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## **Empowering people and ensuring inclusiveness and equality**

### **Report of the Secretary-General**

#### *Summary*

Implementing the 2030 Agenda for Sustainable Development and its Sustainable Development Goals requires eliminating all forms of discrimination, reducing economic inequalities that undermine human rights and promoting the empowerment and inclusion of people who are furthest behind. Efforts to achieve the Goals must ensure meaningful and inclusive participation of all actors at all levels to catalyse a shared sense of empowerment.

In accordance with the mandate provided by the General Assembly in its resolution [72/305](#) and the theme of “empowering people and ensuring inclusiveness and equality”, the present report identifies policies and accelerators for building synergies across economic, social and environmental dimensions and offers action-oriented recommendations to inform the discussions of the high-level segment of the Economic and Social Council. The report was informed by contributions from United Nations system entities and others.



## I. Introduction

1. Rising inequalities have become a defining challenge of our time. Gross inequalities both within and among countries are putting sustainable development at risk, stirring social unrest, undermining social progress, threatening economic and political stability and undercutting human rights (see [CEB/2016/6/Add.1](#)). Global efforts to reduce inequalities are occurring amid very high levels of diverse demographic changes. Populations in some countries are rapidly growing, while others are stable or even shrinking; some are facing a surge in youth populations, while others are rapidly ageing. People are increasingly mobile, moving to cities, experiencing displacement and forced migration or moving for economic reasons. One in five children live in extreme poverty, on less than \$1.90 a day,<sup>1</sup> and 665 million children are living in multidimensionally poor households.<sup>2</sup> While child poverty is highest in fragile contexts,<sup>3</sup> it is not restricted to low-income countries – one in seven children in countries of the Organization for Economic Cooperation and Development live in poverty.<sup>4</sup>

2. Disasters augment and exacerbate underlying social and economic inequalities, affecting the world's most vulnerable populations and pushing an estimated 26 million people into poverty each year.<sup>5</sup> Climate change disproportionately affects populations vulnerable to economic, climatic and conflict-related risks and shocks. It is estimated that up to 118 million extremely poor people will be exposed to drought, floods and extreme heat in Africa by 2030.<sup>6</sup>

3. Major inequalities persist in the world of work, negatively affecting poverty reduction efforts. Decent work deficits remain widespread, with around 60 per cent of the world's workforce in informal employment and more than 25 per cent of workers in low- and middle-income countries living in extreme or moderate poverty.<sup>7</sup> In sub-Saharan Africa, only 15 per cent of those in the bottom one fifth on the income ladder receive social protection benefits.

4. Globally, extreme poverty continues to be disproportionately rural, with 79 per cent of the extreme poor living in rural areas, where the poverty rate is more than three times as high as in urban areas.<sup>8</sup> The rural poor have little access to social and financial services, infrastructure, markets or innovative technologies and practices. Many forms of digital divide exist, with structural barriers such as costs, coverage and illiteracy inhibiting both men and women in rural areas from the benefits of information and communications technologies and gender inequalities further preventing women from owning, using and benefiting from technology.<sup>9</sup>

<sup>1</sup> United Nations Children's Fund (UNICEF) and World Bank Group, "Ending extreme poverty: a focus on children", 2016.

<sup>2</sup> Oxford Poverty and Human Development Initiative, *Global Multidimensional Poverty Index 2018: The Most Detailed Picture to Date of the World's Poorest People* (Oxford, 2018).

<sup>3</sup> UNICEF and World Bank Group, "Ending extreme poverty".

<sup>4</sup> Organization for Economic Cooperation and Development (OECD), "Poor children in rich countries: why we need policy action", October 2018.

<sup>5</sup> Stephane Hallegatte and others, *Unbreakable: Building the Resilience of the Poor in the Face of Natural Disasters* (Washington, D.C., World Bank, 2017).

<sup>6</sup> See [www.worldbank.org/en/region/afr/brief/social-inclusion-in-africa](http://www.worldbank.org/en/region/afr/brief/social-inclusion-in-africa).

<sup>7</sup> International Labour Organization (ILO), *World Employment and Social Outlook: Trends 2019* (Geneva, 2019).

<sup>8</sup> World Bank, *Poverty and Shared Prosperity 2018: Piecing Together the Poverty Puzzle* (Washington, D.C., 2018).

<sup>9</sup> Christiane Monsieur, Eliane Najros and Andrea Sánchez Enciso, "FAO Dimitra Clubs – boosting rural women's empowerment using information and communication technologies", in *A Better World*, vol. 1, *Gender Equality and Women's Empowerment*, Jacqui Griffiths, ed. (Leicester, Tudor Rose, 2016).

5. Almost everywhere, rural women face more severe constraints than men in gaining access to productive resources, markets and services. This hinders their productivity and reduces their contributions to the achievement of economic and social development goals. The overall work time of rural women is consistently higher than that of men. The work burden of women is largely the result of a combination of time-consuming and unrecognized household-related tasks, as well as demanding productive and community support tasks, most of which are unpaid and often invisible.

## II. Overview: equality, inclusion and empowerment

6. Equality can be defined as a foundational value of development and a non-negotiable ethical principle centred on a rights-based approach. In addition to being an ethical imperative, achieving equality has direct implications for the possibility of accelerating or slowing productivity and economic growth.

7. Inequality includes, but transcends, income inequality. Inequality is a multidimensional phenomenon that encompasses equality of means, opportunities, capacities and recognition. Inequalities of access related to health, education, housing and services exacerbate and reproduce income inequality and deepen the inequitable distribution of wealth. Inequality hampers progress in poverty reduction and the realization of human rights, threatens social and political stability and is a drag on economic growth.

