



Concept note on the Global Accelerator on Jobs and Social Protection for Just Transition

(Draft for consultation: Updated on 14 March 2022)

Overview

- In addition to claiming more than 5.6 million lives, the COVID-19 pandemic has caused an **unprecedented loss of jobs and livelihoods**. This has **exacerbated income insecurity around the world, particularly for the more than half of the global population without any access to social protection and especially those working in the informal economy and without access to digital technologies**.
- At the same time, recovery from the COVID-19 pandemic offers a window of opportunity to build forward better – to design and implement policies and investment strategies for **decent jobs with social protection, including in the green, care and digital economies, supporting just transition for all**.
- Coordinated and scaled-up investments in decent jobs and social protection would create a virtuous circle of human-centred recovery and sustainable development. A **just transition – one that maximises economic and social gains from climate action and digital transformations, while minimizing risks of social disruption** – is indispensable for these ambitious and integrated actions on employment, social protection and climate change. It is also essential for **renewing the social contract between governments and people, in order to build trust and social cohesion**. Investments in governance, social protection, the green economy, and digitalization could lift 146 million people, including 74 million women and girls, out of poverty by 2030.
- In September 2021, the United Nations Secretary General launched the **Global Accelerator on Jobs and Social Protection for a Just Transition** (*Accelerator* for short), which aims to increase the level and coordination of the multilateral system’s efforts to help countries create 400 million decent jobs, including in the green, digital and care economies, and to extend social protection coverage to the 4 billion people currently excluded, efforts which are vital to poverty reduction and achieving the SDGs as a whole.
- At the initial stage, the Accelerator will be **implemented in a select number of Pathfinder countries**¹ that have considerable potential to amplify investments in jobs and social protection and have expressed a commitment to do so. The Accelerator’s implementation strategy will be

¹ The criteria guiding the identification of pathfinder countries are currently under development and addressed separately.

adapted to each country's diverse and specific context and circumstances, including those in fragile and post-conflict settings, and through strong system-wide country-level coordination.

- **The Accelerator includes three mutually reinforcing pillars.** Pillar 1 supports the development of integrated national employment and social protection strategies that accelerate a fully inclusive, human-centred recovery from the COVID-19 crisis and just transition. Pillar 2 addresses the challenge of resource mobilization, complementing domestic fiscal efforts with international financial support, including from international financial institutions. As effective action under pillars 1 and 2 is contingent on global and national stakeholder commitment to a common framework, Pillar 3 aims to enhance multilateral cooperation, including by establishing a High-Ambition Coalition of Ministers to provide political and strategic support to the Accelerator, particularly to promote job creation in the green and digital economies. A transversal *technical support facility* will advise on the work on the three pillars, supported by technical expertise from the UN system as well as from national governments, social partners, IFIs and development partners.
- The Accelerator represents a global response to the glaring deficits in decent jobs and universal social protection, and the mounting imperative of a just transition to a low-carbon economic future - challenges that have been exacerbated by the COVID-19 pandemic. The Accelerator has the ambition of **bringing together member States, international financial institutions, social partners, civil society and the private sector**, to build a better future and keep the promises of the 2030 Agenda.
- As such, **the Accelerator could become a major platform for multilateral cooperation and concrete action leading to the World Social Summit in 2025**, as proposed in **Our Common Agenda**. More specifically, it could provide solutions to several recommendations of the Our Common Agenda, notably: a) increase levels of funding for social protection, including possibly through a Social Protection Fund in coordination with the IFIs; b) facilitate UN coordination on the development of a common roadmap to promote the transition of workers and enterprises from the informal to the formal economy; c) facilitate women's economic inclusion, including through large-scale investment in the care economy and support women entrepreneurs; d) promote green and digital economy job creation and a just transition towards environmentally sustainable economies, and e) improve labour market outcomes for youth. **These Our Common Agenda recommendations are all interconnected and require a whole-of-government approach, UN-system wide coordination and multi-stakeholder responses, hence forming the basis for the proposed High-Ambition Coalition of Ministers.**

