financial Services (United Nations publication, 2022); and Patrick Osakwe, "Coherent strategies to enhance productive capacities and alleviate poverty", presentation to the Inter-Agency Expert Group Meeting on the Implementation of the Third United Nations Decade for the Eradication of Poverty, Addis Ababa, May 2023.

new pattern of structural transformation is emerging, led by services such as those based on information and communications technology (ICT), agro-industries, tourism and transport.

17. Notwithstanding its promise for economic diversification and structural transformation, services-based economic growth has been embraced only by a handful of African countries, including those in Northern Africa, as well as Ethiopia, Ghana, Kenya, Mauritius, Rwanda and South Africa. The great majority of African countries (45 countries) remain dependent on the exports of primary products in the agricultural, mining and extractive industries. By weakening the prospects for further industrialization and human capital development, the lack of diversity in the economy has adverse impacts on inclusive growth in the long term.

18. Productive capacities are crucial for structural transformation and sustainable and inclusive economic growth. They are also vital for building socioeconomic resilience to external shocks, such as the COVID-19 crisis. Therefore, fostering the productive capacities of developing countries – especially the least developed countries in Africa, where the productive capacities index score is, on average, the lowest among all regions – supports efforts towards eradicating poverty.

B. Employment creation¹²

19. Productive employment and decent work are central antidotes to poverty. The lingering effects of the COVID-19 pandemic and the compounding confluence of economic crises continue to have an impact on the labour market. While there has been some recovery in employment creation, it has been driven in large part by informal employment.

20. In 2022, there were approximately 2 billion workers in informal employment. An estimated 214 million workers were also living in extreme poverty. While the world economy is projected to grow by 2.3 per cent in 2023, this growth rate remains well below the average of 3.1 per cent during the two decades prior to the pandemic and, therefore, negatively affects employment creation. Global unemployment was projected to edge up by some 3 million, reaching 208 million in 2023, which corresponds to an unemployment rate of 5.8 per cent.

21. Disparities in labour market participation have continued unabated. In 2022, the labour force participation rate of women stood at 47.4 per cent, compared with 72.3 per cent for men, and more than one in five young people were not in employment, education or training. Global youth unemployment is projected to increase by 1 million between 2022 and 2023 and to remain stable in 2024. Most notably, the total hours worked per worker have declined persistently in the past few years. In low-income countries, the low level of hours worked per worker is related directly to the lack of decent work opportunities and elevated rates of informal employment, underemployment and working poverty.

¹² The information presented herein has been drawn from the following sources: International Labour Organization (ILO), World Employment and Social Outlook: Trends 2023 (Geneva, 2023); and E/2023/80.

C. Education¹³

22. Access to relevant and quality education has far-reaching impacts on poverty and intergenerational poverty traps. The COVID-19 pandemic had a significant impact on the education of children, with the greatest impact on the most vulnerable, including children living in poverty and in rural and remote areas. It is anticipated that it will take several years for pre-pandemic levels of access and quality to be restored.

23. Nearly 147 million children missed more than half of their in-person schooling between 2020 and 2022. A study covering 34 per cent of children worldwide showed that no progress had been made in global learning between 2015 and 2019 in terms of reading levels at the end of primary school. Learning losses due to the pandemic-related school closures were documented in four of five of the countries that conducted such studies. Estimates indicate that more than 100 million additional students from grade levels 1 to 8 fell below the minimum reading proficiency level in 2020 as a result of the pandemic. That setback is equivalent to the education gains achieved over the past 20 years. Globally, the rate of participation in organized learning in the year before the official primary entry age has stagnated at approximately 75 per cent since 2015.

24. Furthermore, some 50 per cent of students did not have access to computer facilities or disability-adapted infrastructure in 2020. At the current rate of progress, approximately 84 million children and young people will be out of school and 300 million students will not have basic numeracy and literacy skills by 2030.

D. Health and health care¹⁴

25. Universal health coverage saves lives and makes people healthier and more productive. It also prevents people and families from falling into poverty. The COVID-19 pandemic reversed the increased survival rates observed from the 1950s until 2019 by accounting for 14.9 million excess deaths and 336.8 million years of life lost in 2020 and 2021. COVID-19 disproportionally killed middle-aged and older adults, with 64 per cent of the excess deaths occurring among people aged 65 years and over, and almost 31 per cent occurring among people aged 45 to 64 years. The pandemic also tended to affect men more than women, with excess mortality rates consistently higher in every age group.