8. There are many channels through which inequality may affect or be affected by development. Inequality trends across countries relate to or are determined by factors or policy areas such as economic growth, macroeconomic factors, the management of public policies, institutional development, trade and capital flows, employment, political conflict, religious and customary values and migration. The intersection of income inequality, marginalized groups and social entities and, very often, locational disadvantage leads to the systematic exclusion of certain groups.

9. Measuring inequality is complex. Household surveys are often the main source of data, with some countries relying on income or consumption surveys. Although consumption data are important for measuring poverty, in developing countries, wage employment is becoming a more useful meter of inequality. Comparable data show that, during the past four decades, global income inequality decreased in relative terms but increased markedly in absolute terms. Relative global inequality, measured by the Gini coefficient, which takes the value zero for the most equal society and one for the most unequal society, has declined steadily over the past few decades, driven primarily by declining inequality between countries arising from the remarkable economic growth observed in fast-developing countries, such as China and India. This trend has been achieved despite an increasing trend in inequality within countries. By contrast, absolute inequality, measured by the absolute Gini coefficient, has increased dramatically since the mid-1970s. There is growing concern regarding the dramatic rise in absolute income inequality across the world, with the financial crisis that began in 2007 bringing the phenomenon to the forefront of public and development debates.

10. While the indicators for the Sustainable Development Goal targets are important for measuring progress against the Goals, a too narrow focus on indicators could be misleading. The increasing concentration of wealth in the hands of a few must be factored into measurements of inequality across the spectrum in order to provide more accurate analysis and inform effective policy decisions (see [E/2019/33](#)).

11. Inequality goes far beyond income inequality and relates to access to social services and various aspects of well-being. Economic growth has thus masked

growing inequalities on multiple levels in many countries and has itself been uneven, widening gaps between the rich and the poor and between urban and rural areas. Income inequality in Africa is higher on average than in other developing regions. Inclusive growth will require strong and diverse development strategies that will necessarily differ between countries. Government policies must be participative, multisectoral and carried out with a holistic and coordinated approach. All stakeholders must participate in monitoring, evaluating and reformulating policies for their implementation to be successful. Stakeholder roles and responsibilities need to be clearly integrated into national strategies to ensure coherence, effective implementation and revision after their evaluation.

12. Inequalities and discrimination are not inevitable; they are often produced by policy choices that fail to take into account the rights of the most marginalized. Changing discriminatory policy choices requires political will and effort to ensure that vulnerable and marginalized groups are given a voice, included in decision-making processes and empowered to take part in development as equal owners and agents of change.

13. Political participation is related to equality, inclusion and empowerment in that it has an impact on the decision-making processes that determine the allocation and distribution of social, economic, political and cultural assets. From this perspective, participation is not just a fundamental right and a key dimension for social inclusion but also a highly important mechanism for strengthening democracy and transitioning to more egalitarian societies.

14. According to the Committee for Development Policy, “there is an urgent need for a transformation grounded on equality, inclusion, human rights and sustainability that addresses the disempowerment of those being left or pushed behind and the mechanisms that enable the concentration of wealth and power at the top”. Empowerment as a means to equality and inclusion requires a combination of rules and mechanisms that not only formally ensure the exercise of rights but also guarantee enabling factors that ensure that particularly groups that are typically left behind are effectively able to use those rules and mechanisms on fair terms and level playing fields.<sup>10</sup>

### **III. 2030 Agenda for Sustainable Development and reducing inequalities**

15. The 2030 Agenda for Sustainable Development reflects a consensus by global leaders on the need to move towards more peaceful, just and inclusive societies. Empowering people, ensuring their inclusion and reducing inequalities across and within societies requires policy actions that cut across different sectors, development actors and thematic areas. The goal of reducing inequalities, Goal 10 of the Sustainable Development Goals, is inextricably linked with all other Goals.

16. To reduce inequality, social and economic inequalities must be examined and policy solutions identified across several interlinked areas to make development more inclusive and address extreme poverty. Policies are also needed to address the imbalance of extreme wealth concentrated in the hands of a few (see [E/2019/33](#)). Territorial imbalances are reflected in uneven patterns of economic and social

<sup>10</sup> Committee for Development Policy, “ECOSOC theme 2019: ‘Empowering people and ensuring inclusiveness and equality’”, background note for the 21st plenary session of the Committee, New York, 11–15 March 2019.

development, for example, between rural and urban areas, within urban areas and between different provinces or regions within a country.

17. The simultaneous implementation of social and labour inclusion policies is based on the recognition that the labour market remains a central and organizing feature linking the economic and social spheres and can serve to reverse social inequalities or entrench and reproduce them. High levels of informal work combined with large gaps in access to social protection, especially among population subgroups such as women, young people and persons with disabilities, has proved to be a critical area of action for inequality reduction policies.

18. Industrial development, in particular in manufacturing, has the potential to be an important source of employment for women. In this regard, gender-responsive and inclusive approaches towards industrial development must be safeguarded. Several recent studies in the Africa region show that the reduction of tariffs imposed on intra-East African Community<sup>11</sup> and intra-Southern African Development Community<sup>12</sup> exports has led to an overall increase in women's share of employment in manufacturing firms, contributing to a "feminization of labour" in manufacturing in Africa. However, the employment gains for women have materialized only in lower-paying production tasks (i.e. blue-collar jobs) without any improvement in non-production tasks (i.e. white-collar jobs). Labour market policies such as skill development training programmes and incentive programmes for the hiring practices of firms are necessary to avoid the segregation of women into low-skilled and low-paying positions.

