



**GLOBAL COOPERATION NEWSLETTER**  
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*On 30 June 2015 the global audience became a witness to a major policy shift within the World Bank Group—for the first time it explicitly endorsed universal social protection as a primary development priority. The joint statement issued in Geneva by the heads of the two global agencies—by the World Bank Group President Jim Yong Kim and ILO Director General Guy Rider — called the attention of world leaders to the importance of universal social protection and financing. While universalism has been a pre-eminent policy concern for the ILO for many years, and the Declaration of Philadelphia dated 1944 recognized the obligation of the International Labour Organization to contribute to achieving “the extension of social security to provide a basic income to all in need of such protection and comprehensive medical care”, for the World Bank, with its strong emphasis on “social risk management”, targeting and long-running support for “safety nets”, this policy shift sounds truly tectonic. With due applause for this bold initiative, which ICSW fully supports, we hope that these commitments will help both organizations in shaping effective country-specific policy advice, facilitating national efforts to find the most appropriate and effective ways and means of social protection, while providing at the same time a tangible boost to interagency cooperation in the area. A joint statement by the heads of ILO and the World Bank is published here in its entirety. In addition, in the Annex, some relevant excerpts from the Concept Note released along with the Joint Statement are also published, as they may be of interest to our readers.*

*The Editor*

**A joint mission and plan of action: Universal social protection to ensure that no one is left behind**

**The World Bank Group and the ILO share a vision of social protection for all, a world where anyone who needs social protection can access it at any time. The new development agenda that is being defined by the world community, the Sustainable Development Goals (SDGs), provides an unparalleled opportunity for our two institutions to join forces to make universal social protection a reality, for everyone, everywhere.**

Universal coverage and access to social protection are central to ending poverty and boosting shared

prosperity, which are the World Bank Group's twin goals by 2030. Universal social protection coverage is at the core of the ILO's mandate, guided by its standards, including the Social Protection Floors Recommendation, No. 202, adopted by 185 states in 2012.

For the World Bank Group and the ILO, universal social protection refers to the integrated set of policies designed to ensure income security and support to all people across the life cycle – paying particular attention to the poor and the vulnerable. Anyone who needs social protection should be able to access it.

Universal social protection includes: adequate cash transfers for all who need them, especially children; benefits and support for people of working age in case of maternity, disability, work injury or for those without jobs; and pensions for all older persons. 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.

Universal social protection is a goal that we, the World Bank Group and the ILO, strive to help countries deliver. Social protection systems that are well-designed and implemented can powerfully shape countries, enhance human capital and productivity, eradicate poverty, reduce inequalities and contribute to building social peace. They are an essential part of National Development Strategies to achieve inclusive growth and sustainable development with equitable social outcomes.

We are proud to endorse the consensus that has emerged in the early 21st century that social protection is a primary development tool and priority.

Since the 2000s, universality has re-entered the development agenda. First it was education: universal primary education became a Millennium Development Goal in 2000. In 2012, the UN General Assembly adopted a resolution endorsing universal health coverage. Now it is time for universal social protection.

The African Union, ASEAN, the European Commission, G20, OECD and the United Nations have all endorsed universal social protection.

Now, it is time to join forces to make it happen.

## **Universal Social Protection in the Post 2015 Development Agenda**

Beginning in 2016, the world will begin the pursuit of an ambitious new development agenda, under the auspices of the United Nations: the Sustainable Development Goals (SDGs). Social protection systems, including social protection floors, figure prominently among the SDGs:

*Goal 1. End poverty in all its forms everywhere*

*1.3 Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and vulnerable*

Social protection policies also feature in goals to achieve gender equality and to reduce income inequality.

Our joint vision reinforces this universal aspiration, to be applicable to all countries regardless of income level. Now is it time to ensure that the international community has the means to make this vision a reality.

### **A joint programme of action to increase the number of countries adopting Universal Social Protection**

Our shared objective is to increase the number of countries that provide universal social protection, supporting countries to design and implement universal and sustainable social protection systems. There are many paths towards universal social protection. It belongs to each country to choose its

own, and to opt for the means and methods that best suit its circumstances.

