

## Sixtieth Session of the Commission for Social Development

Interactive dialogue with senior officials of the UN System on the priority theme

"Inclusive and resilient recovery from COVID-19 for sustainable livelihoods, well-being and dignity for all: eradicating poverty and hunger in all its forms and dimensions to achieve the 2030 Agenda"

Wednesday, 9 February 2022, 3:00 – 5:00pm (Virtual meeting)

**Chair's Summary** 

The Commission for Social Development held an Interactive Dialogue with senior officials of the UN System on the priority theme "Inclusive and resilient recovery from COVID-19 for sustainable livelihoods, well-being and dignity for all: eradicating poverty and hunger in all its forms and dimensions to achieve the 2030 Agenda" on 9 February 2022. H.E. Ms. Maria del Carmen Squeff, the Chair of the 60th session of the Commission, opened the dialogue. The panellists were Mr. Mario Cimoli, Deputy Executive Secretary, United Nations Economic Commission for Latin America and the Caribbean (ECLAC); Mr. Mounir Tabet, Deputy Executive Secretary, United Nations Economic and Social Commission for Western Asia (ESCWA); Mr. Máximo Torero Cullen, Chief Economist, Food and Agriculture Organization (FAO); Ms. Åsa Regnér, Deputy Executive Director for Policy, Programme, Civil Society and Intergovernmental Support, UN Women, and Ms. Beate Andrees, Special Representative to the UN and Director of the International Labour Organization (ILO) Office for the United Nations. The dialogue was moderated by Ms. Francesca Spatolisano, Assistant-Secretary-General for Policy Coordination and Inter-Agency Affairs of the United Nations Department of Economic and Social Affairs (DESA).

## COVID-19 and the socio-economic state of play

The global economy contracted by 3.4 per cent in 2020, with regions such as Latin America and the Caribbean (LAC) and South Asia taking a particularly severe blow. A rebound of 5.5 per cent took place in 2021, but it was highly uneven with a much less favourable performance in large parts of the world. This largely reflects global disparities in vaccine access and the size and effectiveness of economic stimulus packages. After contracting by 6.8 per cent in 2020, the LAC region has seen its economy grow by 6.2 per cent in 2021. The Western Asia region (ESCWA)

members) region also experienced an economic contraction of 6.2 per cent, excluding Egypt, which performed better with a 3.5 per cent contraction. The economic contraction and the lockdowns have led to an unprecedented increase in global poverty, with an estimated additional 97 million people falling into extreme poverty in 2020, of which about 60 per cent in South Asia and another quarter in sub-Saharan Africa.

Even before the COVID-19 outbreak, the world was not on track to meet the SDG commitments to end hunger and malnutrition in all its forms by 2030. Hunger increased in 2020 and is now affecting 1 out of every 20 persons in the world or an estimated 768 million people, of which more than half live in Asia, and more than one-third in Africa. Global food insecurity, which has been on the rise since 2014, increased sharply in 2020 to affect about one in three people. Nearly 12 per cent of the world population was severely food insecure, with women suffering from a higher prevalence of moderate or severe food insecurity than men. In 2019, before the pandemic, around three billion people could not afford a healthy diet, which increased further in 2020. The pandemic has likely impacted the prevalence of multiple forms of malnutrition.

The pandemic has had a disproportionate impact on the poor and the vulnerable, exacerbating preexisting inequalities, including gender and income inequality, inequality in health access and
outcomes and learning opportunities. Not only has extreme poverty increased in 2020 for the first
time in more than 20 years, but inequality has also grown due to the pandemic. The poorest 20 per
cent have experienced the steepest decline in incomes, with further declines in 2021 at a time when
the top two deciles of the income distribution had begun to recover their 2020 losses. Women,
especially those with small children, who were already disadvantaged in the labour force, have
lost their jobs at a faster rate and are also regaining them at a slower rate than men. UN Women's
surveys in 13 countries found that nearly 50 per cent of women reported that they or a woman they
know has experienced a form of violence since the onset of the pandemic. Further, women's food
insecurity levels were 10 per cent higher than men's in 2020 compared with 6 per cent in 2019.