19. For industrial development to be inclusive, jobs must be fairly remunerated and comply with labour standards and rights. Vertical and horizontal concepts of inequality employ an analysis of simple correlation, where there is generally a negative relationship, with the Gini ratio being lowest in countries with a higher ratio of manufacturing value added to gross domestic product (GDP). This suggests that manufacturing development could lead to greater inclusiveness by narrowing the income distribution, *ceteris paribus*. Analysing inclusion and job creation in industrial development sectors could identify the most significant employment opportunities. It is necessary to foster coherence between industrial policies and other policies (e.g. education, innovation, energy, labour and investment) towards an integrated approach. In a recent report, the International Labour Organization discussed challenges related to equality and decent work, broader drivers of productivity and job creation in the context of the transition to greener economies and highlighted the necessity of labour institutions and comprehensive policies for peaceful and inclusive societies and the importance of policy coherence in implementing the 2030 Agenda.<sup>13</sup>

20. Government policies that aim to reduce inequalities should be targeted at both firms and workers. For firms, it is important to increase the opportunities for small firms to compete and engage in international markets. This can be achieved by reducing their fixed export costs by providing infrastructure, export promotion and trade logistics. Strategies for expanding productive capacities must also take into consideration disparities among firms related to capacities and access to finance and technology, taxation and space for the representation of stakeholders (see E/2019/33). For workers, it is essential to design domestic complementary policies suited to the

<sup>11</sup> United Nations Conference on Trade and Development (UNCTAD), *East African Community Regional Integration: Trade and Gender Implications* (Geneva, 2018).

<sup>12</sup> UNCTAD, *Teaching Material on Trade and Gender*, vol. 1, *Unfolding the Links*, module 4B, *Trade and Gender Linkages: An Analysis of the Southern African Development Community* (New York and Geneva, 2018).

<sup>13</sup> ILO, "Decent work for sustainable development", submitted to the 335th session of the ILO Governing Body, Geneva, 14–28 March 2019.

workforce (e.g. continuing education, training, redistribution and safety nets) so that the labour force can positively respond to the opportunities and challenges of international trade.

21. Trade policy can help to reduce gender inequalities and support the economic empowerment of women through gender mainstreaming in the policy framework. Gender considerations are being integrated into the texts of recent trade agreements, including the Joint Declaration on Trade and Women's Economic Empowerment, adopted at the eleventh Ministerial Conference of the World Trade Organization, in Buenos Aires in December 2017. This is an important step forward as, for the first time, the trade community has gone beyond treating trade as "gender neutral".

22. Examining trade-related policies from the inequality angle is critical, and a more encompassing view of the role of international trade and trade policy on income inequality is needed. A coordinated multilateral effort is necessary to remove the barriers affecting market access for products produced by poor countries, helping to achieve a more even distribution of the gains from trade. Eliminating supply-side restrictions and developing productive capacity are also important measures for reducing inequality.

### **Challenge of addressing inequalities of vulnerable groups**

23. The 2030 Agenda recognizes that people who are vulnerable must be empowered, including children, young people, persons with disabilities, people living with HIV, older persons, indigenous peoples, refugees, internally displaced persons, migrants, people living in areas affected by complex humanitarian emergencies and in areas affected by terrorism and people living under colonial and foreign occupation.

24. Poverty disproportionately affects children, and its effects are cumulative. The consequences of poor infant nutrition or lost years of education are often irreversible, affecting individual children, as well as their communities and societies, for a lifetime and across generations. Investing in the health, education and well-being of children through social protection measures is therefore central to breaking the cycle of intergenerational transmission of poverty and inequality. Building national pathways to end child poverty forms a critical cornerstone for reaching the imperative of the Sustainable Development Goals of leaving no one behind.

25. For vulnerable groups, social exclusion and harmful practices often compound the effects of poverty. Girls continue to bear a disproportionate burden of household chores and caregiving, robbing them of time to study and play. Globally, 12 million girls are married every year before they are 18 years old and some 3.6 million undergo female genital mutilation.<sup>14</sup> In humanitarian crises, girls face heightened risks, especially of experiencing gender-based violence. Violence against women and girls is a pervasive human rights violation that takes place in all countries. On the basis of available comparable data gathered between 2005 and 2017 from 106 countries, 18 per cent of women and girls aged 15 to 49 years had experienced physical and/or sexual partner violence in the 12 months prior to the relevant survey.<sup>15</sup> While intimate partner violence affects women of all ages living in both developing and developed countries, evidence shows that certain factors, such as low educational levels, poverty and unemployment, are potential risk factors.<sup>16</sup> Humanitarian crises, including

<sup>14</sup> UNICEF, "Female genital mutilation/cutting: what might the future hold?", New York, 2014.

<sup>15</sup> United Nations, *The Sustainable Development Goals Report 2019* (New York, 2019).

<sup>16</sup> United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), "A framework to underpin action to prevent violence against women", 2015, pp. 26–27.

conflict and post-conflict situations, sharply increase the vulnerability of women to physical and sexual violence.<sup>17</sup>

26. Unequal access to and control over economic resources lie at the root of women's poverty.<sup>18</sup> Discriminatory legal frameworks and customary laws can place significant constraints on the ability of women to earn an income by restricting their access to inheritance, land, property and credit, as well as their mobility. Even where formal restrictions are removed, women face multiple barriers to their ability to move out of poverty. Labour market segmentation, gender wage gaps and unequal access to social protection remain persistent sources of economic disadvantage for women. Discriminatory social norms and women's disproportionate share of unpaid care work further hamper their ability to earn a living. As a result, women are less likely than men to have an income of their own, rendering them financially dependent on their partners and increasing their vulnerability to poverty (see [A/68/293](#)).

