



United Nations Department of Economic and Social Affairs
Division for Social Policy and Development

United Nations Inter-Agency Expert Group Meeting on

**“Employment and Decent Work for Poverty Eradication, in Support of the Second
UN Decade for the Eradication of Poverty (2008-2017)”**

Economic and Social Commission for Asia and the Pacific (ESCAP), Bangkok, Thailand, 4-6 May 2016

Report of the Meeting

I. Purpose of the Meeting

The Division for Social Policy and Development (DSPD) of the United Nations Department of Economic and Social Affairs organized an Inter-agency Expert Group Meeting (EGM) on “Employment and decent work for poverty eradication, in support of the Second UN Decade for the Eradication of Poverty (2008 – 2017)” under the theme “Full employment and decent work for all” and the inter-agency Plan of Action for the decade as part of the preparations for the 71st session of the UN General Assembly. The Inter-agency Expert Group Meeting was held from 4 - 6 May 2016 in Bangkok, Thailand.

The objective of the EGM was to bring together experts to address key questions about progress made in implementing the Second United Nations Decade for the Eradication of Poverty (2008–2017), including a review of the progress made by the agencies, funds and programmes of the United Nations development system in implementing the objectives of the Second Poverty Decade. The results from the expert papers circulated before the meeting and the presentations and discussions at the meeting are summarized in this report. The results will be used to inform preparations for the 71st session of the UN General Assembly.

Materials from the Expert Group Meeting can be accessed at the website of the Division for Social Policy and Development:

<https://www.un.org/development/desa/dspd/>, at the following location:

<https://www.un.org/development/desa/dspd/2016-expert-group-meetings-and-panel-discussions/egm-on-employment-and-decent-work-for-poverty-eradication-4-6-may-2016.html>

II. Summary of Opening Remarks

Ms. Daniela Bas, director of the Division for Social Policy and Development opened the meeting (via video message) by welcoming participants and noting that the Inter-agency Expert Group Meeting was organized after the 2015 UN Summit that adopted the 2030 Agenda for Sustainable Development which reaffirmed that the overarching goal of eradicating poverty, in all its forms and dimensions, including extreme poverty is the greatest global challenge and an indispensable requirement for sustainable development. She indicated that the Agenda goes further than the MDGs and is more ambitious and universal in scope, with many of its elements mutually reinforcing. She noted that while celebrating this historic achievement, the numerous challenges that are currently faced are a reminder of the formidable task ahead, of deepening and sustaining social development gains and creating more inclusive societies. Hence, the lessons learned during the second UN Decade for the Eradication of Poverty would be highly relevant to the successful implementation of the 2030 Agenda. She pointed out that as the Second Decade draws to a close and at the end of the MDGs period, the international community had successfully met the poverty goal that it set for itself five years ahead of schedule. However, levels of poverty remain unacceptably high in some parts of the world. She further noted that levels of poverty, unemployment and living conditions stand to deteriorate even further as a result of ongoing conflict situations in some areas while inequality continues to undermine poverty eradication efforts in many countries. She stressed the strong need for redoubling the efforts in the fight against poverty. To address these myriad challenges, the meeting had an important task to identify concrete social and economic policies that would contribute to the implementation of objectives of the Decade and the 2030 Agenda as well as foster greater inter-agency collaboration in sharing knowledge, promoting policy dialogue, facilitating synergies, mobilizing resources, providing technical assistance in the key policy and programmatic areas underlying the overarching objective of the 2030 Agenda of poverty eradication, the decent work agenda, as well as to strengthen system-wide policy coherence on social development issues.

Mr. Aynul Hassan, Director of the Macroeconomic Policy and Development Division (ESCAP) also welcomed the participants and gave a comprehensive overview of the social and economic situation in Asia and the Pacific region, highlighting the achievements made and the challenges that come with the diversity of the region and those that will be critical for achieving the SDGs in the region. He stressed that heavy investments have to be made in human capital, education and health while emphasizing the need for sequencing in economic planning. While investment in infrastructure is important, the importance of investments in the social sector was emphasized. He also underscored the importance of mobilizing sufficient domestic resources. The meeting was informed of the various activities that ESCAP provides to its member States. These include monitoring of development activities, providing policy guidance and capacity building in areas such as financing for development, taxation and capital markets.

Ms. Wenyan Yang, Chief of the Social Perspective on Development Branch of the Division, provided an overview of the meeting. She pointed out that the meeting is a very important part of the Division's preparation for the 71st General Assembly and the 55th session of the Commission for Social Development that will be held in February 2017. The deliberations of the meeting would therefore contribute to the report of the Secretary General that is being prepared for the 71st General Assembly which has an agenda item on reviewing the implementation of the Second Decade for the Eradication of Poverty. She noted that as the Second Decade is ending in 2017, the Division is examining the experience in the implementation of the Decade with the intention of drawing lessons. She also recalled that the overarching objective of the 2030 Agenda is to eradicate poverty in all its forms and dimensions by the year 2030 as compared to the MDGs where the goals and targets which emphasized the income dimension of poverty and also targeted halving the percentage of people living in extreme poverty. She challenged experts to examine questions such as what should countries do differently to eradicate poverty, what specific strategies need to be implemented differently, how can countries modify current strategies in order to speed up poverty eradication efforts and what lessons can we draw from the implementation of the MDGs that can enhance the implementation of the 2030 Agenda for Sustainable Development.

