



**United
Nations**

Department of
Economic and
Social Affairs

Financing Poverty Eradication Efforts

Session 5: Fiscal and inclusive social policies for poverty eradication

*Virtual Inter-agency Expert Group Meeting on Implementation of the Third
United Nations Decade for the Eradication of Poverty (2018-2027)*

Thursday, May 27, 2021

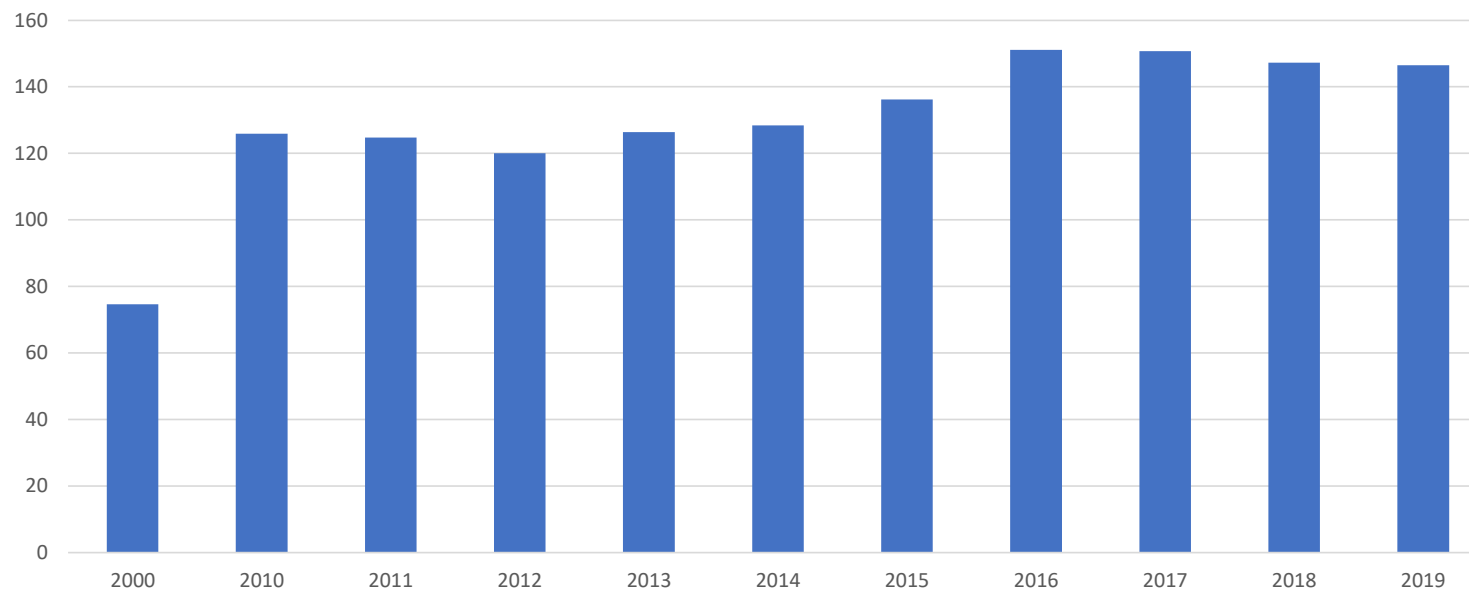
Overview

- Pre-COVID-19 trends
- Impact of COVID-19
- Post-COVID-19?