27. Women commonly face higher risks and greater burdens from the impacts of climate change in situations of poverty. The unequal participation of women in decision-making processes and labour markets compounds inequalities and often prevents women from fully contributing to climate-related planning, policymaking and implementation. However, women can and do play a critical role in the response to climate change through their knowledge of and leadership in sustainable resource management and by leading sustainable practices at the household and community levels. The participation of women at the political level has resulted in greater responsiveness to citizens' needs, often increasing cooperation across party and ethnic lines and delivering more sustainable peace. At the local level, the inclusion of women in leadership has led to improved outcomes of climate-related projects and policies. On the contrary, if policies or projects are implemented without the meaningful participation of women, it can increase existing inequalities and decrease effectiveness.

28. Policies to increase economic autonomy for women include care policies, women's labour and productive inclusion and pension reforms implemented in the context of broader policy interventions at the level of physical and political autonomy for women, including full exercise of the right to health and reproductive lives. Policies that promote the visibility and representation of women in the exercise of power and decision-making processes increase political autonomy. Investing in women, young women and girls through education, health and economic empowerment has a multiplier effect on poverty eradication, productivity and sustainable economic growth. Equal participation for young women in the economy means a potential boost of \$28 trillion to global annual GDP by 2025.<sup>19</sup> This potential must be fully realized.

29. Progress is being reported on indicators related to gender equality and the empowerment of women and girls. Globally, the percentage of women in single or lower houses of national parliaments has increased from 19 per cent in 2010 to around 23 per cent in 2018.<sup>20</sup> The increase in the enrolment of girls in schools has been one of the most remarkable achievements of recent decades. Each additional year of post-primary education for girls has important multiplier effects, including improving

<sup>17</sup> Jocelyn T.D. Kelly and others, "From the battlefield to the bedroom: a multilevel analysis of the links between political conflict and intimate partner violence in Liberia", *BMJ Global Health*, vol. 3, No. 2 (March 2018).

<sup>18</sup> UN-Women, *Turning Promises into Action: Gender Equality in the 2030 Agenda for Sustainable Development* (New York, 2018).

<sup>19</sup> McKinsey Global Institute, *The Power of Parity: Advancing Women's Equality in the United States* (McKinsey and Company, 2016).

<sup>20</sup> United Nations, *The Sustainable Development Goals Report 2018* (New York, 2018).

employment outcomes for women, decreasing the chance of early marriage and improving their health and well-being as well as that of future generations.<sup>21</sup>

30. High-quality, disaggregated population data is key for empowerment, inclusion and equality, including through identifying and reaching marginalized groups and redressing the multiple deprivations they experience. Gender-responsive budgeting holds promise for tracking budgetary commitments to gender equality in the implementation of the 2030 Agenda. Data innovation plays an important role in accelerating improvements to governance for inclusive sustainable development. Partnering for innovative contextual research, social dialogues and disaggregated data are important cross-cutting areas that are all essential to expanding future understanding of vulnerabilities and vulnerable groups and explaining outliers in existing data systems.

31. By 2030, the world's population will include 2 billion young women and men seeking jobs.<sup>22</sup> Young people face significant challenges in transitioning to productive work. Young people aged 15 to 24 years in the labour market are three times as likely as adults to be unemployed, and job quality is a common concern of those who are employed. As many as 19 out of 20 young people in developing countries are in the informal labour market, and 37.7 per cent of working young people are living in extreme or moderate poverty, on less than \$3.10 per day.<sup>23</sup> A fast-changing global economy demands increasingly specialized skills, but education and training institutions are struggling to prepare young people with the skills and competencies demanded by the labour market and changing societies. With the right policies and programmes, a young population offers tremendous opportunities for a "demographic dividend". However, over the next 10 years in Africa, only one in four young people are expected to find a wage job.<sup>24</sup>

32. Indigenous peoples are custodians of nearly 22 per cent of the Earth's surface and safeguard an estimated 80 per cent of the world's remaining biodiversity. The loss of biodiversity-dependent ecosystem services is likely to accentuate inequality and marginalization by decreasing the access of indigenous peoples to basic materials for a healthy life and reducing their freedom of choice and action (see [A/HRC/34/49](#)). In order to ensure continued benefits from ecosystem services, the importance of recognizing and strengthening the customary rights and laws of indigenous peoples and local communities, in particular women, to gain access to, use, govern and manage lands and natural resources has been repeatedly highlighted. Many Governments have undertaken legal, political and institutional reform to recognize such rights. In many cases, these provisions have enabled communities to conserve, restore and sustainably use biodiversity, generate income and empower themselves. Political support for the preservation of traditional knowledge and ecologically sustainable practices by communities, such as supporting the conservation of agricultural biodiversity and providing income support to farmers for sustainable

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<sup>21</sup> M. Anne Hill and Elizabeth M. King, "Women's education and economic well-being", *Feminist Economics*, vol. 1, No. 2 (February 1995); World Bank, *World Development Report 2012: Gender Equality and Development* (Washington, D.C., 2011); and [E/CN.6/2015/3](#).