III. Summary of Sessions

a. Session 1: Setting the Stage: Growth, poverty, inequality and decent work

Key Points of the Presentations

This session examined issues of growth, poverty, inequality and decent work at the global level and within Africa and in East Asia and the Pacific. In examining global employment trends and their implications for poverty eradication and reductions in inequality, it was noted that progress on all fronts has remained weak or is weakening. The global unemployment rate and total unemployment figures had hardly changed during the period covered by the Second UN Decade for the Eradication of Poverty. The global economy has been showing signs of new weakness and has grown at a weaker pace due to slowdown in emerging economies, posing a major challenge for world of work. In particular, this has resulted in an increase in levels of unemployment. However, there has been a slight decline in levels of unemployment in advanced economies. The weak labour market continues to disproportionately affect youth and women. It was noted that there has been progress in eradicating poverty. However, there are concerns that any slight disruption in markets or the occurrence of natural disasters can push people back into poverty. Inequality also continues to persist and increase as well. Since the start of the global financial crisis, top incomes have continued to increase while bottom continue to fall behind. High inequality has negative impact on growth and macroeconomic stability over the long term. Informal employment remains pervasive in many developing countries and the growth of the world's middle class is slowing down. In summarizing progress made over the Decade, it was noted that overall, the global economy is showing signs of weakening; unemployment is rising; vulnerable employment is going down but job quality remains an issue. There has also been slower progress in reducing vulnerable employment; pause in expansion of middle class. These trends underscore the importance of scaling up the provision of social protection critical and tackling gender gaps in employment.

The presentation on “Poverty and inequality in Africa: what did the MDGs achieve?” noted that Africa has been rising as a result of sustained economic growth over the past two decades. But a key challenge facing policy makers is whether Africa's growth has been inclusive. Africa's recent growth has reduced poverty, but not by enough. It was noted that Africa's per capita growth is less impressive due to the dampening effects of population growth. Although population growth rates are slowing, average total fertility rate across Africa is high. When population variables are taken into account, growth is not that very impressive. Sectoral composition of GDP in sub-Saharan Africa also has a direct implication on poverty in the region. It has been low and declining while the contribution industry to GDP is declining. This impacts structural transformation and the pace of job creation. Much of the growth is coming from the service and extractive sectors. Another challenge facing the continent is the extent of inequality, which is the second highest in the world after Latin America. Non-monetary inequalities are also high within and among countries. Indicators such as education show strong progress, but

mortality and malnutrition show a much less consistent pattern of progress. Numerous data constraints make it difficult to draw firm conclusions about aggregate changes in monetary poverty in Africa. As regards what the MDGs achieved in Africa, it was noted that sub-Saharan Africa's performance has been much slower than what has been achieved in other regions. The sub-region's performance can be explained by three key factors of design, data and delivery. As regards the design issues, MDGs were strongly anchored in a results based system and a focus on outcomes and impacts instead of inputs and outputs all of which was new for most developing countries. PRSPs provided many countries their exposure to results-based monitoring. Until then, most countries undertook routine monitoring and evaluation of projects which was limited to monitoring inputs, outputs and activities rather than outcomes or impacts. Over the last decade countries have by and large shifted to a results-based monitoring system not only to implement the MDGs, but also in their planning frameworks. However, lack of achievement of targets should not be taken to signify lack of progress. It is necessary to take the long view and see the implementation of the MDGs as work-in-progress. The Agenda 2030 for Sustainable Development is expected to take the unfinished business of the MDGs forward.

The presentation on growth, poverty, inequality and decent work in Asia and the Pacific noted that the Asia-Pacific region has experienced considerable slowdown in economic growth and productivity in recent years. Along with economic slowdown, progress on poverty reduction is slowing, inequalities are rising and prospects of decent employment are weakening. Fiscal policy can play an important role in reviving growth and supporting the 2030 Agenda. However, enhancing tax revenues through base-broadening is critical. Further, improving the link between wages and productivity, along with raising productivity in agriculture and industrializing the rural sector are vital elements for strengthening domestic demand, accelerating poverty reduction and reducing inequality. Productivity and Sustainable Development Goals are closely linked; hence investing in these goals will increase productivity and help boost economic growth.

It was also noted that the economic growth outlook for the region is broadly stable but clouded by uncertainty. Economic growth in developing Asia-Pacific economies is on a declining trend since 2010, due to weak global aggregate demand, slowdown in productivity growth, moderating economic growth in China and constrained domestic demand. However, a moderate pickup in economic growth is expected in 2017 as a result of stable and robust economic performance in most economies of South and South-West Asia and South and South-East Asia and smaller contraction in the Russian Federation. However, a confluence of macroeconomic risks clouds the outlook. This includes a somewhat uncertain outlook for the Chinese economy; volatility in exchange rates and capital outflows; growing private household and corporate debt; and gradual interest rate increases by the United States. The slower growth in the region has implications for improving employment prospects. High youth unemployment is a particular concern, as youth are up to ten times more likely to be unemployed than adults. Vulnerable employment, especially for women, remains high. Slower growth also has implications for eradicating poverty and reducing inequality. Some major developing economies are experiencing decelerating trend in rate of poverty reduction. Hence, it is important to ensure steady increases in wages and expand social protection coverage in order to

reduce poverty and inequality. Further, proactive fiscal policy to foster development can play an important role in reviving economic growth and supporting development as it can foster real demand through provision of social safety nets and minimum wages and can positively influence distribution of income and opportunities. However tax revenues are too low in the region. Therefore it is important for governments to raise tax to GDP ratios. This is the most ideal way to raise resources to spend on the social sector. There is also a need to improve the link between wages and productivity. Higher growth of productivity, particularly of labour productivity, is required to strengthen wage growth at a more robust rate. The Asia Pacific region is also de-industrializing and agriculture is lagging behind. Most economies have a large agricultural productivity gap, suggesting a misallocation of labour. Raising productivity in agriculture and the rural sector must be at the centre of the focus to end poverty and end hunger and achieve food security. Asia-Pacific economic growth needs to be driven by broad-based productivity gains and rebalancing of economies towards domestic and regional demand. There is a need for targeted fiscal policy and supportive social protection measures.

