The Sustainable Development Goals Extended Report 2023

1 NO POVERTY

Note: This unedited 'Extended Report' includes all indicator storyline contents as provided by the SDG indicator custodian agencies as of 30 April 2023. For instances where the custodian agency has not submitted a storyline for an indicator, please see the custodian agency focal point information for further information. The 'Extended Report' aims to provide the public with additional information regarding the SDG indicators and is compiled by the Statistics Division (UNSD) of the United Nations Department of Economic and Social Affairs.

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Target 1.1 By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than $1.25 a day

Indicator 1.1.1 Proportion of the population living below the international poverty line by sex, age, employment status and geographic location (urban/rural)

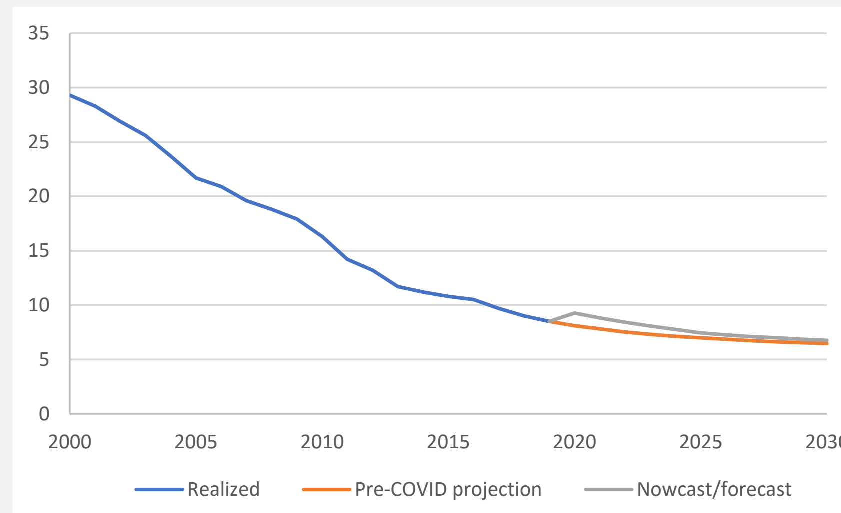
It is very unlikely that extreme poverty will be eradicated by 2030

The progress in reducing extreme poverty in the world has been substantial historically but slowing recently. COVID-19 has reversed years of progress already made, recovery from the pandemic has been slow and uneven, and the world is presently facing multiple geo-political, socio-economic, and climatic risks. All of this is making it very unlikely that extreme poverty will be eradicated by 2030.

Prior to COVID-19, the pace of poverty reduction was already slowing down. Between 2015 and 2019, extreme poverty fell by 0.54 percentage points a year, compared to 1.28 percentage points between 2000 and 2014 largely driven by China. 87% of the world's extreme poor were living in Sub-Saharan Africa or South Asia when COVID-19 hit. In 2020, 90 million more people were added to the global counts of the extreme poor due to the pandemic, most of whom lived in Central Asia and Southern Asia and Eastern Asia and South-eastern Asia. This impact has reversed about three years of progress already made in the reduction of extreme poverty.

Recovery from the pandemic was slow, with extreme poverty reducing from 9.3% in 2020 to 8.8% in 2021. This is a change of 0.5 percentage points, which is lower than the average percentage change in extreme poverty historically or since 2015. Recovery was also uneven, as richer countries had more fiscal space to provide support to their populations than poorer countries. As a result, 41% of low-income countries experienced a higher poverty rate in 2021 relative to 2020, whereas only 13% of upper-middle-income countries experienced a higher poverty rate.

Global poverty rate, 2000-2030 (%)



The ongoing war in Ukraine, which started in 2022, has disrupted global trade and increased living costs and poverty in many countries. Given the interconnected of the global economy, the poorest countries have suffered commodity price hikes, exchange rate crises, growing external debt, and inflationary pressures. Food price inflation has been on the rise, which in the short run may disproportionately affect the poor, because they spend a large share of their budget on food.

The impacts of global warming pose serious threats to poverty reduction going forward. With the best available data, it is estimated that about 7% of the world's population will still be living in extreme poverty by 2030. Most of the extreme poor will live in Sub-Saharan Africa, the region with the highest population growth and the lowest human capital investments.