<sup>22</sup> See [www.genunlimited.org/](http://www.genunlimited.org/).

<sup>23</sup> *Ibid.*

<sup>24</sup> See [www.worldbank.org/en/region/afr/brief/social-inclusion-in-africa](http://www.worldbank.org/en/region/afr/brief/social-inclusion-in-africa).



production in times of drought and floods, also contributes to the well-being of many households.<sup>25</sup>

33. Conservation, restoration and sustainable use measures can include innovative mechanisms for achieving ecological priorities and serve as sustainable development pathways, providing solutions to meet other priorities and contributing to other agendas efficiently and equitably. Ecosystem-based solutions can often be more cost-efficient and sustainable compared with grey infrastructure. However, it is also necessary to ensure that the benefits produced by such mechanisms reach the poorest and the most vulnerable by embedding rights-based approaches into policy designs and ensuring the accountability of such interventions through monitoring and reporting. In addition, it is important to provide decision makers and other actors with relevant information on the multiple benefits that can be generated by investing in programmes that contribute to both social and environmental benefits.

### **Importance of universal social protection policies**

34. Social protection policies are powerful instruments in reducing the consequences of inequality and promoting inclusive growth and essential for the achievement of the 2030 Agenda. Diverse social protection mechanisms can directly buffer against the costs associated with health care and prevent or mitigate the impact of loss of income due to illness or disability, which could exacerbate inequality. Non-contributory mechanisms can bolster income in the poorest households and expand access to health and education among their members. Through such programmes, monetary and non-monetary resources are provided and access to a range of social services facilitated, provided that families living in poverty adhere to certain commitments in the areas of education, health and nutrition.

35. Social protection schemes are instrumental in breaking intergenerational cycles of poverty and vulnerability. Many countries have made significant progress in building social protection systems that benefit marginalized children, with countries such as Argentina, Brazil, Chile, Mongolia and South Africa achieving or approaching universal coverage. African countries, the African Union and the regional economic communities have made great efforts to adopt and implement regional and national instruments and policies to promote political, social and economic inclusion and protect the dignity and well-being of the most vulnerable, including by extending social protection floors. However, the coverage of children with social protection is lower than for other groups, with only 35 per cent covered globally. While social protection reaches 87 per cent of children in Europe and Central Asia, as low as 16 per cent are covered in Africa.<sup>26</sup> Many social protection programmes for children suffer from insufficient investment, limited coverage, inadequate benefit levels, fragmentation and weak institutionalization. Health inequalities persist across income quintiles for many indicators, with people in the poorer income quintiles typically having less access to health services and worse health outcomes than their more affluent counterparts.

<sup>25</sup> Secretariat of the Convention on Biological Diversity, *Recognising and Supporting Territories and Areas Conserved by Indigenous Peoples and Local Communities: Global Overview and National Case Studies*, Convention on Biological Diversity Technical Series No. 64 (Montreal, 2012); and Conference of the Parties to the Convention on Biological Diversity, “Identification of best practices and lessons learned on how to integrate biodiversity, poverty eradication, and sustainable development: summary of submissions received and synthesis of lessons learned”, document [UNEP/CBD/COP/13/INF/30](http://www.cbd.int/doc/meetings/cop/cop-13/information/cop-13-inf-30-en.doc), available at [www.cbd.int/doc/meetings/cop/cop-13/information/cop-13-inf-30-en.doc](http://www.cbd.int/doc/meetings/cop/cop-13/information/cop-13-inf-30-en.doc).

<sup>26</sup> ILO and UNICEF, *Towards Universal Social Protection for Children: Achieving SDG 1.3* (Geneva and New York, February 2019).

36. Despite ample evidence of positive child outcomes with the expansion of cash transfers for children,<sup>27</sup> including in the facilitation of safe transitions to adulthood among vulnerable young people in low income settings,<sup>28</sup> many children still do not have effective social protection coverage. Child and family benefits must be expanded, including through the progressive realization of universal child grants as a practical means to rapidly increase coverage.<sup>29</sup>

37. The adoption of universal policies in education, health and social protection contributes not only to social inclusion but also to placing equality at the centre of public policy by expanding coverage beyond restrictive targeting, which is often marked by considerable exclusion errors. Although there is no single model that suits all, every country, taking into consideration its stage of development, fiscal capacities and local context, has space to design, implement and make progress towards a more universal and solidarity-based model, and such space should not be unduly hindered by international rules and practices. It is also important to keep in mind that pursuing universal coverage alone may not result in reduced inequalities; it is essential that universal services be truly accessible to all, without discrimination, and that the barriers experienced by different population subgroups be fully addressed.

38. The inclusion of refugees in national systems and economies is integral to reducing inequalities and achieving a transition towards inclusive and sustainable market economies. Target 10.3 is helpful in tackling discrimination on the basis of ethnicity, race, religion or language, which is often the fate of refugees.

39. Expanding participation channels in decision-making serves as a key mechanism in reducing power asymmetries and inequalities. Comprehensive, pro-equality public policies based on social dialogue can be implemented to address inequality as a complex, multidimensional phenomenon. Such policies must also be integrated into broader development frameworks that include investment promotion, access to finance, infrastructure investment and skills development (see [E/2019/33](#)).