During discussions, it was noted that the Second Decade has seen quite a bit of progress in terms of both reductions in the number of people living in extreme poverty as well as improvements on the employment front. It was pointed out that both Africa and Asia face common and very regional specific challenges. For instance, there is a very high degree of self-employment in Asia, hence the need to focus on the informal sector. There is a need for policies that address informality in different sectors. Further, rebuilding the capacity of national statistical agencies in order to meet the data intensive needs of the SDGs agenda was considered important.

b. Session 2: Globalization and the changing nature of work: implications for jobs, inequality and poverty eradication

Key Points of the Presentations

Panellists in this session reviewed the progress made in tackling informality as well as creating micro, small and medium enterprises (MSMEs) as drivers for job creation and decent work. It was noted that more than half of the non-agricultural employment in most developing countries is informal, particularly in South Asia and sub-Saharan Africa. Informal employment is a greater source of employment for women than for men. Further, half to two-thirds of all informal workers outside of agriculture are self-employed. Most informal workers are poor and most working poor are informally employed and earnings are low. Poverty cannot be reduced unless earnings are increased and costs/risks are decreased in the informal economy. Increasing incomes and reducing costs/risks of the working poor requires changing the legal and regulatory environment as well as providing skills training, financial and business development services. The need to reduce deficits of informal workers in regard to the 4 pillars of decent work: opportunities, rights, protection and voice were recommended as well as for the gradual transition from informal to formal. Domestic workers should be treated equally as other workers as regards remuneration and working standards.

When it comes to MSMEs as drivers for job creation, it was pointed out that a long term strategy is required in order for job creation, decent work and poverty reduction strategies to be successful. A two-pronged policy approach that focuses on universal and targeted policies is recommended. Such an approach should be combined with other policies embedded into broader strategies and must be performance based, targeting high growth MSMEs. Incentives for decent work conditions should be gradually added. Universal policy measures should aim to remove structural barriers to start-ups and existing firms and create a level playing field. Sector specific policies should target specific sectoral issues and specific constraints to MSMEs.

During the discussion, participants raised the importance of introducing policies that improve working conditions. But since there will be some firms growing and others dying, focusing on the high growth firms can only bring growth at the expense of the other firms. Therefore, there is need to focus on firms that need the resources more and need to use a transparent process and an objective assessment. It was noted that the role of the State vis-a-vis the private sector in skills training requires a balance. However, greater attention should be accorded to understanding country-specific factors.

c. Session 3: National policy priorities and development strategies for poverty eradication and the achievement of sustainable development

Key Points of the Presentations

Panellists in this session examined the role of national policy priorities and development strategies for poverty eradication and the achievement of sustainable development. In the case of rural employment and poverty eradication in India, it was pointed out that rural poverty declined much faster during the period 2004/05 to 2011/12. Several factors contributed for this decline and include higher growth in real wages, agricultural growth, structural changes in rural employment from agriculture to rural non-farm sector, and a rise in rural-urban linkages and social protection. However, it was underscored that countries should go beyond agriculture in order to eradicate poverty. In particular, there is a need to promote manufacturing and services. It is also imperative to increase women's labour force participation rates. Further, development policies should focus more on rural areas as 85 per cent of the population live in the rural parts.

Turning to the linkages between the demographic dividend, human resource development and poverty eradication in Asia, it was pointed out that even though the demographic transition has been found to be beneficial to the general public in various aspects, there is no guarantee that these benefits will be triggered down to the poor. Available evidence suggests that the demographic transition does reduce deprivation in school attainment of people living in poverty. This is consistent with the quantity-quality trade off in fertility decision making. With lower fertility rate, poor household invest more in the quality of

human capital. However, it was argued that there is no evidence that shows that the demographic transition reduces deprivation in school attendance, nutrition and child mortality of the poor. Economic growth reduces deprivation in school attainment and child mortality of the poor. Further, there is no evidence that shows that spending on education and health reduces any of the four deprivation indicators. There is need for more data on people under extreme poverty and more research that examine demographic transition and poverty.

The presentation focusing on agriculture productivity and poverty eradication in Africa noted that extreme global poverty is concentrated in rural sub-Saharan Africa. The region has the highest poverty rate and the largest number of the poor in the world. Productivity growth in African agriculture is negatively correlated with poverty, but in many studies, this relationship is causal: productivity growth, especially labour productivity reduces poverty. Resource constraints are some of the reasons why productivity-enhancing interventions are not being implemented in Africa. Insufficient aversion to poverty among African governments seems to be the main obstacle to the implementation of these interventions.

