

Side event on the global call to action to finance social protection

29th April 2025

1.15 -2.30 pm Duration 1 h 15 min

(light lunch will be served from 12.15 pm)

ILO office, New York

The Government of Mexico, the Government of Qatar, the International Labour Organization (ILO) and the Global Partnership for Universal Social Protection USP2030 are pleased to convene a side-event on [the global call to action to finance social protection](#). Excellencies and invited experts will share insights on why FfD4 presents a unique opportunity to boost the political will to finance social protection and to close the financing gap. The side event will give the opportunity to member states to exchange on the global, regional and national commitments on social protection financing necessary to accelerate the extension of social protection effective coverage. Panellists will share with participants national practices and collaborative approaches on how to create fiscal space for realization of the SDGs, especially SDGs 1 and 3. The session will foster dialogue among UN Member States, national policymakers, multilateral and bilateral agencies, social partners and other key stakeholders highlighting the pivotal role of social protection as a cornerstone of equitable and sustainable development.

Background

- **Why is it urgent to expand social protection coverage?**

As the world confronts uncertain times with sluggish economic growth, political instability, geopolitical tensions, and an ever-evolving climate crisis, protecting and expanding social protection coverage is an essential and strategic investment. It delivers economic and fiscal returns, acts as both a safeguard and a catalyst for resilience, and is an essential tool for addressing recurring shocks and protracted crises. In response to the global COVID crisis, an unprecedented effort in the realm of social protection was initiated, leading to expectations that some of these measures might become permanent, thereby significantly reducing poverty and inequalities. The ILO's Social Protection Monitor reported that over 1,900 measures were put into action by 211 countries and territories between January 2020 and September 2023. However, the majority of these measures were rolled back at the pandemic's end, as many countries opted for fiscal consolidation measures, heightening concerns of a new wave of fiscal austerity, which will further exacerbate inequalities.¹ Prospects on the expansion of fiscal space for social protection expenditure in most developing countries are weak due to softer external demand, volatile commodity prices, high borrowing costs and fiscal consolidation pressures. High levels of debt amid subdued growth continue to constrain fiscal space, making it harder for governments to borrow and invest.²

- **How much do we need to invest to make universal social protection and universal health coverage a reality for everyone?**

Despite the constraints on the expansion of the fiscal space for social protection, we must recall that Member States have agreed to goals on universal social protection (USP-SDG target 1.3) and universal health coverage (UHC-SDG target 3.8) in line with human rights instruments and international labour standards. Social protection is a human right, and it is defined as the set of policies and programmes designed to reduce and prevent poverty, vulnerability and social exclusion throughout the life cycle. Estimates show that only 52.4 per cent of the global population have access to at least one social protection benefit (effective coverage), leaving 3.8 billion people uncovered. Under-investment in social protection continues to be one of the main reasons for the low coverage rates. Public expenditure on social protection (excluding

¹ Ortiz, Isabel and Matthew Cummins. 2022. End austerity. [A Global Report on Budget Cuts and Harmful Social Reforms in 2022-25](#).

² UNDESA. 2024. [Financing for Sustainable Development Report 2024](#).

healthcare) was, on average, 12.9 per cent of GDP worldwide (in 2023) and expenditure on health was 6.5 per cent of GDP.³

To ensure at least a social protection floor, low- and middle-income countries require an additional US\$ 1.4 trillion or 3.3 per cent of the aggregate GDP (2024) of these countries per annum, composed by 2.0 per cent of GDP or US\$ 833 billion for essential health care and 1.3 per cent of GDP or US\$ 552 billion for five social protection cash benefits.⁴ This represents an average increase in social protection expenditure of 10.6 per cent of the existing government expenditure in low- and middle-income countries.

- **To progressively mobilize the resources to safeguard social protection expenditure and extend coverage the ILO and USP2030 have launched a global call to action. What it is?**

The ILO and the USP2030 Global Partnership⁵ welcome para 22j of [the first draft of the FfD4 outcome document](#), a quantitative target to increase social protection coverage by at least two percentage points per year ([ILO USP2030 call to action on extending social protection coverage](#)). Complying with the ILO call to action on extending social protection coverage in LMICs, in 2024, would require a yearly investment of US\$17.4 billion or 0.04 per cent of their GDP. Low-income countries would need only US\$2.5 billion or 0.4 per cent of GDP, while lower-middle-income and upper-middle-income countries would need US\$6.4 and 8.5 billion respectively, equivalent to 0.07 per cent and 0.03 per cent of their respective GDP.⁶

Participants

Shahra Razavi, Director of the Universal Social Protection Department, ILO, new ILO research on closing social protection gaps in the SIDS and moderation of panel

- Opening remarks
 - H.E. Sheikha Alya Ahmed bin Saif Al-Thani, Permanent Representative of the State of Qatar to the United Nations
 - Norma Manguia Aldaraca, Director General for Global Affairs, Ministry of Foreign Affairs, Mexico
- Discussants
 - H. E. Ambassador Samuel Isa Chala, Deputy Permanent Representative of the Federal Democratic Republic of Ethiopia to the United Nations
 - Peter Ombasa, Senior Social Protection Specialist in the State Department of Social Protection at the National Social Protection Secretariat representing USP2030, Kenya
 - Stewart Haynes, Director at National Insurance Services, Saint Vincent and the Grenadines
 - Sanjay Reddy, Professor of Economics, The New School for Social Research
 - Rouguiatou Diallo, Economic Research Officer at ITUC/Global Unions
 - Shea Gopaul, IOE Permanent Representative to the UN and co-chair for the Business and Industry major group

³ ILO 2024, 'World Social Protection Report 2024-26: Universal Social Protection for Climate Action and a Just Transition', 2024.

⁴ Such investment would ensure universal coverage of basic benefits to all children, mothers of newborns, persons with severe disabilities, the unemployed, and older persons, as well as universal essential health care. Cattaneo, U., Schwarzer, H., Razavi, S., Visentin, A. 2024. [Financing gap for universal social protection: Global, regional and national estimates and strategies for creating fiscal space](#), ILO Working Paper 113 (Geneva, ILO).

⁵ USP2030 is co-chaired by the World Bank and the ILO and its mission is to achieve the promise of SDG 1.3: "Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable.". USP2030 has 53 members, including among others, IFIs (e.g. World Bank, IDB), UN Member States (e.g. Belgium, France, Germany, Kenya, Sweden, United Kingdom, United States), UN entities (e.g. UNICEF, FAO, UNESCAP), and civil society organizations (e.g. WIEGO, HRW).

⁶ This is the required investment to increase social protection coverage in 2024 by 2 percentage points for each of the following groups: children, persons with disabilities, mothers of newborns, old-age persons and the unemployed. Calculations based on Cattaneo, U., Schwarzer, H., Razavi, S., Visentin, A. 2024. [Financing gap for universal social protection: Global, regional, and national estimates and strategies for creating fiscal space](#), ILO Working Paper 113 (Geneva, ILO).