40. The global compact on refugees, adopted in December 2018, provides a basis for predictable and equitable burden- and responsibility-sharing among Member States and a broad range of stakeholders and emphasizes the need to reinforce national systems in order to foster the inclusion of refugees in such systems. A number of United Nations initiatives have also been developed and implemented recently to promote equality, inclusion and empowerment. The United Nations system shared framework for action on leaving no one behind is a conceptual framework that sets out the elements of a comprehensive and coherent package of policy and programme support areas to combat discrimination and inequalities within and among countries at the country, regional and global levels.<sup>30</sup> In July 2018, the Human Rights Council adopted draft guidelines for States on the effective implementation of the right to participate in public affairs ([A/HRC/39/28](#)), including in relation to development processes.

<sup>27</sup> UNICEF, “Cash transfer as a social protection intervention: evidence from UNICEF evaluations 2010–2014”, New York, June 2015.

<sup>28</sup> Luisa Natali and Fidelia Dake, “Exploring the potential of cash transfers to delay early marriage and pregnancy among youth in Malawi and Zambia”, research brief No. 2019-01, UNICEF Innocenti Research Centre, Florence, 2019.

<sup>29</sup> ILO and UNICEF, *Towards Universal Social Protection for Children: Achieving SDG 1.3*.

<sup>30</sup> United Nations System Chief Executives Board for Coordination, *Leaving No One Behind: Equality and Non-Discrimination at the Heart of Sustainable Development – A Shared United Nations System Framework for Action* (New York, 2017).

## IV. Role of institutions and governance

41. Building strong institutional frameworks that provide a structure for the progressive realization of rights and allow the deployment of high-quality social policies that are effective, efficient, sustainable and transparent is essential for reducing inequalities. A strong institutional framework also requires the ability to combine continuity with change and to incorporate innovation in a structured way.

42. Inequalities in income, wealth, access to resources and access to justice can result from poor governance, corruption, a lack of rule of law and participation, discrimination and weak or biased institutions. Target 16.6 underpins the 2030 Agenda by stressing the need to strengthen institutions to ensure that they can effectively discharge their mandates in service of the public, and target 16.7 underlines the essential nature of responsive, inclusive, participatory and representative decision-making at all levels. Participation is important in empowering individuals and groups with the aim of eliminating marginalization and discrimination and ensuring that no one is left behind (*ibid.*). When decision-making is participatory, it is more informed and public institutions become more effective, accountable and transparent.

43. Threats to development stemming from organized crime, conflict and fragility cannot be resolved by short-term or partial solutions without legitimate institutions that provide all citizens with equal access to security, justice and jobs. Indeed, robust, just and inclusive institutions enable good governance, which, in turn, forms the very basis for inclusive and equal development and empowerment of any kind.

44. Certain challenges hinder the creation of strong institutions and the promotion of good governance. Key among these is corruption. Target 16.5 calls upon Governments and others in power to overcome this powerfully negative force, restore integrity and trust and build institutions of opportunity, hope and fairness for all.

45. National and international human rights institutions can play a role in exposing the exclusionary and discriminatory practices faced by indigenous and ethnic groups and reveal the policy failings and shortcomings of public and private actors in respecting rights and effectively discharging responsibilities.<sup>31</sup>

46. Approaches towards empowerment and inclusion in policymaking can involve the following synergistic elements: (a) rights and justice; (b) norms and institutions; (c) participation and voice; and (d) resources and capabilities.<sup>32</sup>

47. In general, in order to leave no one behind, policy frameworks should encompass and set out institutional mechanisms that ensure both universal respect for human rights and the recognition of the needs and rights of specific population groups. Such balance is indispensable both to guaranteeing basic universal levels of well-being and to combating inequalities and discrimination on the basis of gender, age, socioeconomic status, sexual identity, race, ethnicity or place of origin, among others. In that regard, it is necessary to develop specific institutional frameworks that elaborate legislation, define bodies responsible for policy coordination and implementation and provide human, technical and financial resources to address the

<sup>31</sup> The United Nations Population Fund has been working to build the capacity of national human rights institutions in many countries, including Armenia, Azerbaijan, Chile, El Salvador, Guatemala, India, Malawi, the Philippines, Tunisia, the Zambia and the State of Palestine, to strengthen overall accountability for reproductive rights.

<sup>32</sup> Economic and Social Commission for Asia and the Pacific (ESCAP), Asian Development Bank and United Nations Development Programme (UNDP), *Accelerating Progress: An Empowered, Inclusive and Equal Asia and the Pacific* (Bangkok, 2019).

inequalities and discrimination experienced by specific population groups throughout the life cycle, as well as in the case of cross-cutting groups with specific needs.

48. While much progress has been achieved in the case of certain population groups, institutional frameworks and policies have not addressed deprivation and discrimination in the case of others. For example, migrants have historically been neglected by public and social policies in many countries, specifically in cases where immigration flows are a recent phenomenon. This must end regardless of whether such countries are places of origin, transit, destination or return of migrants. To address this global challenge, intersectoral and integral action is urgently needed at the national level. Coordination between national and local public action is also essential since local authorities often contend with migrants' vulnerabilities.<sup>33</sup>

49. Social protection, health, education, decent work and fiscal policies can play a central role in addressing inequality but need to be geared towards guaranteeing the full exercise of economic, social and cultural rights. In this regard, social protection policies for families and early childhood, women, indigenous peoples and persons with disabilities respond not only to unequal access to opportunities and capacity development but also to the uneven exercise of rights.

50. Establishing opportunities and spaces for participation in decision-making is important for channelling demands and information about unmet social needs, as well as for seeking input into the design, operation and evaluation of policies and programmes. Participation encourages community ownership and engagement. Moreover, participation is a tool that can enrich policy design and implementation by drawing on peoples' views and experiences, which makes policies more relevant and potentially more effective. Finally, participation reinforces the ties between society and the State, thus strengthening institutions and their legitimacy.