During discussions, panellist highlighted the need to have a more nuanced picture of rural poverty. Rural economies are diversifying with increasing linkages with urban areas. There are many smallholder farmers who would like to continue farming, hence the need to focus on improving their productivity. A proportion of people in Africa are moving from low productivity agriculture into large urban informal sectors. Urbanization rates are also very high, but are occurring without industrialization. There are policies that are adverse to the working poor but not to poverty. There are two visions of agriculture development in Africa – the Annan model focusing on smallholder farmers and the G8 model, coupled with the issue of land grabs. It was pointed out that there is a significant transformation in smallholder agriculture in Zimbabwe because of land reform. The Ethiopian Government provides downstream and upstream support to farmers – transfer of knowledge and farm input, and commodities futures market. Public sector capacity in Africa has not been adequately supported by donors. But countries that have put resources in agriculture such Rwanda and Ethiopia have seen improvements. There is a need to restore how the State thinks. A lot of resources are going into social protection, but this has not significantly reduced poverty. Resources need to be put into food security. Responsibility should not be left to the private sector only. Development efforts should be people centered, with the needs of people living in poverty being integrated into macroeconomic policies and planning.

d. Session 4: Structural economic transformation, jobs and poverty eradication

Key Points of the Presentations

Panellists in this session examined the role of structural economic transformation in job creation and poverty eradication. In the case of the relationship between education, jobs and poverty eradication in Africa, it was noted that education works its magic in multiple ways. It sets in motion a variety of development processes that can be self-reinforcing. Effects are likely to vary across time, space, and economic sectors. Although a rigorous assessment of these various effects is difficult, it is highly likely that both mass and quality education have large implications for poverty reduction. In sub-Saharan Africa, the role of education through economic growth and demographic change is a current opportunity to build on.

The presentation focusing on structural transformation, employment and poverty eradication in Mauritius highlighted the crucial role that structural transformation can play in eradicating poverty. It was pointed out that despite some difficult initial conditions in the form of nature and geography, Mauritius is one of most successful African economies. The country's success is attributed to having visionary leadership. Mauritius has shown strong GDP growth and per capita income, sharp decline in poverty, and increase in life expectancy. It has good macroeconomic management – prudent proactive fiscal management, good monetary management, and ensured competitiveness of exchange rate. The country is very careful about the way it spends. It is also successful at harnessing the benefits of globalization. Mauritius also invested in the tourism sector. Further, the country has invested in promoting social inclusion as all ethnic groups work together. No party wins an outright majority. There are very strong institutions and strong interaction between the public and private sectors. Good macroeconomic management and smart industrial policy to diversify the economy are crucial for poverty eradication. Leadership, vision and institutions are very important. There has been no change of the rules of the game in the middle of the game. Anticipating crises is also necessary; every country has something it can leverage. Geography is not destiny. It does not matter what natural resources one country has, it can still develop and reduce poverty.

Experts also discussed linkages between structural change, inequality and inclusive development. It was noted that fundamental economic transformation underpins Agenda 2063. Maladjustment of African economies has been a major hindrance. Urban inequality is greater than inequality between rural-urban areas because many people live in slum settlements, without access to basic services. The absolute number of people living in slums is also growing even though the proportion living in slums may have declined in some countries. National poverty levels are set at abysmally low levels in many countries. Countries that are doing much better are those with better social policies. There is need for raising productivity, especially in rural areas, addressing gender inequalities, boosting investments in rural development, and provision of knowledge support to smallholder farmers. In urban areas, efforts are required to address the multiple challenges that exist, particularly employment creation with a focus on decent work, reducing informality, and increasing social investments in education and health.

Experts further provided an overview of structural transformation, employment and poverty eradication in developing countries. It was noted that the broader national development strategy and economic policies to implement it are critical in determining the incentives and constraints for economic actors and shaping economic outcomes. Therefore the performance of a country in achieving growth, structural transformation and poverty reduction needs to be analysed within an overall context of these economic institutions. There is no simple or uniform recipe of success. If policy makers choose the right strategy based on their own competitive and comparative advantages, envision successfully the challenges inherent in the national strategy adopted for growth, and design appropriate implementation policies to pre-empt them, they are more likely to succeed in achieving the objective of poverty reduction. Appropriate state interventions based on country specific attributes are critical for the process of structural transformation and poverty reduction.

In the general discussion, participants pointed out that higher education results in lower odds of informal employment. There are cohorts of young people who need to access jobs during a particular window of time. It has to be used productively by acquiring new skills; otherwise they may be disengaged from society. Employment should be the first order of business. Unemployment could be due to a mismatch between the labour market and school curricula, hence the need to tailor schooling to the needs of the labour market as well retraining workers. Creating jobs is about local conditions and needs. There is a huge dilemma between quantity and quality of education. Mass education compromises the quality of education. Mass education requires making necessary investments in infrastructure to improve quality. Education has many functions, not just in terms of getting a job. Mass education transforms expectations, and in the long term, it changes wellbeing. Manufacturing and industrialization have been the natural way countries get out of poverty. Developing countries need to strengthen financial markets, tap into vast networks and reduce high transport and energy costs. Manufacturing is a way to provide decent jobs, and provides an opportunity to get out of poverty.

e. Session 5: Social protection, poverty eradication and human resource development

Key Points of the Presentations

This session discussed the importance of social protection in poverty eradication and human resource development. When it comes to scaling-up the provision of social protection floors for human resource development, it was noted that tax systems need to be strengthened for more effective and equitable domestic resource mobilization. Coverage of social insurance needs to be increased and tripartite dialogue needs to be promoted. Principles and rights should be the main guidance for policy decision. Particular attention should be made to disadvantage and vulnerable groups such as women, migrant workers, and people with disabilities.

Panellists also focused on measuring coverage of social protection programmes and lessons learned from Kenya, Zimbabwe, Vietnam and Belize. It is critical that global and

national resources for social protection reach those in greatest need. Monitoring at the global and national levels is required using household surveys to assess the extent of various social protection interventions. It was pointed out that UNICEF's support to robust data collection using multiple cluster surveys contributed to identifying coverage gaps and addressing them. The objective of the pilot test questionnaire module for data collection of social protection indicators using household surveys is to assess adequacy, clarity and relevance of questions. The questionnaire is customized to incorporate social protection programs in each country, taking into account targeting approach for some benefits. Social protection models need to be included in the household survey questionnaire.