26. The pandemic disrupted essential health services in all countries, causing many health-related indicators to veer further off track. The pandemic also exacerbated inequalities within and between countries, highlighting barriers to access to health care, faced mainly by low-income populations and rural dwellers, in the form of out-of-pocket payments for health services; limitations in the range, quality, acceptability and physical accessibility of health services; long waiting times; and opportunity costs, such as lost working time. Out-of-pocket health spending can be a source of financial hardship and has been shown to push, or further push, people who live at or

¹³ The information presented herein has been drawn from the following sources: World Bank, United Nations Educational, Scientific and Cultural Organization and United Nations Children's Fund (UNICEF), *The State of the Global Education Crisis: a Path to Recovery* (Washington D.C., Paris, New York, 2021); A/78/80-E/2023/64; and UNICEF Are Children Really Learning? Exploring Foundational Skills in the Midst of a Learning Crisis (2022).

¹⁴ The information presented herein has been drawn from the following sources: World Health Organization, World Health Statistics 2023: Monitoring Health for the SDGs, Sustainable Development Goals (Geneva, 2023); and ILO, World Social Protection Report 2020-22: Social Protection at the Crossroads – in Pursuit of a Better Future (Geneva, 2021).

near the poverty line into extreme poverty. The pandemic highlighted the need to reduce out-of-pocket payments and provide adequate benefits to end poverty. Collective financing is a key principle to support effective access to health care for all in a shock-responsive manner.

E. Gender equality¹⁵

27. Globally, women and girls continue to face gender-based discrimination and a plethora of inequalities that increase their vulnerability to poverty, including unequal access to health care, education, technology and economic opportunities, while confronting systemic hurdles in decision-making. Compared with their male counterparts, women have lower levels of labour force participation and higher rates of informal work and are paid less for similar work. In 2022, women's labour force participation remained below pre-pandemic levels in 169 countries and areas, while the gender gap had widened in 114 countries and areas, compared with 2019. In 2022, the number of working-age women outside the labour force surpassed that of men by 750 million.

28. Men continue to dominate decision-making positions such as legislators, senior officials and in managerial occupations. Women in employment were working approximately seven paid hours fewer than men per week, with the median gender pay gap at approximately 14 per cent, based on average hourly earnings. Furthermore, women's access to decent work and other forms of income remains characterized by widespread discrimination, gender-based violence, inequalities and exploitation that predispose women to higher rates of poverty and hunger. By the end of 2022, some 383 million women and girls were estimated to be living in extreme poverty, compared with 368 million men and boys.

29. Data collected from 119 countries showed that 55 per cent lacked laws that prohibit direct and indirect discrimination against women, 60 per cent failed to legally define rape based on the principle of consent and 45 per cent did not mandate equal remuneration for work of equal value. Progress in legal reforms notwithstanding, closing gaps in legal protections and removing discriminatory laws could take up to 286 years, based on the current rate of change.

F. Social protection¹⁶

30. It is well documented that social protection reduces inequality and prevents poverty, mitigates the effects of socioeconomic crises and acts as an economic stabilizer. In low- and middle-income countries, such as South Africa, non-contributory cash transfer programmes have contributed to reductions in poverty

¹⁵ The information presented herein has been drawn from the following sources: *The Sustainable Development Goals Report 2022* (United Nations publication, Sales No. E.22.I.2); and Ginette Azcona and others, Progress on the Sustainable Development Goals: the Gender Snapshot 2022 (New York, United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) and United Nations, Department of Economic and Social Affairs, Statistics Division, 2022); and A/78/80-E/2023/64.

¹⁶ The information presented herein has been drawn from the following sources: ILO, 2021, World Social Protection Report 2020-22: Social Protection at the Crossroads – in Pursuit of a Better Future (Geneva, 2021); UNDP, UNDP's Social Protection Offer 2.0 (New York, 2021); and Mira Bierbaum and Valérie Schmitt, "Investing more in universal social protection: filling the financing gap through domestic resource mobilization and international support and coordination", ILO Working Paper, No. 44 (Geneva, ILO, 2022).

and income inequality, with overall positive effects on health, education and labour market outcomes.

31. However, when the COVID-19 pandemic hit, 4 billion people (more than half of the world's population) had no access to any form of social protection, including the 2 billion workers in the informal economy. Their income insecurity was heightened further following the unprecedented loss of jobs and livelihoods caused by the pandemic. The lowest social protection coverage levels were found mainly in Africa and the least developed countries.

32. The pandemic revealed significant gaps in social protection coverage, weak governance of social protection systems and the inability of existing social protection mechanisms to respond to shocks. Countries with solid national social protection systems were able to respond faster and better than others to shocks and life contingencies. Other countries also mobilized resources to temporarily provide new benefits or extend existing benefits to traditionally uncovered groups. Such measures helped to cushion the negative impacts of the pandemic but have contributed to increasing the financing gaps for social protection by at least 30 per cent, given the falling revenue due to lower growth and trade. In addition, low- and middle-income countries are now constrained by spiralling debt, which compromises their ability to increase critical public investment to overcome the crisis and their chances to achieve sustainable development.