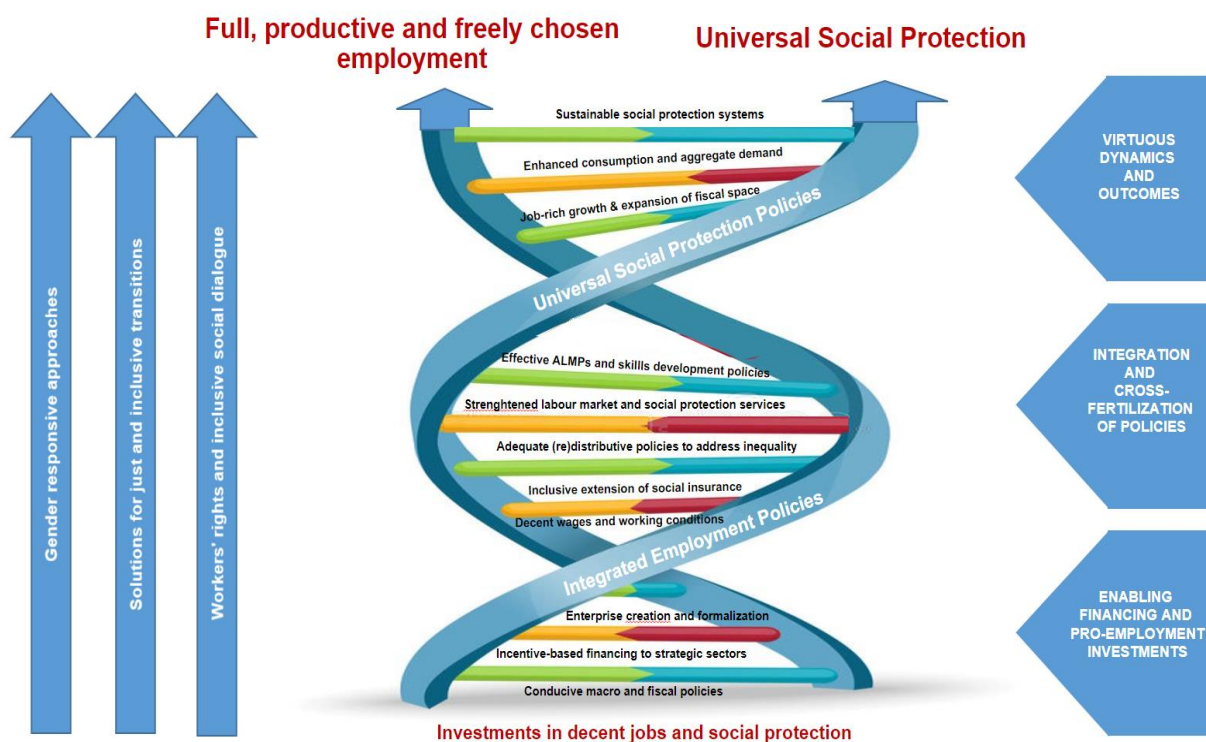
Why a Global Accelerator?

To prevent inequalities from becoming entrenched, urgent action is needed to create decent jobs, including in the green, care, and digital economies, achieve universal social protection, and contribute to just transition. This requires sustained investments in sectors with high potential for decent job creation, as well as in social protection, which acts as an important shock absorber in times of crisis, including those caused by natural disasters. It requires policies with a strong life-cycle approach and a focus on vulnerable groups that were most impacted by the COVID-19 pandemic, including children and youth. It also requires reflections on social infrastructure more broadly, such as housing, universal child benefits and strategies to transition from emergency measures in fragile and

conflict-affected countries towards sustainable systems of social protection (or strategies to maintain those systems if countries backslide).

By supporting and complementing national efforts to combat the socio-economic consequences of the crisis, and accelerate recovery, the *Accelerator* can be a game-changer by promoting an integrated vision of employment and social protection (see Figure 1) and securing the needed investments to underpin a virtuous cycle of human-centred recovery from the COVID-19 crisis. Such an integrated and gender-responsive approach will bolster resilience against future shocks, promote decent work and facilitate a just transition towards inclusive and environmentally sustainable economies and societies.