Pre-COVID-19 Trends: Official development assistance

Net official development assistance, 2000–2020

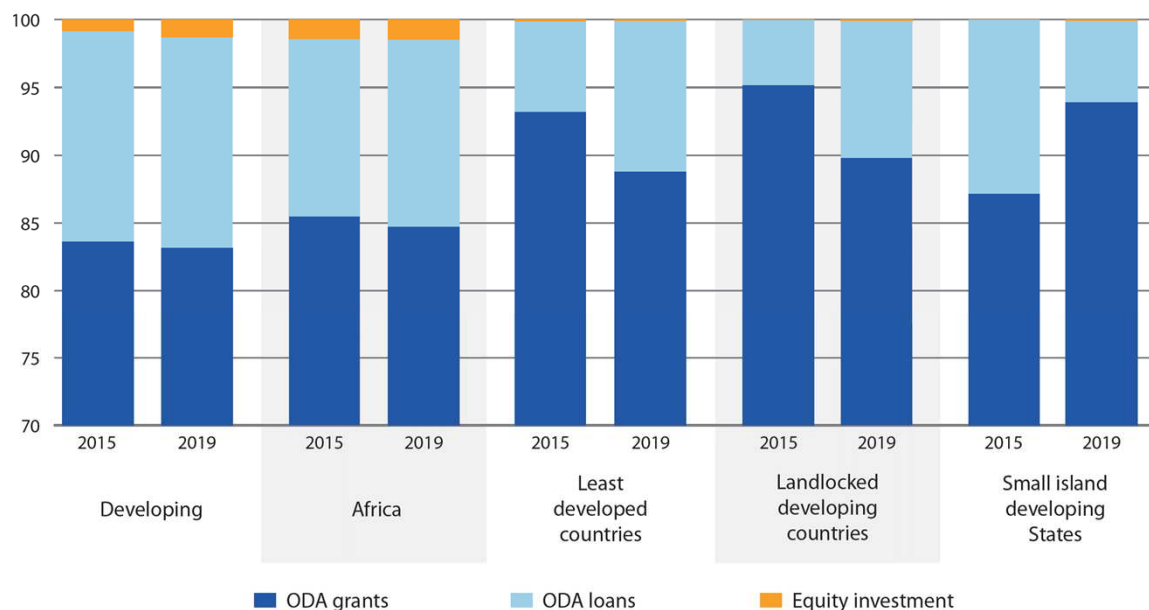
(Billions of United States dollars, 2019 constant prices)



Source: OECD Creditor Reporting System Database

Pre-COVID-19 Trends: ODA by instrument by country group

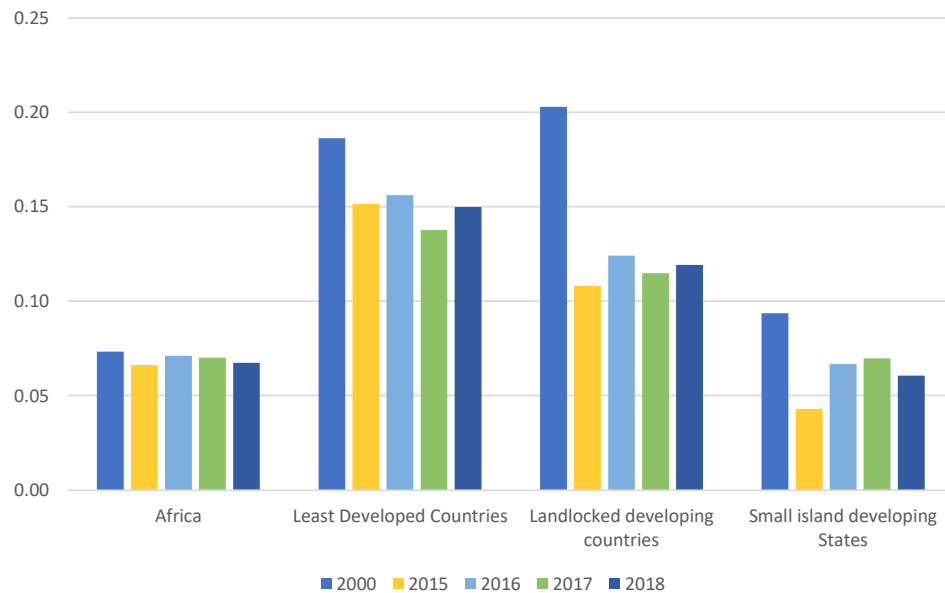
Gross bilateral ODA disbursements by instrument by country groups on a cash basis, 2015 and 2019
(Percentage of total)



Source: OECD Creditor Reporting System database.