51. Civil society involvement at all levels is essential to advancing sustainable development. Stakeholder engagement protects the social contract that binds the State and society, builds momentum for progressive change through legislative or institutional reform, can curb harmful social norms and practices by inspiring behavioural or policy changes and enables diverse peoples to participate in decision-making, strengthening local ownership of solutions and responsibility for their implementation.<sup>34</sup> Inclusive institutions require well-established mechanisms for public participation that go beyond electoral processes and seek the input of the public as critical for sustainable development. Partnerships involving multiple actors are critical to identifying potential options and implementing the necessary actions. Access to information is necessary to provide a solid foundation for such partnerships and to ensure that decisions take on board public concerns.

## **V. Frontier technologies and their role in empowering people, ensuring inclusion and reducing inequalities**

52. Frontier technologies are progressively penetrating the social, cultural, economic and political fabric of societies. They can be drivers and accelerators of development, inclusiveness and empowerment and hold incredible promise for greater equality of opportunity and human welfare. However, technological

<sup>33</sup> Carlos Maldonado Valera, Jorge Martínez Pizarro and Rodrigo Martínez, *Protección Social y Migración: Una Mirada desde las Vulnerabilidades a lo largo del Ciclo de la Migración y de la Vida de las Personas* (Santiago, Economic Commission for Latin America and the Caribbean, 2018).

<sup>34</sup> ESCAP, Asian Development Bank and UNDP, *Accelerating Progress: An Empowered, Inclusive and Equal Asia and the Pacific*.

developments also carry significant risks for human dignity, autonomy and privacy and the exercise of human rights. The report of the United Nations High Commissioner for Human Rights on the right to privacy in the digital age (A/HRC/39/29) includes concrete recommendations on how to approach these issues. Realizing the potential of technology requires an alert society and the engagement of all stakeholders to continuously balance the gains from technology with the short- and long-term impacts of inevitable disruption.<sup>35</sup>

53. The rapid pace of the digital revolution includes the implementation of fast-growing technologies based on digital platforms that affect the economy and society on a cross-cutting and sectoral basis. This creates more complex ecosystems whose dynamics and socioeconomic effects are not fully determined, with the risk of deepening inequality if equal access to and facility for these new digital technologies are not guaranteed. This requires organizational, institutional and regulatory transformation with an urgency imposed by the speed of the digital revolution itself.

54. Technological innovation supports efforts to safeguard and restore the Earth's critical ecosystems and biodiversity hotspots, while catalysing new economic opportunities and business models. As technological advances increase productivity and prosperity, they also transform labour markets. For countries with the requisite technological capabilities, frontier technologies may support structural transformation, promote new sources of employment and income and enable access to new markets and opportunities. On the other hand, they may also increase inequality when applied under poor institutional frameworks and unfair market conditions (see E/2019/33).

55. A rapid reduction in the costs of frontier technologies could provide opportunities for developing countries to progress from low-wage activities towards higher wage and increasing return industries and benefit from participation in global value chains. For example, remote sensing, geospatial imaging and the use of drones are sustainably improving the yields and efficiency of agricultural production and supply chains. Farmers in developing countries are thus benefiting from higher yields, which could reduce income inequality.

56. E-governance makes it possible to reach minorities and remote geographical areas. It can expand the delivery of public services, enhance civic engagement, increase transparency and contribute to improving the responses of Governments to external shocks and various crises, for example, through the use of digital technologies such as geographic information systems in managing emergency responses. In some countries, new technologies are being used to enhance equal access to justice by not only distributing crucial information to enhance the legal empowerment of the population but also providing specific advice on how to gain access to justice, in particular access to legal information and legal aid services for those in need.

57. Technology opens new avenues to reach out to the most vulnerable. In Africa, the number of fixed and mobile phone lines per 1,000 people increased from 3 in 1990 to 736 in 2014 and the number of Internet users per 100 people increased from 1.3 in 2005 to 16.7 in 2015. Innovation and an entrepreneurial spirit can further contribute to lifting people out of poverty and exclusion. African technology start-ups raised funding in excess of \$129 million in 2016, with the number of start-ups securing funding up by 16.8 per cent compared with the previous year.<sup>36</sup>

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<sup>35</sup> This section is based in part on *World Economic and Social Survey 2018: Frontier Technologies for Sustainable Development* (United Nations publication, Sales No. E.18.II.C.1).

<sup>36</sup> See [www.worldbank.org/en/region/afr/brief/social-inclusion-in-africa](http://www.worldbank.org/en/region/afr/brief/social-inclusion-in-africa).

58. Online technology platforms are enabling a “sharing economy” and creating new prosperity through online short-term sharing of accommodation and transportation services, which can redefine livelihoods.<sup>37</sup> In East Africa, innovations such as M-Pesa offer access to online platforms and e-services that have paved the way for new mobile-based financial intermediation (e.g. microinsurance and savings accounts), opening up market niches. This has had a positive impact on the profitability, trade volumes and survival rates of microenterprises.<sup>38</sup> Similar platforms are also allowing new and more flexible ways of working, enabling individuals to work remotely or to perform multiple jobs for different employers. Social media platforms are transforming social interactions and creating new business opportunities.

