Seventy-fifth session
Item 26 (a) of the provisional agenda*
Social development

Implementation of the outcome of the World Summit for Social Development and of the twenty-fourth special session of the General Assembly

Report of the Secretary-General

Summary

In the present report, submitted in accordance with General Assembly resolution 74/122, the Secretary-General emphasizes the need to strengthen international cooperation with regard to social development, focusing in particular on the significant increase and/or more efficient utilization of the resources allocated to social development, in order to achieve the goals set forth at the World Summit for Social Development. He also examines the impact of the coronavirus disease (COVID-19) crisis on social development and underscores the importance of preserving levels of social spending to better support national policies and strategies for better recovery and to enable Member States to get back on track in their implementation of the 2030 Agenda for Sustainable Development. He further presents the outcomes of the fifty-eighth session of the Commission for Social Development and concludes by setting out policy recommendations for consideration by the Assembly.

*A/75/150.
I. Introduction

1. The World Summit for Social Development marked a paradigm shift towards more inclusive and equitable social and economic development in which people are placed at the centre of development. At the Summit, Member States committed, inter alia, to the creation of an enabling economic, political, social, cultural and legal environment that will enable people to achieve social development; the eradication of poverty; the promotion of full and productive employment; the fostering of social integration and inclusion; the attainment of universal and equitable access to quality education and primary health care; the reduction of inequalities; and the strengthening of cooperation in social development through the United Nations system.

2. At the ministerial forum on the theme “Twenty-five years of the World Summit for Social Development: addressing emerging societal challenges to the implementation of the 2030 Agenda”, convened during the fifth-eighth session of the Commission for Social Development in February 2020, Member States acknowledged that the visions, principles and commitments made at the Summit remained valid and were crucial for addressing emerging global challenges, including widening inequality, changing population dynamics, the effects of climate change and rapid technological change. Member States also welcomed progress made with regard to the full implementation of the Copenhagen Declaration on Social Development and the Programme of Action of the World Summit for Social Development through concerted action at the national, regional and global levels and expressed their deep concern about slow and uneven progress and remaining gaps. The coronavirus disease (COVID-19) crisis has compounded existing challenges with regard to social development and has had a negative impact on the abilities of Governments to achieve the 2030 Agenda for Sustainable Development and the Sustainable Development Goals.

II. Impact of the COVID-19 crisis on the implementation of the outcome of the World Summit for Social Development and the 2030 Agenda for Sustainable Development

A. Socioeconomic impact of COVID-19

3. The COVID-19 pandemic has created a global health crisis unlike any other in the 75-year history of the United Nations, with far-reaching social and economic consequences. The World Health Organization (WHO) reported that, as at 24 June 2020, there were over 9.1 million confirmed cases of COVID-19 and 473,061 deaths.1 The rapid spread of the virus continues to put pressure on countries’ health-care systems, many of which were already under strain prior to the pandemic. Apart from deaths directly attributable to the virus, COVID-19 may also have a significant and indirect impact on health, as was the case with the outbreak of the Ebola virus disease between 2014 and 2016, during which many deaths were a result of the diversion of resources from the treatment of other diseases. According to one study, COVID-19 could lead to an additional 6,000 child deaths per day from preventable causes over the next six months in low- and middle-income countries.2

---

4. The global health crisis has turned into a multifaceted social, economic and financial crisis, upending billions of lives and destabilizing the global economy. Measures taken to contain the spread of the virus may have long-term effects on social development and well-being above and beyond the impact on health. For example, school closures are putting children’s education at risk. The annualized effective out-of-school rate in primary education (adjusted to also reflect children without access to the Internet) is expected to reach 20 per cent, the same level as in 1985.\(^3\) As at mid-March 2020, more than 320 million children of primary school age in 120 countries were missing out on school meals, which put them at risk of malnutrition and negatively affected family incomes.\(^4\)

5. Sustained disruption of education could increase school dropout rates, leading to increased gender gaps in education and a compounded risk of sexual abuse, early pregnancy and early and forced marriage, as was the case during the Ebola outbreak.\(^5\)

6. The introduction of lockdown measures to contain virus transmission has led to a collapse in economic activity, disruption in trade and a drop in oil and commodity prices. Globally, gross domestic product (GDP) is expected to contract sharply in 2020 by 5.2 per cent, which would be the largest contraction in economic activity since the Great Depression, and far worse than the 2008 global financial crisis.\(^6\)

7. The Department of Economic and Social Affairs forecasts that the crisis will push an additional 34.3 million people into extreme poverty in 2020, with African countries accounting for 56 per cent of the increase. In the worst-case scenario, the number of people living in extreme poverty could increase by more than 160 million by 2030.\(^7\) Remittances, which represent a lifeline for 800 million people globally and have a huge impact on poverty reduction, are predicted to fall by 20 per cent in 2020.\(^8\) Food insecurity has increased globally amid the growing disruption of global and domestic food supply chains and rising prices. The number of people suffering from acute food insecurity could almost double to 265 million by the end of 2020.\(^9\)

8. The economic contraction resulting from the COVID-19 outbreak has caused major job and income losses, threatening the livelihoods and well-being of millions. According to the International Labour Organization (ILO), the equivalent of 305 million full-time jobs have been lost as a result of the crisis. The rapid increase in unemployment is a major hurdle to social development and to the achievement of target 8.5 of the Sustainable Development Goals, related to the achievement of full and productive employment and decent work for all by 2030. Low-income, low-skilled and informal workers have been particularly hard hit and often have limited access to social protection and no income replacement in case of sickness or lockdown. According to ILO, 1.6 billion informal economy workers (76 per cent of informal workers worldwide) have been significantly affected by the lockdown.