Figure 1: An integrated vision of employment and social protection



What is the Level of Ambition?

The Accelerator aims to fast-track the achievement of SDG 1 on ending poverty (with particular focus on SDG 1.1 on income poverty, SDG 1.3 on social protection floors for all by 2030, and SDG 1.a on resource mobilization), SDG 3 on healthy lives and well-being (with special emphasis on SDG 3.8 which aims to achieve universal health coverage); it aims to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all (SDG 8), and will contribute to achieving SDG4 on education, SDG 5 on gender equality, SDG 10 on reducing inequality within and among countries, and SDG 13 on accelerating climate action. The Accelerator will enhance the momentum towards ensuring decent work and effective access to social protection and social services for all and contribute to the economic advancement of all people.

At the initial stage, the Accelerator will be **implemented in a select number of low- and middle-income countries (*Pathfinders*)** which have considerable potential to amplify investments in jobs and social protection and have expressed a commitment to do so. The Accelerator’s implementation

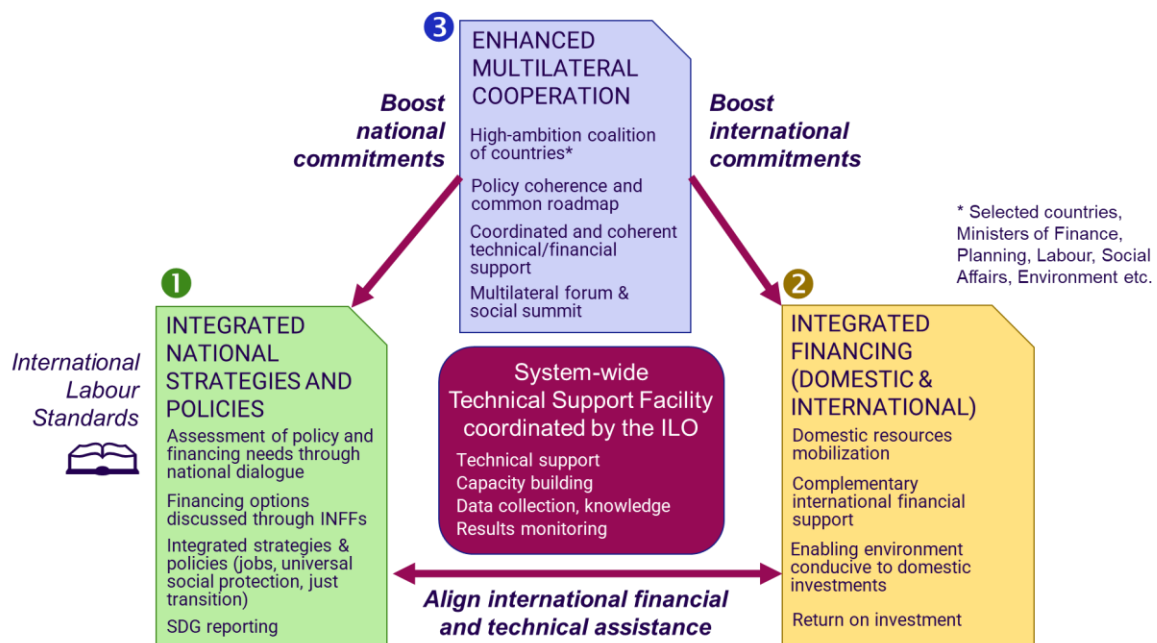
strategy will be adapted to each country's specific context and circumstances, including those in fragile and post-conflict settings, and through strong UN system-wide country-level coordination.

A more detailed strategy for the development of the Accelerator will complement this concept note. It will include a resource mobilization strategy and propose a governance structure for the Accelerator and its Technical Support Facility. It will also provide a mapping of pre-existing partnerships and programmes and their possible role in the implementation of the Accelerator. To support this process, Terms of Reference for the creation of an Inter-Agency Task Force will be developed, which will include all the UN entities supporting various recommendations in *Our Common Agenda* related to jobs and social protection².

