



## **Position of the International Movement ATD Fourth World on the creation of a Global Fund for Social Protection**

The Covid-19 crisis has shown the importance, beyond emergency measures, of setting up sustainable social protection systems capable of covering the entire population, including people living in extreme poverty. The challenge is immense, given that four billion people in the world do not benefit from any form of social protection and that the predominance of the informal economy (two billion workers, or 61.2 percent of the active population) makes the task particularly complex.

Low-income countries may not have the financial means to guarantee the right to social protection, as needs are high and government revenues relatively low. Moreover, these countries are often vulnerable to various types of shocks — economic, climatic, and health — that threaten social protection systems by causing sudden increases in expenditure and decreases in government revenue.

Thus, the fundamental rights and principles affirmed in the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, ILO Recommendation No. 202 on social protection, and targets 1.3 (social protection systems for all) and 3.8 (universal health coverage) of the Sustainable Development Goals remain unfulfilled for the majority of the world's population.

This is why, in a recent report, the UN Special Rapporteur on extreme poverty and human rights proposed the creation of a Global Fund for Social Protection that would help low-income countries establish and expand social protection systems in the form of legal entitlements, and improve their resilience to shocks<sup>1</sup>. The fund would be financed by official development assistance and other sources (from international institutions, governments, etc.), including unused or new special entitlements.

International aid would be used to initiate a process that would allow recipient countries to progressively increase their levels of domestic resource mobilisation. Not intended to create a new form of dependence, the Fund would seek to ensure a predictable level of support to countries that commit to expanding social protection and whose capacity to finance it improves over time. It would do this by providing matching funds to complement national efforts to mobilise resources and invest in permanent, rights-based social protection systems in accordance with international standards.

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<sup>1</sup> Olivier De Schutter, « 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, United Nations A/HRC/47/36, 6 April 2021

The International Movement ATD Fourth World, witnessing the devastation caused by the lack of social protection for poor and destitute people around the world, strongly supports this initiative. Indeed, the Fund could serve as a lever to initiate significant changes in countries or regions where extreme poverty seems to be inexorably increasing.

The effectiveness of the Fund's support will depend largely on the design and implementation of national social protection extension strategies. These should be guided by **the principles of dignity, equal treatment, inclusion (leaving no one behind), solidarity, and participation**. To this end, we believe it is important to emphasize the following points:

- In order to ensure that **people living in poverty and extreme poverty participate effectively**, it is necessary to clearly **define how they will be involved in the design and monitoring of strategies for the extension of social protection**. If national coordination already exists between different partners, it is important to ensure that representatives of people living in poverty and extreme poverty are involved. In addition, experience shows that in order to ensure that no one is excluded from being registered as a social protection beneficiary, **registration processes** must involve representatives of local communities and the poorest people in these communities.
- The conditions must be created to **allow national priorities to emerge, rather than imposing social protection models** that do not correspond to a country's current situations and challenges. To this end, it is necessary to support programs that promote local knowledge and its intersection with outside knowledge rather than to rely on traditional academic research. It is a question of helping populations to express and enrich the knowledge that prevails in local practices without subjecting them to the domination of foreign ways of thinking. Their existing wealth of relationships must be preserved and reinforced.
- Countries must be able to adopt a **broad conception of social protection** and not be limited to the coverage of risks drawn from the experience of industrialized countries of the last century. Social protection must be able not only to protect people against a wide variety of risks but also to support them in income-generating activities and access to employment, given that economic security is first and foremost job security<sup>2</sup>.
- To facilitate essential access to health care, strategies for extending social protection must be designed in conjunction with **adapting and strengthening the health system** (mutually reinforcing policies).

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<sup>2</sup> *Standard-related activities and decent work. Pprospects in the field of social security Proposals made by the independent group of experts*, coord. Alain Supiot, BIT, March 2005. <https://www.social-protection.org/gimi/gess/ShowRessource.action?lang=EN&ressource.ressourceId=8514>

- In order to guarantee dignity and equal treatment, there must be **preliminary assessments of the impact of social protection extension strategies on poverty that take into account the hidden dimensions of poverty** highlighted in a research highlighted in research conducted by ATD Fourth World and Oxford University<sup>3</sup>. These include dispossession of the power to act, forms of resistance to poverty implemented by the populations (which must be reinforced and not undermined), institutional and social maltreatment and the non-recognition of the contribution of people living in poverty.
- Any specific schemes or programs for the most disadvantaged people must be designed from the outset to integrate them into the mainstream with other citizens and not to keep them on the margins.
- Given the challenge of extending social protection to all, the Fund could provide financial support for trial attempts to reach populations that are particularly far from social protection, in order to draw lessons that will enable effective policies to be formulated on a larger scale.

Méry-sur-Oise, 7 June 2021

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<sup>3</sup> <https://www.atd-quartmonde.org/wp-content/uploads/2019/12/Hidden-Dimensions-of-Poverty-20-11-2019.pdf>