

# Department of Economic and Social Affairs, Division for Social Policy and Development

# **Expert Group Meeting on**

POVERTY ERADICATION

20-22 June 2011 ILO Conference Centre • Geneva • Switzerland

#### Aide-Mémoire

# I. Purpose of the meeting

The Division for Social Policy and Development (DSPD) of the United Nations Department of Economic and Social Affairs, in collaboration with the International Labour Organization (IL0) is organizing a high-level Expert Group Meeting on "Poverty Eradication" from 20-22 June 2011, in Geneva, Switzerland, as part of the preparations for the 50<sup>th</sup> session of the Commission for Social Development (CSocD), which is scheduled to take place in New York in February 2012.

The meeting is convened in the context of ECOSOC resolution 2010/L.5 in which the Economic and Social Council decided that the priority theme for the 2011-2012 review and policy cycle of the Commission should be "Poverty Eradication, taking into account its relationship to social integration and full employment and decent work for all." The outcomes of the meeting will provide important inputs to the work of the Commission, in particular contributing to formulation of policies that have been shown to have a major impact on efforts to reduce poverty.

### II. Background

The MDG High-Level Plenary Meeting that was held in New York in September 2010 underscored that poverty eradication continues to be the overarching goal of development. The meeting provided a unique opportunity to review progress, recalibrate global and national efforts to eradicate extreme poverty and hunger. The meeting also sought to rebuild international partnerships for a consented push to 2015. However, to make the most of this opportunity, the General Assembly requested the Secretary-General to highlight some clear examples of best practices, success stories, and initiatives that have delivered real improvements to the lives of people.

More importantly, the meeting noted that while the world is on track to halving extreme poverty, major differences persist across regions and within countries in the achievement of MDG 1. While the worldwide incidence of poverty has fallen by 40 per cent since 1990, the absolute number of people living below one dollar a day as well as those going hungry has been rising, particularly in sub-Saharan Africa and West and South Asia. This increase was fuelled by the convergence of the food and energy crises with the financial and economic crises and by the challenges posed by climate change. It is estimated that the number of people living in extreme poverty and hunger surpassed the 1 billion mark in 2009, before declining to 925 million in 2010. Furthermore, the rise in food prices since June 2010 has pushed an estimated 44 million people into poverty.

Unemployment levels remain high in both advanced economies and developing economies. According to United Nations estimates, at least 30 million jobs were lost worldwide between 2007 and the end of 2009 as a result of the global economic crisis. And despite the recovery in the global economy, at least 22 million new jobs need to be created to return to the pre-crisis levels of global employment. At the current pace of recovery, it may take at least five years to return to the pre-crisis level of global employment.

Efforts to reduce extreme poverty continue to be undermined by worsening inequalities between and within countries. Inequality appears to have been on the rise in recent decades at the international level and in most countries. More than 80 per cent of the world's population live in countries where income differentials are widening, with the poorest 40 per cent of the world's population accounting for only a meagre 5 per cent of global income. In contrast, the world's richest 20 per cent account for 75 per cent.

These multiple crises have exposed the weaknesses in international financial and economic systems and in global economic governance. It is therefore imperative that the international community redoubles its efforts to eradicate poverty and hunger. Furthermore, the mixed record of poverty alleviation efforts calls into question the effectiveness of conventional approaches. Many developing countries were advised to roll back the role of the state in national development efforts in favor of globalization,

market liberalization, and privatization. However, these policies have not resulted in significant poverty reduction. Hence, there has been a call for policies that support sustained rapid growth and structural economic transformation. Governments need to play a developmental role, with implementation of integrated policies designed to support inclusive output and employment growth, as well as to reduce inequality and promote social justice.

To support and complement these efforts, the United Nations system, the International Financial system and the donor community remain committed to scaling up efforts at the national, regional and global levels to fulfill the commitments related to poverty eradication as contained in the Declaration and Program of Action of the World Summit for Social Development as well as the further initiatives for social development adopted by the General Assembly at its twenty-fourth special session.