Pre-COVID-19 Trends: ODA grants for poverty reduction

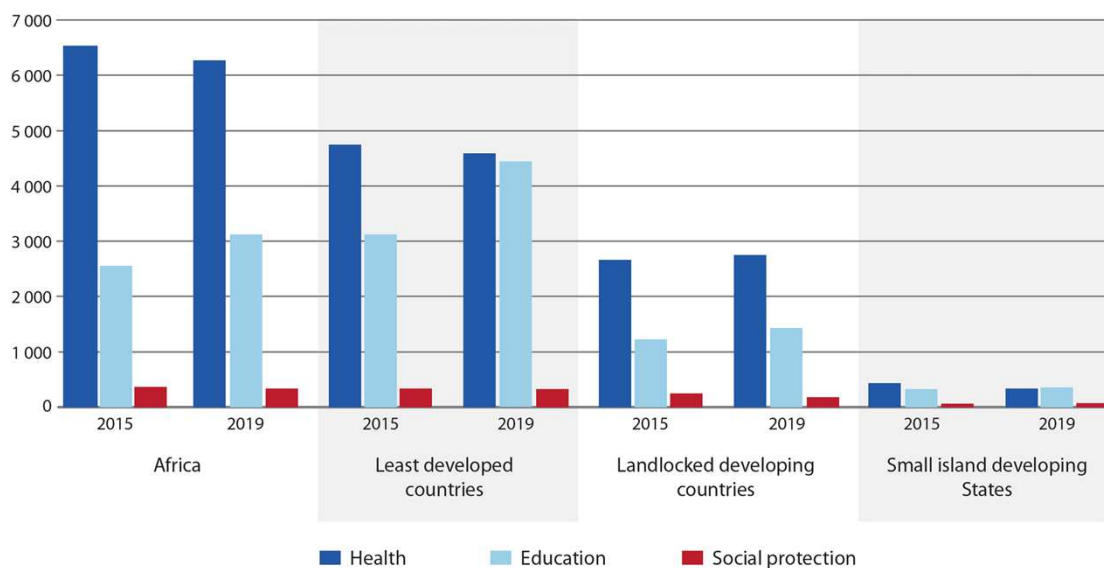
ODA grants for poverty reduction
(Percentage of GNI)



Source: UN Global SDG Database

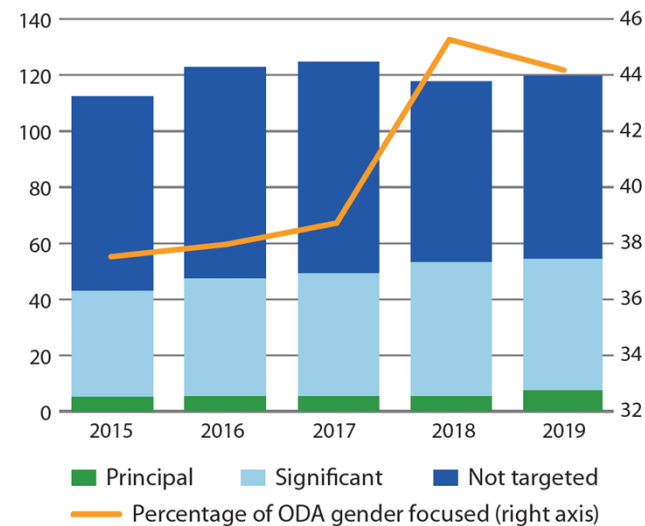
Pre-COVID-19 Trends: ODA by sectors

Gross bilateral ODA disbursements for selected sectors by country groups on a cash basis, 2015 and 2019
(Billions of United States dollars, 2018 constant prices)



Source: OECD Creditor Reporting System database.
Note: Health includes population policies/programmes and reproductive health.