Additional resources, press releases, etc. with links:

- Poverty and Shared Prosperity 2020: Reversals of Fortune, World Bank.
- Poverty and Shared Prosperity 2022: Correcting Course, World Bank.
- Molina, G. G., Montoya-Aguirre, M., & Ortiz-Juarez, E. (2022). *Addressing the Cost-of-living Crises in Developing Countries: Poverty and Vulnerability Projections and Policy Responses.*
- Wollburg, P., Hallegatte, S., & Mahler, D. G. (2023). *The Climate Implications of Ending Global Poverty* (No. 10318). Washington, DC: World Bank.
- Mahler, D. G., Yonzan, N., & Lakner, C. (2022). *The Impact of COVID-19 on Global Inequality and Poverty* (No. 10198). Washington, DC: World Bank.
- World Bank. (2023). Poverty and Inequality Platform (version 20230328_2017_01_02_PROD)
- Dataset: World Bank Group. https://pip.worldbank.org/

Storyline authors(s)/contributor(s): Samuel Kofi Tetteh Baah, World Bank; Daniel Gerszon Mahler, World Bank; Christoph Lakner, World Bank

Custodian agency(ies): World Bank

Target 1.2 By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions

Indicator 1.2.1 Proportion of population living below the national poverty line, by sex and age

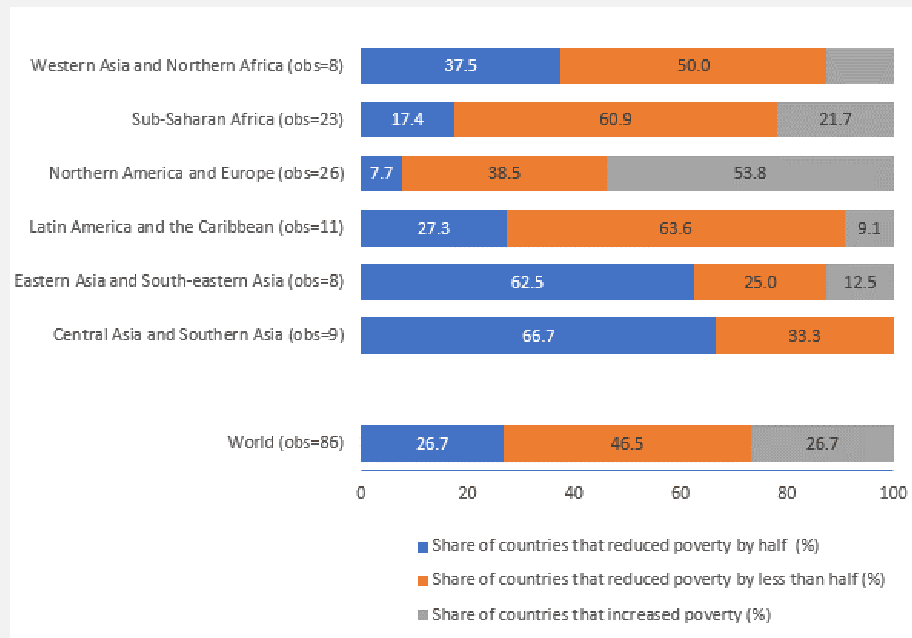
Most countries not on track to halve poverty by 2030

Prior to 2020, only 27% of countries with comparable national poverty rates over 10 years or more had halved the proportion of their populations living in poverty. Another 27% had experienced an increase in their national poverty rates, while the remaining 46% of countries experienced a small decline in poverty.

The most encouraging trends are in Central Asia and Southern Asia, where roughly two-thirds of nine countries with data halved their national poverty rate over 10 years, and Eastern Asia and South-eastern Asia, where just under two-thirds of countries halved their national poverty rate. The trends in Western Asia and Northern Africa, and Latin America and the Caribbean were also encouraging, with nearly all countries with data lowering their national poverty rate and a considerable share by more than half.

Trends are less encouraging in Northern America and Europe, where more than half of countries saw an increase in national poverty rates and only two out of twenty-six decreased their poverty rate by more than half. This is in part because some countries in this region measure poverty using relative standards, that is, using poverty lines that increase as countries get wealthier. In Sub-Saharan Africa, the vast majority of countries saw declines in poverty, yet many of these still have a long way to go to halve poverty by 2030.

