



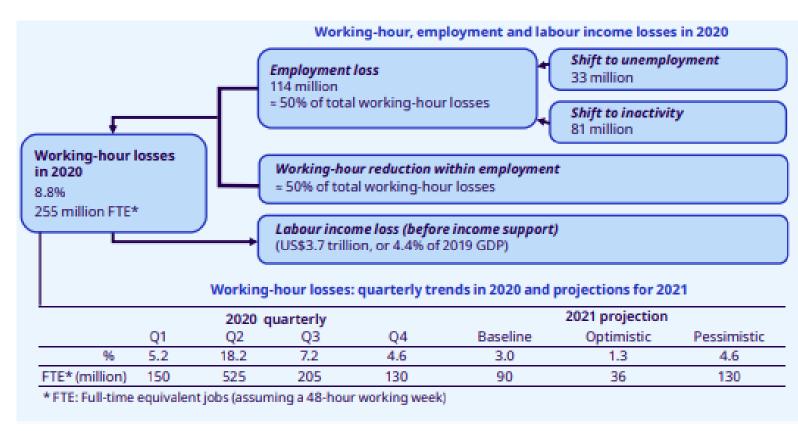
WHO Global Webinar No. 4: Confronting Poverty and Income Insecurity during COVID-19 through Strengthening Social Protection 25 February 2021, 12.00-13.00

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Public health challenge, socio-economic impacts

- ► The pandemic represents a public health challenge with serious economic and social impacts
- ► Total working-hour losses in 2020 (relative to Q4 of 2019) was 8.8%, equivalent to 255 million full-time jobs



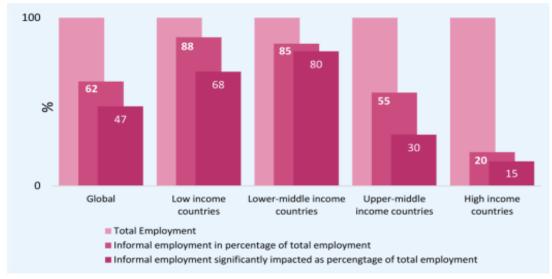
Source: ILO 2021. <u>ILO Monitor: COVID-19 and the world of work. Seventh edition Updated estimates and analysis</u>



Structural inequality at the heart of the crisis

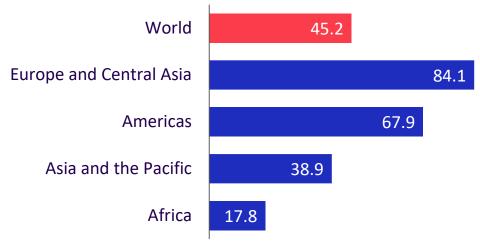
- ► The COVID-19 reveals huge coverage gaps in social protection (only 45.2% of global population covered)
- ▶ 61.2 per cent of the global workforce—2 billion workers in the informal economy—remain uncovered by social protection systems

How many informal economy workers have been affected?



Source: ILO. 2020. <u>ILO Monitor: COVID-19 and the World of Work. Third Edition Updated Estimates</u> and Analysis.

Only 45% of global population covered prior to COVID-19: 4 billion people excluded from coverage (SDG indicator 1.3.1)



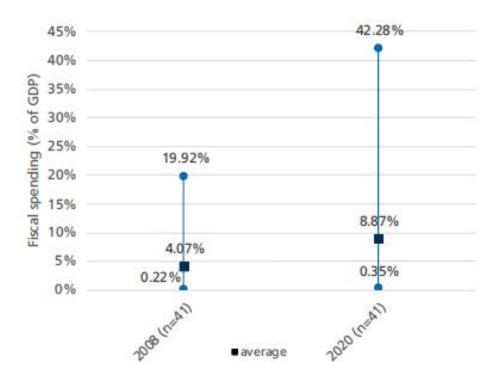
Source: ILO World Social Protection Report, 2017-19



Social protection financing and the crisis response

- ▶ As of 1 February 2021, more than 196 countries have introduced domestic fiscal measures, totaling approximately US\$15.2 trillion.
- Most of these fiscal resources have been dedicated to the COVID-19 responses in highincome countries, with only 0.06 per cent of the total being mobilized in low-income countries.
- ► Low-income countries will to a larger extent have to rely on financing made available by IFIs and development partners.

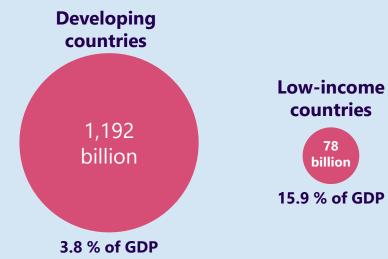
Economic stimulus packages, 2008–09 compared to 2020 (COVID-19 response more than twice as large)



Source: "Almenfi, Mohamed; Breton, Melvin; Dale, Pamela; Gentilini, Ugo; Pick, Alexendar; Richardson, Dominic. 2020. Where is the Money Coming From? Ten Stylized Facts on Financing Social Protection Responses to COVID-19. Social Protection and Jobs Policy and Technical Note; No. 23. World Bank, Washington, DC. © World Bank.

SPF financing gap 2020:





Incremental needs 2020-2030:

(in US\$ billions and as a % of GDP)



Policy options:

- 1. Maximise domestic fiscal space, including taxes and social security contributions (a priority)
- **2. Foster transitions from the informal to the formal economy**. Critical role of social security contributions.
- **3. Strengthen ODA.** Supporting the implementation and temporarily cofinancing the benefits (priority in low-income countries).
- 4. Commit the IFIs to play a bigger part in protecting social expenditure.
- **5. Global solidarity.** Increase financing for SP through global solidarity, **prioritizing low-income countries**.



Cost of Social Protection Floor Benefits: (% GDP developing countries)











