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"The Global Fund for Social Protection: International Solidarity in the Service of Poverty Eradication" Report of the Special Rapporteur on extreme poverty and human rights

## Written statement submitted by the Global Coalition for Social Protection Floors

At its 47th regular session, the UN Human Rights Council (HRC) will consider the report of the Special Rapporteur on extreme poverty and human rights on "The Global Fund for Social Protection: International Solidarity in the Service of Poverty Eradication". The Global Coalition for Social Protection Floors, an international alliance of more than 110 civil society organisations, concurs with the findings of the Special Rapporteur and expressly welcomes his proposal to establish a Global Fund for Social Protection.

The proposal was developed almost a decade ago¹, but now – at a time when the COVID-19 outbreak has exposed the vulnerability of our societies in a particularly dramatic way – its urgency has become even more evident. A key lesson that can be drawn from the crisis is that states with adequate and functional social protection systems were much better prepared to respond appropriately to the severe social problems that suddenly arose as a result of the pandemic. The current crisis, as the Special Rapporteur points out in his report, has pushed many millions of people below the poverty line. The suffering caused by this and the manifold subsequent problems could have been avoided if better social protection had been provided worldwide.

## Human rights deficits in relation to the financing of global social protection

It is important for the Global Coalition for Social Protection Floors to emphasize that the initiative to establish a Global Fund appears particularly necessary from a human rights perspective. The right to social security is a human right that is far too rarely in the focus of global public interest — and this despite the fact that it is violated millions of times every day. According to estimates by the International Labor Organization (ILO), 71 percent of the world's population (about 5.2 billion people) have only limited access to basic social protection or even none at all.<sup>2</sup>

If at least the core elements of the right to social security – that is, what roughly corresponds to the "social protection floor" according to ILO recommendation 202 (2012) – were guaranteed worldwide, this would represent a major step forward in the fight against poverty and global inequality. Philip

<sup>&</sup>lt;sup>1</sup> O. de Schutter and M. Sepúlveda, M. (2012), Underwriting the poor. A Global Fund for Social Protection; for similar proposals see M. Cichon (2015), A Global Fund for Social Protection Floors: Eight Good Reasons Why It can Easily be Done. UNRISD, Geneva; R. Greenhill et al. (2015), Financing the future. Overseas Development Institute (ODI), London, p. 63.

<sup>&</sup>lt;sup>2</sup> ILO, World Social Protection Report 2017-2019 (2017), p. xxvii.

Alston, the former UN Special Rapporteur on extreme poverty and human rights, has quite rightly pointed out that the "(i)mplementation of the right to social protection through the adoption by all States of social protection floors is by far the most promising human rights-inspired approach to the global elimination of extreme poverty. … No other operational concept has anything like the same potential to ensure that the poorest 15 to 20 % of the world's people enjoy at least minimum levels of economic, social and cultural rights."<sup>3</sup>

The discussion initiated by his successor, Olivier de Schutter, together with former Special Rapporteur Magdalena Sepúlveda, on the establishment of a new international financing mechanism is now an opportunity for the international community to finally give this human right, which has been neglected for a long time, the status it deserves on the international agenda.

## The need for a new global financing mechanism

Social protection is primarily a responsibility of national governments as set out both in the International Covenant for Economic, Social and Cultural Rights (ICESCR, Arts. 2, 9) and in ILO recommendation 202 (Art. 12). Nevertheless, significant gaps in social protection remain in many low income countries (LICs), mainly due to the lack of corresponding financial resources. In addition to leveraging domestic resources (especially improving taxation and budget prioritization as well as fighting illicit financial flows), international cooperation is therefore an important tool to address these financing deficits. Multilateral and bilateral programs are already helping some LICs to build up their social protection systems. In doing so, those states that provide funds for this purpose indicate that they are willing to fulfill their extraterritorial obligations with regard to the right to social security. However, the support measures are often inadequately coordinated. Above all, they are far from sufficient to guarantee the basic funding of essential social security services in the poorest countries and in exceptional crisis situations.