ODA to gender equality and women's empowerment, 2015-2018
(Billions of United States dollars, 2018 constant prices)



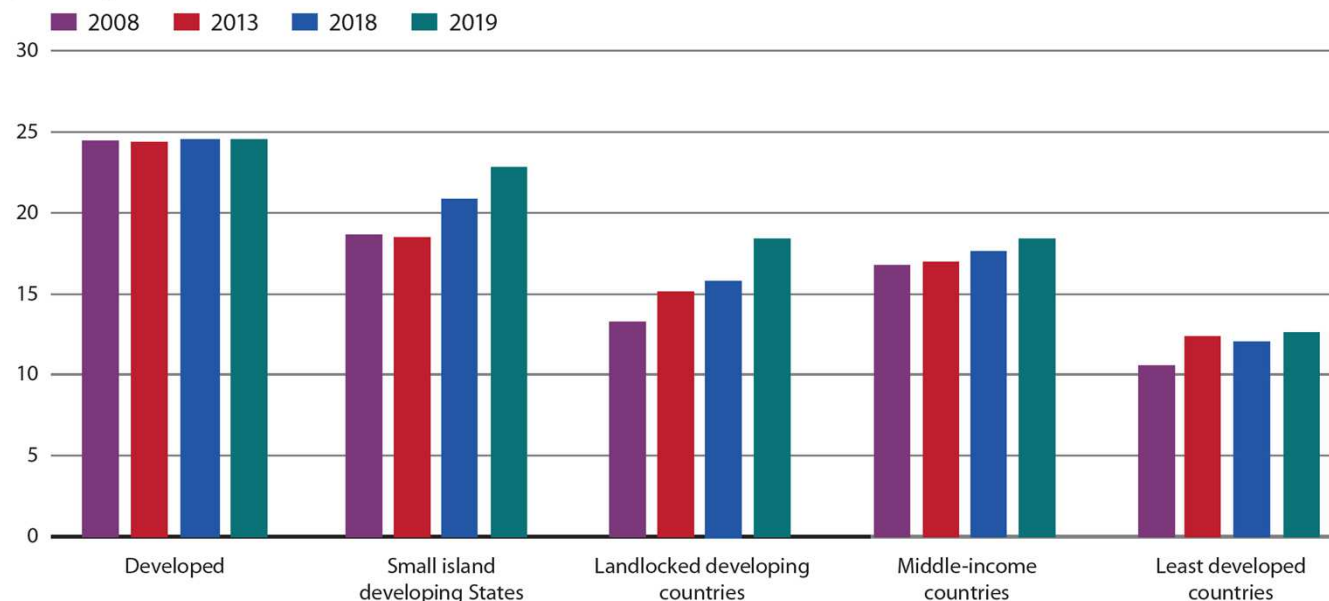
Source: OECD Creditor Reporting System database.



Pre-COVID-19 Trends: Government revenue

Median tax revenue by country group, 2008–2019

(Percentage of GDP)

