

**ESCWA's Work Programmes toward
The Third United Nations Decade for the Eradication of Poverty (2018-2027) on
Accelerating Global Actions for a World without Poverty**

Area of focus B: Expanding Social Protection Systems to Underpin Inclusive Poverty-Reducing Development

A. Key activities

To strengthen the capacity of policy makers in Arab States to design and implement inclusive social protection policies and interventions aimed at mitigation of negative impacts of the Covid-19 crisis, ESCWA has:

- produced a technical paper on *Targeted Social Protection in Arab Countries* with an overview of targeted social protection programmes in select Arab countries and discussion on how these programmes were expanded during the pandemic.
- convened two virtual meetings: a joint ILO-ESCWA workshop on *Policy Response to the Socio-Economic Impact of the Covid-19 Epidemic: Social Protection* (22 April 2020) and a *virtual meeting on Arab Multidimensional Poverty Index and Practical Simulator* (2 November 2020).
- established a regional governmental working group on social protection (April 2020) for policy dialogue and cooperation to discuss the social protection reforms and social protection response to Covid-19 pandemic.
- As part of DA project on “*Strengthening Social Protection for Pandemic Responses*” delivered targeted technical assistance to several Member States: (i) in Jordan, technical assistance to the National Aid Fund (NAF) in analysing the database of informal workers and (ii) in Sudan, technical assistance to the Sudanese Ministry of Labor and Social Development in their efforts to develop a national social protection strategy. (iii) Developed a global Covid-19 Stimulus Tracker - an interactive platform that provides mapping of Covid-related stimulus measures for 178 countries around the world, (iii) prepared a number of substantive materials, including a background paper on the *Role of Information Systems in the Expansion of Cash Transfer Programmes during the Covid-19 Pandemic* and training materials on the foundations of data analysis and evidence-based policy-making in social protection, and (iv) delivered an online workshop on *Targeted Social Protection in Arab Countries during Covid* (25 February 2021) to discuss expansion of targeted social protection during the pandemic, especially to informal workers, and innovations in the identification of vulnerable population and in the provision of support

B. Assessment of results and impact

- Strengthening the capacity to design and implement inclusive social policies for senior policy makers

C. Gaps and challenges

- Low coverage of social protection schemes and high and rising informality are main challenges.
- Increasing poverty and vulnerability as a result of COVID-19 strain existing systems.

D. Key policy messages and recommendations

- Expanding social protection coverage to other groups other than the poor.
- Better targeted interventions such as from shifting from fuel subsidies which disproportionately benefit the rich to food subsidies and other better targeted interventions.

E. Efforts made to foster greater inter-agency convergence and collaboration

- Collaboration with ILO

Area of focus E: Reducing Inequalities

A. Key activities

Numerous gaps and challenges undermine the ability of Arab governments to achieve social justice and ensure that no one is left behind. Efforts to reduce poverty and inequality are often dispersed among numerous government stakeholders and lack the requisite capacities, resources and mechanisms. To address these policy gaps, ESCWA has:

- Unpacked critical issues on multi-dimensional inequality in the Region through four issues of Social Development Reports (SDRs) and a flagship report on rethinking inequality in the region (jointly with ERF).
- Developed and disseminated a Policy Gap Assessment Tool to help policy makers in examining the gaps in social and economic policy areas.
- Organized a series of capacity building workshops in several member countries on social justice and inequality and three virtual webinars on links with thematic areas such as food security, wage policies and social protection.
- Conducted studies of the concentration of wealth and incomes in the region, and the scope for using privately-held resources for the alleviation of acute poverty through the creation of solidarity wealth fund.
- ESCWA has also built several groundbreaking methodological tools assisting states with measuring inequality and poverty, and evaluating mitigation policies, namely a tool for the Impact of Growth and Distribution on Money-metric Poverty.

B. Assessment of results and impact

- The evidence-based policy research and recommendations and capacity building toolkits, ESCWA supported the efforts of member States to translate their visions, national objectives and international commitments into just and fairer outcomes for all.

C. Gaps and challenges

- Addressing extreme inequality is a main challenge in the region. It was found that the richest 40 individuals own as much wealth as the poorest 50% of the region.
- Data gaps in measuring income and wealth inequality is another main challenge.

D. Key policy messages and recommendations

- Innovative fiscal financing solutions such as the solidarity wealth fund proposed by ESCWA can support national efforts to reduce poverty while at the same time act as main policy instrument to reduce inequality. ESCWA studies also showed the wealth fund is a very feasible option. In the region's seven middle-income countries and the GCC sub-region, such a well-managed fund would represent a small share of the holdings of the wealthiest residents, and would go a long way toward eradicating extreme poverty due to acute shocks, or even closing the chronic poverty gaps associated with national poverty lines.