---


\(^7\) E/2020/58, para. 41.

\(^8\) By comparison, the global financial crisis saw remittances fall by 5 per cent in 2019.

\(^9\) WFP, “COVID-19 will double number of people facing food crises unless swift action is taken”, 21 April 2020.
measures and/or are working in sectors that have been hit the hardest. The crisis is also having a devastating effect on specific groups in the labour market, including young people, one in six of whom have stopped working since the onset of the COVID-19 pandemic. Female and migrant workers are also overrepresented in the hardest-hit sectors. 10

9. The ways in which the pandemic affects social outcomes and well-being do not have an impact on everyone equally, which exacerbates inequalities. Already disadvantaged and vulnerable populations stand to face disproportionately worse conditions. Many women are facing increased financial insecurity and an increased risk of domestic violence, while the burden of unpaid care work placed upon them grows heavier. For many older persons and persons with disabilities, social distancing and isolation are making it harder to gain access to the critical services that they rely on to maintain their health and independence. Indigenous peoples are particularly vulnerable to COVID-19 because they tend to have worse access to health care, suffer from significantly higher rates of communicable and non-communicable diseases and lack access to adequate sanitation.

10. Increases in poverty, inequality and economic insecurity also risk undermining social cohesion and further eroding the already declining public trust in institutions, including multilateral organizations. The stay-at-home orders put in place by governments following the onset of the pandemic helped to contain civil unrest, with the number of demonstrations falling by 90 per cent between 11 March and 11 April 2020. 11 However, growing economic hardship, increased awareness of entrenched injustices and widening inequalities in the aftermath of the crisis have sparked a global resurgence of protests and civil unrest.

B. Building back better: opportunities to build more inclusive, sustainable and resilient societies

11. Governments and development partners have enacted measures in response to COVID-19, including the emergency extension of health coverage, unemployment benefits, paid sick leave and paid family leave to previously uncovered populations, international cooperation in scientific research into treatments and vaccines, and major fiscal stimulus packages that collectively amount to about 11 per cent of global GDP. The crisis not only exposes gaps and exacerbates challenges, but also provides opportunities for crisis response policies and measures to be used to build back better in order to create a more resilient and inclusive society and future.

12. New awareness of the risks of weak social protection systems has prompted action. According to the World Bank, between 20 March and 12 June 2020, the number of countries and territories that had planned to or had actually introduced social protection measures in response to COVID-19 quadrupled to 195, while the number of measures introduced increased almost tenfold to 1,024. Non-contributory social assistance accounts for 60 per cent of the global response. Cash-based and in-kind transfers have both increased steadily, with cash transfer programmes accounting for a larger number of measures. 12 In the recovery phase, investment in universal national social protection systems is needed in many countries, including system design and delivery mechanisms that grant disadvantaged social groups access

---


to benefits in order to foster inclusive and sustainable recovery and enhanced preparedness for future shocks.

13. The COVID-19 crisis could accelerate the transition towards more sustainable economies. As economies come to a standstill, many countries have seen a drastic fall in air pollution, which has inspired appreciation for the possibilities of a sustainable economy, with cleaner air and water and richer wildlife. Policymakers are now turning their attention to the recovery phase and its potential to accelerate the transition towards a sustainable path in all areas of the economy, including the transport, agriculture and energy sectors. The pandemic has also highlighted the direct connection between the encroachment of human activity on ecosystems and the increased risk of outbreaks of zoonotic diseases that could cause pandemics. The enormous human and socioeconomic toll of the COVID-19 crisis underscores the need for a green recovery in order to prevent future pandemics.

14. The fact that this dangerous virus does not respect national borders underscores the importance of collective action and global collaboration. To strengthen public health systems and ensure better preparedness for future pandemics, the global health response continues to pool scientific talent and resources for collaborative vaccine research and to emphasize solidarity with developing countries, guided by the notion of health as a global public good. Countries have also worked together in a spirit of global solidarity to prevent disruption in the global food supply chain by committing not to interrupt international food flows with trade restrictions and export bans.

III. Lessons learned from the implementation of the outcome of the World Summit for Social Development: build back better to create a more inclusive, sustainable and resilient society

15. At the time that the World Summit for Social Development was held, globalization and technological developments were creating many opportunities, and yet the rapid processes of change and adjustment were also intensifying poverty, unemployment and social exclusion for those left behind. Threats to human well-being, such as environmental risks, were also being globalized, and the transformations in the world economy were profoundly changing the parameters of social development in all countries. To better manage those processes, Member States made commitments to promote social development and human well-being for all and assigned those goals as “the highest priority both now and into the twenty-first century”.

16. A quarter of a century later, the world is still battling the same challenges, as well as some new ones. In the face of the current global health, economic and social crisis, it is anticipated that decades of progress in social development could be reversed, resulting in more people left behind. Lessons learned in the implementation of the outcome of the Summit could help countries to rebuild better and to get back on track in their achievement of sustainable development for all.


A. Reduction of poverty and inequality through inclusive job-rich growth

17. Overreliance on market capacity to realize development for all has resulted in growing inequalities and the erosion of the social contract in many countries. The effect of widening inequality has begun to slow the pace of poverty reduction in recent years, and even to reverse the trend in some countries. The COVID-19 crisis further exacerbates existing inequalities and vulnerabilities. As a result, tens of millions of people are likely to fall into poverty and inequality within and between countries is expected to rise.