33. More investment is required to deliver adequate and effective benefits for all by 2030. Even in low-income countries, sustainably increasing fiscal space for social protection is possible by, for example, broadening the tax base, building fair and progressive tax systems and confronting tax evasion. National social protection systems should be financed mainly from domestic resources, which could be complemented by international financial resources and technical assistance for countries with limited domestic fiscal capacities.

G. Data¹⁷

34. National household data collection is critical for designing policies and directing them towards the measures, areas and people for which they are most effective. The COVID-19 pandemic posed a serious threat to national statistical systems. Some 96 per cent of countries had fully or partially stopped in-person data collection in 2020 owing to lockdown measures. The disruption continued in half of all countries until mid-2021. It occurred at a time when the pandemic increased the demand for timely and disaggregated data, as Governments sought to identify the population groups that had been disproportionately affected and were most in need of social protection services.

35. The impact of the pandemic persists, as many national statistical offices are implementing expired strategic plans owing to a lack of human and financial capacity. Those plans may not cover in full the evolving development objectives and emerging demands for timely and disaggregated data. The international funding for data and statistics decreased from \$697 million in 2018 to \$542 million in 2020, which could be owing in part to pandemic-related funding and policy shifts.

36. With regard to the availability of data for monitoring the Sustainable Development Goals, even though the number of indicators included in the Global SDG Indicators Database increased from 115 in 2016 to 225 in 2022, significant gaps

 ¹⁷ The information presented herein has been drawn from the following sources: *The Sustainable Development Goals Report 2022* (United Nations publication, Sales No. E.22.I.2); and A/78/80-E/2023/64.

remain in terms of geographical coverage, timeliness and disaggregation. Only approximately half of the 193 countries or areas have produced internationally comparable data since 2015 for 9 of the 17 Goals, and only 21 per cent have data for Goal 13 on climate action.

IV. Social and fiscal policies to mitigate the impacts of the multiple crises and build resilience to shocks¹⁸

37. With regard to social policies, efforts should be made to promote policies that contribute to the creation of productive employment and decent work. The ongoing crises have also highlighted the importance of countercyclical policies to stabilize economic and labour market outcomes and prevent temporary contractions of activity from turning into low-growth traps. Education policies should promote education and labour skills, including lifelong learning, in particular for women and girls and people in vulnerable situations.

38. Furthermore, social protection measures need to be retooled using lessons from the past and the experiences of other countries in order to be able to mitigate the worst consequences of the crises on people in vulnerable situations and to build resilience to shocks. Data systems should also be interlinked with the provision of and access to social protection services, with a view to improving the transparency, efficiency and effectiveness of social protection programmes. The COVID-19 pandemic has clearly shown the necessity of building an inclusive digital society and universalizing connectivity, allowing the poor to gain access to effective connectivity.

39. Public budgets need to be strengthened through the allocation of more financial resources and the expansion of domestic tax systems, including by addressing loopholes and illicit financial flows. In addition to increasing spending to improve development outcomes, countries also need to address spending inefficiencies. Studies have shown that countries can save about as much through efficiency efforts as through tax reforms. Governments also need to digitalize revenue collection systems so as to build strong domestic resource mobilization systems. Efforts must also be taken to strengthen domestic resource mobilization and improve the alignment of national budgets and strategies with the Sustainable Development Goals.

40. The compounding impact of the recurrent crises has reduced the fiscal space of developing countries. Fiscal policies are important for the achievement of the Goals, especially those that relate to investment in poverty eradication, the reduction of hunger and human, social and physical capital, given that they are key to raising domestic public resources, creating fiscal space and promoting effective public spending.

41. Social policies are urgently needed to mitigate the impacts of the crises, get back on track and build resilience. For example, India and Nigeria have employed a priority-sector lending approach in the post-COVID-19 period, showing that policy instruments coupled with innovative finance can protect key economic sectors from severe external shocks and propel structural transformation. Fiscal policies should

¹⁸ The information presented herein has been drawn from the following sources: Global Panel on Agriculture and Food Systems for Nutrition, *Future Food Systems: For People, Our Planet, and Prosperity* (London, 2020); presentations and papers presented at the Inter-Agency Expert Group Meeting on the Implementation of the Third United Nations Decade for the Eradication of Poverty, Addis Ababa, May 2023; Vitor Gaspar and others, "Fiscal policy and development: human, social, and physical investment for the SDGs", IMF Staff Discussion Note No. SDN/19/03 (2019). Available at www.imf.org/en/Publications/Staff-Discussion-Notes/Issues/2019/01/18/Fiscal-Policy-and-Development-Human-Social-and-Physical-Investments-for-the-SDGs-46444.

therefore be expanded to include the legal and economic recognition of the large numbers of workers in informal and precarious work arrangements, to increase access to social protection and social services for all, and to advance efforts to improve gender equality and the inclusion of people in vulnerable situations, including women, young people, Indigenous Peoples, older persons and persons with disabilities. A better understanding of the problems and appropriate solutions is required of Governments and the international community.

