SDGs 1 (poverty) and 10 (inequality): case studies and policy implications

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VNRs presented by **43 COUNTRIES**

LNOB mentioned by **39 COUNTRIES**

### Key policy areas mentioned by countries

<table>
<thead>
<tr>
<th>Policy Area</th>
<th>Count</th>
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<tbody>
<tr>
<td>Social protection</td>
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<tr>
<td>Development strategy</td>
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<td>Productive sector</td>
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<td>Technology</td>
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<td>Macroeconomics</td>
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<td>Participation</td>
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### Groups not to be left behind mentioned by countries

<table>
<thead>
<tr>
<th>Group</th>
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<tr>
<td>Gender</td>
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<td>Disability</td>
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<td>Children/Youth</td>
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<td>Refugees/migrants</td>
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<td>Elderly</td>
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<tr>
<td>Geo/admin region</td>
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<tr>
<td>Race/ethnicity/religion</td>
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<tr>
<td>Indigenous</td>
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<td>HIV</td>
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<tr>
<td>Mental health</td>
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<td>Unemployed</td>
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<td>LGBT</td>
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<td>Widow</td>
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</table>
SDG Index and Dashboards Report 2018
Global Responsibilities: Implementing the goals

SDG 1
No poverty

- SDG achieved
- Challenges remain
- Significant challenges remain
- Major challenges remain

The boundaries, colors, denominations, and other information shown on this map do not imply any judgment on the part of SDSN concerning the legal status of any territory or the endorsement or acceptance of such boundaries.
I’m not poor. Why should I care about other people’s multidimensional poverty?

- Poverty has many dimensions, but its causes include unemployment, social exclusion, and high vulnerability of certain population to disasters, diseases and other phenomena which prevent them from being productive and lead happy life.

- Our wellbeing is linked to each other. Growing inequality is detrimental to economic growth and undermines social cohesion, increasing political and social tensions and, in some circumstances, driving instability and conflicts.
Middle classes stage a comeback

- Those living in poverty (< PPP$3.10/day) fall from 46 to 5 million (2001-2013)
- Those vulnerable to poverty (PPP$3.10/day to PPP$10/day) fall from 115 to 70 million (2003-2013)
- Middle classes (PPP$10/day to PPP$50/day) grow from 33 to 90 million (2001-2013)

Numbers of people in various socio-economic classes (millions)

UNDP calculations, based on World Bank POVCALNET data. Uzbekistan, Turkmenistan not included.
Countries with less success in poverty reduction have larger inequality challenges

**World Bank POVCALNET data. Poverty threshold: $3.10/day (2011 PPP exchange rates).**
What can we do?

• **If you are a young person:** Your active engagement in policymaking can make a difference in addressing poverty. It ensures that your rights are promoted and that your voice is heard, that inter-generational knowledge is shared, and that innovation and critical thinking are encouraged at all ages to support transformational change in people’s lives and communities.

• **If you are a policymaker:** Governments can help create an enabling environment to generate productive employment and job opportunities for the poor and the marginalized. They can formulate strategies and fiscal policies that stimulate pro-poor growth, and reduce poverty.

• **If you work in the private sector:** The private sector, as an engine of economic growth, has a major role to play in determining whether the growth it creates is inclusive and hence contributes to poverty reduction. It can promote economic opportunities for the poor, focusing on segments of the economy where most of the poor are active, namely on micro and small enterprises and those operating in the informal sector.

• **If you are part of the science and academic community:** The academic and education community have a major role in increasing the awareness about the impact of poverty. Science provides the foundation for new and sustainable approaches, solutions and technologies to tackle the challenges of reducing poverty and achieving sustainable development. The contribution of science to end poverty has been significant.
SDG Index and Dashboards Report 2018

Global Responsibilities: Implementing the goals

SDG 10
Reduced inequalities

- SDG achieved
- Challenges remain
- Significant challenges remain
- Major challenges remain

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Why should I need to care about inequality if I don’t face any discrimination?

