



2010 SUBSTANTIVE SESSION COORDINATION SEGMENT

Panel III

“Operationalizing the United Nations system’s short- and long-term responses to the economic and financial crisis: Progress towards implementing the Social Protection Initiative and the Global Jobs Pact”

Wednesday, 7 July 2010, 10:15 a.m.-12:15 p.m.

CONCEPT NOTE

Background

The recent economic and financial crisis has had a devastating impact on the world economy, with the destruction of tens of trillion dollars of financial wealth and assets and the loss of millions of jobs worldwide. Global output in 2009 is estimated to have declined by 0.8 per cent. Last year also experienced a 12 per cent contraction in trade, which has had a particularly serious impact on developing countries that are normally dependent on trade for their growth strategies. For many, especially in developing countries, the crisis has meant fewer job opportunities, greater income insecurity and an increasingly higher risk of falling into poverty.

While there are now encouraging signs of recovery, for many, particularly the most vulnerable, the crisis is far from over. Such indicators as increases in malnutrition, child poverty, declining household income and the closing of schools are the most worrisome. Continuing unemployment, rising food prices and declining aid flows and budgets mean continued hardship for many and pose new threats on the way to achieve internationally agreed development goals, including the Millennium Development Goals (MDGs). This situation calls for policy actions to support economic recovery in all countries, enhance its employment and decent work content and ensure protection from insecurity and global systemic risks for the most vulnerable countries and populations.

Following the onset of the economic and financial crisis and, in light of the potentially devastating impact on those least responsible - the poor in developing countries - the United Nations, through its Chief Executives Board (CEB), developed a coherent and comprehensive strategy for action: The Joint Crisis Initiatives. These nine initiatives represent a coordinated effort and clear framework to ward off the effects emanating from the crisis and to help the lives of women, men and children, as they struggle to survive and to maintain their dignity. The

initiatives built upon the ongoing work of the United Nations system, with particular focus on the crisis-related aspects of the system's response.

Strong concern with the economic and social consequences of the crisis also prompted the tripartite constituency of the ILO – governments, employers' and workers' organizations – to adopt a "Global Jobs Pact" aimed at promoting a productive recovery centred on investments, employment, a social protection floor, rights at work and social dialogue.

As noted in the Economic and Social Council's resolution 2009/05, the ILO's Global Jobs Pact builds on linkages among social progress, economic development and the response to the crisis. Countries that included in their policy response some of the measures proposed under the Pact were able to move more quickly towards an employment-intensive economic rebound. However, severe fiscal and policy constraints restrained many developing countries from launching appropriate recovery measures. Now, two years following the onset of the global financial crisis, it remains imperative to pursue the Global Jobs Pact strategies, especially in developing countries, with stronger and more coherent assistance from the United Nations system, and more supportive international policy frameworks.

Objective and focus of the panel

Against this backdrop, it is proposed that a panel discussion be organized and held during the 2010 ECOSOC Coordination segment to consider how to bolster national and international institutions and policy frameworks to effectively address the mega trends that are now reshaping the global economy and labour markets across the world. Given that the crisis has led to heightened recognition of the need to tackle the global priority of unemployment and underemployment, as well as greater receptivity to the notion of a basic social protection floor, the panel could focus on the implications of implementing the Social Protection Initiative and the Global Jobs Pact. Possible questions could include:

- What kind of international policy frameworks would be more conducive to ensure a recovery in which all countries are able to join and that it is succeeded by a more stable and inclusive path to global development? What can be done to assist countries with scant resources and limited capacity to engage in countercyclical measures and structural reforms to strengthen their resilience to external shocks?
- In efforts to mitigate the negative impact of the economic and financial crisis and its resulting adverse impact on social development, how can countries develop their social protection systems to extend coverage of social security programmes and support greater labour-market participation?
- What can be done to promote stronger and more coherent action by United Nations agencies, funds and programmes, as well as other international organizations that engage in policies and programmes aligned with the Global Jobs Pact? What actions are necessary to strengthen the overall capacity of the United Nations system to provide technical advice in areas related to employment and labour market policies and the promotion of enterprises and private investment?
- How can the Global Jobs Pact approach be used as a tool in accelerating progress on MDGs in countries where there are likely to be major gaps?

- How can we keep the challenge of the concept of a “Social Protection Floor” on the international development agenda and implement it firmly in both United Nations and international planning instruments? In addition, how can we convert the political energy already generated into concrete outcomes, as well as more enhanced inter-agency coordination?