UNDP inputs on Poverty Eradication

The United Nations Development Programme (UNDP) has been at the forefront of initiatives aimed at poverty eradication and reduction of inequalities, promoting full and productive employment, and fostering social integration. UNDP's extensive field experience in 170 countries offers valuable insights and strategies on poverty eradication.

I. Poverty Eradication	References
(1) UNDP's commitment to ending poverty is exemplified through its annual <i>Human Development Reports</i> , initiated in 1990. These reports have consistently provided in-depth analyses and data on global poverty trends, influencing policy and development strategies worldwide. The 2020 report, titled <u>"The Next Frontier: Human Development and the Anthropocene,"</u> introduced the Planetary-Pressures Adjusted Human Development Index, emphasizing the interconnectedness of human development and environmental sustainability.	(1) Since 1990, UNDP has promoted human development as an overarching human-centered development approach. In 2020, the HDI was adjusted for planetary dimensions, see more: Planetary pressures-adjusted Human Development Index Human Development Reports
Ecological change is destabilizing the status quo of development theory, exposing deep contradictions in policy and practice. The 2030 Agenda reflects an aspiration to bring together the social and natural foundations of development policy. Achieving this goal will require more than scaled-up finance and green technology. Transformational change will demand adaptation of the concept of human development itself.	See also: <u>Rethinking Human Development In an Era</u> of Planetary Transformation Human Development <u>Reports</u>
(2) In 2019, UNDP Human Development Report "Beyond income, beyond averages, beyond today: Inequalities in human development in the 21st century" provided evidence that (i) a new generation of inequalities is emerging, with divergence in enhanced capabilities, despite convergence in basic capabilities; (ii) it notes that inequalities accumulate through life , often reflecting deep power imbalances (Observation - lifelong disadvantage: the greater the inequality in human development, the lower the intergenerational mobility in income—and vice versa); (iii) assessing and responding to inequalities in human development demands a revolution in metrics (N.B. existing standards and practices for measuring inequality are inadequate to inform public debate or to support decision making). The report recommends a framework for designing policies to redress inequalities in human development: Policies for inclusive expansion in incomes (productivity and equity); redressing inequalities in basic and enhanced capabilities; accelerate convergence in basic capabilities; reverse divergence in enhanced capabilities; and eliminate gender and horizontal inequalities.	(2) UNDP (2019), HDR available at: <u>Human</u> Development Report 2019 Human Development <u>Reports</u>
(3) The Copenhagen Declaration recognized poverty as a pressing global challenge, its conceptualization and strategies focused on absolute poverty reduction through economic growth, job creation, and expanded access to basic services. Over the past 30 years, the understanding of poverty has evolved , with a greater emphasis on structural barriers, inequality, and resilience-building . Today, poverty reduction is	 (3) Some relevant (most recent) work that UNDP has published on the expanded understanding and measurement of poverty include (inter alia): 2025 UNDP Human Development Report: Digital (forthcoming April/25)

recognized as a **multidimensional challenge** requiring policies that address **economic, social, environmental, and technological factors simultaneously**.

- 3.1. A Broader Understanding and Measurement of Poverty There is a growing recognition that monetary poverty measures, while essential, must be complemented by non-monetary indicators that assess well-being more holistically. Access to healthcare, quality education, nutrition, and secure living conditions are equally critical to ensuring that individuals and families can escape poverty sustainably. Furthermore, advances in big data, AI, and geospatial analysis have the potential to revolutionize poverty measurement, enabling governments and international organizations to track poverty in real time, identify localized disparities, and tailor interventions to specific populations. The increased use of disaggregated data enables policymakers to design more targeted and adaptive poverty reduction programmes, ensuring that resources reach those most in need. Additionally, the rise of digital financial services, mobile banking, and digital ID systems has enhanced financial inclusion and access to social benefits, making it easier for marginalized communities to receive support.
- **3.2. From Social Integration to Tackling Structural Inequality** While the 1995 Copenhagen Declaration acknowledged inequality, it did not explicitly frame poverty because of wealth concentration, labour market inequities, or systemic discrimination. Instead, it promoted social integration, emphasizing community participation and economic inclusion without directly addressing the power structures and institutional barriers that sustain economic disparities. Today, inequality is recognized as a fundamental driver of poverty that must be tackled through proactive policies that redistribute resources. Intersectional approaches acknowledging how race, gender, disability, and migration status (among others) intersect to deepen economic disadvantage have become essential components of poverty reduction strategies.