Share of countries that reduced poverty by half, less than half, or neither (percentage)



COVID-19 has reversed some of the progress made. 22 out of 39 countries with national poverty rates in 2020 saw increases in poverty, relative to the prior year with data available. Most of these countries are in Latin America and the Caribbean, and Northern America and Europe, and these are the only regions with sufficient data to make regional assessments. Only 8 of the 39 countries with national poverty data are in Eastern Asia and South-eastern Asia, Central Asia and Southern Asia, and Western Asia and Northern Africa. In these regions with sparse data, half of the countries have seen an increase in poverty in 2020. There are even fewer countries with national poverty data in 2021 when the world was recovering from the pandemic. Six out of nine countries saw an increase in national poverty, relative to the prior year with data.

A very simple extrapolation – continuing current trends linearly until 2030 – suggest that less than 40% of countries with available data will have halved poverty by 2030. The numbers are most dire in Northern America and Europe, where only 11% are on track to halve poverty by 2030. In Sub-Saharan Africa, and Western Asia and Northern Africa prospects are also little encouraging with 26% and 47% of countries, respectively, halving their national poverty rate by 2030.

Additional resources, press releases, etc. with links:

- World Bank. (2023). *Poverty and Inequality Platform* (version 20230328_2017_01_02_PROD)
- [Data set]. World Bank Group. https://pip.worldbank.org/

Storyline authors(s)/contributor(s): Samuel Kofi Tetteh Baah, World Bank; Daniel Gerszon Mahler, World Bank; Christoph Lakner, World Bank

Custodian agency(ies): World Bank

Indicator 1.2.2 Proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions

Custodian agency(ies): National Gov.

Target 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

Indicator 1.3.1 Proportion of population covered by social protection floors/systems, by sex, distinguishing children, unemployed persons, older persons, persons with disabilities, pregnant women, newborns, work-injury victims and the poor and the vulnerable

Reduced coverage by cash benefits is more challenging than ever in a context of overlapping crises

Strong social protection systems are essential for mitigating the immediate and long-term consequences of compounded crises, which the world currently experiences: the economic impacts of COVID-19 are still ongoing and the cost-of-living crisis is unfolding.

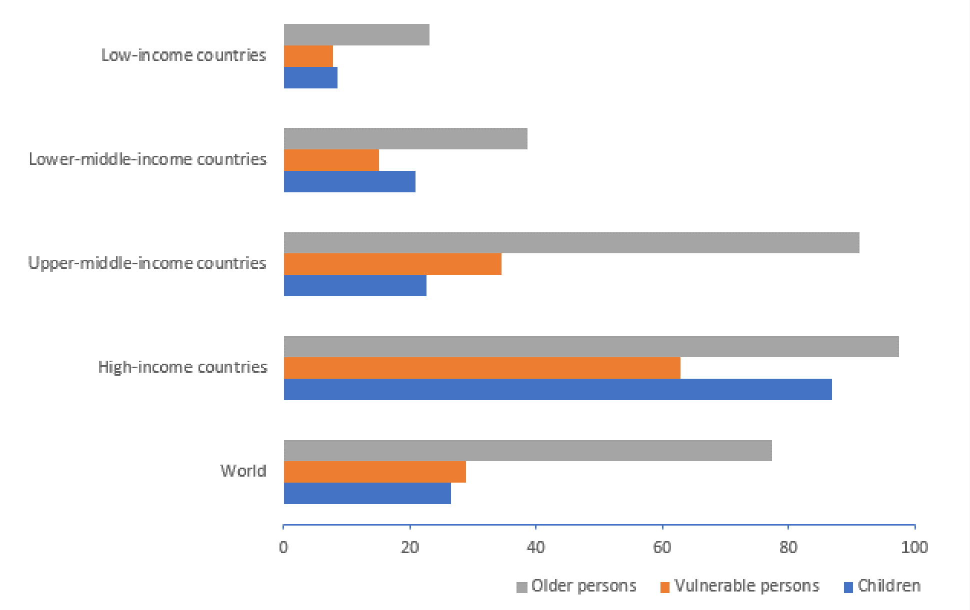
Considering that, by 2020, only 46.9 per cent of the global population were effectively covered by at least one social protection cash benefit, 105 countries and territories announced social protection measures in response to the cost-of-living crisis in the past twelve months. Almost 350 social protection measures were mostly short term in nature (more than 80 per cent of all measures). Almost half (around 47 per cent) of the introduced measures were directed at general income support for the poor and vulnerable, with a specific focus on benefits for children and families and for elderly population. The necessity to have a specific emphasis on these population groups is explained by the low coverage rates of regular statutory social protection programmes for children, where only 26 per cent of children under 15 years old globally received benefits in 2020. Despite 78 per cent of persons above the statutory pensionable age receiving social protection cash benefits, this coverage presents high disparities between countries and regions.