18. Evidence supports the conclusion that inclusive and job-rich growth is crucial to simultaneously reducing poverty and inequality. Since such broad-based growth requires a healthy, educated and skilled workforce in productive sectors, investment in human capacities is critical.

19. Experience shows that rising inequality is not inevitable and that the right mix of policies can reduce it. There is no one-size-fits-all approach to addressing inequalities, but countries have implemented strategies focusing on two priority areas: investing in human capacities by ensuring equal access to social services (education, health, safe drinking water and sanitation, and social protection) and using fiscal policies to share the benefits of development gains more equitably. Policies and measures to promote access to productive assets, such as land, savings, credit and housing, are also critical to enabling people to withstand shocks and expand their options. In addition, targeted policies and measures are necessary for closing existing gaps based on gender, age, location and other factors and for fostering the social inclusion of disadvantaged groups, communities and individuals.

20. Fiscal policy, through which Governments manage tax revenues and expenditures, as well as social protection systems, including transfers and subsidies, can contribute to reducing income inequality and promoting inclusive growth. It can also foster social inclusion by improving people’s capabilities, promoting equality of opportunity in education, health and employment and improving access to high-quality basic infrastructure. Countries need to carefully examine both their taxation and their spending policies to gauge the distributional impact of each. They should ensure that the size and composition of total government spending devoted to social expenditure is pro-poor, equalizing and effective.

B. Universal access to health care, quality education and technology

21. Significant disparities persist in access to health care, safe water and sanitation, information and communications technology (ICT) and financial services, based on income, sex, urban or rural residence, geographical location and other social determinants. Those pre-existing inequalities are also causing a differentiated impact of COVID-19 during the crisis and in the recovery from the crisis.

22. The pandemic highlighted the need to improve access to essential health care, sanitation and hygiene while also ensuring that no one is pushed into poverty because of out-of-pocket health expenses. More efficient funding for strengthening national health systems is necessary to improve access to health care and build capacity to

---


prepare for health emergencies, such as COVID-19.\textsuperscript{17} Renewed commitment should be made to accelerating efforts to achieve universal health coverage, including financial risk protection and access to high-quality and essential health-care services and to safe, effective, high-quality and affordable essential medicines and vaccines for all.

23. In recent years, increased access to ICTs has enabled more people, especially those in rural and remote areas and those belonging to disadvantaged groups, to gain access to services, including education and learning opportunities. That access has helped to break the intergenerational transmission of poverty, facilitating participation and enabling informed choices. However, COVID-19 has shone a spotlight on the existing digital divide, as the lack of access to digital technology and online platforms among some students, families and workers has worsened their social exclusion and the impact of the pandemic on their well-being. Unless urgent actions are taken to bridge the gap, lack of connectivity risks reinforcing economic and social disadvantages.\textsuperscript{18} Efforts should be made to realize universal connectivity, while also ensuring affordable access to digital technology and developing digital skills for all. In addition, it is becoming increasingly necessary to improve access to digital financial services, including mobile banking, and financial literacy programmes.

C. Social protection

24. Social protection shields people from shocks, enhances their capacity to manage and overcome situations that affect their well-being and reduces vulnerability. In the long term, social protection can help individuals and families to build human and social capital and improve their livelihood prospects. Evidence shows that the social consequences of the global financial crisis were most severe in countries in which social protection systems were weakest.

25. Before the COVID-19 crisis, the majority of countries committed to establishing social protection floors to provide a set of nationally defined basic social security guarantees and to progressively build comprehensive social protection systems.\textsuperscript{19} Once such floors had been established, further efforts would be made to close coverage gaps, enhance the adequacy of benefits, extend social protection floors to vulnerable populations and streamline existing fragmented social protection programmes into nationally appropriate social protection systems. Furthermore, countries have been taking innovative approaches to protecting those working in the informal sector, including through the introduction of subsidized pillars and risk-informed and shock-responsive social protection systems. The COVID-19 crisis is proving that social protection systems are essential for countering socioeconomic impacts and crucial as social and economic stabilizers.

D. Creation of decent work and productive jobs

26. Decent work, adequately remunerated, providing income security and access to social protection is a main pathway out of poverty. Decent jobs are essential not only for sustaining livelihoods but also for creating social ties and social networks and giving people a voice and dignity. Despite the centrality of productive employment and decent work, the current pattern of economic development has not created

\textsuperscript{17} WHO, “COVID-19 strategy update”, 14 April 2020.
\textsuperscript{18} See A/74/821.
sufficient employment to match a growing labour force, which resulted in a jobless recovery after the 2008 global financial and economic crisis. Even when employment did grow, it did not necessarily lead to reliable income security, because many workers worked in the unprotected informal sector and were often underemployed. There has also been a redistribution of income in favour of capital, and in most countries the wage gap between top and bottom earners has also increased.

27. In many developed countries, a shift towards greater labour market flexibility has resulted in an increase in vulnerable jobs (i.e. temporary and precarious employment, with no or limited social protection). Young people, women, migrants and other disadvantaged groups are overrepresented among those in vulnerable work and are often the first to lose jobs during a recession. As education has been severely disrupted by COVID-19, the number of young people not in employment, education or training is likely to increase. Since early labour market experiences are generally strong indicators for future earning potential, the current crisis is most likely to have a lasting negative impact on the well-being of young people.

28. During the 2008 global crisis, many countries tackled high unemployment through social protection measures, such as unemployment benefits, but also through the strengthening of inclusive labour policies and institutions to provide adequate labour protection, especially for disadvantaged groups; the reduction of gender gaps in the labour market; temporary measures to retain workers, including through reduced work-hours and/or lower salaries; and labour-intensive public employment guarantee programmes to create additional decent work opportunities. Measures targeting young people included active labour market policies to support entrepreneurship, investment in education and skills development to enhance young people’s employability, and efforts to address the mismatch between education and the demands of the labour market.