There was also a presentation that focused on conditional cash transfers and poverty eradication in Latin America. It was pointed out that although CCTs have called the technical and political attention of the region, they account for only 0.25 per cent of the countries' GDP, an aspect that restrains the impact such programmes can have on poverty and inequality. Universal strategies do not override the aim of creating more and better jobs, and reducing informality and inequality in Latin America. The role of labour institutions and policies fostering formalization should not be ignored. There is need to integrate public policies so that they become a coherent system of training, employment, social protection and productive development. The institutional design is essential to turn such programmes into permanent State policies.

During discussions, participants discussed several issues. Key among them were that fiscal space has not been found to be important in the case of Latin America. The amount of money allocated to Conditional Cash Transfers is not that high in the region. The political space and political decision are more important to implement the CCTs to families with children. There is need to change the perspective of governments towards investing in education and health for children to access quality education and health. Social protection programs of different kinds are hugely important. Providing those protections should not be seen as incentives but rather as rights.

f. Session 6: Social and economic policy priorities at the global and regional levels for poverty eradication and sustainable development

Key Points of the Presentations

In this session, panellists provided an overview of social and economic policy priorities at the global and regional levels for poverty eradication and sustainable development. The need to reduce vulnerability and building resilience in a changing climate was emphasized. It was pointed out that climate change affects natural resource base. For example, about 7 per cent of the global population is affected by lack of sediment, contributing to loss of land, homes, and livelihoods. Further, climate change affects rainfall patterns, contributing to food insecurity. Weather disasters can be more frequent and severe, for example, cyclonic events, floods, droughts, and erosion. The uncertainty they create affects the effectiveness of choices people living in poverty make. Climate change also tends to reinforce disaster poverty directly through fatalities, crop damage, power outages

and local waterlogging. Its indirect impacts include an increase in rural-urban migration, food insecurity, debt, psychological trauma, and the persistence of poverty traps. It was noted that the omission of climate impact assessments could lead to wasted development funds as climate change threatens the natural resource base, food security, developmental gains, and future resilience of the most vulnerable. It also can turn possible risk factors such as forced migration into resilience building opportunities like safe planned migration. Pro-poor development that leads to asset accumulation builds resilience. Capacity needs to be built in order to diversify occupations and livelihood opportunities. Risk management activities for weather and climate shocks/stresses should be supported. These include sharing/pooling losses; risk mitigation, and strengthening disaster preparedness. Agricultural extension for those most in need but not to those most able to benefit should also be supported. Education and training should be provided for all on the implications of a changing climate, and how to thrive. There is need to reconsider the role of social protection in enabling people to bear losses. Potentials need to be identified for all adaptations to be successful and safe.

The presentation on trade policies, poverty eradication and employment creation noted that the central focus of trade policy should be to help address constraints that reduce competitiveness and impede the use of trade in the realization of economic growth, employment creation and poverty eradication objectives. The priority from a trade perspective is to identify and implement an action agenda to reduce trade costs for enterprises across all sectors, including farmers and SMEs. A successful national development strategy should comprise, over and above macroeconomic strategies, elements of social protection schemes that while reducing poverty, can also contribute to human capital improvements, better health and increased productivity. Social protection programmes can have an effective role in providing a safety net or shock absorbing mechanism, and hence contribute to eliminate the virtuous circle of poverty-low productivity and unemployment.

The presentation on financing poverty eradication programmes noted that the ability to pursue poverty eradication policies depends crucially on available fiscal space, which relies on dependable export earnings, tax revenues, aid and debt relief. Progress in these areas requires international and regional cooperation. Debt and inflationary financing should not be ruled out. It was underscored that poverty eradication efforts have to be ongoing; hence the need to have some permanent institutional architecture in place to ameliorate vulnerability of the near poor and the importance of universal social protection as well as counter-cyclical macroeconomic policies. Therefore, financing for poverty eradication has to encompass both short-term and long-term measures, dealing with creating opportunities, expanding capabilities, providing social protection, as well as strengthening counter-cyclical and climate change adaptation and mitigation measures. A social protection floor itself acts as an automatic stabiliser and an important tool for counter-cyclical response to shocks. Although most developing countries did not have the fiscal space, a number of large middle-income as well as low-income countries also undertook large stimulus packages during the 2008-2009 global financial and economic crisis. More importantly, the stimulus packages in most countries involved either boosting existing social protection expenditure, including expenditure on health and

education, or expanding the programme to protect the vulnerable. As a result, both the recession and its social impacts were less severe than initially feared.

The final presentation in this session focused on employment policies for poverty eradication. It was noted that in conjunction with the objective of maintaining stability, macroeconomic policy framework enables adequate provision of publicly-supported services, including physical and social infrastructure, maintenance and upgrading of these infrastructure, human resources and public services of quality, particularly in rural areas or localities experiencing deficits. A mechanism for coordinated and coherent economic, social and employment policies should be put in place. Structural change should be facilitated and managed while economic gains should lead to a shared prosperity. Further, the regular collection of labour market data and information need to be enhanced. Continuous investments need to be made in order to improve the capacity to implement and monitor policies from the perspective of decent work outcomes and poverty reduction, as well as improving the quality of public services provided.

