

## Civil Society Call for

### a Global Fund for Social Protection to respond to the COVID-19 crisis and to build a better future

*This is an updated version of the Call, which has been endorsed by more than 200 civil society organizations in September 2020. The revision is made in light of new political developments through April 2022.*

We, civil society and faith-based organizations, trade unions and members of the Global Coalition for Social Protection Floors, noting the global harm of the COVID-19 pandemic, call on governments worldwide to ensure – through national and global solidarity – that national social protection floors are guaranteed and in place in all countries through sustainable funding, made available to all people, with the help of a **Global Fund for Social Protection** (or another appropriately named international financing mechanism that would pursue similar objectives). National floors of social protection are vital to leave no one behind. They ensure universal access to essential health care and basic income security across the life course, and are a human right. Social protection is an essential lever to realise the sustainable development goals and their targets (specifically SDGs 1.3, 3.8, 5.4, 8.5 and 10.4) and underpins the global commitment to end poverty and reduce inequalities for all people within and between countries (SDGs 1 and 10).

#### We recall that

- The member states of the United Nations have long agreed on the fundamental human rights of all people to social protection and to health;<sup>1</sup>
- Despite this, only 47 per cent of the world's population are effectively covered by at least one social protection benefit; in Africa this is only 18 per cent;
- As a result of the COVID-19 pandemic, the war in Ukraine and other conflicts, the number of people facing acute food insecurity has more than doubled - from 135 million in 2019 to 276 million in 2022;
- Social protection systems are proven direct and fast-acting mechanisms that reduce and prevent poverty, help counter inequality (particularly gender inequality), and can unleash the creativity and productive capacity of people by providing a basic level of security that ensures dignity and access to all essential goods and public services;
- Social protection is a vital investment in socio-economic development and supports resilience to natural and climate disasters, conflict, economic and other humanitarian crises;
- Social protection systems offer highly effective safeguards against the social and economic fallout of the present and future health and socio-economic crises;
- Investments in social protection have a strong economic stabilizer effect in times of crisis and thus contribute to long term, sustainable and inclusive economic growth;
- Multiple studies have shown that ensuring a basic level of social protection for all is affordable for most countries and entirely achievable through the solidarity of the international community.

#### We recognize, that

- Many national governments develop, finance, implement and monitor social protection floors, with the participation and monitoring of civil society, trade unions and informal worker organizations;
- Generally and principally the financing of social protection systems must fall to national budgets;

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<sup>1</sup> As enshrined, for example, in articles 22 and 25 of the Universal Declaration of Human Rights (1948), articles 9 and 12 of the International Covenant for Economic, Social and Cultural Rights (1966), ILO Recommendation 202 (2012) as well as other instruments and confirmed by the Sustainable Development Goals (2015).

- There are, nevertheless, a few countries where technical support for the setting-up of national social protection floors and co-financing from the international community are required due to multiple factors, including high socio-economic vulnerability and persistent low levels of national revenue;
- Based on conditions in the pre-COVID-19 era, studies show that some 10 to 15 countries have social protection financing gaps amounting to more than 10 per cent of their GDP, and require temporary international co-financing of minimum social protection floors, while they strengthen domestic resource mobilisation.
- Both the UN Secretary General<sup>2</sup> and the International Labour Conference<sup>3</sup> have expressed their support for the establishment of a new international financing mechanism such as a Global Fund for Social Protection.
- The UN Secretary General has proposed a Global Accelerator for Jobs and Social Protection<sup>4</sup> whose aim is to provide additional funding for, inter alia, social protection floors in low- and middle-income countries and whose funds should come from a combination of national and international resources.

### **We call on all governments**

- **To create a Global Fund for Social Protection**, based on the principle of global solidarity, to support countries to design, implement and, in specific cases, provide temporary co-financing for national social protection floors as described in ILO recommendation 202. The mandate of the Financing Mechanism would be to:
  - Support the introduction and full implementation of national social protection floors with the effective participation of social partners, organisations representing people of all ages, including women, people with disabilities, older persons, minorities, and those living in poverty, in their design, implementation and monitoring;
  - Ensure that national social protection floors are embedded in national legislation and programmes with budget provision to provide for sustainability and reach, and to support their expansion in the event of shocks that affect entire communities;
  - Co-finance – on a transitional basis – the technical and financial costs of setting up social protection floors in low-income countries where such transfers would otherwise require a prohibitively high share of the country’s total tax revenue;
  - Support the strengthening of domestic resource mobilisation, including strengthened international tax cooperation, to underpin the sustainability of national social protection systems;
  - Offer additional support for specific shock-responsive social protection interventions in countries when required.

### **We envisage, that**

- The Global Fund for Social Protection
  - Should be integrated into the UN system, with a central role for the ILO;
  - Would build on existing financing and coordination mechanisms;

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<sup>2</sup> Our Common Agenda, Report of the Secretary-General, 10 September 2021, p. 28.

<sup>3</sup> International Labour Conference – 109th Session (2021), Resolution concerning the second recurrent discussion on social protection (social security), 19 June 2021, para. 21 c.

<sup>4</sup> UN Secretary-General’s Policy Brief Investing in Jobs and Social Protection for Poverty Eradication and a Sustainable Recovery, 28 September 2021.

- Could be a component of or a complement to a Global Accelerator for Jobs and Social Protection;
- Should be governed by a board, representative of both recipient and donor states, civil society organizations, organizations of employers and workers (including informal workers) in accordance with ILO Recommendation R202 and R204;
- Should be guided by international efforts in the United Nations Development Cooperation Forum and the Global Partnership for Effective Development Cooperation to improve the quality, impact and effectiveness of development cooperation, as agreed in the Addis Ababa Action Agenda,<sup>5</sup> notably the respect for country ownership and the necessary support for national systems;
- Should operate under the principles of accountability, transparency and participation;
- Should be open to financing through various sources which can include
  - Official development aid resources, and development finance facilities; multilateral grants and funds for emergency response;
  - Specifically earmarked sources, such as national, regional or global financial transaction taxes (FTT), an arms trade tax, carbon taxes, air ticket solidarity levies, and levies on profits of transnational firms;
  - Re-channelling of Special Drawing Rights;
  - Philanthropic contributions.
- UN organizations, and development and humanitarian aid organizations, including civil society active in the countries of focus will provide technical country support.

### **We therefore**

- **Call for the establishment of a Global Fund for Social Protection (or another appropriately named international financing mechanism with similar objectives) to help end avoidable human suffering, poverty, extreme inequality, ill-health and avoidable deaths associated with the current and future crises,**
- **Invite all stakeholders to invest urgently in the development and universal roll out of national social protection floors, which will address the human right of all people in all countries to social protection, and is key to SDG achievement, through the principle of national and global solidarity.**

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<sup>5</sup> United Nations, Addis Ababa Action Agenda of the Third International Conference on Financing for Development (2015), para.58.