A Global Fund – building on existing institutions such as the Global Partnership for Universal Social Protection (USP 2030) and the Social Protection Inter-Agency Cooperation Board (SPIAC-B) – would not only leverage coordination of national actors, as well as the consistency and synergies of international cooperation. Its main task would in particular be to support countries to design and implement crisis resilient national social protection floors and, in specific cases, provide temporary co-financing for low-income countries where such transfers would otherwise require a prohibitively high share of the country's total tax revenue. Moreover, the Fund could help strengthening the mobilization of domestic resources to underpin the future sustainability of national social protection systems. Its mandate would also include to offer additional support for specific shock-responsive social protection interventions in countries where floors have not yet been established.<sup>5</sup>

The globally recognized, overarching legal standards of the human rights approach and the aid effectiveness principles should be the authoritative guidelines for the design of the Fund's operational processes. Two aspects therefore appear to be particularly worth emphasizing:

<sup>&</sup>lt;sup>3</sup> Report of 11 August 2014, UN Doc. A/69/297, para. 2.

<sup>&</sup>lt;sup>4</sup> See Committee on Economic, Social and Cultural Rights (CESCR), General Comment No. 19 of 4 February 2008, UN Doc. E/C.12/GC/19, para. 55.

<sup>&</sup>lt;sup>5</sup> Global Coalition for Social Protection Floors (2020), Civil Society Call for a Global Fund for Social Protection to respond to the COVID-19 crisis and to build a better future.

- The funds administered by the Global Fund should be used exclusively for the establishment of such protection systems that comply with the requirements of human rights i.e. in particular with Art. 9 ICESCR<sup>6</sup> and the basic principles enshrined in ILO recommendation 202. National social protection floors not only have to aim at a universal, non-discriminatory and rights-based coverage of all population groups, but also have to be designed in such a way that they enable full participation of people of all ages, including women, people with disabilities, minorities, and those living in poverty in the implementation and monitoring processes. For the governance structure of the Fund, this also means that the bodies are not only composed of representatives of recipient and donor states, but that representatives of civil society organizations, trade unions and informal workers' organizations are also involved in the decision-making processes of the Fund.
- In addition, it must be ensured that in accordance with the Paris Declaration on Aid Effectiveness (2005) and the follow-up documents of the Global Partnership for Effective Development Cooperation the principle of country ownership is respected. Implementing a social protection floor would remain the responsibility of the respective countries. They would receive financial support from the Fund, but this support would be used for social protection programs that they have developed and implemented themselves. Each country must be allowed to decide for itself within the framework of the requirements of Art. 9 ICESCR and ILO recommendation 202 how to design its social protection system.

## Recommendation

Social protection systems that work to combat poverty and inequality are an essential element of human rights protection. Developing these systems is a task that each country must first perform for itself. But from a global perspective, the economically stronger countries also have a responsibility toward the weaker members of the international community. This responsibility exists not only in political terms (based on the principle of global solidarity), but it is also a consequence of the extraterritorial obligations that states have entered into under international law. The ICESCR also requires them to engage, within their financial means, in protecting the social rights of people who do not live on their territory.<sup>7</sup>

This is why the Global Coalition for Social Protection Floors respectfully requests that this Council should take the opportunity to lead in developing and implementing a rights-based approach to global social protection. It should encourage global leaders, as well as international organizations and financial institutions, to give careful consideration to the proposals put forward by the Special Rapporteur for the establishment of a Global Fund and to make it one of the main priorities of the meetings to be held in the near future both at UN level and in the context of the G7 and G20 consultations.

<sup>&</sup>lt;sup>6</sup> For the details see also General Comment No. 19 (*supra* note 4).

<sup>&</sup>lt;sup>7</sup> See *supra* note 4.