Many countries have embarked on expanding social protection coverage and are reporting significant progress. Yet, the vast majority of the world's population is still far from enjoying adequate protection. It is time to take determined and innovative steps to trigger change on a larger scale.

Source: [http://www.ilo.org/global/about-the-ilo/who-we-are/ilo-director-general/statements-and-speeches/WCMS\\_378984/lang--en/index.htm](http://www.ilo.org/global/about-the-ilo/who-we-are/ilo-director-general/statements-and-speeches/WCMS_378984/lang--en/index.htm)

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### **Annex: A Shared Mission for Universal Social Protection: *Concept Note* (excerpts)**

Well-designed and implemented social protection systems can powerfully shape countries, enhance human capital and productivity, eradicate poverty, reduce inequalities and contribute to building social peace. They are an essential part of National Development Strategies to achieve inclusive growth and sustainable development with equitable social outcomes.

#### **Why support universal social protection?**

There is considerable rigorous scientific evidence that well-designed and implemented social protection systems can be the foundation for sustained social and economic development –for individuals, communities, nations and societies.

- It prevents and reduces poverty, promotes social inclusion and dignity of vulnerable populations;
- It contributes to economic growth: raising incomes increases consumption, savings and investment at the household level, and raises domestic demand at the macro level;
- It promotes human development: cash transfers facilitate access to nutrition and education, thus resulting in better health outcomes, higher school enrolment rates, reduced school drop-out rates, and a decline in child labor;
- It increases productivity and employability by enhancing human capital and productive assets, ;
- It protects individuals and families against the losses due to shocks, whether they be pandemics, natural disasters, or economic downturns;
- It builds political stability and social peace, reducing inequalities, social tensions and violent conflict; social protection ensure greater social cohesion and participation;
- It is a human right that everyone, as a member of society, should enjoy, including children, mothers, persons with disabilities, workers, older persons, migrants, indigenous peoples and minorities.

#### **Universal Social Protection Coverage Today**

Today, nearly 30 low and middle-income countries have universal or nearly universal social protection programs. Over 100 others are scaling-up social protection and fast-tracking expansion of benefits to new population groups. Universal social protection is most commonly achieved for old-age pensions. Universal social protection for children is also a reality in some countries. Further, universality of protection has been endorsed by international statements by the African Union, ASEAN, the European Commission, G20, OECD and the United Nations.

## **Paths to universal social protection**

There are many paths towards universal social protection. Both the ILO and the World Bank fully recognize:

- ✓ national ownership of development processes towards universalism
- ✓ the choice of countries to aim for gradual and progressive realization or immediate universal coverage
- ✓ the heterogeneity in the design and implementation of universal schemes.

Countries have a wide set of options to achieve universal social protection coverage. Generally, universality is achieved by combining contributory and non-contributory schemes. For instance, the People's Republic of China has achieved nearly universal pensions by complementing social insurance with social pensions in rural areas. Other countries like Bolivia provide tax-financed universal benefits to all older persons. Some countries choose gradual and progressive realization and others opt for immediate universal coverage.

## **Financing social protection**

Countries have used many options to finance universal social protection coverage, such as:

- Re-allocating public expenditures;
- Increasing tax revenues, including revenue generated from taxation of natural resources;
- Using the reductions of debt or debt servicing;
- Expanding social security coverage and contributory revenues.

The variety of universal social protection programs needs to be sustainable and equitable, taking into account the contributory capacity of different population groups. Better enforcement of tax and contribution obligations ensures a broader and sufficiently progressive revenue base can accelerate progress towards universal social protection coverage. Enforcement of social security revenue collection may result in higher tax collections, particularly in countries with young demographic pyramids. Higher tax revenues can in turn support the promotion of statutory programs. For those poor and unable to contribute, governments have to identify sustainable sources of fiscal revenue.

## **The Vision: Universal social protection to ensure that no one is left behind**

The World Bank and the ILO share a vision of a world where anyone who needs social protection can access it at any time.

The vision states that both institutions recognize that universal social protection is a goal that we strive to help countries deliver. Achieving universality would facilitate the delivery of the World Bank's corporate goals of reducing poverty and increasing shared prosperity and the ILO's mandate of promoting decent work and social protection for all. This shared mission would drive the development agenda to ensure lasting peace, prosperity and progress.