42. Countries need to develop comprehensive and integrated plans that anticipate crises and outline the necessary response measures. Such plans should prioritize critical sectors, such as health care, education and infrastructure, and should be updated regularly to reflect changing circumstances. Infrastructure development needs to be prioritized by boosting spending on vital sectors, such as housing, power and transportation. It is also important to foster foreign investment and support micro-, small and medium-sized enterprises in order to create jobs. Investment in education and skills development is critical to prepare the workforce for the occupations of the future.

43. Equally important is the design and implementation of industrial policy, which involves government intervention in the economy to encourage industrialization and diversification. Tax incentives and subsidies can be used to spur the development of targeted sectors, such as manufacturing and technology, which would create new jobs and support inclusive economic growth. Successful transitions will require innovation and the harnessing of digital technologies at all levels of the economy.

44. Governments should also leverage fiscal policies to increase the Internet penetration rate, extend ICT services to underserved communities in both rural and urban areas and build human capacity for ICT. Fiscal policies should also support investment in digital infrastructure and the collection and use of data.

45. The increase in hunger and food insecurity as a result of rising inflationary pressures also requires Governments to put in place fiscal policies that boost agricultural productivity. Such policies should contribute to investment in agricultural infrastructure; provide adequate and affordable farm inputs and credit to farmers; support innovations along food supply chains to reduce food loss and waste; improve food quality and safety; lower costs to consumers; and support job growth and improved livelihoods across the food system.

V. Financing poverty eradication efforts¹⁹

46. While developed countries were able to support their COVID-19 pandemic recovery with record sums borrowed at very low interest rates, the poorest countries spent billions servicing debt, preventing them from investing in sustainable development. The least developed countries use 14 per cent of their revenue to pay interest on their debt, while developed countries pay only 3.5 per cent. If left unaddressed, this great finance divide will translate into a lasting sustainable development divide.

47. Tax revenue, which is one of the main sources of domestic financing, fell during the pandemic and has not recovered at a uniform pace. In 2021, 40 per cent of African countries had tax-to-GDP ratios below 2020 levels. In the least developed countries,

¹⁹ The information presented herein has been drawn from the following sources: *Financing for Sustainable Development Report 2023: Financing Sustainable Transformations* (United Nations publication, 2023); and Organisation for Economic Co-operation and Development, "ODA levels in 2022: preliminary data – detailed summary note" (Paris, 2023). Available at www.oecd.org/dac/financing-sustainable-development/ODA-2022-summary.pdf.

on average, less than 50 per cent of personal and corporate income tax returns are filed on time, impeding fiscal management.

48. Other large domestic sources of finance for development, such as domestic savings, stock market shares, pension funds and diaspora remittances and savings, are still underutilized in Africa. For example, domestic savings in Africa averaged only some 20 per cent of GDP during the period 2010–2020, compared with 35 per cent in East Asia and 28 per cent in the Pacific and South Asia. Illicit financial flows pose serious challenges to domestic resource mobilization, in particular in Africa, where they far exceed annual financial inflows from foreign direct investment and official development assistance (ODA).

49. Foreign direct investment has declined since early 2022. The recovery following the 2020 slump remains fragile: projects increased by 3 per cent, but their value dropped slightly. ODA amounted to \$204 billion in 2022, rising by 13.6 per cent in real terms from 2021. The increase was due mostly to in-donor refugee costs and aid to Ukraine. Excluding in-donor refugee costs, ODA rose by 4.6 per cent in 2022 and amounted to 0.36 per cent of the gross national income of donor countries, which was slightly higher than in 2021 but below the United Nations target of 0.7 per cent.

50. In 2022, net bilateral ODA flows to the least developed countries decreased in real terms by 0.7 per cent, to \$32 billion, compared with 2021. Flows to Africa also decreased by 7.4 per cent, to \$34 billion. Within that total, net ODA to sub-Saharan Africa was \$29 billion, a fall of 7.8 per cent in real terms.

VI. Innovative data approaches to poverty²⁰

51. In order to reduce poverty effectively, accurate and timely data are essential for identifying people living in poverty and estimating the extent of poverty. Traditionally, such poverty data were obtained from censuses and household surveys, which not only are costly and time consuming, but also can be hindered by pandemics, wars and conflicts.

52. A growing body of research has shown the potential for using satellite imagery data and big data, especially mobile phone data, in combination with traditional data to improve poverty estimates and maps. This finding corroborates that of the task team on mobile phone data, supervised by the Committee of Experts on Big Data and Data Science for Official Statistics, which showed that mobile phone data could be used as a complement or even a substitute for traditional data sources, which often lack timeliness, frequency and granularity, to produce statistics in areas such as displacement and disasters, migration and tourism. An assessment of the readiness of national statistical offices to use big data in official statistics showed that the main challenges for those offices were collaborating with big data source owners outside the Government, followed by human resources and legislative issues. Privacy issues related to public trust and methodological aspects posed medium-level challenges.