29. Policy measures to promote a better recovery, including economic, social, labour market and entrepreneurship policies, should accommodate the specific needs of those engaged in informal or vulnerable jobs, while preventing the negative employment spiral by creating a people-centred economic recovery involving decent jobs for all.20

E. Inclusive institutions and the empowerment of people

30. Efforts should focus on strengthening existing institutions, sharing good practices and lessons learned and exploring new and innovative approaches, including by involving stakeholders in order to empower them to be part of the solution. Priority should be given to protecting, supporting and building resilience among at-risk groups, workers and communities, as well as micro-, small and medium-sized enterprises, including women-led businesses.

31. Discrimination remains a central barrier to the participation of excluded groups in economic, social and political life. Removing the obstacles that hinder the effective participation of vulnerable individuals and groups requires reforming institutions and influencing norms and behaviours that have historical and cultural roots. In addition, all policies and measures must be non-discriminatory and explicitly address norms and behaviours that create asymmetries of power and result in discrimination, including through legal and judicial systems.

IV. Preserving and increasing social spending and utilizing the budget allocated to social development more efficiently

32. COVID-19 and its economic fallout are currently having a devastating impact on public balance sheets and Governments’ financial capacity to fight the spread of the virus and support their economies. Domestic resource mobilization, official development assistance (ODA) and innovative mechanisms to mobilize resources should be drawn on in a concerted effort to create the fiscal space necessary for countries to safeguard progress in relation to social outcomes and a better recovery.

A. Domestic resource mobilization to preserve and increase social spending

33. As noted in the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, domestic resource mobilization is primarily based on economic growth. As the pandemic has plunged the world into a global recession, national budgets have been put under strain. While all countries are affected, those heavily dependent on remittances, tourism, oil, commodity exports and manufacturing exports are experiencing dramatic falls in public revenue.21 The strain placed on domestic resource mobilization is compounded by the urgent need to boost expenditure to contain and mitigate the impact of the crisis. In the early response phase, many Governments put in place emergency response measures, amounting to $9 trillion as at May 2020, to protect jobs and livelihoods and support the economy.22 While addressing short-term needs, most of those measures will leave beneficiaries vulnerable to future shocks once they are discontinued. Sustaining financial investment in social protection policies and programmes, as well as inclusive and quality education and health services, will be critical to ensuring a sustainable recovery from COVID-19 and creating societies that are more resilient to future shocks.

34. In many countries, progress with regard to domestic public resource mobilization is insufficient to match the scale and ambition of the 2030 Agenda. Between 2015 and 2018, only about 40 per cent of developing countries clearly increased tax-to-GDP ratios.23 Trends in tax revenues differ widely across regions, as well as among countries within a single region. Between 2012 and 2017, tax revenues declined in Asia and Africa, the two regions with the lowest median tax revenue figures as a percentage of GDP. That contrasts with Europe, Oceania and the Americas, which saw a recovery of tax revenues during the same period, following a fall in revenues after the 2008 financial crisis.24

35. With global growth projected to decrease in 2020, the needed increase in domestic revenue will depend even more on political will to reform national tax policy

---

24 Ibid.
and administration. Tax avoidance and tax evasion continue to be major barriers to domestic resource mobilization globally, resulting in significant forgone investments in social development. In Latin America, for instance, costs associated with tax non-compliance amounted to $335 billion, equivalent to 6.3 per cent of GDP, in 2017. A multipronged approach to combating tax avoidance and tax evasion hinges on the promotion of voluntary compliance, the implementation of changes to tax policy (for example, amendments of tax laws to close loopholes) and the strengthening of enforcement measures.

36. Efforts aimed at formalizing tax can raise revenues and have important non-fiscal effects on equality when combined with the reallocation of public money to finance social development. For instance, many countries have experimented with the reallocation of pre-tax fossil fuel subsidies to social protection systems. Similarly, increasing taxes on environmentally harmful consumable goods (such as fuels for heating and cooking) while ensuring that poor households are not disproportionately affected, or increasing taxes on health-harming products, such as tobacco, are sustainable revenue-raising domestic strategies. ODA can be valuable in supporting national strategies for revenue mobilization by strengthening capacity for the design, administration and enforcement of tax policies. In 2018, ODA disbursed for that purpose increased by 23 per cent year-on-year to $261 million, equivalent to 0.22 per cent of ODA.

37. Prioritizing effective and progressive tax systems and expenditures will be crucial in preventing an increase in poverty and inequality in the aftermath of COVID-19 and ensuring more equitable social outcomes. The impact of fiscal policy on inequality varies across countries. In developed countries, fiscal policy offsets about one third of market (before tax and transfers) income inequality, on average, with 75 per cent of the offset coming from transfers. In-kind transfers, such as those for education and health, also affect market income inequality over time. However, tax progressivity has consistently fallen in Organization for Economic Cooperation and Development (OECD) countries since the 1980s. In developing countries, fiscal redistribution is much more limited because those countries have a greater reliance on indirect taxes, often levied as sales taxes and value added tax, which tend to be more regressive. Developing countries also have lower or less effective progressive taxation and difficulties establishing universal social programmes. Direct taxes on income and various types of wealth taxes can be the most progressive forms of taxation, depending on how they are designed and administered. However, in many developing countries, corporate and personal income tax revenues are low because of widespread informality.