How to Make this Happen?

The Accelerator includes three complementary and mutually supportive pillars (see Figure 2).

Figure 2. Organizational structure of the Global Accelerator



- **Pillar 1** addresses policy dimensions, in particular by developing integrated national employment, social protection and just transition strategies.
- **Pillar 2** addresses the challenge of resource mobilization, complementing domestic fiscal efforts with international financial support, including from international financial institutions.
- **Pillar 3** aims to enhance multilateral cooperation, including by establishing a High-Ambition Coalition of Ministers to build political momentum and strategic support for the Accelerator.
- **A transversal, system-wide Technical Support Facility (TSF)** will advise on the work under the three pillars and seek to align financial and technical assistance for a human-centred recovery and sustainable development. The TSF will draw upon expertise from the UN system as well as from national governments, social partners, IFIs and development partners. It will primarily

² This includes recommendations for: a Global Fund for Social Protection, a roadmap to support the integration of informal workers into the formal economy, large-scale investments in the care economy, a High-Ambition Coalition of Ministers to promote green and digital job growth, a recovery barometer for youth, youth labour guarantees, and earmarking funds for social protection in national budgets.

serve to provide on-demand technical assistance to national stakeholders, working in collaboration with development partners, through the UNRC system.

Pillar I. Integrated national strategies and policies

Combined investments in decent employment and universal social protection are two sides of the same coin and contribute to the creation of decent, formal jobs with social protection by sustainable enterprises, and to the improvement of working conditions and living standards, while ensuring a just transition.

Through this pillar, the *Accelerator* will provide system-wide support to Pathfinder countries so they can:

- ▶ Prioritize integrated policies in national budgets and development plans that promote the creation of decent employment, universal social protection systems, transition from the informal to the formal economy and a just transition to an environmentally sustainable economy, and support governments in reprioritizing social protection budgets and consolidating social protection programmes;
- ▶ Ensure that the UN Sustainable Development Cooperation Frameworks (CCFs) support these integrated policies and their implementation and are supported by a financing strategy;
- ▶ Based on national social dialogues, assess policy obstacles and financing gaps for decent jobs and social protection, and support the formulation and implementation of evidence-based integrated employment and social protection policies that address:
 - The creation of decent employment, including in the green, care, and digital economies;
 - Work and life transitions, including just transition, supported by employment services, skills development, labour market programmes that will help people upskill and re-skill to keep or change their jobs, including in response to the green and digital transformations;
 - The extension of social protection to uncovered categories of the population and building universal social protection systems that employ a life-cycle approach, and are comprehensive, adequate, sustainable, and gender-responsive;
 - The transition from the informal to the formal economy by combining interventions that increase the ability of the formal economy to absorb workers and enterprises currently in the informal economy and that strengthen the ability of these workers and enterprises to enter and remain in the formal economy;
 - The needs of hard-hit and disadvantaged groups, including women, youth, and children;
- ▶ Assess the potential for domestic resource mobilization and international financing options (link with Pillar II) and mobilize political will and resources to fill the gaps (including through INFFs);
- ▶ Ensure that green policies and plans (e.g. Nationally Determined Contributions, National Adaptation Plans and National Climate Change Policies/Strategies) actively promote a just transition, including through employment and social protection measures;
- ▶ Establish an enabling environment for the creation of sustainable enterprises, including by investing in sectors with strong potential for creating decent work, including physical and digital infrastructure, the care economy, and the green economy, and scale-up digital infrastructure to support the expansion of social protection and employment services and programmes, including through re-skilling and up-skilling programmes for youth;
- ▶ Strengthen institutional capacities and governance frameworks to support the implementation of integrated policy packages;

- ▶ Support the tracking and monitoring of social protection budgets, including on social protection, education, health, and nutrition;
- ▶ Strengthen statistical capacities to monitor the progressive achievement of relevant SDGs, including with regard to new categories of people left behind by COVID-19, in order to inform policymaking, national budgeting and planning;

Pillar II. Integrated financing combining domestic resources and international financial support