## **The Objective: Increase the number of countries adopting Universal Social Protection**

The ILO and the World Bank's shared objective is: "To increase the number of countries that can provide universal social protection, supporting countries to design and implement universal and sustainable social protection systems."

The objective recognizes the aspirational elements of the ILO and the World Bank's shared vision, and that the means of achieving the vision is through either the progressive or immediate realization of social protection, as well as through ensuring that there is no retrogression on progress achieved. The objective recognizes that if countries develop comprehensive systems providing universal protection across the life cycle, and there is sufficient evidence that social protection systems are affordable, efficient, effective and equitable, then more countries will adopt these systems as part of their national development strategies. It also recognizes that there are large synergies and

advantages if the ILO and World Bank collectively support the development of universal social protection systems in countries, with a focus on sustainable domestic financing.

### **Timebound Actions**

The World Bank and the ILO declare that they will work together to achieve this shared vision until the Sustainable Development Goals are realized.

*In the short term*, the ILO and the World Bank will:

- 1- **Launch the initiative** (June 30) with a high-level statement calling the attention of world leaders to the importance of universal social protection policies, as well as financing mechanisms. This statement will also articulate the shared vision of the two organizations, and outline tangible activities to advance universal social protection both in the lead-up to and following adoption of the post-2015 development agenda.
- 2- **Document country experiences on universal social protection coverage:** Succinct case studies presenting how countries achieved universal social protection coverage, and extracting good practices relevant for other countries.
- 3- **Financing universal social protection:** Analyze the financing implications of universal social protection together with the generation of evidence about ways this can be innovatively resourced and other topics important to generate political will such as the investment case and socio-economic benefits of providing universal social protection.
- 4- **Monitoring framework for universal social protection in the post-2015 agenda:** as part of the ongoing collaboration on social protection statistics (meeting of experts scheduled for October 2015).
- 5- **Global conference on universal social protection for inclusive and sustainable growth:** High-level public event (2016), presenting the country case studies, the joint framework for monitoring progress, and launching a Global Observatory for Universal Social Protection for public monitoring and reporting on agreed targets.

*In the medium term (1-15 years)*, the World Bank and the ILO will use their individual and collective resources and influence to support countries in their move towards providing universal coverage. This will include joint support to countries in their efforts to harmonize social protection policies, programs and administration systems, expanding fiscal space for universal social protection, addressing bottlenecks and adequately integrating universal social protection into their national development strategies.

(The full text of the *Concept Note* is available at [http://www.ilo.org/global/topics/social-security/WCMS\\_378991/lang--en/index.htm](http://www.ilo.org/global/topics/social-security/WCMS_378991/lang--en/index.htm))

#### ➤ **Addis Ababa Conference on Financing for Development**

Broad support for policies and actions that will generate resources in support of the implementation of a new sustainable development agenda emerged from the United Nations Third International Conference on Financing for Development convened on 13-16 July in Addis Ababa, Ethiopia. The Conference resulted in the adoption of the Addis Ababa Action Agenda, a comprehensive framework to guide policies that will mobilize financial resources, as well as the launch of new initiatives to finance the achievement of the proposed sustainable development goals, including on social welfare, access to clean energy, and greater cooperation on tax issues.

The conference in Addis Ababa was the first of three milestones in the year 2015. It will be followed by the Summit on Sustainable Development in New York in September, where countries will adopt a new sustainable development agenda, and the Paris Climate Conference in December.

The framework provided by the Addis Ababa Action Agenda includes more than 100 concrete measures that will, if implemented, result in policies that will enable and direct financial investments by the public and private sectors to meet an array of challenges. Areas of sharp focus include a commitment to direct financial resources to social protection, infrastructure, technology, assistance to the poorest countries, cooperation on tax issues and the need to address illicit financial flows that take resources away from development. Notably, in the Action Agenda, countries committed themselves to pursue the equal rights and opportunities of women and girls in the economy.