38. In terms of social spending, funding for essential social protection systems in many regions is lagging. A comprehensive universal social protection system would help to mitigate disruption and cushion the negative impact of COVID-19. In the Asia and the Pacific region, developing countries currently spend, on average, only 3.7 per cent of GDP on social protection. That is far below the OECD average of around

30 International Monetary Fund, Fiscal Monitor: Tackling Inequality (Washington, D.C., October 2017).
20 per cent, but also less than one third of the global average of 11.3 per cent. The Economic and Social Commission for Asia and the Pacific (ESCAP) has estimated that establishing a social protection floor to guarantee a minimum income over the life cycle in the region would require an annual additional investment of $317 billion, equivalent to 1 per cent of the region’s GDP.\(^{31}\)

39. The delivery of quality education for all requires significant additional financing. Total annual spending on the first two targets of Goal 4, related to universal pre-primary, primary and secondary education, would need to be more than tripled in low-income countries.\(^{32}\) Domestic public finance is by far the most important source of funding for the achievement of Goal 4, on quality education for all, accounting for 79 per cent of education spending globally. Low-income countries set education as a bigger priority in their public expenditure, but that still translates into considerably lower expenditure by student of less than $200 annually per primary school student, compared with around $8,000 in high-income countries.\(^{33}\) As a result, households are compelled to contribute a much larger share of financing for education directly. In some developing countries, households pay for more than half of all education expenditure, compared with less than 15 per cent in most developed countries. Overreliance on households raises equity concerns. Some middle-income countries are reforming their tax system to better fund education.

40. Spending on health is increasing. Between 2000 and 2016, global spending on health increased every year, growing in real terms at an average annual rate of 4 per cent, which is faster than the 2.8 per cent annual growth of the global economy, to $7.5 trillion (nearly 10 per cent of global GDP). Despite increases in spending, 39 to 63 per cent of the world population is forecast to be covered by essential health services if current trends continue until 2030. Marked acceleration is therefore needed to reach target 3.8, on universal health coverage for all, by 2030.\(^{34}\)

41. Less than 1 per cent of global health spending comes from external aid, which makes domestic spending on health central to universal health coverage. While the share of external aid represents a declining portion of health spending in middle-income countries, it is increasing in low-income countries. This is associated with a reduction in the share of domestic government revenue allocated to health in low-income countries. Between 2005 and 2016, the median value of public spending on health as a share of general public spending (indicating prioritization of health) dropped from 7 per cent to 5 per cent in those countries.\(^{35}\) The incidence of catastrophic health expenditure, defined as large out-of-pocket spending in relation to household consumption or income, increased continuously between 2000 and 2015.\(^{36}\) While financial protection is deteriorating overall, evidence shows that countries with higher levels of public investment in health tend to fare better.

42. Reorienting the health sector towards universal health coverage, pooling revenues and reducing fragmentation will help to reduce inefficiencies in health systems. According to the World Bank and WHO, countries must increase spending on primary health care by at least 1 per cent of their GDP to close coverage gaps and meet the health targets agreed in the Sustainable Development Goals.\(^{37}\)


\(^{35}\) Ke Xu and others, Public Spending on Health: A Closer Look at Global Trends (Geneva, 2018).

\(^{36}\) WHO, Primary Health Care on the Road to Universal Health Coverage.

\(^{37}\) Ibid.
protection and the reduction of out-of-pocket payments will be crucial to reducing health inequities and impoverishment due to health spending.

B. **International and regional cooperation to create fiscal space for social development**

43. In response to COVID-19, middle- and low-income countries approached international financial institutions for budgetary support, and similar requests have been addressed to bilateral development partners. That need for greater financial support comes in the context of an uptick in ODA in 2019. ODA increased by 1.4 per cent in 2019 globally, totalling $152.8 billion, which represents 0.3 per cent of gross national income but is still below the United Nations commitment target of 0.7 per cent. Net ODA to the least developed countries and Africa increased by 2.6 per cent and 1.3 per cent, respectively.\(^3\) South-South and triangular cooperation are growing sources of external financing for social development. A survey by the Department of Economic and Social Affairs in 2017 indicated that 74 per cent of developing countries had engaged in some form of development cooperation, up from 63 per cent in 2015. Similarly, scaling up international tax cooperation is also central to fighting tax avoidance and tax evasion, for instance by preventing multinational enterprises from avoiding taxes through base erosion and profit shifting.\(^3\)

44. The share of ODA allocated to social development has decreased in recent years. Although social sectors remain the largest recipients of ODA, social spending has fallen as a percentage of total ODA from 40 per cent in 2010 to 35 per cent in 2017, with education suffering the largest decline in the share of spending (falling from 8.8 per cent of total ODA in 2010 to 7.1 per cent in 2017). ODA for education has plateaued since 2009 at about $11 billion to $13 billion per year in constant 2016 dollars, after having doubled in the early 2000s. The share of ODA allocated to education in the least developed countries fell from a peak of 47 per cent in 2004 to 34 per cent in 2016.\(^4\) In general, low levels of ODA are provided to social protection systems (averaging $1.1 billion a year between 2007 and 2017), especially compared with ODA allocated to social services, such as health and education (averaging $5.6 billion and $9.2 billion a year, respectively, during the same period). The decreasing share of assistance for social sectors reflects an increase in ODA disbursements for humanitarian aid and refugees in donor countries, as well as aid for productive investment (e.g. in energy and transport).\(^5\)

45. Although external aid is a small proportion of global health spending, emergency health financing is urgently required to combat the spread of COVID-19. WHO estimates that $1.7 billion is needed to respond to COVID-19 by December 2020. By 20 July 2020, WHO had received contributions of $848.2 million.\(^6\)

46. Lending by multilateral development banks, including the World Bank, regional development banks and other multilateral and intergovernmental agencies, increased

---


\(^4\) See the OECD/Group of 20 Base Erosion and Profit Shifting Project and Inclusive Framework on Base Erosion and Profit Shifting.