More investments in jobs and social protection are indispensable, and these should come primarily from diversified and sustainable sources of domestic financing. Where necessary, these resources need to be complemented by others, in line with the economic and fiscal capacities of the country and based on national priorities. This includes exploring options for mobilizing international financing for job creation, social protection, and a just transition, including discussions on concrete proposals for a new international financing mechanism, such as a **Global Social Protection Fund**, which “could support countries in increasing levels of funding devoted to social protection over time.” As part of financing strategies and the implementation of national employment policies, a close articulation with measures to attract private investment (which target both domestic and foreign direct investments) will be secured to maximize the employment intensity of investments, both qualitatively and quantitatively.

Through this pillar, the *Accelerator* will provide system-wide support to Pathfinder countries to:

- ▶ Mobilize sustainable domestic resources for social protection, decent jobs, and a just transition through efforts that aim to broaden the tax base, address the avoidance of social contributions and tax evasion, strengthen accountability and transparency of public institutions, foster the formalization of the economy, build fair and progressive tax systems together with a sustainable macroeconomic framework, reprioritize and reallocate public expenditure to support decent and productive employment and social protection, and eliminate corruption and illicit financial flows;
- ▶ Where necessary, assist countries in mobilizing international financial support from the global community - through budget support, concessional loans, re-allocating the use of newly-issued SDRs from their initial recipients to those countries that need them, Debt Service Suspension, debt cancellation/exchange for development, increased ODA and the growing share of ODA allocated to social protection and jobs, international climate finance - to complement and catalyse domestic resource mobilization efforts;
- ▶ Scale-up and translate existing coordination mechanisms, such as the Social Protection Interagency Cooperation Board (SPIAC-B) between the UN and IFIs, to land outcomes at the national level;
- ▶ Support the integration of decent employment and just transition considerations into the strategies of investment promotion agencies;
- ▶ Support countries in safeguarding and securing social spending;
- ▶ Ensure complementarity of international financial support with domestic financing, and explore the idea of a possible debt-for-social protection swap;
- ▶ Assess short-term and medium-term returns on investment and build evidence on their role and impact on jobs and social protection;
- ▶ Promote private investments that create decent jobs and facilitate the transition from the informal to the formal economy, by all businesses at the national level, including as part of their Environmental, Social, Governance (ESG) commitments;
- ▶ Facilitate engagement with the IFIs, including the IMF, and regional development banks to support the *Accelerator*.

Pillar III. Enhanced multilateral cooperation

Achieving the first two pillars requires that all stakeholders commit to a common roadmap, which can be tailored to the specific needs and circumstances of member States.

Through this pillar, the *Accelerator* will increase and improve dialogue and coherence among Pathfinder countries, countries providing ODA, UN agencies, IMF, MDBs, social partners, civil society, and academia to boost national and international commitments and to secure coherence in policy advice on the level and nature of investments in social protection and jobs, to reduce inequalities within and between countries, support transitions to formality and promote job-rich and green recovery from the COVID-19 crisis. This will be achieved by:

- ▶ Establishing a High-Ambition Coalition of Ministers to support the Global Accelerator, including by researching the intersection between green and digital job growth, how each can be used to support the other, and how both can be used as entry-points to expand social protection, with a particular focus on preparing youth for a changing world of work;
- ▶ Fostering international solidarity, including enhanced South-South cooperation, and strong multi-stakeholder partnerships, building on existing initiatives, such as the Global Partnership for Universal Social Protection (USP2030), the Climate Action for Jobs Initiative, the Global Initiative on Decent Jobs for Youth and the Initiative on Pathways to Formality and effective social dialogue with workers' and employers' organizations;
- ▶ Developing a common roadmap for Pathfinder countries to increase policy coherence between a human-centred recovery (based on increased and improved investments in jobs, social protection and just transition), climate and environmental as well as macroeconomic policies;
- ▶ Increasing collaboration between countries, United Nations, IMF and MDBs on ways to apply the common roadmap;
- ▶ Contributing to the organization of a World Social Summit by sharing the results of the Global Accelerator and fostering the participation of more countries and partners and promoting peer learning.