59. However, in some instances, rapid technological changes are found to contribute to widening income and wealth inequality. Automation results in an increase of the share of capital in income while decreasing the share of labour, thus leading to a rise in inequality. Routine and repetitive tasks are increasingly automated, changing demands for skills. The polarization of skills – a declining share of jobs in the medium-skill category with increasing shares at both ends of the skills spectrum – has been observed in many developed countries and is exacerbating income inequality.

60. Technology is often the cause of job losses, and automation aided by machine learning will further replace physical labour and take over many analytical functions. Automation could lead to the reshoring of production from developing countries back to advanced economies, potentially reducing the export earnings and GDP of developing economies and worsening income inequality among countries. Furthermore, access to digital technologies and online economic opportunities cannot be tapped without physical access to electricity, broadband Internet connection and related devices. A large technological divide persists, with millions limited by technologies of the pre-industrial era and lacking access to modern education and health systems necessary to accumulate a minimum level of human capital for adopting many frontier technologies. Creating enabling conditions and bridging the technology divide will remain a key development strategy for many developing countries and is essential to avoiding a further widening of inequality.

61. The dynamism inherent to digital technologies and their economic and social impacts requires constant updating and an understanding of new technological, institutional and policy trends. Taking advantage of digital technologies requires national policies and strategies, as well as regional approaches. Greater regional collaboration should be supported to promote mutual learning, exchange best practices, guide regional and South-South cooperation and establish regional initiatives on empowerment and inclusion, such as institutionalized efforts to engage with civil society at the regional level.

62. Finally, rapid advances in frontier technologies require a fundamental rethinking of education in general and post-secondary education in particular. The rapid pace of technological progress will make existing skills and knowledge obsolete faster than before. Governments need to deal with technology-induced economic insecurity associated with potential job losses and the obsolescence of skills or knowledge and to invest in enhancing the availability and quality of life-long learning opportunities. To deliver progress on the 2030 Agenda, technology-related policies must integrate the social dimension in order for technology to promote empowerment and ensure

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<sup>37</sup> Arun Sundararajan, “The future of work”, *Finance and Development*, vol. 54, No. 2 (June 2017).

<sup>38</sup> African Union Commission and OECD, *Africa’s Development Dynamics 2018: Growth, Jobs and Inequalities* (Addis Ababa and Paris, 2018).

equality.<sup>39</sup> Gender-inclusive innovation policies should be directed at the participation of women as innovators or entrepreneurs, while youth-oriented policies can also be helpful in making technological change inclusive.

## VI. Conclusion

63. Like poverty, inequality is a multidimensional phenomenon. A range of pro-equality public policies can, in concert, advance the empowerment, inclusion and equality of all. This includes policies to promote active participation in decision-making, labour inclusion and social protection, universal policies that are sensitive to differences in health and education and policies that address the challenges and vulnerabilities of specific population subgroups, as well as policies for digital inclusion. Public policies must aim to reduce inequalities while effectively addressing concentrations of wealth and power. An integrated approach is needed that includes universal social protection measures and mechanisms for participation and the exercise of rights, which are all critical for reducing inequalities and fostering empowerment.<sup>40</sup> A progressive approach in reforms towards universal health coverage can ensure that those being left behind are prioritized.

64. Manifesting the transformative vision of the 2030 Agenda requires new thinking and renewed efforts to adopt whole-of-society and whole-of-government approaches anchored in coordinated action. Implementing policies adequately requires the right level of government intervention and coordination with development partners. This follows the principles of value addition and subsidiarity included in numerous other development frameworks, such as the Agenda 2063 of the African Union.<sup>41</sup> Governments are called upon to take innovative approaches to rule-setting and policy-making, including in the design of tax systems, models for the delivery of public services and industrial policies (see [E/2019/33](#)), and to strengthen policies that promote productive employment and decent work and reinforce labour institutions, such as the formalization of employment, increases in the minimum wage, respect for labour standards, the expansion of access to social services and the development of high-quality basic infrastructure. Public institutions must become more aware of and increasingly responsive to multiple dimensions of inequality and resist assumptions that are likely to exacerbate existing inequalities (*ibid.*).

65. There is a need to inject new vigour into civic engagement efforts by institutionalizing relevant stakeholder involvement within all policy processes, building the capacity of civil society organizations and strengthening civic education. Space must be made for people at the grass-roots level and for young people, indigenous peoples, persons with disabilities and other marginalized and vulnerable persons and communities to be active participants in the realization of the 2030 Agenda (see [A/HRC/40/34](#)).

66. Nationally owned data generation and analysis systems should be capable of providing regular reports on progress made towards global and nationalized Sustainable Development Goal indicators, especially as indicators for the targets of Goal 16 are particularly context sensitive. It is critical that the process of nationalizing the indicators be participatory and reporting sustainable. States need support in

<sup>39</sup> *Technology and Innovation Report 2018: Harnessing Frontier Technologies for Sustainable Development* (United Nations publication, Sale No. E.18.II.D.3).

<sup>40</sup> *Ibid.*

<sup>41</sup> African Union Commission and OECD, *Africa's Development Dynamics 2018: Growth, Jobs and Inequalities*.

strengthening data generation and analysis capacities for national efforts to monitor and report on progress.

67. Open source platforms developed by the private sector and civil society organizations can help to improve transparency and drive efficiency improvements in service delivery to reach the poorest and most disadvantaged children and communities. Tapping into next-generation development solutions involving technology and innovation can significantly expand the solution base at the disposal of Governments towards empowering people and ensuring inclusiveness and equality. Governments should prioritize and increase public investments in technical, human and financial resources for population data systems, which will provide the most robust basis for disaggregation.

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