\(^6\) *Financing for Development: Progress and Prospects.*


by 4.7 per cent in 2018, to $71.90 billion. More could be done to further scale up
the contributions by those banks to the 2030 Agenda, including through incentives
aligned with the Sustainable Development Goals and integrated reporting.
Multilateral development banks are ramping up rapid disbursement of financial
support to counter the economic and social fallout of COVID-19 and strengthen social
protection systems. International financing is currently crucial, especially for the least
developed countries, for responding to urgent temporary financing needs.

47. The economic downturn is leaving countries severely constrained by debt
servicing obligations that stand in the way of COVID-19 response measures.
Consequently, countries of the Group of 20 have committed to suspending debt
service payments for countries eligible to borrow from the International Development
Association, plus Angola, for bilateral debts up to the end of 2020. That newly created
fiscal space will increase the social, health and economic spending of beneficiary
countries in response to the crisis. However, several constraints remain, notably the
exclusion of commercial and multilateral creditors and the limitation of the remit to
eligible countries, which excludes other low-income and heavily indebted middle-
income countries that request relief. In line with the Secretary-General’s policy brief
approach will be needed: (a) a stay on all debt service (bilateral, multilateral and
commercial) for all developing countries that request it; (b) additional debt relief for
highly indebted developing countries in order to prevent defaults and to create space
for investment in the Sustainable Development Goals; and (c) improvements of the
international financial architecture through fairer and more effective mechanisms for
debt crisis resolution and more responsible borrowing and lending.46

C. Introduction of innovative measures and streamlining of existing
policies and programmes, including public-private partnerships

48. The role played in financing for sustainable development by blended finance
and public-private partnerships, if carried out appropriately and effectively, is
recognized in the Addis Ababa Action Agenda. In that document, the potential and
the challenges of those practices are recognized; note is taken of the fact that “projects
involving blended finance, including public-private partnerships, should share risks
and reward fairly, include clear accountability mechanisms and meet social and
environmental standards”; and several principles are identified which should guide
public-private partnerships and blended finance.47

49. Blended finance has grown rapidly in recent years, helping to crowd in
commercial finance for investment in the Sustainable Development Goals. Between
2012 and 2018, $205.1 billion from the private sector was mobilized through official
development finance interventions. However, the use of blended finance for social
development remains limited. In 2018, only 5.6 per cent of private finance mobilized
went to social sectors.48

50. A newer public-private financial instrument for service delivery is the social or
development impact bond, through which a Government or a donor agency

46 United Nations, Department of Economic and Social Affairs, “COVID-19 and sovereign debt”,
Policy Brief No. 72, May 2020.
47 Financing for Development: Progress and Prospects.
48 OECD, “Amounts mobilized from the private sector for development”. Available at
www.oecd.org/dac/financing-sustainable-development/development-finance-
standards/mobilisation.htm.
compensates a private partner for achieving specified outcomes. While the impact bond market remains small, with approximately $370 million invested to date, it is steadily growing. According to the Brookings Institution, in 2019, 135 impact bonds were issued in 28 countries in the fields of employment, social welfare, health, education and criminal justice.

51. In the health-care sector, an innovative approach to financing in many low-income countries is that of debt buy-downs and conversions. In a buy-down, a third-party donor pays off a portion of a public loan on behalf of a country, freeing up resources for domestic health programmes. That portion can also be tied to performance, whereby the donor ties its payment to specific indicators. One example is the Debt2Health scheme of the Global Fund to Fight AIDS, Tuberculosis and Malaria.

52. Momentum has also grown around the idea of developing new mechanisms to mobilize additional financial resources for education, such as the Global Partnership for Education, the Education Cannot Wait fund and the recently proposed International Finance Facility for Education. The Facility will invite donors to provide guarantees, or other forms of contingent commitments, to encourage multilateral development banks to expand lending for education and provide grants blended with loans, to lower education financing costs.

53. Given that 82 per cent of capital that reaches developing countries comes from the private sector, it is crucial to ensure that those funds support the Sustainable Development Goals. An innovation in the health sector in the 2000s was the advanced market commitment, the aim of which is to incentivize pharmaceutical companies to develop drugs for diseases predominantly in developing countries, where populations may not be able to afford them. In June 2020, the Gavi Alliance launched an advance market commitment for COVID-19 vaccines aimed at incentivizing manufacturers to produce sufficient quantities of eventual COVID-19 vaccines and to ensure equitable access for developing countries.

V. Issues before the Commission for Social Development at its fifty-eighth session

54. The Commission for Social Development is the primary intergovernmental body responsible for the follow-up to and review of the implementation of the World Summit for Social Development. At its fifty-eighth session, the Commission adopted draft resolutions on social dimensions of the New Partnership for Africa’s Development (E/CN.5/2020/2), affordable housing and social protection systems for all to address homelessness (E/CN.5/2020/3) and modalities for the fourth review and appraisal of the Madrid International Plan of Action on Ageing, 2002

54 Gavi Alliance, “Gavi launches innovative financing mechanism for access to COVID-19 vaccines”, 4 June 2020.
All of the draft resolutions were subsequently adopted by the Economic and Social Council.