**Taxation matters**, including those related to corporate profit-shifting were among the most hotly debated issues during the negotiations preceding the event as well as at Conference proper. Developing countries and many advocacy groups were pushing for establishing an intergovernmental UN body on tax matters, aimed, among other things, at increasing transparency and tackling tax avoidance by transnational companies. These proposals happened to be controversial and had even temporarily stalled the negotiations. The final outcome document, to the disappointment of many, rejected the proposal for a new global body. As a result, the Organization for Economic Co-operation and Development (OECD) will continue in its pre-eminent role in setting global standards on tax matters.

One of the key messages that transpired from the outcome document was that a global framework for financing sustainable development is dependent on domestic mobilization of financial resources through taxation as well as private investment, and not so much through foreign aid.

Some achievements of the Conference on Financing for Development went beyond the agreed negotiated outcome. Six multi-stakeholder roundtables and almost 200 side events resulted in the announcement of new initiatives aimed at implementing the sustainable development agenda. These include:

**1. Tax:** Three major initiatives on were launched in Addis – Tax Inspectors Without Borders (UNDP and OECD); the Addis Tax Initiative (18 developed countries to double official development assistance for tax capacity) and a joint World Bank/IMF initiative. In addition, building on successful networks in Latin America and Africa, a regional network of Asian tax administrators will be convened by UNESCAP.

**2. Development banks:** Existing national, regional and multilateral development banks took action, with vows to provide hundreds of billions of dollars in resources over the course of the next several years, in particular for infrastructure and small and medium enterprise financing. These come on top of commitments made by developing and developed countries to set up new development banks

**3. Social needs:** New financing partnerships were launched to tackle health and nutrition issues,

including a \$12 billion Global Financing Facility for women's and children's health; a \$2.5 billion fund by the Gates Foundation and the Islamic Development Bank; and UNITLIFE, an innovative financing mechanism aimed at channeling a portion of the royalties from extractive activities towards nutrition interventions in Africa. In the lead-up to Addis, the G-7 announced its commitment to lift 500 million people out of hunger and malnutrition by 2030.

4. **Environmental concerns:** The Sustainable Energy for All initiative launched a report by its Committee on Scaling Up Finance for Sustainable Energy Investments, which identifies the potential for catalyzing \$120 billion of incremental annual investment in sustainable energy by 2020. Initiatives to increase access to renewable energy were also announced.

**On 27 July the UN General Assembly endorsed the outcome document of the Addis Ababa conference.**

For the full agreement, see [http://www.un.org/ga/search/view\\_doc.asp?symbol=A/CONF.227/L.1](http://www.un.org/ga/search/view_doc.asp?symbol=A/CONF.227/L.1)

➤ **World population projected to reach 9.7 billion by 2050**

The current world population of 7.3 billion is expected to reach 8.5 billion by 2030, 9.7 billion in 2050 and 11.2 billion in 2100, according to a new UN DESA report, "World Population Prospects: The 2015 Revision", launched on 29 July 2015 in New York.

Most of the projected increase in the world's population can be attributed to a short list of high-fertility countries, mainly in Africa, or countries with already large populations. During 2015-2050, half of the world's population growth is expected to be concentrated in nine countries: India, Nigeria, Pakistan, Democratic Republic of the Congo, Ethiopia, United Republic of Tanzania, United States of America (USA), Indonesia and Uganda, listed according to the size of their contribution to the total growth.

**Shifts in the current population rankings**

China and India remain the two largest countries in the world in terms of population, each with more than 1 billion people, representing 19 and 18 % of the world's population, respectively. But by 2022, the population of India is expected to surpass that of China.

Currently, among the ten largest countries in the world, one is in Africa (Nigeria), five are in Asia (Bangladesh, China, India, Indonesia, and Pakistan), two are in Latin America (Brazil and Mexico), one is in Northern America (USA), and one is in Europe (Russian Federation). Of these, Nigeria's population, currently the seventh largest in the world, is growing the most rapidly. Consequently, the population of Nigeria is projected to surpass that of the United States by about 2050, at which point it would become the third largest country in the world. By 2050, six countries are expected to exceed 300 million: China, India, Indonesia, Nigeria, Pakistan, and the USA.

**Growing population in Africa**

With the highest rate of population growth, Africa is expected to account for more than half of the world's population growth between 2015 and 2050.