For UNDP, it is very important to recognize that (see 2015 UNDP Humanity Divided):

- Inequality cannot be effectively confronted unless the inextricable links between inequality of outcomes and inequality of opportunities are taken into account.
- There is nothing inevitable about growing income inequality; several countries managed to contain or reduce income inequality while achieving strong growth performance.
- **3.3. The Central Role of Social Protection** In past decades, social protection was viewed as a secondary or complementary measure, designed primarily to assist those who were unable to participate in the labour market, such as the elderly, people with disabilities, and the unemployed. Formal employment was assumed to be the main route out of poverty, with contributory social security systems covering those engaged in structured labour markets. Today, social protection is recognized as a central pillar of poverty reduction, ensuring basic income security, resilience to shocks, and equal opportunities for all segments of society. Modern approaches emphasize universal access to social protection throughout the life cycle, rather than restricting benefits to specific employment categories. There is also greater

- 2024 Global MPI Report (UNDP & OPHI): Poverty Amid Conflict <u>2024 Global</u> <u>Multidimensional Poverty Index (MPI)</u> <u>Human Development Reports</u> (Fact: Nearly 40% of the 1.1 billion poor (455 million) live in countries exposed to violent conflict, hindering and even reversing hardwon progress to reduce poverty. Over half of the 1.1 billion poor (584 million) people are children under the age of 18.)
- 2023 UNDP & OPHI: Unstacking global poverty: Data for high impact action, available at: 2023 Global Multidimensional Poverty Index (MPI) | Human Development Reports
- 2022 MPI Report: The Diversity of Poverty <u>The diversity of deprivations</u> (Fact: 17% of multidimensionally poor live in urban areas. 83% of multidimensionally poor live in rural areas. Adults: 1 in 7 adults is multidimensionally poor. Children: 1 in 3 children is multidimensionally poor)
- 2022 UNDP: Diverse Ways to Build Social Protection? Lessons from the Breadth of Emergency Social Policy Responses Around the World | United Nations Development Programme
- 2015 UNDP: <u>Humanity Divided: Confronting</u> <u>Inequality in Developing Countries | United</u> <u>Nations Development Programme</u>
- 2021 UNDP: <u>Next Practices: Innovations in</u> the COVID-19 social protection responses

awareness that informality is not a temporary condition but a structural feature of many economies, requiring policies that extend protection to gig workers, informal laborers, and the self-employed.

(4) Working in 170 countries, UNDP has promoted policy interventions that balance equal access to opportunities, protection (social protection schemes) and human development (investing in capabilities).

<u>UNDP's Strategy for Inclusive and Sustainable Growth</u>, outlining services to support countries in formulating and implementing plans aimed at achieving inclusive growth and full employment. The strategy identifies three broad priorities as critical for enabling countries to achieve this goal:

- Integrated planning for inclusive and sustainable growth
- Supporting employment creation, decent work and redistributive programmes to address poverty, inequality and exclusion
- Mobilizing and scaling up financing for enabling transition to inclusive and sustainable growth

(5) Dimensions that have now become central to poverty reduction efforts, include:

5.1. Health Inequities: Social, economic and environmental factors are embedded in development as the three interlinking pillars of sustainable human development. They also, to a large extent, determine population health and the distribution of health. Health Inequities are avoidable, unjust systematic differences in health between groups with different levels of social advantage and disadvantage. While this is widely acknowledged, the effects of Social, Economic and Environmental Determinants (SEEDs) of health and health equity are rarely fully addressed in development policy and practice. This means that opportunities to maximize co-benefits for health and development are often missed.

5.2. Climate Change and Resilience: Environmental factors were not widely recognized as poverty drivers in past decades, whereas today, it is understood that climate-induced disasters, food insecurity, and displacement disproportionately affect the poorest populations.

For example - in the Arab region, already the world's most food import dependent and water insecure region. More than 40% of its 357 million population is already exposed to drought and other climatic disasters, and this could well increase as temperatures rise faster than the global average - by as much as five degrees Celsius by end of the century. In Sudan, UNDP supports a <u>Climate Risk Finance</u> programme, with a US\$5.7 million grant from the Least Developed Country Fund (LDC-F). The project helps develop the capacity of national insurance companies to develop and commercialize the country's first Weather Index Insurance products, and supports government partners to put in place enabling policies to support scaling up of climate insurance as a new form of social protection for the poor.

and beyond | United Nations Development <u>Programme</u>

Dashboard: <u>Social Protection Responses to</u> COVID-19 in the Global South | Data Futures <u>Exchange</u>

[Note: To help understand national responses, the Online Dashboard details important aspects of their implementation, including types of social protection programmes, main target groups, financing sources, types of adaptation and links with existing programmes, timeliness of implementation, registration and payment mechanisms, duration, coverage and adequacy of benefits. Results can be filtered by countries, subregions, regions, country-income groups, according to the classification of fragile and conflict-affected states, among other filter options.]

5.1. 2017 UNDP & UCL Institute of Health Equity:

Addressing social, economic and environmental determinants of health and the health divide in the context of sustainable human development | United Nations Development Programme

5.2. UNDP report on Ecosystem Resilience for SDG Achievement and Human Security: Transformation Towards Sustainable and Resilient Societies | United Nations Development Programme

2021 UNDP: Framework for enhancing gender and poverty integration in climate finance | UNDP

<u>Climate Promise</u> [The framework responds to a central topic for the green economic recovery agenda regarding the mobilization of resources, creating fiscal and monetary policies that scale up social protection, support employment, reduce poverty, and address inequalities.