53. In order to help to accelerate global action to eradicate poverty by using novel data, it is necessary that national statistical offices be supported in training their staff,

²⁰ The information presented herein has been drawn from the following sources: Neeti Pokhriyal, "Mapping multi-dimensional poverty by combining satellite and mobile phone data: challenges and opportunities", paper presented at the Inter-Agency Expert Group Meeting on the Implementation of the Third United Nations Decade for the Eradication of Poverty, Addis Ababa, May 2023; Martha Getachew Bekele, "Data and digital solutions for identifying the poor and eradicating poverty", paper presented at the Inter-Agency Expert Group meeting on the Implementation of the Third United Nations Decade for the Eradication of Poverty, Addis Ababa, May 2023; E/CN.3/2023/17; and E/CN.3/2020/24.

gaining continuous access to new data sets and expanding their digital infrastructure, with a view to scaling up new methodologies and integrating big data and machine learning for poverty statistics and reporting on the Sustainable Development Goals. The Committee of Experts on Big Data and Data Science for Official Statistics provides such support in the form of technical guidance and training offered by several task teams that it supervises, including one that focuses on big data and the Goals. To assist national statistical offices in building data science skills for statistical production, the Committee has established regional and sector hubs for big data and data science for conducting project and training activities.

54. Digital solutions can also be used to better identify people living in poverty, Such solutions include: (a) the transformation of existing analog processes, primarily within public administration, to digital processes, including capturing digital data at the point of service delivery (e.g., health facilities, schools and civil registry offices); (b) the digitalization of foundational systems, such as civil registration and vital statistics, which incorporate data systems that are linked to the provision of and access to social protection services; and (c) the building of national and subnational e-government infrastructure. To be sustainable, digital transformation must garner the commitment from Governments to promote national ownership and management of all infrastructure.

VII. United Nations system action to build forward together and accelerate the implementation of the system-wide plan of action²¹

55. The present section presents the progress made by the United Nations system in implementing the system-wide plan of action, which is focused on issues on which strengthened operational and policy integration could yield improved support to Member States in relation to their priorities and their capacity to pursue institutional and policy coherence.

56. The Department of Economic and Social Affairs continued to produce actionoriented policy briefs providing timely analysis and policy advice to Member States, with a view to supporting improved recovery strategies that also contribute to many of the priorities of the system-wide plan of action. The Department also continued to support the Commission for Social Development, including by preparing in December 2022 a substantive note by the Secretariat on addressing the social impacts of multifaceted crises to accelerate recovery from the lingering effects of the COVID-19 pandemic through the full implementation of the 2030 Agenda for Sustainable Development (E/CN.5/2023/4).

A. Supporting structural transformation, productive employment and decent work

57. The Food and Agriculture Organization of the United Nations (FAO) provided policy and programme support to several countries in the design and implementation of initiatives that promote decent youth employment, green jobs and the reintegration of return migrants into agrifood systems in the context of the COVID-19 response

²¹ For detailed interventions by the United Nations system and further information on the plan of action, see www.un.org/development/desa/socialperspectiveondevelopment/united-nationsdecade-for-the-eradication-of-poverty/swap3rd.html.

and recovery. The International Labour Organization (ILO) published three reports.²² As part of the planned activities for a project on coherent strategies for productive capacity development in African least developed countries, launched under the twelfth tranche of the United Nations Development Account, the United Nations Conference on Trade and Development organized national and regional workshops on developing productive capacities for poverty eradication.

58. As a follow-up to a joint statement for a human-centred recovery from COVID-19, issued by ILO and the United Nations Development Programme (UNDP) in February 2022, and in line with the priorities of the Global Accelerator on Jobs and Social Protection for Just Transitions, UNDP and ILO developed a joint programme on fostering pathways to formality, which is aimed at expanding gender-responsive social protection and enhancing the productivity and resilience of informal enterprises while facilitating transitions to formality. In 2022, the United Nations Human Settlements Programme (UN-Habitat), with the Norwegian Institute for Water Research, issued a normative guide entitled "Leaving no one behind: how a global instrument to end plastic pollution can enable a just transition for the people informally collecting and recovering waste". The report is an exploration of the measures that can be taken to support a just transition for informal waste workers at the local, national and international levels.

59. As the lead implementing agency for the Third Industrial Development Decade for Africa (2016–2025), the United Nations Industrial Development Organization (UNIDO), together with more than 30 United Nations entities, coordinated the acceleration of the implementation of the Decade through various projects and programmes.

