

How do we get on track to end poverty and hunger, and transform towards inclusive and sustainable economies?

Session on SDGs 1, 2, 8, 17 and interlinkages among those goals and with other SDGs

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Secretariat Background Note

Introduction

Poverty and hunger are on the rise after years of decline, a trend exacerbated by the COVID-19 pandemic, and past progress in many areas of eliminating poverty in all its dimensions is facing reversal. Even as many countries still face a raging pandemic, it is imperative to plan for responses and recoveries that ensure years of progress are not lost and that lay a foundation for a more equitable and sustainable path forward into the future. Economic growth is necessary to lift people out of poverty, yet it needs to be much more inclusive, and the critical role of social protection needs to be reinforced, while also addressing the inequalities that have been exacerbated by the pandemic including gender inequality. Additional actions are needed to transform economies and food systems to deliver on the interlinked Sustainable Development Goals (SDGs) in an integrated manner especially with support for growing sectors that reinforce long-term sustainability with green jobs and service provision, and through investments in climate-friendly agriculture and low-carbon infrastructures as well as in information and communications technology (ICT). Scaling up successful initiatives and investments for systemic transformations is needed to eradicate poverty and hunger while building resilience for the future. This session will examine the challenges and opportunities for ending poverty and hunger and transforming towards inclusive and sustainable economies.





Successes and challenges¹

The 2021 HLPF comes at a time of great upheaval when past successes on the SDGs are under threat and new challenges are compounding long standing vulnerabilities. Progress was being made before the pandemic on the implementation of some important areas of the SDGs, for example, on reducing poverty and advancing gender equality. In many instances, however, those advancements were not happening fast enough to be on track to achieve the Goals by 2030.

Poverty reduction had been progressing before the pandemic but had slowed since 2015. Already constrained by climate change and conflict, COVID-19 struck a further blow to these efforts. The full degree of the setbacks is difficult to know as the crisis is far from over, but an estimated 119 to 124 million people fell into poverty in 2020, causing the extreme poverty rate to rise for the first time in a generation, from 8.4 per cent in 2019 to 9.5 per cent in 2020. Eight out of 10 'new poor' are in middle-income countries. It is now projected that, under current estimates, around 600 million people will still live in extreme poverty by 2030.

Global levels of hunger and food insecurity had been gradually rising since 2014, and these trends have now been intensified by COVID-19 with estimates that an additional 83-132 million people were pushed into chronic hunger in 2020. In addition, countries around the world continue to struggle with multiple forms of malnutrition including overweight. An estimated 2 billion people were affected by moderate or severe food insecurity in 2019, an increase from 2015.

Before the pandemic hit in 2020, the global average growth of real GDP per capita had already slowed from about 2 per cent from 2014 to 2018, to only 1.3 per cent in 2019. Now the COVID-19 pandemic has caused the worst global economic recession since the Great Depression – global growth declined an estimated 5.3 per cent in 2020 - with massive damage to work, incomes and individual abilities to cope. In 2020, the equivalent of 255 million fulltime jobs were lost – approximately four times greater than the loss during the global financial crisis in 2009. Impacts on the informal economy have been especially severe, where the vast majority of the working poor are employed, and with a disproportionate impact on the livelihoods of young and female workers who are more likely to live in poverty. By 2020, only 47 per cent of the global population

¹ Data are from the Report of the Secretary-General on SDG Progress 2021 (advance, unedited copy) https://sustainabledevelopment.un.org/content/documents/27610SG_SDG_Progress_report_2021.pdf





were effectively covered by at least one social protection cash benefit, leaving 4 billion people unprotected.

There are, however, some nascent positive developments. Between 1 February and 31 December 2020, governments of 209 countries and territories announced more than 1,500 social protection measures (mostly short-term) in response to the COVID-19 crisis, and these could grow into more robust longer-term coverage. The global economy is also slowly recovering, although it may remain below pre-pandemic trends for a prolonged period. Global real GDP per capita is projected to increase again by 3.6 per cent in 2021 and 2.6 per cent in 2022. Recoveries are uneven though and the IMF projects that average annual losses in per capita GDP over 2020–24 in low-income and emerging economies will be more than double that of advanced economies, a pattern that stands to reverse gains in poverty reduction.