In high-income countries, the coverage is close to universal and reaches 87 per cent and 98 per cent coverage of children and elderly, respectively, while in low-income countries the coverage remains extremely low with less than 10 per cent of children and families covered and only 23 per cent of elderly covered by contributory and non-contributory benefits. Unfortunately, expenditure remains far too low to fill the financing gap, with upper-middle-income countries spending just 0.5 per cent and 1.4 per cent, and lower-income countries 0.1 per cent and 0.8 per cent of GDP on social protection for children and old-age, respectively.

Similarly, only 28.9 per cent of people considered vulnerable – all children, along with people of working age and older people not covered by social insurance – had access to social assistance cash benefits in 2020, with coverage varying widely across regions. 63 per cent of vulnerable people received cash benefits in high-income countries, compared with just 7.8 per cent in low-income countries.

Unlike during the COVID-19 pandemic when a prominent number of social protection measures focused on the extension of coverage, the cost-of-living crisis brought to light that a combination of coverage and adequacy of benefit levels is essential to ensure decent living. More than two-thirds of introduced measures, despite mostly of short term, included a component on adjusting the level of benefit, either by increasing the benefit level for non-contributory programmes or by adjusting indexation methods of contributory benefits. However, around one third of the countries in the world still lack a regular indexation mechanism in their social protection systems, which leaves even the covered population insufficiently protected against the cost-of-living crisis.

Proportion of children, vulnerable and population above statutory pensionable age covered by social protection cash benefits, by income level of country, 2020 (percentage)



Additional resources, press releases, etc. with links:

- World Social Protection Report 2020-22: Social protection at the crossroads – in pursuit of a better future
- World Social Protection Data Dashboards
- Social Protection Monitor
- [Financing gaps in social protection Global estimates and strategies for developing countries in light of the COVID-19 crisis and beyond]
- [More than a billion reasons: The urgent need to build universal social protection for children (Second ILO–UNICEF joint report on social protection for children)]
- [ILOSTAT]

Storyline authors(s)/contributor(s): Valeria Nesterenko, ILO; Helmut Schwarzer, ILO

Custodian agency(ies): ILO

Target 1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance

Indicator 1.4.1 Proportion of population living in households with access to basic services

Custodian agency(ies): UN-Habitat

Indicator 1.4.2 Proportion of total adult population with secure tenure rights to land, (a) with legally recognized documentation, and (b) who perceive their rights to land as secure, by sex and type of tenure

Custodian agency(ies): World Bank, UN-Habitat

Target 1.5 By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters

Indicator 1.5.1/11.5.1/13.1.1 Number of deaths, missing persons and directly affected persons attributed to disasters per 100,000 population

At mid-point of the 2030 Agenda for Sustainable Development and the Sendai Framework for Disaster Risk Reduction, disaster related mortality has been progressively declining barring the global shock of the COVID-19 pandemic

The year 2022-23 marks a midpoint for the Sendai Framework for Disaster Risk Reduction, adopted in the same year as the 2030 Agenda for Sustainable Development and the Paris Agreement. Among key progress in disaster risk reduction, the Framework measures the pace in reduction of disaster-related mortality. Average mortality or missing persons per 100,000 population, has steadily decreased globally – from 1.64 in the decade 2005-2015 to 0.86 during the decade 2012-2021. Yet, in absolute terms, countries have reported an average disaster mortality of 47,337 per year during 2015-2021.