The overall employment situation has been devastating for workers. An estimated 255 million jobs were lost during the pandemic due to business closures. Low-skilled workers, women, youth, and informal workers were hardest hit, most likely to report work stoppages or income losses. Unlike other recessions, where the manufacturing sector typically bears the brunt, the COVID-19 pandemic induced recession has hit the services sector, which employs 59 per cent of working women globally, particularly hard.

The COVID-19 crisis has exposed the social protection deficits. More than 4 billion people in the world, including workers in the informal economy, are still not protected by any social protection measures, while the situation varies from one region to another (positive in Europe and Central Asia while discouraging in Africa and the Arab States). Globally, unemployment and sickness benefits remain very limited, with the vast majority of children not receiving any child or family benefit, pushing them back into child labour in some countries to supplement the family income. The majority of child-bearing women worldwide do not receive maternity benefits, and only two-thirds of people in the world are protected by some form of health protection measure.

While the economy has rebounded, structural challenges remain unaddressed, such as tax and financing schemes and the marginalization of informal-sector workers. Slow and uneven recovery could be compounded by increasing debt levels and rising food prices. Closing these gaps and addressing poverty and hunger in all its forms to achieve the SDGs will not be possible in the absence of bold actions to achieve an inclusive and resilient recovery.

## Strategies for an inclusive and resilient recovery

Social welfare policies and systems that enable inclusive growth existed before the pandemic hit, with asymmetries for less developed countries. Because of the lockdown measures imposed by COVID-19, the middle-class, a majority of which work in the informal sector, received neither earnings nor social benefits, resulting in depletion of their earnings, savings and working capital due to lack of access to the financial market. This puts this group at high risk of falling into poverty. Those countries which lack comprehensive social protection systems must focus their efforts on addressing the high level of informality, so as to enhance their economic security and productive capacities.

At the same time, multilateral actors should address these asymmetries, including through promoting small- and medium-sized businesses to increase the number of jobs and enhancing progressive taxation. Greater use of digital technologies is also important to improve the delivery of social services, including social protection benefits. As there is no one-size-fits-all solution, strong multilateral policies and robust international cooperation and solidarity are needed to address the specific of each country.

The COVID-19 pandemic also highlighted the demand for improved resilience to better cope with shocks such as early warning systems and insurance mechanisms. An inclusive recovery requires expanding social protection coverage to tackle poverty and strengthen the resilience of the most vulnerable to economic adversity. It also requires bold measures to support the rural sector as well as investment in agriculture and agri-food systems to increase their productivity and resilience to shocks. Coherent and comprehensive policies are needed across many sectors to make agri-food systems more inclusive and sustainable, so that they are better able to deliver affordable healthy diets for all.

Investing in data will also have a huge payoff in terms of the effectiveness of policies, programmes and solutions such as social protection. Building forward better requires a new social contract at the global level and national levels. An inclusive and resilient recovery will also need to address inequality between countries, which has widened since 2020 and reversed the trend towards convergence of the previous two decades.

The world must see concerted action, policies and investments on jobs, care, and climate change. A key is to draw lessons from unsuccessful practices and build on policies and measures that have proven to be successful. It is important to ensure that women are not left behind in COVID-19 recovery efforts by investing in gender-responsive social protection systems. Social security policies and income taxation systems need to be designed, fully incorporating a gender perspective

so as to achieve gender equality. Well-designed cash transfer programmes can be transformative for women and girls with gains in food security, school attendance, increased incomes and greater influence in societies. Women also need to be part of the decision-making processes that affect their lives. Further, social protection measures need to be complemented by employment creation and formalization, and the economic empowerment and labour market integration of women, youth and other vulnerable segments of the population. It is important not to roll back the significant stimulus measures which were introduced in response to COVID-19.