Interlinkages, synergies and trade-offs

Eradicating extreme poverty in all its dimensions, ending hunger and ensuring food security, and promoting sustainable and inclusive economic growth with decent work are deeply interconnected outcomes that can have impacts across much of the 2030 Agenda, provided synergies are realized and trade-offs mitigated. Acting on evidence about such interlinkages, especially as countries weigh different spending and policy options for COVID-19 recovery, can help to generate multiple positive outcomes for a recovery that is both inclusive and sustainable. For example, economic recovery packages to spur GDP growth can also build in ways to close gender pay gaps or advance clean energy investments. Responses can mitigate trade-offs between Goals, for example, by supporting access to technologies that reduce water use and carbon emissions in agriculture while also improving the productivity of food systems and incomes for farmers.

Building back better and achieving the overarching objective of 'leaving no one behind' requires that the needs of vulnerable and disadvantaged groups, as well as those of future generations, are integrated into economic policies. Transformative actions are needed to simultaneously promote growth for poverty reduction and support equitable access to full and productive employment and decent work and access to social protection, while also reducing income and





wealth inequality, gender inequality, green-house gas emissions and unsustainable natural resource consumption.

Recommendations for action: Mechanisms and partnerships to accelerate progress

During the decade of action and delivery on the SDGs, the international community must collaborate to address challenges bringing together governments, the private-sector, civil society and the science community, and leveraging individual and collective action for sustainability. Solutions that work need to be shared, scaled up and adjusted to address context specific conditions; and where the way forward is less clear sharing information and identifying ways to fill knowledge and data gaps to support evidence-based decision-making will be key.

Specific solutions will depend on the country context, but there is a consensus building around clusters of actions that can shift economies in more inclusive and sustainable directions. First, investing in jobs and empowering workers including those in informal work, especially in green sectors, agriculture and service provision, needs to be prioritized in growth strategies. Special attention to recruiting and retaining women and young people can leverage untapped capacities and help to reduce poverty among the most at-risk groups. Support for livelihoods in food and agriculture can help to reach those most likely to experience hunger. Carbon neutrality, equality and growth should be viewed as mutually reinforcing goals.

Second, strengthening social protection systems and access to public services must be a focus, while also ensuring that these systems have the flexibility and agility to target the needs of the most vulnerable and function under crisis conditions with consistent delivery. As emergency measures are put in place under COVID-19, longer-term needs should be considered. Emergency cash transfers and food vouchers can alleviate the most immediate pressures of poverty and hunger, but longer lasting protections are needed to ensure that people have the means to cope with unanticipated emergencies and future crises.

Finally, all countries and communities need to have the necessary fiscal resources to respond to the crisis and prevent significant backslides into poverty and hunger. The international community must work together to ensure that debt does not come before human life and that adequate resources are available everywhere to mount an adequate response to the pandemic.





Proposed guiding questions

- What have been the key trends regarding SDGs 1, 2 and 8, and relations with SDG 17?
- How can increasing poverty and hunger be tackled while transforming economies and food systems towards increased resilience and lowered climate/environmental impacts?
- How can economic recoveries be shaped to ensure more inclusive and sustainable patterns of growth that generate decent jobs, ensure equal access to basic services and social protection, and support carbon-neutrality and a better balance with nature?
- How can food systems be transformed to deliver better nutrition for all, while improving their balance with nature?
- What are the opportunities to be realized (and pitfalls to be avoided) in the immediate and medium terms towards these ends? What kind of international cooperation is needed to provide the necessary support?
- What are ways to combat poverty and hunger and respond to the COVID-19 crisis and its impacts that enable more inclusive, equitable, resilient and sustainable development?
- How can policies in those areas support gender equality?