In the general discussion, participants noted a number of key points. There is a challenge on how to offer universal social protection. The challenge is often related to the distribution of resources, whether it is cash transfers or provision of public work schemes. There is also a challenge in ensuring that the most in need receive such benefits. Governance plays an important role for effective implementation of such programmes. It was also noted that trade policy alone is not sufficient to boost economic growth and lower poverty. High levels of human and institutional capacity are required in order to formulate and implement effective trade policies and strategies. Trade liberalization has decreased social expenditure in developing countries. Policies and institutions have played an important role in the liberalization of trade and in providing the safety nets and social protection schemes to counteract the impact on income distribution and poverty. There is competition among developing countries in cutting taxes especially on Foreign Direct Investments. African countries are losing more money through illicit financial flows than what they are gaining from ODA inflows.

g. Session 7: Review of progress made by UN system in implementing the Second Decade -II and alignment of inter-agency work with the implementation of the 2030 Agenda for Sustainable Development

Summary of discussions

In assessing the impact of the Second Poverty Decade on poverty, inequality and employment, it was pointed out that while the world has been successful in reducing extreme poverty in the developing world, addressing the jobs challenge of full employment and decent work for all remains remain a major concern, hence the importance accorded to the issue in the 2030 Agenda. Further, the eradication of poverty requires the coordination of policies that focus on different dimensions of the lives of people living in poverty. This includes promoting the ILO's decent work agenda. By focusing on how to create the conditions in which people can build sustainable

livelihoods for themselves, the decent work approach encourages policy integration. Looking ahead, the world faces the challenge to create close to 600 million new jobs in the next 15 years in order to keep up with the growth of the labour force and close the jobs gap. It was further highlighted that vulnerable employment and informality remain the defining features of working poverty and therefore continue to undermine efforts to eradicate poverty in developing countries. While vulnerable employment has been declining globally, it remains a pressing issue in many countries.

In advancing the objectives of the Second Poverty Decade, the ILO has strongly pushed for decent work as the most sustainable route of poverty. Therefore, every effort should be made to avoid the risk of losing a generation (i.e. 1 billion young people ages 15-24) who make up 20 percent of the global population. The ILO has also taken a lead role in promoting the extension of social protection floors. This is fundamental to ensure the aspiration to leave no one behind. Further, it is imperative to improve the conditions of those who face exclusion and are at risk of being left behind. More importantly, the eradication of poverty requires growth that involves macroeconomic policies that enable supply side measures such as physical and social infrastructure, quality human resources, balanced development and resource allocation that also prioritises rural development, particularly agriculture and the rural non-farm economy. Inclusive growth must also promote industrial and sectoral policies that prioritize sectors where a large portion of the labour force is found and enable structural transformation that promotes both higher productivity and demand for labour. For such growth to be effective at eradicating poverty, it should further be accompanied by the promotion of labour and social policies such as minimum wage policies, employment formalization, social dialogue and collective bargaining, skills development and respect to fundamental labour rights and standards.

In reviewing the impact of the Second Poverty Decade on rural employment and poverty eradication, it was pointed out that poverty and food insecurity continues to persist and is predominantly rural phenomena. Poor job prospects and decent work deficits are among the determinants of rural poverty and distress migration. Specific rural groups such as women, youth, migrants, people with disabilities and indigenous people continue to face specific inequalities and discrimination. The agricultural sector provides livelihoods for the vast majority of the world's poorest inhabitants, but mainly in low quality jobs. The sector accounts for about 50 percent of total employment in many developing countries and over 70 percent in LDCs. About 8 out of 10 working poor (workers who live on less than USD1.25/day) live in rural areas and are engaged in vulnerable employment in the informal economy, mainly agriculture. Of great concern is the burgeoning youth population lacking decent job prospects. They mostly work in the informal sector and in vulnerable jobs, as own-account workers or contributing (unpaid) family workers, predominantly in agriculture. Youth lack skills adapted to the labour market and access to productive resources such as land, credit, markets.

The inclusive growth and job creation potential of agriculture and food systems in many developing regions is still largely untapped. This is despite the fact that agricultural growth in low-income countries is three times more effective in reducing extreme poverty compared with other sectors. It was argued that countries that have invested in agriculture, especially in improving productivity of smallholders and family farming, have made significant progress in reducing poverty and hunger. Hence, additional investments are needed in the development of agriculture and inclusive food systems to sustainably increase agricultural labour productivity. It was pointed out that FAO promotes linking national policy and investment processes to operationalize poverty reduction policy priorities. Such efforts recognize and act on the centrality of employment for poverty reduction. The explicit targeting of employment and social protection objectives in national strategies was cited a critical. Such efforts are more likely to generate more and better job opportunities for the rural youth. Special attention should be given to promoting gender equality and green jobs in sustainable agriculture and facilitating the engagement of the private sector in agriculture as such actions contribute to job creation and skills development.

To address these challenges, FAO's has prioritized support for decent rural employment in its Reviewed Strategic Framework. Its employment-related work addresses provision of support to the formulation and implementation of policies, strategies and programmes that generate decent rural employment, policy advice, capacity development and technical support to extend the application of ILO labour standards to rural areas. Further, FAO has increased the visibility of decent work in current global dialogue on effective fisheries management and responsible aquaculture. In terms of linkages with other work areas, FAO actively promotes access to social protection in rural areas and has mainstreamed decent work within its Project Cycle Guide, Country Programming Frameworks, Environmental and Social Management Guidelines, and Corporate Areas for Resource Mobilization. In the frame of the International Partnership for Cooperation on Child Labour in Agriculture, joint interventions have been implemented in several countries. FAO is an active member of the Inter-Agency Network on Youth Development and directly contributes to its UN System Wide Action Plan on Youth.