# III. Objectives and Methodology

Given what we know about the multidimensional nature of poverty and its key drivers, the challenge facing many countries and their development partners is to identify the policies needed to achieve growth, poverty reduction and greater equity. Much of the recent debate in development circles has focused on the role of growth on poverty reduction (i.e. growth is good for the poor) vis-à-vis the role of state-led development efforts, social policy and the importance of addressing inequalities that impede growth. The last three decades have also seen the promotion of donor-favored poverty-reduction programmes, such as land-titling, micro-credit, and "bottom of the pyramid" marketing to the poor. While these programmes have had some positive outcomes such as the impact of micro-credit on empowering millions of women, overall, these programmes have not resulted in significant poverty reduction. We therefore need to identify some of the important lessons we have learned from the design and implementation of such initiatives.

Hence, the primary objective of this meeting is to come up with a range of policies that can be provided to policymakers in order to accelerate progress towards the MDGs –particularly the first goal of poverty reduction. We need to rethink development narratives, the way we measure poverty as well as the poverty-reduction efforts being pursued at the global and national levels.

Generally, there has been a push for policies that accomplish three things: first, investing in sectors that directly benefit the poor such as agriculture and infrastructure; second, pursuing policies that foster an environment that enables job growth and decent incomes; and third, enhancing investments in human capital (education and health).

Some countries have placed greater emphasis on macroeconomic policies at the expense of social policies. As many countries have found, growth alone is not sufficient to reduce levels of poverty in the absence of broad-based job growth. Today, many countries (both developed and developing) have underscored the role of decent employment in poverty alleviation and have committed themselves to accelerating the creation of productive and decent jobs for all. To do so will require the convergence of public and private policies, strengthening the sustainable flow of credit and investments and promoting large and small businesses. Significant public and private investments in renewable energy have a huge potential to create green jobs in all countries. Additional jobs for women and young people can be created by stimulating complementary investments in infrastructure and agriculture.

The success of countries such as China have shown that the state needs to play a more active role in the economy through public investment and allocating credit to stimulate growth and employment. More States are actively concentrating resources on reducing poverty. Furthermore, some countries are pursuing holistic, community-led development efforts that recognize the inter-linkages between all MDGs in an attempt to accelerate progress. Comprehensive approaches that build on the synergies between the MDGs bring better results than stand-alone programmes or policies because they are more cost-effective and catalyze local action. They also have the potential to encourage targeted interventions, avoid one-size-fits-all policies and programmes, and enhance national and local ownership of development efforts.

The ongoing impacts of the global crises on poor and vulnerable groups have been compounded by the lack of universal social protection systems in many developing countries. Hence, there has been growing support for some form of universal basic social protection floor across countries. Universal social protection promotes the social transfer of essential goods and services to poor and vulnerable groups and leads to inclusive development by addressing vertical and horizontal inequalities and social exclusion. Studies have shown that rolling out a basic social protection floor is feasible and fiscally affordable for most developing countries. However, the poorest countries will require international assistance to finance such programmes.

Efforts to reduce poverty and promote social integration also need to address gender equality and women's empowerment. Women continue to be disproportionately affected by extreme poverty and hunger and face discrimination and inequalities in areas such as employment, earnings, health care, education and access to productive assets such as land. Policies specifically targeted to benefit women and girls are needed as well as the systematic mainstreaming of a gender perspective into all sectors.

Furthermore, efforts to eradicate extreme poverty and hunger will likely falter without international cooperation and financing. Many poor countries are import-dependent with respect to food, making it harder to overcome hunger and ensure food

security, especially when food prices in international markets continue to rise sharply. After decades of declining support to agriculture in developing countries, overcoming the food crisis in developing countries now more than ever requires increased and more effective development assistance aimed at strengthening agriculture by improving access to high yielding seed varieties, fertilizers, credit and markets among small-holder farmers. Such aid has to be complemented by national measures to improve agricultural production technologies and rural infrastructure, including better access to training, education and health services. Developed countries need to deliver adequate aid for smallholder agriculture and also ensure that international trading systems support food security in developing countries. Proposals such as the L'Aquila food security initiative and similar multi-donor trust funds should be effectively pursued to ensure that longstanding international commitments are kept.