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

60. The Department of Economic and Social Affairs is providing recommendations on possible social protection indicators to address homelessness challenges faced by disadvantaged social groups in a report of the Secretary-General on inclusive policies and programmes to address homelessness, to which it contributed with UN-Habitat. The Department is also collaborating with ILO on a capacity development project aimed at accelerating universal social protection for achieving the Sustainable Development Goals and ending poverty through digital transformation in countries of the global South.

61. ILO continues to monitor the implementation of the Global Accelerator on Jobs and Social Protection for Just Transitions. In this regard, with UNDP and the United Nations Children's Fund (UNICEF), it organized a high-level policy and financing dialogue in April 2023. The ministerial round table of pathfinder countries, in which the Global Accelerator is implemented, and development partners highlighted the value added of policy integration, financing linkages and stakeholder coordination as mentioned in the implementation strategy of the Global Accelerator. United Nations entities, Member States and international financial institutions reaffirmed that the development pathways outlined in the Global Accelerator provided a blueprint to protect against shocks and to achieve inclusive and sustainable economies and societies.

²² See World Employment and Social Outlook 2023: the Value of Essential Work; Global Wage Report 2022–23: the Impact of Inflation and COVID-19 on Wages and Purchasing Power; and Social Dialogue Report 2022: Collective Bargaining for an Inclusive, Sustainable and Resilient Recovery.

62. The regional commissions generated knowledge and information products, developed online training modules and provided technical assistance on social protection for the use of Member States. For example, the Economic and Social Commission for Asia and the Pacific created a social protection online tool, which serves as an online one-stop-shop platform on social protection and has a microsimulation model that estimates the impact of expanding social protection coverage on poverty, consumption and inequality. The Economic and Social Commission for Western Asia (ESCWA) is producing comprehensive national social protection systems and reforms country profiles, which are analytical and advisory tools, and standardized approaches that provide policymakers with a detailed and comprehensive baseline of their social protection systems in terms of design, delivery mechanisms and organizational set-up, with a view to charting reform needs and options. The Economic Commission for Africa, in collaboration with ESCWA, will support member States in generating knowledge for improved social protection policies in Africa by leveraging the above-mentioned tools.

63. UNDP implemented its social protection offer 2.0, a new generation of programmes to protect poor and vulnerable people in the context of multidimensional vulnerability, with a focus on accountable governance, resilience and environmental sustainability. Through those programmes, it was able to support improvements in social protection services and systems in more than 45 countries in 2022. UNDP also expanded its support for gender-responsive social protection, from 20 countries in 2019 to more than 70 countries in 2022.

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

64. FAO continues to provide technical support to reduce poverty and eliminate hunger in its multiple dimensions through its "Hand-in-Hand" initiative. UNDP launched the Africa mini-grid programme, which covered 21 countries, including 19 least developed countries, in 2022. The programme has the potential to provide clean power to nearly 265 million people, with co-benefits for health care, education and businesses.

65. Through the advocacy efforts of the Economic Commission for Africa, along with key international and regional institutions, several African countries have developed their vaccine and pharmaceutical manufacturing capacities with significant potential for job creation and poverty reduction. The Economic Commission for Europe (ECE) has developed a COVID-19 Recovery Action Plan for Informal Settlements in the ECE Region, which deals with both pre-existing challenges and those created by the COVID-19 pandemic. ESCWA provided regional support to member States in their efforts to measure and monitor monetary and multidimensional poverty. It launched the Multidimensional Poverty Index Assist Tool in 2022, a user-friendly tool enabling countries to develop national Multidimensional Poverty Indicators tailored to their specific challenges and vulnerabilities. The United Nations Population Fund, in collaboration with UNICEF, implemented a joint Global Programme to End Child Marriage by promoting the rights of adolescent girls in order to avert marriage and pregnancy and enable them to achieve their aspirations through education and alternative pathways.

66. UN-Habitat supported water operators partnerships, which established 21 new water and sanitation operators serving more than 61 million end users and are building capacities for improved and sustainable water services. Approximately 356.3 million children under 5 years of age, more than ever before, benefited from UNICEF programmes to prevent malnutrition in all its forms, and 182.4 million benefited from

programmes for the early detection and treatment of wasting. The United Nations Office for South-South Cooperation organized capacity-building and knowledge exchange workshops under the Global South-South Development Centre project, with the China International Centre for Economic and Technical Exchanges, focusing on China-Africa cooperation in rice value chains, climate change, disaster management and trade in services. The World Health Organization (WHO) has scaled up its work on addressing racial discrimination, which contributes to health inequities and violations of the right to health.

D. Future of food and sustainable agriculture

67. Jointly with the International Fund for Agricultural Development and other United Nations entities, FAO continues to support countries in strengthening tenure policies for poorer and more marginalized groups, community empowerment and rural women's agency, as well as in designing policies to strengthen family farming. The United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) works together with FAO, the International Fund for Agricultural Development and the World Food Programme (WFP) on the Joint Programme on Accelerating Progress towards the Economic Empowerment of Rural Women, with a proven holistic approach to secure rural women's livelihoods, rights and resilience in the context of sustainable development, including improved food security and nutrition.