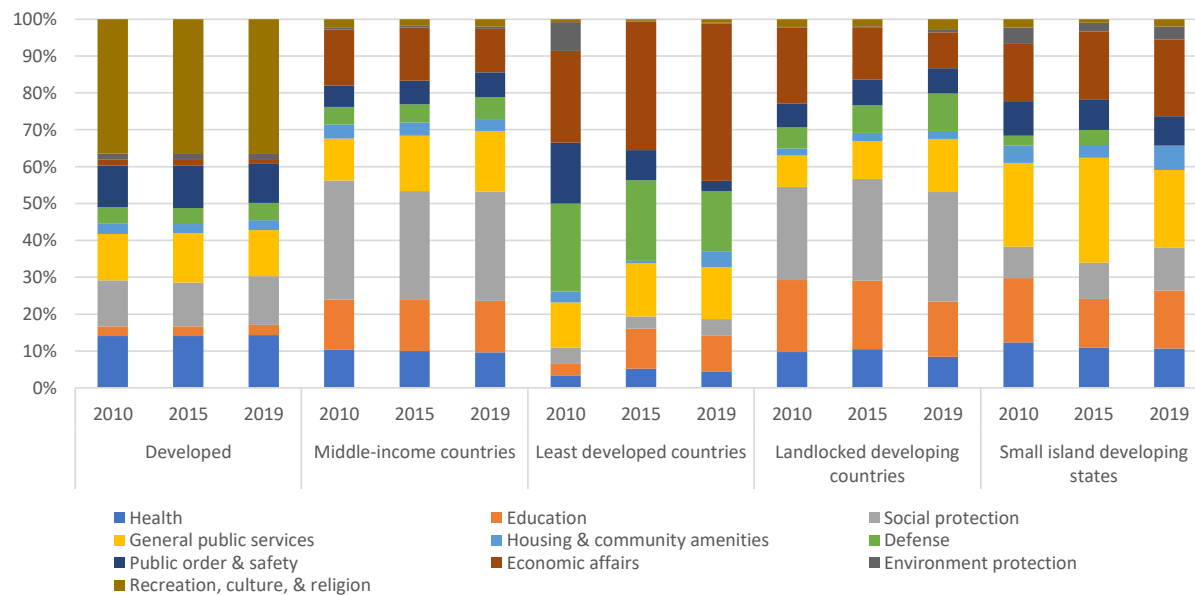


Source: IMF.



Pre-COVID-19 Trends: Government expenditure

Median government expenditure by function
(Percentage of total expenditure)

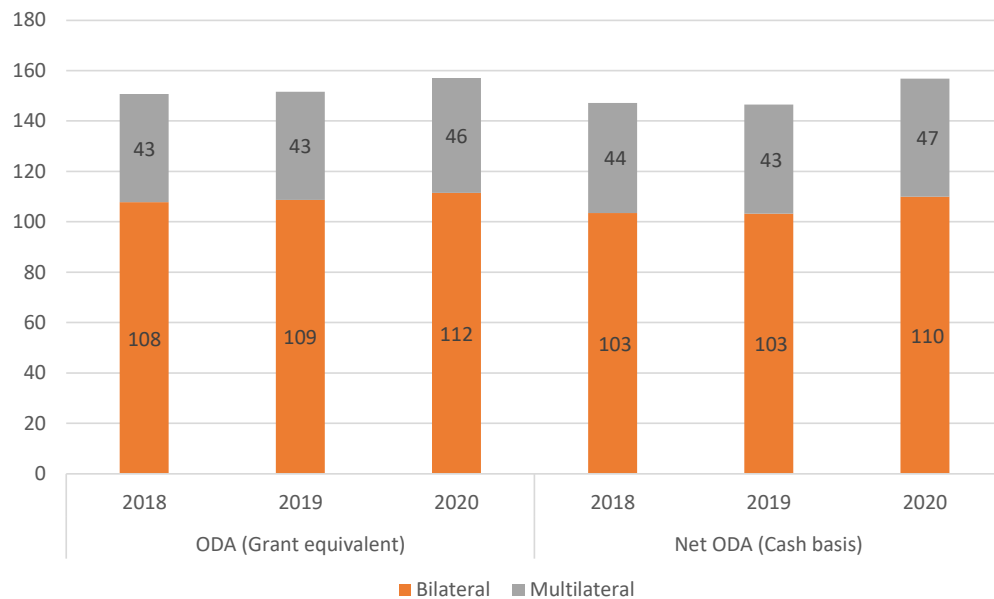


Source: IMF Government Finance Statistics Database

Impact of COVID-19: Official development assistance

Official development assistance, 2018–2020

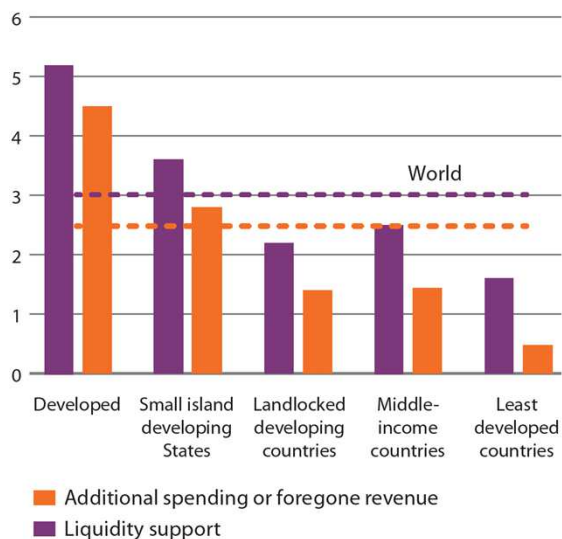
(Billions of United States dollars, 2019 constant prices)