55. The present section concerns the work of the fifty-eighth session of the Commission on the priority theme that led to the first intergovernmental resolution on homelessness, as well as on the ministerial forum on the theme “Twenty-five years of the World Summit for Social Development: addressing emerging societal challenges to the implementation of the 2030 Agenda”.

A. Priority theme
Affordable housing and social protection systems for all to address homelessness

56. Homelessness is not merely a lack of physical housing, but is often interrelated with poverty, lack of productive employment and access to infrastructure, as well as other social issues that may constitute a loss of family, community and a sense of belonging. Depending on national context, it can be described as a condition where a person or household lacks habitable space, which may compromise their capabilities, including the ability to enjoy social relations, and includes people living on the streets, in other open spaces or in buildings not intended for human habitation, people living in temporary accommodation or shelters for the homeless, and, in accordance with national legislation, may include, among others, people living in severely inadequate accommodation without security of tenure and access to basic services.

57. Homelessness affects people of different ages and with diverse economic, social and cultural backgrounds, in both developed and developing countries. It is mainly driven by structural causes, including inequalities, poverty, a loss of housing and livelihood, a lack of decent job opportunities, lack of access to affordable housing, including owing to negative impacts of the commodification of housing, lack of social protection, lack of access to land, credit or financing, and high costs of energy or health care, as well as lack of financial and legal literacy. It could also be related to a number of contributing factors, and social issues including drug and alcohol abuse and mental disorder and other mental health conditions, or to personal and family circumstances, such as family breakdown, divorce, separation and abandonment, domestic violence and child abuse.

58. It is currently difficult to accurately count the number of people experiencing homelessness, as there are no universally agreed definitions of homelessness or approaches to measuring it, and data are often not comparable between countries. When the United Nations last attempted to count the total global number in 2005, 100 million people were estimated to be homeless. According to the United Nations Human Settlements Programme (UN-Habitat), globally 1.6 billion people live in inadequate housing conditions, with about 15 million forcefully evicted every year.

59. The characteristics of homeless populations have become increasingly diverse, but certain groups have been overrepresented in the past, such as single adult men, members of indigenous populations and people leaving institutional care, as well as older persons, young people, families with children, and migrants, particularly unaccompanied migrant adolescents. In developing countries, the majority of homeless people live in severely inadequate housing, mostly in slums and informal

---

55 See Economic and Social Council resolution 2020/7.
56 Ibid.
57 UN-Habitat, “Inclusive urban development policies”, paper presented at the expert group meeting on affordable housing and social protection systems for all to address homelessness, Nairobi, June 2019.
settlements in inhumane conditions, such as in overcrowded and insecure dwellings, with no access to safe drinking water and adequate sanitation, and facing the risk of eviction. They are, however, not necessarily the poorest in society and most of them, across all social groups, are constantly in work, albeit in low-skilled and low-paid work in the informal sector, without social protection.

60. Women and children make up a large proportion of the homeless population. Female-headed households, particularly single mothers living in poverty, are considered at high risk for homelessness, as they often hide or stay with friends and family, in fear of physical abuse, kidnapping or trafficking. Young people (those between 15 and 24 years of age) have been identified as the population group most at risk of becoming homeless, mainly as a consequence of family poverty. Of particular concern is an increase in child homelessness (often described as an increase in “street children” in developing countries), which usually lasts for a long period and often transmits intergenerationally. Abandoned children, AIDS orphans, children and young people with homeless parents, and children displaced by violent conflicts or natural disasters often end up living on the streets and in other open spaces.

61. Indigenous peoples worldwide continue to be subject to poor and insecure housing conditions, and many of them remain extremely vulnerable to homelessness, especially in urban areas. Older persons may face challenges in gaining access to adequate housing or suffer financial abuse, forced evictions or land grabs and thus be at risk of homelessness. Older women are particularly vulnerable and face multiple forms of discrimination, including with regard to property and land inheritance rights. A disproportionate number of persons with disabilities are homeless. Children and women with disabilities face a higher risk of violence, abuse or abandonment.

62. People can become homeless temporarily or for prolonged periods as a result of conflicts or climate-induced disasters, such as hurricanes, floods and drought. Emergency shelters and temporary housing are crucial for those displaced by disasters or conflicts, and relocation assistance for their transition to permanent housing should be provided as quickly as possible to shorten the time that they spend homeless.

63. Timely and reliable data are key to achieving the Sustainable Development Goals, ensuring that no one is left behind and reaching those furthest behind first. In that regard, it is necessary to establish categories of homelessness, harmonize the measurement of homelessness and collect reliable and disaggregated data on people living in homelessness, such as by age, sex and disability, in order to devise and implement context-appropriate and comprehensive strategies, and to assess whether those solutions are effective in achieving desired outcomes and progress over time.

64. Homelessness is a complex issue that requires comprehensive and intersectoral national strategies that span fiscal, economic, labour, housing, health, social protection, urban development, environmental and population policies to address the multiple underlying causes of homelessness. While Governments hold the primary responsibility, they cannot end homelessness alone. A whole-of-society approach therefore needs to be taken, by adopting policies that are inclusive of and responsive to the needs and aspirations of individuals, especially those in disadvantaged or vulnerable situations, and taking into consideration existing frameworks and instruments related to homelessness.

65. Affordable housing and social protection policies play a major role. To improve access to affordable housing, policies need to be strengthened, including through the introduction of integrated housing policies and social protection measures, protection against unlawful forced eviction, the provision of adequate emergency and temporary shelter and services, and support for the development of affordable housing, especially for low-income households. In addition, measures to stimulate the supply of a variety of adequate housing options that are safe, affordable and accessible for
members of different income groups should be promoted, in collaboration with the private sector and local communities.

