

Side Event “Universal Social Protection: End Poverty and Reduce Inequality”,
High-Level Political Forum (18. July 2017, 18:15 – 19:45)

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Cooperation and Development

Venue: Permanent Mission of Germany to the United Nations (Auditorium)

Titel: The Role of Social Protection in Implementing the 2030 Agenda

1. Introduction

- Even though there has been success in reducing poverty in the world, still more than 750 million people are living in extreme poverty.
- At the same time, inequality within and between countries is a main global challenge and a threat to sustainable development with regard to its social, economic and ecological dimension.
- “Leaving people behind” can cause conflict and threaten social cohesion.
- Looking at these global challenges, the 2030 Agenda is our **guiding framework for action** – our joined compass. We have to implement it together to end poverty and enable social, economic and political participation for all, while protecting the environment.

2. The Agenda 2030

- Before reflecting on the specific role of social protection, I want to share with you a few key messages with regard to the 2030 Agenda.
- **First, the 2030 Agenda is a universal agenda.** The Agenda is not a development programme for poor countries. Its strength lies in its universal applicability to all countries and actors. No individual actor could manage the transformation alone.

- **Developed countries**, have to take global responsibility, for example by reducing their '**social and ecological footprint**': a transformation of our global consumption and production patterns is necessary, and developing countries need fair access to markets.
 - In January, **Germany** adopted its sustainability strategy, which contains ambitious goals. For example, we want to more than triple the share of renewable energy by 2050, bringing it to 60 percent.
- **But also developing countries** must do their share, for example by **broadening their domestic resource base**, which is still considerably low.

Second, Poverty reduction and reduction of inequality require also better governance:

- Where power is uncontrolled and in the hands of a few, poverty and instability grow. An open exchange between the state and its citizens is necessary.
- German development cooperation is supporting this with programmes to foster civil society, with education and policy advice to governments.

Third: The 2030 Agenda aims to **balance three dimensions of sustainable development: the economic, social and environmental dimension**

- This means, we must thus pay close attention to the **interactions between the SDGs. There are positive synergies between them, but also negative trade-offs.**
- For example, high inequality has negative impacts not only on social cohesion, but also on economic growth.
- Also, climate change policies, sustainable development and poverty reduction are closely connected. **Linking the 2030 Agenda and the Paris climate change agreement** is crucial. Germany is the world's second largest donor in climate finance

Forth, Funding of the 2030 Agenda must include all funding streams:

- Successful implementation can only be achieved if everyone pulls in the same direction. We have recognised that ODA cannot be the only solution. Africa alone would need around USD 600 billion annually to implement the 2030 Agenda. This is beyond the scope of all public means.
- The **private sector** has a key role to play in meeting the global challenges. We must bring businesses on board for the 2030 Agenda, create jobs and encourage private investment. **Domestic resource mobilisation** – as mentioned earlier – is likewise crucial to funding the implementation of the SDGs!

Finally, underlying the Agenda is the new powerful commitment **to *leave no one behind*** and to reach those farthest behind first – a paradigm shift. This shall of course refer to all SDGs. However, Social Protection has a particular role to play in this regard.

Let me now reflect a little more in detail the **important role of Social Protection** – not only to poverty reduction and inequality – which is quite obvious – but to the implementation of the 2030 Agenda and the Sustainable Development Goals as a whole!

3. Role of social protection in the implementation of the Agenda 2030

Everyone requires social protection at some point in their lives:

- *Social assistance, social insurance or labour market protection* can protect during acute events like a spell of unemployment, sickness, accidents or other crises, like the increasing number of man-made and climate-related shocks and emergencies.

But most importantly, social protection also helps those farthest behind first: it prevents people from falling into poverty AND supports on their way out of poverty.

How is social protection embedded in the 2030 Agenda?

Social protection addresses **all 5 Ps of the Agenda:** *people, planet, prosperity, peace, and partnerships.*

- (1) As a human right, social protection is centred on **people**, and empowers them not only to overcome poverty and hunger, but to “fulfil their potential in dignity and equality and in a healthy environment”.
 - (3) By strengthening people’s resilience in the face of shocks, social protection helps to reduce adverse coping strategies that negatively affect the environment (e.g. cutting off trees as firewood).
 - (4) By promoting *inclusive* growth, social protection can help “ensure that *all* human beings can enjoy **prosperous** and fulfilling lives”.
 - (5) Social protection decreases inequalities and fosters social cohesion for people to live in **peace** and “just and inclusive societies, which are free from fear and violence”.
 - (5) And finally, due to its intersectoral nature, social protection both requires **partnerships** and helps foster them due to its inherent principle of “solidarity, focussed in particular on the needs of the poorest and most vulnerable”.
- The insight that **social protection plays a key role not only for the social but also for the economic and political development of countries** has shaped the Agenda 2030. Social protection has found its way into several SDGs:

(1) Social protection is explicitly mentioned as a **key instrument for the achievement of SDG1 (under 1.3), the eradication of poverty, and SDG10, the reduction of income inequality** (under 10.4).

(2) Furthermore, it is explicitly mentioned **SDG 5**, particularly supporting woman, in **SDG 3** (health), as well as protecting labour rights under **SDG 8**, in particular those of vulnerable populations, such as migrant workers, and those in precarious employment, just to mention a few.

- These are ambitious goals – but they also give us clear guidance for what is needed in terms of implementation.

4. Global Partnership for Universal Social Protection

- Against this background, the international community had already responded by engaging in a **Global Partnership for Universal Social Protection**, initiated by the World Bank and ILO.
- **Germany** supports this initiative to gain more momentum for Universal Social Protection
- The partnership aims **to increase the number of countries that can provide universal social protection and support countries in its design and implementation.**
 - *This protection can be provided through social insurance, tax-funded social benefits, social assistance services, public works programs and other schemes guaranteeing basic income security.*
- We in **Germany** have learned to appreciate this a lot: Germany has a long tradition in social protection systems, with the **world's first social protection system** being instated in the 1880s.
- Against this background, and in view of the 2030 Agenda which requires to not have a narrow approach but intersectoral by increasing access to health, education and other basic services. German Development Cooperation has been supporting such a **systems approach** throughout its engagement in social protection in partner countries.

- For example, Germany supported **Indonesia** in the introduction of a national health insurance provider and contributed to **building a social health protection system** that is about to become the biggest social health insurance scheme in the world, covering approx. 169 million people.
- Building on the longstanding experience of the German Development Cooperation, we now aim to **promote the importance of universality in other countries** and at global level, as a key contribution to achieving the SDGs.
- To this end, German Development Cooperation **recently organized a global practitioners learning on SDGs and social protection** together with Mexico as an active global player in defining and promoting the 2030 Agenda.
- Ladies and Gentlement, Germany strongly supports and will continue to support ILO and the World Bank in advancing the cause of **Universal Social Protection**.
 - Together with **Finland**, we would like to coordinate additional support for this partnership and hope to be joined by “**Universal Social Protection**” **champions** from the Global South, to create global momentum around *USP2030* and increase both international and domestic resources for social protection worldwide!

In that way, we shall contribute not only to social protection, but to the achievement of the 2030 Agenda and the SDGs overall!