Source: OECD Creditor Reporting System Database

Impact of COVID-19: Public expenditure

Median COVID-19 fiscal support as of September 2020
 (Percentage of GDP)



Source: UN DESA calculations based on IMF, "Fiscal Monitor: Policies for the Recovery," October 2020.

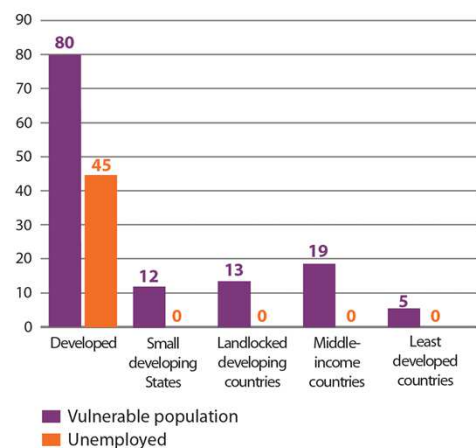
Examples of COVID-19 fiscal support measures

Fiscal support measure	Category	Examples
Additional spending or foregone revenue	Health spending/revenue	<ul style="list-style-type: none"> Expenditure for public health measures to contain the spread of the virus Tariff waivers on medical supplies
	Non-health spending/revenue	<ul style="list-style-type: none"> Household income support: cash or in-kind transfers, unemployment benefits Employment measures to preserve jobs: wage subsidies for furloughed workers or businesses with revenue losses, short-term job-retention schemes Tax measures: temporary deferral of taxes and social security payments, general income tax cuts, accelerated depreciation, progressive taxes
Liquidity support	Equity and loans	<ul style="list-style-type: none"> Equity injections or loans for continuity of operations
	Guarantees	<ul style="list-style-type: none"> Government loan guarantees for banks, firms, or households
	Quasi-fiscal activities	<ul style="list-style-type: none"> Subsidies or loans to targeted sectors undertaken by public corporations or national development banks

Source: UN DESA, adapted from IMF, "Fiscal Monitor: Policies for the Recovery," October 2020.

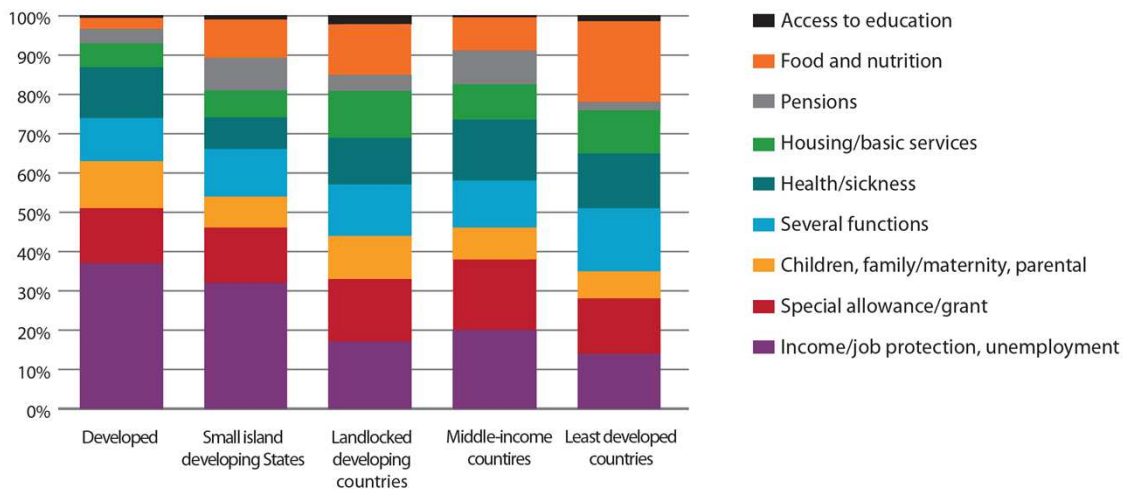
Impact of COVID-19: Social protection measures

Median proportion of vulnerable population receiving social assistance cash benefits, and unemployed persons receiving unemployment cash benefits, 2019
 (Percentage)



Source: UN DESA calculations based on ILOSTAT.
 Note: 0 = no programme or severance payment.

