



# HIGH-LEVEL POLITICAL FORUM ON SUSTAINABLE DEVELOPMENT

#HLPF #SDGs #GlobalGoals [sustainabledevelopment.un.org/hlpf/2019](https://sustainabledevelopment.un.org/hlpf/2019)

*Review of SDG implementation and interrelations among goals*

## Discussion on SDG 10 – Reduced inequalities

*Thursday, 11 July 2019, 3:00 PM–6:00 PM, Conference Room 4*

### Background Note

#### Executive summary

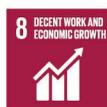
The 2030 Agenda calls for a “just, equitable, tolerant, open and socially inclusive world in which the needs of the most vulnerable are met.” Inequality within and among nations continues to be a significant concern despite progress in and efforts at narrowing disparities of opportunity, income and power.

Income inequality continues to rise in many parts of the world, even if the bottom 40 per cent of the population in many countries have experienced positive growth rates. Globally, a shift of income away from labour towards capital has contributed to rising inequality, and inequalities in opportunities persist in some areas where discriminatory laws, policies and practices are not being addressed quickly enough. These trends have varied across countries and regions. And not all trends toward targets in SDG 10 are easily monitored. Timely and disaggregated data are lacking in many countries for monitoring discrimination and income deprivations which are important for informing inclusive policies. Efforts are also needed to continue to reduce inequalities among countries and to provide Official Development Assistance (ODA) and special and differentiated treatment to countries that need it most.

#### Successes and challenges

SDG 10 is among the group of goals where trends are lagging for some targets.

Economic growth is uneven and per capita incomes are projected to stagnate or grow only marginally in 2019 in several parts of Africa, Western Asia, and Latin America and the Caribbean. Reductions in global inequality will require both better policies, and stronger





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economic growth in regions that are facing economic slowdowns; as well as fiscal, wage and social protection policies that ensure income growth benefits the bottom 40 per cent of populations.

Horizontal inequalities in opportunities also remain a challenge and are a barrier to the 2030 Agenda commitment of leaving no one behind. Policies to reduce inequality must focus on addressing the root causes of vast opportunity gaps between different groups in society – namely, by promoting legislation, policies and action that eliminate discriminatory laws, policies and practices.

To tackle inequality, more widespread national and global efforts to reduce recruitment and remittance costs, recognize the skills that migrants bring, enhance the portability of social security coverage, and remove restrictions on access to paid work for displaced people warrant greater consideration.

Financial flows and global patterns of taxation and trade are also a key policy dimension in evaluating options to reduce inequality. More and better foreign direct investment and ODA is needed to support States in greatest need. Trade policy can be applied to generate revenue and provide access to training and technology transfer for least developed countries. Taxation on cross-border flows and the reduction of illicit financial outflows and tax avoidance and evasion must be part of the conversation on fiscal measures to reduce inequality.

Looking toward the future, the links between inequality and technology and climate change will require greater attention. Technology is reshaping economies with huge potential for closing gaps in incomes and opportunities and for shifting it to low carbon path. Digital technologies, robotics, artificial intelligence and automation – these could all help eradicate poverty, accelerate growth and increase access to quality services like education, healthcare, clean-water and electricity and avoid the carbon intensive model of industrialization. The links between climate change and inequality are important both in terms of how vulnerabilities and coping mechanisms to climate related events are distributed, and in terms of how climate actions and adaptation may affect the incomes and opportunities of different groups, especially those who are in vulnerable situations.





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Tackling inequalities calls for efforts to increase public knowledge about the long-term negative effects of inequality for societies and economies.

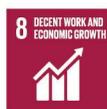
## Recommendations for action: Mechanisms and partnerships to accelerate progress

The following actions (listed in no specific order) are necessary in different contexts to achieve SDG 10 targets and reduce inequality within and among countries.

- **Enact legal reforms to help remove barriers to opportunities.**
- **Invest early in human capital.**
- **Map and measure inequality.**
- **Combine universal and targeted measures to ensure progressivity in policies.**
- **Implement policies that empower workers and reduce vulnerability.**
- **Take steps to ensure that globalization and connectivity benefit all countries and groups.**
- **Institute redistributive policies to reduce inequality and support pre-distribution.**
- **Ensure the poor and marginalized are part of decision-making.**
- **Support workers in the informal sector while accelerating the transition to the formal sector.**
- **Strengthen political will to address the risk to social cohesion posed by inequality.**

## Guiding questions

- What are the best practices for reducing inequality that deliver genuine impact and can be scaled up or replicated for success? What are some policy changes that can happen now and what actions would you take over the next year?





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- How can we change the narrative around SDG 10 to capture the value of equality and inclusion for multiple stakeholders, and what role can Governments play? What changes in institutions and behaviour show the greatest promise for inclusion?
- How can interlinkages between SDG 10 and other goals and targets be leveraged to reduce inequality? What is the biggest single risk for lowering inequality in the next 12 months?
- Which dimensions of inequality can be lowered most quickly/least quickly, and which groups are the easiest/most difficult to reach? What actions can countries take today to better monitor the success of their inclusive development and reductions in inequality?