It proposes four pillars to be applied across public, innovative and multilateral funding sources to integrate gender equality and poverty reduction in climate finance: governance, resource planning and allocation, accountability, and capacity building.] **5.3. Informality and Precarious Work**: Whereas earlier policies aimed to transition workers into the formal sector, they largely overlooked the reality that most of the poor work informally. Today's approaches prioritize expanding labour protections and social benefits to informal and gig workers rather than assuming they will enter formal employment.

[Fact: The informal economy absorbs 8 out of every 10 enterprises in the world. More than 60 percent of the world's employed population, that is 2 billion people earn their livelihoods in the informal economy. The emergence of non-standard forms of employment, including through the rise in digital labor platforms, is also pushing the boundaries of the informal economy around the globe.]

5.4. Gender-Responsive Policies: In the past years, there has been growing recognition on the importance of women's economic participation, but their disproportionate role in unpaid care work, and imaoct of gender-based violence, and discriminatory labour market structures are not sufficiently explored in the perpetuation of poverty.

5.5. Migration and Urbanization: The geography of poverty is gradually shifting. Poverty reduction efforts were largely focused on rural areas, while urban poverty was seen as a secondary issue. Today, with mass urbanization and migration shaping global labour markets, policies must address housing insecurity, informal settlements, and the challenges faced by migrant workers.

5.6. Displacement: The search for solutions to protracted forced displacement must be seen as a development issue, not simply through a predominately humanitarian lens. UNDP (2023) has developed an Institutional Strategy to tackle internal displacement through durable solutions. Durable solutions: A durable solution is achieved when IDPs no longer have specific assistance or protection needs linked to their displacement and can enjoy their human rights without discrimination resulting from their displacement. Learning by doing, some UNDP Country Offices – e.g., Colombia, Iraq, Nigeria, Pakistan, Somalia, Sudan, Syria – accumulated a wealth of experience on internal

5.3. Informal Economy | Data Futures Exchange

[Note: Drawing on **190+ indicators**, the Informal Economy Data Explorer includes and helps visualize a wide range of data on the informal economy (workers and enterprises). It supports comparative cross-country research on the informal economy and allows to investigate relationships between informal economy indicators, poverty, inequality, gender, governance, technology other key development indicators].

2023 UNDP: <u>Making the Invisible Visible: Informal</u> Innovation in South Africa | United Nations

<u>Development Programme</u> [The informal sector is dominant in all African countries, and South Africa is no exception. The share of the informal economy in non-agricultural employment is estimated to be 74.5% for sub-Saharan countries.]

5.4. EQUANOMICS is the UNDP's flagship initiative aimed at dismantling economic structures that generate and perpetuate gender inequality. It focuses on aligning private capital towards gender equality, identifying gender smart investment opportunities, and developing gender responsive bond frameworks. Available at: Equanomics by United Nations Development Programme - | UNDP

5.5. With migration numbers set to rise globally, investing in safe migration pathways is key, says UNDP | United Nations Development Programme

2024 Policy Brief: Reimagining Urban Governance in Asia and the Pacific | United Nations Development Programme

5.6. 2022 UNDP: <u>Position Paper: Adaptive Solutions</u> in the Region Affected by the Syria Crisis | United Nations Development Programme

displacement. At the regional level, the Sub-Regional Response Facility for the Syria crisis (SRF), in particular, has provided significant contributions to the conceptualization of UNDP's development approach to internal displacement <u>From Fragmentation to Integration: Embedding Social Issues in Sustainable Finance United Nations</u> <u>Development Programme</u>	2022 UNDP: Turning The Tide on Internal Displacement: A Development Approach to Solutions United Nations Development Programme
II. Full and Productive Employment and Decent Work	References
UNDP aligns its efforts with SDG8, which focuses on promoting sustained, inclusive, and sustainable economic growth, along with full and productive employment and decent work for all. The organization's strategies highlight the need for development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity, and innovation.	• The 2015 Human Development Report, titled "Work for Human Development," delved into the evolving nature of work and its implications for human development. It underscored the necessity of ensuring that all individuals have access to decent work opportunities, which are crucial for economic growth and social integration.
III. Social Integration	References
UNDP's approach to social integration involves promoting inclusive societies where all individuals, regardless of their background, can participate fully in economic, social, and political life. The organization's initiatives aim to empower marginalized communities, reduce inequalities, and foster social cohesion. By advocating for policies that ensure equal access to resources and opportunities, UNDP strives to build societies that are resilient and inclusive.	 2023 UNDP: From Fragmentation to Integration: Embedding Social Issues in Sustainable Finance United Nations Development Programme [N.B. Key recommendations for governments, regulators and financial institutions to: support research on the systemic risk of socio-economic inequality for financial stability; adopt and improve social disclosure standards and risk management tools; and rethink the macroeconomic determinants of sustainable finance.]