The presentation made by UN-Women underscored that in order to eradicate poverty, it is important to focus on its gender dimensions, particularly on promoting women's economic empowerment. It was noted that eradicating poverty is a political project, hence the need for a new set of relationships between people and the state to end corruption. Notwithstanding high levels of economic growth in Asia, many have been left behind. In too many countries, poverty persists and economic growth has been accompanied by rising disparities in income and opportunities. This inequality is a gendered experience. In addition to socio-economic inequalities, deeply entrenched socio-cultural values and practices confine most women to the margins of the economies.

It was noted that over the past few decades, globally women's labour force participation has stagnated, and the gender gap in labour force participation rates remains very high. Women are also over-represented in informal employment, enduring poor and sometimes dangerous working conditions, lack of social protection, and low pay. The global gender pay gap remains large, undermining the ability of women to adequately support their families, to escape poverty, enjoy a decent standard of living and save for retirement. Persistent inequalities also limit women's access to assets and resources such as land, technology and credit. To achieve the SDGs, it is imperative that macroeconomic policy becomes an instrument of justice, promoting inclusive growth and ensuring that the benefits of growth are shared broadly. It was argued that public expenditure on universal education and health should be used for redressing exclusion. Similarly, provision of social protection is pivotal in ensuring decent work, and must be extended to informal sector workers. Working conditions matter and the state has obligations to protect the rights of workers by ensuring that non-state actors are regulated through minimum wages and a social protection floor. The state must ensure equal access to productive resources, land, credit, technology and that revenue generation, through taxation, should be progressive. States must also ensure that trade policies do not facilitate tax avoidance and evasion; not allow foreign direct investors to circumvent labour and environmental protections, and to thwart democratic decision making processes. Efforts should also be made to reduce the burden of unpaid work that is disproportionately borne by women. Actions should include policies that enable women and men to reconcile family-work responsibilities.

As regards promoting women's empowerment, it was argued that all policy actions at the national level must be used to mobilize resources for gender equality. These include realigning macroeconomic policies to increase fiscal space, improving tax compliance, and addressing gender biases in tax systems. Further, States must take measures to eliminate gender based discrimination in access to finance and giving women full and equal access to economic resources, including rights to inheritance and land ownership. A call was made for ODA to target the promotion of gender equality and women's empowerment.

UNICEF's review of the impact of the Second Poverty Decade on child labour reduction and poverty eradication, pointed out that while extreme poverty is falling around the world, children still constitute nearly half of the world's extreme poor. While absolute child poverty and child labour have declined, trends in child poverty are not well established due to lack of data. It was further noted that while policies appear to have made a difference, children are more likely to be poor while labour-related migration is exposing children to new risks. Young people are also more sensitive to the impact of shocks and have disproportionately been impacted by the economic recession in the developed world. While child labour is also falling, the current pace of progress is too

slow to reach the 2016 target of eliminating the worst forms of child labour. To improve child outcomes requires truly universal access to social protection and services.

It was pointed that the gradual implementation of the UN Second Poverty Decade may have affected children in mixed ways. Given the Decade's focus on full employment and decent work for all, this could have resulted in less child poverty and less children in employment. However, more migrants and children have been left behind. UNICEF's strategy to reduce child poverty and labour involves a systems and partnership approach that promotes universal access to education, health care, social protection, promoting nutrition and reducing violence against children.

The challenge of eradicating poverty also entails focusing population and health issues. In that regard UNFPA's contribution to poverty eradication and the 2030 agenda implementation has contributed to major progress since the adoption of MDGs. This includes a significant worldwide decline in maternal mortality. However, significant challenges remain, requiring major investments in health systems, promoting human rights and gender equality, family planning and the demographic transition. Looking ahead, it was underscored that implementing the Agenda 2030 for Sustainable Development will require new paradigms, including horizontal approach to development across sectors, coherent policy support to operate in integrated and transversal way, mainstreaming SDGs in national strategies, and accelerating impact. It is also essential to focus on middle income countries given that a majority of poor people now live in MICs as opposed to LICs. The importance of influencing and collaborating with national counterparts was also emphasized. As regards emerging issues, it was noted that ageing will have major implications, particularly in the Asia Pacific region. Adaptation will be required, but will also open new opportunities including for employment generation.

UNIDO noted that fighting poverty through industrialization and productive activities is an effective strategy. Industrialization, and the structural transformation that comes with it, is recognized as one of the main drivers of sustained economic growth and sustainable development. Hence, poverty eradication through employment creation also lies at the core of UNIDO's mandate of promoting Inclusive and Sustainable Industrial Development (ISID). Failure to create opportunities for employment and productive activity to empower the working age population, which is forecasted to increase significantly until 2050, will only exacerbate the obstacles to eradicating poverty, and may lead to an increase in social tensions and unrest. Such a reality can also lead to economically driven migration toward countries offering better employment opportunities.

Promoting industrialization and thus ensuring inclusive and sustained economic growth and structural transformation aims at harnessing industry's full potential to contribute to lasting prosperity for all. Thus, by promoting ISID, UNIDO contributes greatly to the fight against poverty and the implementation of the 2030 Agenda. ISID builds on the

notion that economic growth is driven by entrepreneurship, continuous economic diversification, growing trade relations, industrial upgrading and technological innovation. It is based on the premise that poverty can only be eradicated, and the social challenges associated with prevailing poverty can only be addressed, by achieving strong, inclusive, sustainable and resilient economic industrial growth, and effectively integrating the economic, social and environmental dimensions of sustainable development. Therefore, ISID strategies need to consider poverty reduction and the creation of decent employment for all segments of society - in particular vulnerable groups, youth and women, and rural populations -, especially through the promotion of SMEs and agribusiness, and the strengthening of national capacities for the development of industrial policies that pursue economic and social inclusion.