68. The United Nations Conference on Trade and Development published a paper entitled "A double burden: the effects of food price increases and currency depreciations on food import bills", in which the effects of the high global prices of wheat and the appreciation of the United States dollar against other currencies on the import bills of selected developing countries are examined. The findings of the paper provide useful insights into the implications of food price volatility on the attainment of Sustainable Development Goal 1. Together with the United Nations Environment Programme and FAO, UNDP developed a guide entitled *Rethinking Our Food Systems: a Guide for Multi-Stakeholder Collaboration* to aid stakeholders at all levels of the food system in implementing national pathways for food systems transformation.

69. Responding to a request by the Government of Georgia, ECE assessed energy consumption by small businesses in rural areas in 2022 and 2023 and produced recommendations to reduce energy costs and improve energy efficiency. To further support the food systems transformation agenda, UNIDO and FAO are collaborating under the joint Agrifood Systems Transformation Accelerator programme, launched in March 2023. The global programme was designed to help countries to make their food systems more inclusive, sustainable and resilient. WFP plans to undertake interventions in 2023 aimed at building sustainable food systems and increasing smallholder productivity and incomes, with anticipated financing of \$1 billion and \$425 million, respectively. WHO has been promoting a package of game-changing action measures for food systems so as to create healthier food environments, including measures such as taxing unhealthy food and drink options and subsidizing healthy ones.

E. Reducing inequalities

70. ECE carries out work on measuring poverty, understood as a multidimensional phenomenon, including through the ECE Group of Experts on Measuring Poverty and Inequality. Topics under consideration over the past year included social policies and data, asset-based poverty and inequality, subjective poverty, the use of alternative data

sources, the impact of global shocks on poverty and inequality, and strategies to communicate statistics on poverty and inequality.

71. The Economic and Social Commission for Asia and the Pacific developed an online platform based on machine learning that identifies the groups being left furthest behind. It supports policymakers in better understanding how different circumstances interact to create unequal access to basic opportunities.

72. In line with the UN-Women strategic plan for the period 2022–2025, an accelerator focused on climate action, green and blue economies and gender equality is aimed at fostering gender-responsive just transitions to sustainable green and blue economies that protect people and the planet for present and future generations, ensuring equal participation, leadership roles and benefits for women.

73. The WHO Health Inequality Data Repository, launched in April 2023, will provide access to the largest global collection of disaggregated data on health and the determinants of health from publicly available sources, which will support inequality monitoring at all levels. The Repository will include 10.9 million data points, consisting of 59 data sets and more than 2,000 indicators broken down by 22 dimensions of inequality, from 15 publicly available sources.

F. Addressing climate change and the intensification of natural hazards

74. FAO has developed the first database for measuring the socioeconomic impacts of climate shocks on rural populations in 22 countries. It held multi-stakeholder consultations and developed a global guide and toolkit on integrating human mobility into climate action and policy processes from a rural livelihoods perspective.

75. Under a joint international initiative, ECE, UN-Habitat and Housing Europe published the report entitled *#Housing2030: Effective Policies for Affordable Housing in the UNECE Region*, in 2021. Many useful housing policy tools were brought together in the report to promote more affordable, inclusive and climate-neutral housing outcomes.

76. The UNDP and the United Nations Environment Programme project on Poverty-Environment Action for Sustainable Development Goals (2018–2022) is aimed at mainstreaming environmental sustainability and climate objectives for poverty eradication into development planning, budgeting and monitoring systems; public and private finance; and investment. The project supports targeted countries so that poverty-environment and climate change objectives feature prominently in national development plans and are included in sectoral and subnational plans.

77. UN-Habitat addresses climate-related poverty by developing tools to support climate change adaptation for communities and infrastructure. For example, in Malawi and Madagascar, support from UN-Habitat helped to restore mangroves, rehabilitate riverbeds and stabilize slopes to increase the climate resilience of communities in informal settlements. The communities participated in developing local governance structures and increasing citizens awareness of nature restoration as a solution against the effects of climate change.

78. UNIDO uses small-scale hydropower, a renewable energy, to help developing countries to overcome poverty and achieve sustainable development. UNIDO offers useful resources, such as the *World Small Hydropower Development Report 2022* and the small hydropower technical guidelines. In addition, technical cooperation projects help countries to unlock the potential of small-scale hydropower. For example, UNIDO supports countries such as Burundi, China, Madagascar and Nigeria,

demonstrating how small-scale hydropower can contribute to poverty alleviation and economic growth. These projects also support the post-COVID-19 recovery by boosting local industries and strengthening community resilience.

