

The implementation of the Third United Nations Decade for the Eradication of Poverty (2018-2027)

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Progress in implementing the inter-agency system-wide plan of action for eradicating poverty

I Key activities, assessment of results and impact

ECA has been at the forefront of the response to growing poverty following multiple and overlapping crises (Covid-19, Ukraine crisis and climate disasters). ECA has led and contributed to efforts to build resilience in countries through several initiatives aimed at strengthening African countries capacities to cope with the severe social and economic implications of the various crises. In an effort to mitigate the impact of recent crises aimed at enhancing economic resilience in countries, ECA has supported the development of the first vaccine procurement mechanism - Africa Vaccine Acquisition Trust (AVAT), and in response to the food crisis, ECA launched the Africa Trade Exchange Platform (ATEX) and established the Sustainable Debt Coalition designed to increase the available finance to fuel Africa' green development.

In response to the pandemic, the 2021 edition of ECA's flagship Economic Report in Africa titled *Addressing Poverty and Vulnerability in Africa during the Time of the COVID-19 Pandemic* examined the causes and consequences of growing poverty on the continent due to the pandemic. As a mitigation measure, ECA led the analysis and assessment of the potential of the pharmaceutical and vaccine manufacturing in Africa. The analysis demonstrated that the health and wellness sector is expected to generate business opportunities amounting to \$259 billion by 2030 and create more than 16 million jobs that could contribute to poverty reduction.

ECA's advocacy along with key international and regional institutions (AUC, Africa CDC, AfreximBank, WTO, WHO among others), several African countries, have developed their vaccine and pharmaceutical manufacturing capacities with significant potential for job creation and poverty reduction.

With regard to poverty reduction policies ECA developed the Risk and Vulnerability Index in view of strengthening the capacity of member states to assess and better respond to poverty and the risks associated with vulnerability, including by formulating evidence-based policies. ECA convened an Expert Group Meeting on 'Enhancing countries' capacities to better assess poverty and vulnerability' for 10 African countries with the highest number of people living in extreme poverty. Member states noted the need to strengthen the data collection architecture at national level in order to support countries' capacities to assess poverty and inequality, and for robust evidence-based policy-making.

ECA engaged with a selection of countries to apply the Regional Study *Situational Analysis of Poverty Measurement and Multidimensional Poverty Index (MPI): COVID – 19 Considerations for the African Continent*, to developing a multidimensional poverty index methodology for Africa. Moreover, capacity-building activities on the financing of social policy with a COVID module and on managing the risks for post COVID-19 Recovery were delivered in August 2020 and in November 2022 to 137 and 300 participants, respectively.

Further, for the 55th Session of the Economic Commission for Africa held in March 2023 titled *Fostering recovery and transformation in Africa to reduce inequalities and vulnerabilities* ECA brought together the African Ministers of Finance, Planning and Economic Development to deliberate on and discuss how to best tackle growing poverty and inequality on the continent. African countries were encouraged to implement measures to combat poverty and inequality by supporting vulnerable members of society, including young people, women, older persons, and persons living with disabilities. The Committee recommended that ECA continue to advocate reform of the global financial architecture and support countries facing peace and security issues in developing long-lasting solutions, in collaboration with the African Union Commission.

ECA's 2023 Economic Report on Africa titled *'The impact of global economic shocks on Africa – how to build resilience'* focuses on the impacts of multiple and recurring global shocks on African economies and the extent to which these shocks impede Africa's prospects of achieving the targets set in the Sustainable Development Goals (SDGs).

II Progress made

Poverty reduction in Africa has reversed after years of relative progress due to recent crises. While Africa's robust economic growth in the last two decades contributed to poverty reduction, inequality widened and remains pervasive across the continent, and is particularly stark in Southern Africa.

III Gaps and challenges, including the socio-economic impacts of the multiple and overlapping crises the world is currently facing

Recent crises - the COVID-19 pandemic, the Russia-Ukraine crisis and climate change have reversed the gains that had been made in poverty reduction, and exacerbated poverty and inequality. The continent currently accounts for the highest proportion of the world's poor – 54.8 per cent in 2022, and half of Africa's population - 546 million people living in extreme poverty. In addition, 149 previously non-poor Africans fell into poverty in 2022 due to ongoing crises.

Ongoing gaps and challenges include debt distress in many African countries along with an increasingly shrinking fiscal space are impeding and constraining governments' capacities to adequately respond to growing poverty, including by providing adequate social protection.

Majority of countries on the continent - 39 out of 54 countries are facing major challenges in achieving SDG 1 on poverty alleviation¹, rendering the prospects for the attainment of Agenda 2030 on Sustainable Development, and Agenda 2063 on the Africa We Want untenable.

IV Response; recovery, and key policy messages and recommendations.

Achieving sustained poverty reduction in Africa, requires a thorough understanding of the nexus between poverty and vulnerability to uninsured risks. ECA proposed policy recommendations include: i) exploring innovative and affordable market-led insurance schemes in close collaboration with the private sector; ii) pursuing pro-poor policies, with spending targeted at safety nets to support the most vulnerable; iii) pursuing a structural development path that is just and people-centered, and catalyzed by industrialization and the African Continental Free Trade Area (AfCFTA) and vi) by leveraging climate finance for decent job creation.

V Efforts made to foster greater inter-agency convergence and collaboration in sharing knowledge, promoting policy dialogue, facilitating synergies, mobilizing funds, and providing technical assistance in the key areas of policy focus contained in the system-wide plan of action.

ECA in collaboration with DESA held an inter-agency Expert Group Meeting in May 2023 on the implementation of the Third United Nations Decade for the Eradication of Poverty titled *Accelerating Global Actions for a World Without Poverty: Gaps, Challenges and Progress* that assessed the progress in implementation of the inter-agency system-wide plan of action for eradicating poverty. During the meeting, which brought together various UN agencies and experts in government, academia, think tanks, and civil society organizations, key trends in poverty and innovative approaches to measure poverty as well as measures to mitigate the impacts of crises, and the UN system support to reduce poverty were discussed.

¹ UN Report of the Secretary General on the work of the Organization, 2022.

As part of the Development Account 16 project, ECA in collaboration with ESCWA will support member States to generate knowledge for improved Social Protection policies in order to accelerate inclusive, equitable, and sustainable social protection systems in Africa. The project will leverage ESCWA's key analytical and advisory tools and standardized approaches – notably the self-assessment template for establishing *Comprehensive National Social Protection Systems and Reforms Country Profile Reports* – that have been developed and can be readily applied in both the African and Arab regions.