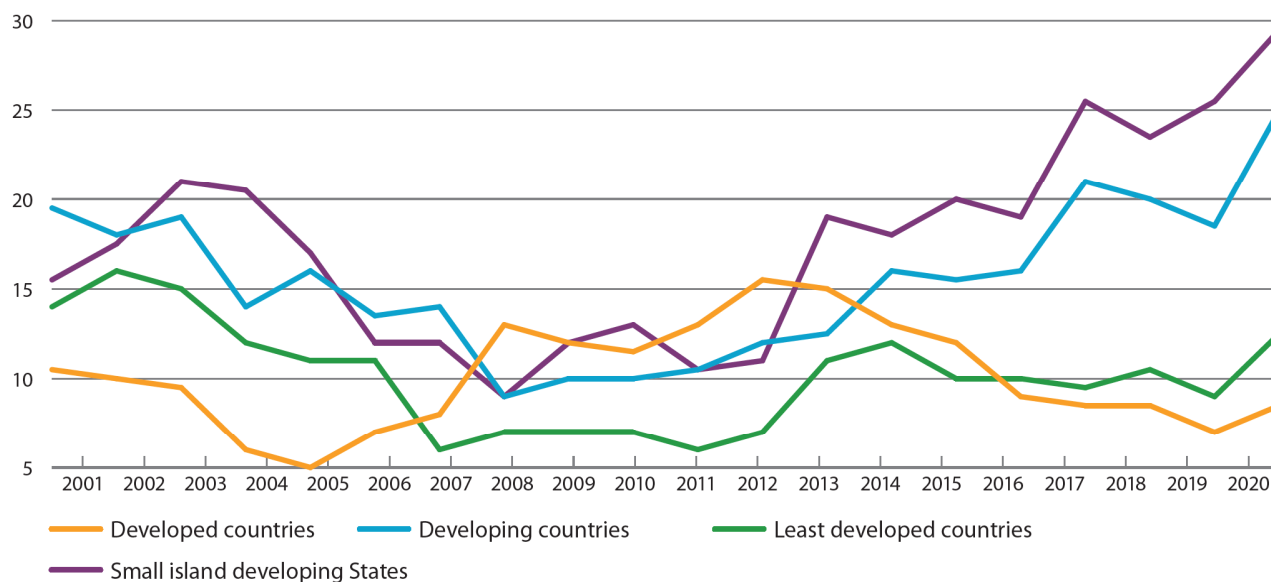
COVID-19 social protection measures, by country group, 1 February–30 November 2020
 (Percentage)



Source: UN DESA calculations, based on ILO, "Social Protection Monitor," ILO Brief, November 30, 2020.

Impact of COVID-19: Debt

Debt service as a share of revenue, median, selected countries
 (Percentage)



Source: UN DESA, based on IMF data.

Note: Selected countries for which data was available (including 8 developed countries, 57 developing countries, 20 LDCs, and 18 SIDS; details available upon request).

Post-COVID-19?

- Risk of a lost decade of development and failure to meet the SDGs
- Some recommendations of the [2021 Financing for Sustainable Development Report of the Inter-Agency Task Force on Financing for Development](#):

Meet ODA commitments

Fund ACT Accelerator, including COVAX

Provide grants or ultra-long-term financing

Prioritize spending on health and social protection floors

Expand debt swap initiatives and state-contingent debt instruments

Integrated National Financing Frameworks can help



**United
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Department of
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Thank you

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