• In today’s world, we are all interconnected. Problems and challenges, be they poverty, climate change, migration or economic crises are never just confined to one country or region. Even the richest countries still have communities living in abject poverty.

• Political, economic and social policies need to be universal and pay particular attention to the needs of disadvantaged and marginalized communities.

• Between 2010 and 2016, in 60 out of 94 countries with data, the incomes of the poorest 40 per cent of the population grew faster than those of the entire population.
In the context of localised SDG measures, Serbia’s national SDG 10.1 target and SDG indicator 10.1.1 should also enable the monitoring of income and expenditure growth of bottom 20% of the distribution, not only of the bottom 40%.
What can we do?

• Reducing inequality requires transformative change. Greater efforts are needed to eradicate extreme poverty and hunger, and invest more in health, education, social protection and decent jobs especially for young people, migrants and other vulnerable communities.

• Within countries, it is important to empower and promote inclusive social and economic growth. We can ensure equal opportunity and reduce inequalities of income if we eliminate discriminatory laws, policies and practices.

• Among countries, we need to ensure that developing countries are better represented in decision-making on global issues so that solutions can be more effective, credible and accountable.

• Governments and other stakeholders can also promote safe, regular and responsible migration, including through planned and well-managed policies, for the millions of people who have left their homes seeking better lives due to war, discrimination, poverty, lack of opportunity and other drivers of migration.
MAP 0.1 Shared Prosperity Estimates, 91 Economies, circa 2010–15

Income or consumption growth among the bottom 40 percent of the distribution

Sources: GDSP (Global Database of Shared Prosperity) fall 2018 edition.
Note: The map shows annualized growth rates in mean household per capita income or consumption.
## SDG acceleration platforms (Eastern Europe and CIS)

<table>
<thead>
<tr>
<th>Country</th>
<th>Governance</th>
<th>Green, inclusive growth</th>
<th>Youth</th>
<th>Investment in human, social capital</th>
<th>Gender</th>
<th>Other(s)</th>
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<td>Resilient resource management</td>
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Figure 1: The CRI 2018 pillars and indicators

**SPENDING ON HEALTH, EDUCATION AND SOCIAL PROTECTION**

1. Social Spending as % of Total Spending
   - Education spending
   - Health spending
   - Social protection spending

2. Incidence of Spending on Inequality (Gini Coefficient)
   - Education spend % GDP * incidence coefficient
   - Health spend % GDP * incidence coefficient
   - Social protection % GDP incidence coefficient

**PROGRESSIVITY OF TAX POLICY**

1. Progressivity of Tax Structure
   - Personal income tax minimum and maximum rates + thresholds
   - Corporate income tax rate
   - VAT rate, exemptions + thresholds

2. Incidence of Tax on Inequality (Gini Coefficient)
   - VAT Revenue % GDP
   - CIT Revenue % GDP
   - PIT Revenue % GDP
   - Excise Revenue % GDP
   - Customs Revenue % GDP

3. Tax Collection
   - Tax productivity: VAT, PIT and CIT revenue compared to rates and GDP or consumption
   - Tax effort compared with potential

4. Harmful Tax Practices
   - Harmful tax practices
   - Anti-tax avoidance rules
   - Evidence of negative impact

**LABOUR RIGHTS AND MINIMUM WAGES**

1. Workers and Labour Union Rights
   - Government efforts to protect workers in law and in practice

2. Women’s Legal Rights at Work
   - Laws on equal pay for equal work
   - Laws against gender discrimination
   - Laws against rape
   - Laws against sexual harassment
   - Parental leave

3. Minimum Wage
   - Minimum wage in local currency
   - Per capita GDP

DOLLAR STREET

https://www.gapminder.org/dollar-street/matrix
Thank you very much!

(elenadanilova-cross@undp.org)