During this period, the populations of 28 African countries are projected to more than double, and by 2100, ten African countries are projected to have increased by at least a factor of five: Angola, Burundi, Democratic Republic of Congo, Malawi, Mali, Niger, Somalia, Uganda, United Republic of Tanzania and Zambia.

While there is always some degree of uncertainty surrounding any projection, the large number of young people in Africa, who will reach adulthood in the coming years and start having children of their own, ensures that the region will play a central role in shaping the size and distribution of the world's population over the coming decades.

### **Slower world population growth due to lower fertility rates**

Future population growth is highly dependent on the path that future fertility will take, as relatively small changes in fertility behaviour, when projected over decades, can generate large differences in total population. In recent years, fertility has declined in virtually all areas of the world, even in Africa where fertility levels remain the highest of any major area.

### **Ageing population growing rapidly**

The slowdown in population growth, due to the overall reduction in fertility, causes the proportion of older persons to increase over time. Globally, the number of persons aged 60 or above is expected to more than double by 2050 and more than triple by 2100.

A significant ageing of the population in the next several decades is projected for most regions of the world, starting with Europe where 34 % of the population is projected to be over 60 years old by 2050. In Latin America and the Caribbean and in Asia, the population will be transformed from having 11% to 12% of people over 60 years old today to more than 25% by 2050. Africa has the youngest age distribution of any major area, but it is also projected to age rapidly, with the population aged 60 years or over rising from 5% today to 9% by 2050.

### **Higher life expectancy and the contribution of the Millennium Development Goals (MDGs)**

Life expectancy at birth has increased significantly in the least developed countries in recent years. The six-year average gain in life expectancy among the poorest countries, from 56 years in 2000-2005 to 62 years in 2010-2015, is roughly double the increase recorded for the rest of the world. While significant differences in life expectancy across major areas and income groups are projected to continue, they are expected to diminish significantly by 2045-2050.

Progress in reducing under-five mortality, one of the MDG targets, has been very significant and wide-reaching in recent years. Between 2000-2005 and 2010-2015, under-five mortality fell by more than 30% in 86 countries, of which 13 countries saw a decline of more than 50%. In the same time period, the rate decreased by more than 20% in 156 countries.

### **Populations in many parts of the world are still young, creating an opportunity for countries to capture a demographic dividend**

Populations in many regions are still young. In Africa, children under age 15 account for 41% of the population in 2015 and young persons aged 15 to 24 account for a further 19%. Latin America and



the Caribbean and Asia, which have seen greater declines in fertility, have smaller percentages of children (26% and 24%, respectively) and similar percentages of youth (17% and 16%, respectively). In total, these three regions are home to 1.7 billion children and 1.1 billion young persons in 2015.

These children and young people are future workers and parents who can help to build a brighter future for their countries. Providing them with health care, education and employment opportunities, particularly in the poorest countries and groups, will be a critical focus of the new sustainable development agenda.

For more information please go to:

[http://esa.un.org/unpd/wpp/publications/files/key\\_findings\\_wpp\\_2015.pdf](http://esa.un.org/unpd/wpp/publications/files/key_findings_wpp_2015.pdf)

➤ **Useful resources and links**

**1- 2015 Global Reference list of 100 Core Health Indicators.** WHO, Geneva, 2015

The aim of the Global Reference List produced by the WHO statisticians, in collaboration with WHO technical programmes and focal points from international and multilateral partners, is to contribute to the rationalization and higher efficiency of data collection on health. The document provides guidance on the monitoring of health results nationally and globally, and seeks to reduce excessive and duplicated reporting addressed to countries by the international organizations.

For more information: <http://www.who.int/healthinfo/indicators/2015/en/>

**2- Integrating Social Services for Vulnerable Groups: Bridging Sectors for Better Service Delivery.** OECD, Paris 2015

This book explores how services for vulnerable populations in need of multiple social support -- existing in all OECD countries -- are designed and delivered in an integrated manner. Defining vulnerable groups and proving comparisons, the study identifies good practices and promising common approaches.

For more information please go to: <http://www.oecd.org/publications/integrating-the-delivery-of-social-services-for-vulnerable-groups-9789264233775-en.htm>

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