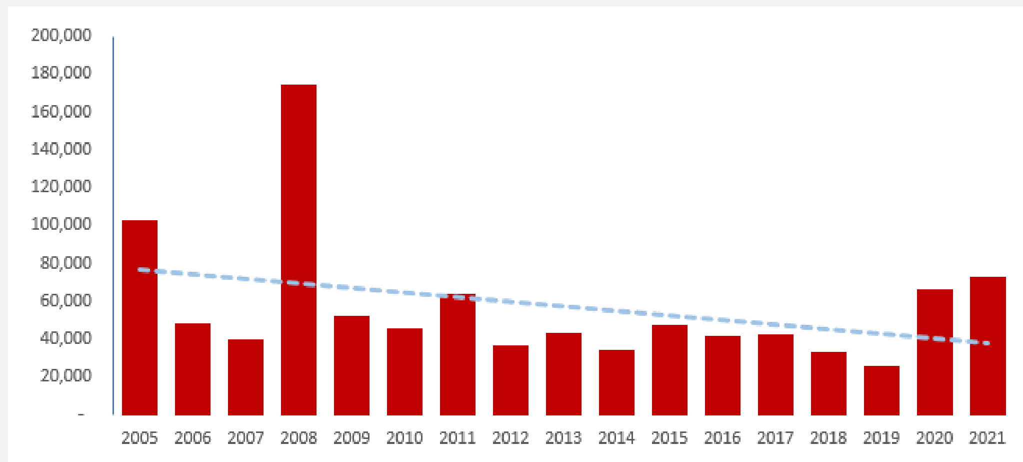
Further, Least Developed Countries (LDCs), small island developing States (SIDS) and Land-locked Developing Countries (LLDCs) have emerged high on disaster vulnerability, while facing severe human and economic constraints. From 2012 to 2021, these three groups of countries in total, recorded 21.8 per cent of the global disaster-related mortality, even though they accounted for only 13.3 per cent of the total population of reporting countries. Compared to the global average of 0.86 deaths or missing per 100,000 people during 2012-2021, LDCs, SIDS and LLDCs returned figures of 1.24, 2.80 and 1.85 respectively, demonstrating the disproportionate impact of disasters in countries with special needs.

However, these figures don't include the impact of the COVID-19 pandemic which as a biological hazard, is by far the single most global shock affecting disaster mortality during the SDG period. In 2021 itself, 414,318 deaths from the pandemic were reported through the Sendai Framework Monitor, which is already more than five times the average disaster mortality resulting from other hazards. Although about 1 million COVID-19 related mortality in 2020 and 2021 has been reported through the Sendai Framework Monitor, it constituted a significant underreporting given WHO's records that showed 5.45 million deaths due to COVID-19 through the end of 2021. Excess deaths estimated from the global pandemic during the same period was estimated to be even higher.

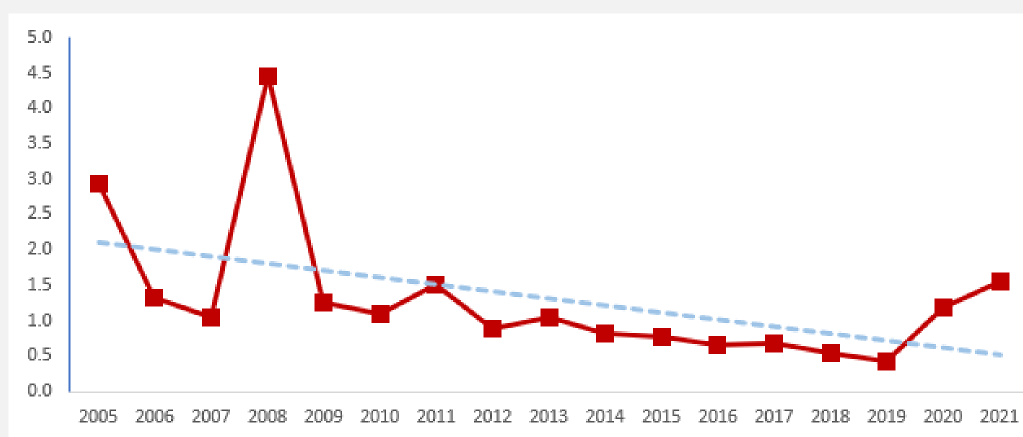
Notwithstanding the unprecedented biological catastrophe of the COVID-19, the decrease in relative disaster mortality deserves recognition. A key adaptation and risk reducing measure to contain disaster mortality is early warning systems. In response to the UN Secretary-General's call for ensuring that every person on Earth is protected by early warning systems by 2027, UNDRR and WMO released a global status report on early warning systems in 20224, based on the country reporting in the Sendai Framework Monitor and other sources including from WMO. This has shown an increase in the number of countries having multi-hazard EWS from 47 in 2015 to 95 in 2021. The analysis in the report shows evidence suggesting that countries reporting good coverage of MHEWS have lower mortality rates compared to countries that have little or no early warning systems.