79. WFP has been working with Governments on shock-responsive systems, including in the Sahel countries of Mali, Mauritania and the Niger. It uses a multilayer corporate alert system for early warning and early action through real-time monitoring and advanced disaster analysis and mapping. WFP is also supporting the African Union in implementing its Climate Change and Resilient Development Strategy and Action Plan (2022–2032).

80. WHO supports countries in assessing and addressing health risks from climate change, strengthening the climate resilience of health systems and maximizing the health co-benefits of mitigation in the most polluting sectors. It monitors the responses of national health sectors to climate-related risks through the *WHO Health* and Climate Change Global Survey.

G. Fighting poverty in fragile and humanitarian contexts

81. FAO has provided technical support for the implementation of social protection interventions that can meet the immediate needs of crisis-affected people. Policy and programmatic support has been informed by rigorous evidence generated by FAO on the role of social protection in fragile and humanitarian contexts. The International Organization for Migration and UNDP implemented a joint programme on making migration work for sustainable development, which integrates migration considerations into key policy areas and helps to design new policies that are aimed at ensuring inclusion for all.

82. Joint United Nations Programme on HIV/AIDS country teams working with networks of people living with HIV/AIDS, ministries of health and governmental institutions advocated for the multi-month dispensing of antiretroviral medicines to be implemented immediately, in line with the relevant WHO guidelines. A total of 55 countries reported having initiated or improved the multi-month dispensing of medicines to ensure service continuity during COVID-19 restrictions and beyond.

83. Together with the Global Crisis Response Group on Food, Energy and Finance, UN-Women launched a policy paper entitled "Global gendered impacts of the Ukraine crisis on energy access and food security and nutrition", which contains called for urgent action to address those challenges and transform food systems. At least 11 million crisis-affected people have gained jobs and improved their livelihoods with the assistance of UNDP since 2022. Some 5.5 million people fleeing crisis found safety and protection through integrated packages of essential services. The Global Collaboration Framework for Inclusion and Solutions, 2023-2025, adopted in 2022 by UNDP and the Office of the United Nations High Commissioner for Refugees, provides a platform to coordinate action and deliver improved results in responding to current and future displacement crises.

84. UNICEF worked with Governments and other partners in 2022 to deliver humanitarian cash transfers to displaced populations through government delivery systems, parallel systems managed by UNICEF or a mix of the two. Some of the participating countries include Afghanistan, Belize, Ecuador, Ethiopia, Jordan, Lebanon, the Republic of Moldova and Türkiye. WFP was able to reach approximately 160 million people with food, cash and nutrition services in 2022 and anticipates that it will reach up to 172 million people in 2023. WHO and the Oxford Poverty and Human Development Initiative have collaborated on using multidimensional poverty and vulnerability indices to inform equitable policies and interventions in health emergencies.

VIII. Conclusion and recommendations

85. The negative social and economic consequences of the multiple crises that are battering the world call for policies focused on integrated, inclusive and sustainable measures that leave no one behind for a rapid and sustainable recovery. To accelerate progress towards eradicating poverty and the implementation of the 2030 Agenda for Sustainable Development, the General Assembly and Member States may wish to consider the following recommendations:

(a) Increase public and private investment in agriculture and food systems transformation so that staple and nutrient-rich foods are widely available, accessible and affordable and produced sustainably, in order to ensure food security and healthy diets for all;

(b) Develop human capital to enable people, including those in vulnerable situations such as children, young people, women, older persons, Indigenous Peoples, rural dwellers, informal workers, migrants, internally displaced persons and those experiencing homelessness, to realize their potential as productive members of society and to facilitate the structural transformation of developing economies by investing in affordable, universal health coverage; universally accessible quality education and training, including digital skills training; and universal social protection;

(c) Invest in clean energy, ecosystem restoration and the adoption of inclusive climate action that enhances the access of small-scale producers to climate finance, including for adaptation efforts;

(d) Identify existing public data gaps, barriers to data use and models for improving data and improve data governance, including by promoting supportive policies, processes and government structures to enable data use;

(c) Strengthen multisectoral domestic resource mobilization and improve the alignment of national budgets, public expenditure and strategies with the Sustainable Development Goals, covering sector-related development dimensions such as food production, hunger, poor health, homelessness and the inability to meet basic human needs;

(f) Adopt tools to prevent and combat illicit financial flows, invest in improved tax administration to improve domestic resource mobilization, reform tax structures through progressive taxes on personal income, property and wealth, and close loopholes for tax evasion;

(g) Urge developed countries to meet their climate finance commitments as soon as possible and encourage the international community to increase the availability of low-cost finance;

(h) Work towards reforming the international financial architecture to better benefit countries by considering poverty and inequalities and vulnerability and exposure to climate change, among other aspects, rather than income levels alone;

(i) Establish and strengthen partnerships with and support to governments at all levels, partners, civil society organizations and local actors, including in humanitarian and fragile contexts, for poverty eradication and crisis recovery.