The primary objective of the expert group meeting is to come up with **key policy recommendations** on how to fast track poverty eradication efforts, drawing on lessons learned and good practices, particularly in those countries and regions likely to fall short of the MDG target by 2015.

The deliberations of the meeting will contribute to the preparation of the Report of the Secretary-General to be submitted to the 50<sup>th</sup> session of the Commission for Social Development on the priority theme of "**Poverty Eradication**". The recommendations that will emerge from this meeting will be a key component of the Report of the Secretary-General that will inform the Commission for Social Development during its deliberations of the priority theme for the 2011-2012 review and policy cycle.

To accomplish these objectives, experts will be drawn from academic and non-academic fields and from different regions to provide poverty eradication experiences at the global, regional and national levels. The meeting will allow a robust exchange of ideas among these experts. It is envisaged that this interaction will contribute to the global debate on how countries and their development partners can speed up progress towards reducing extreme poverty and hunger, as well as attain the other MDGs by 2015, with a focus on shaping policies and strategies. These presentations will focus on the following questions:

- Which macroeconomic policies should countries implement in order to achieve growth, poverty reduction and greater equity?
- Which national and international policies have been most effective in reducing extreme poverty, taking into account its relationship to social integration and creation of full employment and decent work opportunities for all?
- How can countries effectively support and facilitate employment-intensive, sustained and equitable growth and structural change for poverty eradication?
- What can be done to promote critical synergies among the Millennium Development Goals for poverty eradication?

- How can international commitments support national efforts to raise agricultural output in order to overcome hunger and ensure food security?
- What kind of assistance is needed to ensure that developing countries can also pursue green economy strategies that contribute to poverty eradication?
- How can social protection be made more affordable, institutionalized and scaledup, particularly in low-income countries, to ensure that it plays a critical role in tackling poverty?

# IV. Expected outputs

The outcome of this meeting will provide the Commission for Social Development and ECOSOC the opportunity to shape the major issue of poverty eradication that is at the core of the UN development agenda. Hence, this meeting will produce the following outputs:

- Policy recommendations and proposals for action, including new initiatives;
- Expert papers on the theme of the meeting;
- A final report on the deliberations and outcome of the meeting.

# V. Organizational and administrative matters

The Expert Group Meeting will be organized by the Division for Social Policy and Development (DSPD) of UNDESA in partnership with ILO. The meeting will be held at the ILO Conference Center, Geneva, Switzerland- and is scheduled to take place from 20-22 June 2011.

Up to **12 experts** will be invited to participate at the meeting. The Division for Social Policy and Development of UNDESA will meet the travel and per diem costs of all the invited experts.

The invited experts will be required to submit their presentations and written papers (7-10 pages in length, in English) to the United Nations Secretariat by May 31, 2011. Participants are expected to arrive in Geneva on 19 June 2011 and to stay throughout the duration of the meeting.

In addition to the invited experts, the following will participate:

- i. Staff members of the Division for Social Policy and Development as organizers of the meeting and to provide administrative/logistical support;
- ii. Representatives from the United Nations systems, and non-governmental organizations.

All sessions of the meeting will be in plenary. The invited experts will lead-off discussions in each session by presenting papers which will then be followed by indepth plenary discussions. At the conclusion of the meeting, participants will outline the major conclusions and policy recommendations of the meeting. A final report will be produced after the meeting.

## VI. Documentation and the Language of the meeting

The documentation of the meeting will comprise of relevant publications, documents and materials related to **poverty eradication**, **taking into account its relationship to social integration and full employment and decent work for all**. All the presentations and the papers from the independent experts will be made available on the web site to be created for the meeting.

The working language of the meeting will be English. Documentation for the meeting will be provided in English.