While global disaster-related mortality has seen a decline this progress is not seen when it comes to affected population. The number of persons affected by disasters per 100,000 people increased from 1,198 during 2005-2015 to 2,113 during 2012-2021 (excluding COVID-19 related cases). On an average, 151 million people were affected by disasters each year globally.

Disaster-related mortality *



Disaster-related mortality per 100,000 population*



* Excluding COVID-19 deaths

Additional resources, press releases, etc. with links:

- https://covid19.who.int/
- https://www.who.int/data/sets/global-excess-deaths-associated-with-covid-19-modelled-estimates
- https://www.un.org/sg/en/content/sg/statement/2022-11-07/secretary-generals-remarks-the-launch-of-the-early-warnings-for-all-executive-action-plan-delivered
- https://www.undrr.org/publication/global-status-multi-hazard-early-warning-systems-target-g

Storyline authors(s)/contributor(s): Animesh Kumar, UNDRR; Xuan Che, UNDRR; Rahul Sengupta, UNDRR

Custodian agency(ies): UNDRR

Indicator 1.5.2/11.5.2 Direct economic loss attributed to disasters in relation to global gross domestic product (GDP)

Economic losses due to disasters remained high for 2021 which saw $80 billion, reported by 43 countries, of direct economic loss due to disasters, which amounted to 0.57% of GDP of reporting countries. Further, during 2015-2021, a total of over one million critical infrastructure units, including schools and hospitals, were destroyed due to disasters.

Storyline authors(s)/contributor(s): Animesh Kumar, UNDRR; Xuan Che, UNDRR; Rahul Sengupta, UNDRR;

Custodian agency(ies): UNDRR

Indicator 1.5.3/11.b.1/13.1.2 Number of countries that adopt and implement national disaster risk reduction strategies in line with the Sendai Framework for Disaster Risk Reduction 2015–2030

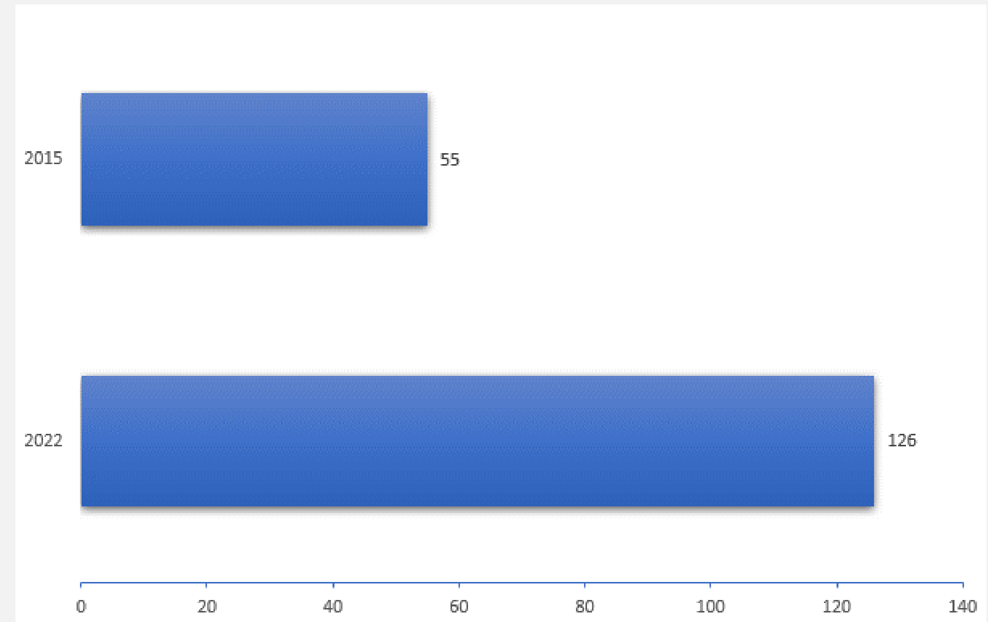
65% of the countries in the world have reported having national disaster risk reduction strategies

Governments have placed high importance on the achievement of associated Target E of the Sendai Framework by 2020. This was seen as the foundation for the successful implementation of the Framework's goal, priorities for action and global targets by 2030. They also recognized the need for putting in place appropriate disaster risk reduction governance arrangements and creating a conducive institutional framework with strong multi-stakeholder and multisectoral engagement to effectively reduce disaster risk.