The meeting also examined perspectives on how the UN/Civil Society partnership can be improved in service to the implementation global development plans, including the implementation of the Second Poverty Decade. It was noted that the goals of sustainable peace and development that humanity has worked to build since the end of World War II is advancing fitfully, but key components continue to face challenges. Therefore it is imperative that countries learn what has worked and what hasn't, what should be replicated and what should be discarded. It was therefore welcome that Agenda 2030 with its focus on economic, environmental and social dimensions of development represents progress over previous conceptions of development. It was posited that a country should not only be considered developed if it is "economically prosperous," "socially cohesive," and "environmentally sustainable". This definition limits the human experience. For more than half a century, societies have worked to advance standards of living, however, the benefits of growth have not been broadly shared as underscored by widening gaps in access to education, financial resources and health care. The civil society therefore had a role to play to speak for the long term, hard-to-measure qualities of life that are rarely discussed in policy debate or in budgeting. Many CSOs are working with those truly at the margins to learn what really matters to them. Consequently, their underlying assumptions are different, particularly with respect to where change comes from and how it can be sustained. In implementing development policies, it was further argued that the developmental holy grail of replicability and scalability of policy needs to be questioned. Rather, focus should be on the means that need to be replicated rather than the ends.

To strengthen the UN/Civil Society relationship going forward it was imported to explore, examine and expand our notions of poverty and development. The models of the past are proving deficient and ill-fitting to these times. There is a need to jointly explore descriptions of reality that are beyond a strictly materialistic frame. This requires looking at process as much as substance. While quantitative goals and statistics are important indicators, they must be accompanied by qualitative analysis. Further, it is also important to look critically at the roles and responsibilities of the various segments of society and

learn how to take on board different views. Progress in these areas requires the continuous engagement of civil society participation in a spirit of mutual and constructive learning. Furthermore, it should be acknowledged that civil society, the United Nations, member States and the private sector are ultimately working for the same objectives. This should be the guiding principle when implementing the 2030 Agenda. Partnership – the thrust of goal 17 – requires from all, including civil society, a willingness to listen to the other, to modify plans, and to genuinely build mutual relationships and trust.

h. Session 8: Policy recommendations – completing the unfinished business of the Second Poverty Decade and the way forward

Finally, the following recommendations were presented:

- There is need to eradicate poverty in all its forms and multiple dimensions from everywhere. Poverty eradication is primarily a political decision and a national responsibility as politics influences resource commitments, shapes the nature of institutions and policies put in place to tackle poverty. It is therefore important to ensure that national policies and institutions are inclusive in order to reach those who are furthest behind.
- Poverty has both income and non-income dimensions: health, education, employment, sanitation, drinking water, hence policies and strategies should address all forms of poverty.
- While economic growth is important, there is need for macroeconomic and social policies that spur growth and job creation, and contribute to poverty eradication and inequality reduction.
- There is need for investing in people and tackling exclusion: education, skills training, health. Investing in education, including early childhood education and development, and health should be prioritized as it contributes to increasing the productivity of the labour force.
- Developing countries, particularly African countries, should make every effort to harness the demographic dividend by boosting investments in education, health care, skills training and lifelong learning, and technological and organizational innovations and solutions to empower the disadvantaged and marginalized groups.
- Countries should pay particular attention to tackling child poverty which has been rising in some countries. There is also a need for tackling poverty in middle income countries where the majority of the poor live while politically the primary focus should still be on least developed countries.

- Employment and social protection policies, including the Social Protection Floors should be prioritized. The quantity and quality of jobs is key to decent work agenda and to poverty eradication efforts. Countries should also prioritize youth employment creation and tackling informality, with particular focus on women. Efforts should also be made to decriminalize informal sector by changing the legal and regulatory environment as well as providing skills training, financial and business development services.
- Formal labour market interventions targeting decent work, wages, social dialogue within the labour market need to be improved. The role of the private sector in creating decent jobs is critical and long-term micro, small and medium enterprise strategies are needed in order to spur their contribution to job creation and poverty eradication.
- Scaling up the provision of social protection is imperative. While the primary goal should be the universal provision of social protection, targeting can also help in reaching disadvantaged and marginalized groups.
- Gender equality in the labour market and in rural areas is critical. It is therefore essential to address the work - child care dichotomy through increasing women's labour force participation while providing family support entitlements, family leave. Tackle occupational segmentation, promote equal pay for equal work, equal access to education and training, and tackle issues of unpaid family labour.
- Structural transformation, industrialization and trade policies are key to poverty eradication efforts and require leadership, vision and institutions as well as smart industrial policy, upgrading and innovation.
- Sustained investments in agriculture that boost smallholder agriculture are needed as the majority of people living in poverty live in rural areas and are dependent on agriculture. To protect rural livelihoods, developing countries need to address issues of land and resource grabbing.
- Climate change mitigation and adaptation should be at the centre of poverty eradication efforts, including the promotion of sustainable patterns of production and consumption.
- The ability to pursue poverty eradication policies depend crucially on available fiscal space which relies on boosting export earnings, aid and tax revenue. Hence, countries should strengthen domestic resource mobilization by enhancing tax progressivity, identifying and registering tax payers; broaden the tax base, and removing redundant exemptions. Efforts are also required to tackle illicit financial flows and boost foreign direct investments.

- Strengthening national statistical systems and the collection of disaggregated data is also critically important in order to meet the data intensive needs of the SDGs agenda.
- The UN system should aim for greater system-wide coherence, joint programming and implementation in various areas for poverty eradication. This includes the promotion of decent work and access to social protection; development of normative tools to facilitate transition from informality to formality; promotion of gender equality, children and youth; engagement of civil society and the private sector.