E. Efforts made to foster greater inter-agency convergence and collaboration

- Collaboration with UNDESA, ERF, OXFAM

Area of focus C: Human Capability Development: Addressing the Non-Income Forms of Poverty

A. Key activities

- ESCWA and its partners (OPHI, LAS, UNICEF) produced a technical paper on “proposal for a revised guide for multidimensional poverty in the Arab countries” which lays out the general framework of the revised Arab MPI.
- ESCWA and its partners developed a technical paper entitled “*Testing the Robustness of the Revised Multidimensional Poverty Index for Arab Countries*” to examine the robustness properties of the revised Arab MPI, as well as the sensitivity of countries’ ordering when assumptions change.
- ESCWA developed a technical paper “Applying Multidimensional Poverty Indexes in the Design and Evaluation of Social Protection Strategies” showing that MPI can be tailored and used as a complementary tool to monetary-poverty measures (including monetary measures alongside a dashboard of social indicators, or proxy means tests, PMT) in the Arab region.
- ESCWA in collaboration with UNICEF is designing national MPI in Iraq and Egypt. ESCWA also produced and a national MPI in Palestine. Proposals for national MPIs are underway in Lebanon, Tunisia, Mauritania and Algeria.
- ESCWA designed the Multidimensional Poverty Index (MAT) assistance tool to assist decision-makers in calculating and monitoring multidimensional and monetary poverty at the national level, and to evaluate alternatives in a transparent and participatory manner. A set of guides and training modules for the MAT Building Toolkit are also being developed for users.
- ESCWA developed methodological study proposing a viable approach for forecasting the impact of shocks, such as COVID-19, on multidimensional poverty and pilot studies were conducted in Iraq and in Palestine.
- ESCWA produced a regional study on the impact of COVID-19 on poverty.

B. Assessment of results and impact

- Regional MPI adopted by the League of Arab States Ministerial Council for Social Affairs to be used as basis for the forthcoming Arab Poverty Report.
- The MAT tool is currently being applied to develop the national MPIs in several countries.

C. Gaps and challenges

- Money metric poverty has increased from a pre-Covid scenario of 28% to 32% in 2021, equivalent to 16 million additional poor.
- Conflict and economic ramifications of COVID-19 are main regional driver of poverty.

D. Key policy messages and recommendations

- Expand social protection networks to meet rising poverty rates.
- Design support for vulnerable groups and middle class to prevent further slippage into poverty.

E. Efforts made to foster greater inter-agency convergence and collaboration

- Collaboration with UNECLAC, UNDESA, OPHI, UNICEF and LAS

Area of Focus F: Climate Change and intensification of natural hazards

Climate change is evident in the Arab region and has led to an increasing frequency and intensity of extreme weather events and weather related natural hazards such as prolonged drought cycles, severe flash floods, intensive sand and dust storms, etc. The support to the Arab countries should promote community resilience to climate change and environmental protection. In this context, climate friendly related investments in many cases have supported prospects for job creation and economic growth. These investments could also help drive climate action forward significantly in the Arab countries for implementation of Paris Agreement and enhancing climate actions. For instance, investments in renewable energy, green mobility and climate-friendly industrial processes are at the same time supporting climate action, innovation and jobs. There are many possible approaches to a sustainable and green recovery that can be explored by the Arab countries and could also enhance climate actions. Green jobs and employment opportunities can be created in the transformation towards a low-carbon economy such as energy efficiency and renewable energy, sustainable transport and electric vehicle charging infrastructure, nature based solutions, building resilience in coastal infrastructure and flood defenses, reshaping cities, recycling and waste management, and new technologies in carbon capturing and storage and many more.

The Future of Food and Sustainable Agriculture

Addressing food security will be essential in tackling poverty challenges. ESCWA, in close cooperation with the Arab Organization for Agricultural Development, and FAO along with other related international organizations, provide knowledge and technical support to Member States on food and sustainable agriculture issues across the region.

ESCWA in cooperation with FAO recently produced a report that discusses policy options to address the impact of Covid 19 on food security in the Arab region, and facilitated regional discussions and sharing of experiences in that regard. Pre COVID-19, the region was plagued by high food insecurity experience, prevalence of undernourishment, and obesity as 116 million feel food insecure, 43 million are undernourished and 115 million were obese with major differences across sub-regions. To enhance regional food security, the region will need to act on key selected areas at regional and national levels. These will include enhancing intra-regional trade of agriculture products and promoting regional food industries producing essential goods as well as ensuring greater cross-sectoral cooperation and coordination for sustainable food production in particular among water and agriculture. At the national level, governments will need to refocus social safety net programs to better cover the most vulnerable and re-examine the use of subsidies on food, in particular wheat and sugar subsidies. There is a critical need to improve data collection, availability and dissemination to ensure evidence-based policymaking.