66. The provision of social protection through a set of policies and programmes designed to reduce and prevent poverty and vulnerability for all people throughout their life cycle can contribute to preventing homelessness and facilitating access to adequate housing. For example, social assistance, housing benefits, unemployment protection, long-term care and old-age pensions can address specific risk factors. Nationally appropriate social protection systems for all can support the most vulnerable through universal age-, disability- and gender-sensitive social protection systems. Social protection floors can help to prevent homelessness by offering basic access to essential health care and guaranteeing basic income security. Continued efforts should be made to strengthen national social protection policies and systems and expand the coverage of social protection floors to all. Furthermore, sport and physical activity can provide important social benefits and opportunities for young people and students facing homelessness.

B. Emerging issue

Twenty-five years of the World Summit for Social Development: addressing emerging societal challenges to the implementation of the 2030 Agenda

67. The Commission commemorated the twenty-fifth anniversary of the Summit by holding a ministerial forum on the theme “Twenty-five years of the World Summit for Social Development: addressing emerging societal challenges to the implementation of the 2030 Agenda”. During the forum, Member States reaffirmed that the visions, principles and commitments made at the Summit remained valid or even more critical to addressing emerging global challenges than before.

68. Over the previous decades, considerable progress has been made in social development, but it has been uneven across and within countries and indicators. While more than 700 million people, equivalent to 10 per cent of the world population, are left living in extreme poverty in 2015, the pace of poverty reduction in many regions has slowed. In 2017, extreme working poverty remained widespread, with more than 300 million workers in emerging and developing countries having a per capita household income or consumption of less than $1.90 per day. In addition, in 2020, global hunger is on the rise for the third year in a row, with more than 820 million people in the world still hungry.

69. Income inequality has increased in most developed countries and remains very high in developing countries despite notable decreases in some countries. In addition, inequality of access to education and health care, based on gender, race, ethnicity, urban or rural residence, disability and migration status, persists. Population dynamics are also changing, and many countries are now facing population ageing. By 2050, an estimated 16 per cent of the world population will be over the age of 65, compared with 9 per cent in 2019. That trend will have an impact on pension systems, employment opportunities for older persons, health care and long-term care.

58 See E/CN.5/2020/5.
70. Advances in technology, especially digital technologies, are affecting the daily lives of people everywhere. As new technologies and the shifting organization of work have become a permanent feature of the modern workplace, affecting workers in many sectors, workers need to upgrade their skills or retool in order to keep up with the demand for higher-level skills. There is a need to ensure their access to lifelong learning and support during labour market transitions. New technologies are also increasing workforce polarization and non-standard working arrangements, as many jobs are contractual and lack the benefits and stability of traditional jobs.

71. There is a need to safeguard the progress made so far in the implementation of the Programme of Action of the World Summit for Social Development and the 2030 Agenda and to ensure that no one is left behind or is pushed further behind in the recovery from the current crisis. Effective social policies are crucial for a better recovery on a more inclusive and sustainable path. The work of the Commission for Social Development is therefore crucial for fully integrating the social dimensions of sustainable development and the implementation of the 2030 Agenda, on the basis of the lessons learned from 25 years of experience implementing the outcome of the World Summit for Social Development. Investment in public health, education and social protection systems, the creation of decent jobs and people’s empowerment are the best ways of preventing and reducing poverty and inequalities and of enhancing the well-being and resilience of all people.

VI. Conclusions and recommendations

72. Despite significant achievements in social development, the pace of progress has been slow and gaps remain. The current COVID-19 crisis is likely to reverse decades of progress in social development, leaving more people behind. It has also had a negative impact on the abilities of Governments to achieve the 2030 Agenda and the Sustainable Development Goals. At this critical moment of the decade of action for the Sustainable Development Goals, the visions, principles and commitments made at the World Summit for Social Development remain valid and are central to addressing emerging global challenges. Lessons learned over the past 25 years can help countries to pursue people-centred and inclusive sustainable development by taking a whole-of-government and whole-of-society approach involving all stakeholders, including the most disadvantaged.

73. As follow-up actions to the World Summit for Social Development to accelerate progress in achieving the Sustainable Development Goals, the General Assembly may wish to consider the following recommendations:

(a) In the face of the COVID-19 crisis, Member States should put social development and people’s well-being at the centre of crisis response and recovery in order to “build back better”;

(b) To enable an inclusive, fairer and resilient recovery, Member States should create the fiscal space necessary to safeguard progress in social development made so far by mobilizing sufficient and sustainable financing through a combination of improved domestic resource mobilization, international and regional financial and technological cooperation and the leveraging of private sector resources;

(c) Member States should sustain investment in nationally appropriate social protection systems and strengthen inclusive and quality education and health services, in order to ensure a sustainable recovery and enhance preparedness for future shocks;
(d) To support better recovery, Member States should design policies based on data, analysis and evidence to address the differentiated impact of the crisis on disadvantaged and vulnerable populations, focusing on reducing poverty and inequalities, ensuring equal access to health care, quality education and ICTs, building inclusive institutions and creating decent job opportunities in growing sectors, while protecting and building resilience for at-risk groups, especially those engaged in informal and vulnerable work, and in micro-, small and medium-sized enterprises;

(e) International communities should promote global solidarity to assist countries that require international support in their efforts to build back better, investing in particular in national health, education and social protection systems, closing digital gaps and sustaining the global food supply chain.