Advancements have been made in strengthening disaster risk governance since the adoption of the Sendai Framework in 2015. The number of countries with national strategies for disaster risk reduction has increased from 55 in 2015 to 126 until end of 2022. The United Nations system continues to provide technical support and capacity development for their enhancement and implementation of these national strategies.

Moreover, the governments are expected to score their respective national disaster risk reduction strategies on the basis of 10 key elements whose average score highlights the level of maturity of the respective strategy. The global average score stands at 0.66 on a scale of 0 to 1. One of the Key elements of national disaster risk reduction strategies is to promote policy coherence and compliance, notably with the SDGs and the Paris Agreement. On the basis of this, a total of 118 countries have reported having some level of policy coherence.

Number of Countries reporting having National DRR Strategies



Additional resources, press releases, etc. with links:

- https://www.undrr.org/publication/review-covid-19-disaster-risk-governance-asia-pacific-towards-multi-hazard-and-multi
- https://www.undrr.org/publication/increasing-global-resilience-systemic-risk-emerging-lessons-covid-19-pandemic
- https://www.undrr.org/publication/understanding-and-managing-cascading-and-systemic-risks-lessons-covid-19

Storyline authors(s)/contributor(s): Animesh Kumar, UNDRR; Xuan Che, UNDRR; Rahul Sengupta, UNDRR

Custodian agency(ies): UNDRR

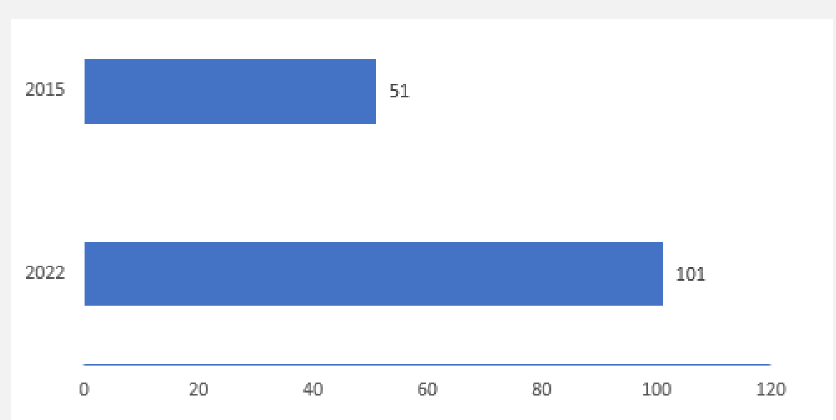
Indicator 1.5.4/11.b.2/13.1.3 Proportion of local governments that adopt and implement local disaster risk reduction strategies in line with national disaster risk reduction strategies

Local action to accelerate resilience building

The accumulated economic, social and environmental cost of small-scale disasters can be higher in comparison to high-impact, low-frequency events occurring over the same time period [Marulanda et al (2010)]. Local governments globally have made concerted efforts in developing and implementing local disaster risk reduction strategies in line with the national strategies. As at the end of 2022, there were 101 countries that reported having local governments with disaster risk reduction strategies. Though definitions in local governance vary across regions and countries, even in terms of the constitution of local administrative units, the governments have made considerable success in tracking the changing landscape in local level policy-making. Globally, the average proportion of local governments with such strategies is estimated to be 72 percent.

Understanding of localized impact of disasters and extreme events is a critical basis to avert, minimize and address losses and damages. To support Member States to comprehensively track such losses and damages, UNDRR, UNDP and WMO are jointly developing a disaster losses and damages tracking system that will inform risk reducing and adaptation measures, as well as benchmark the outcomes of their implementation. This system will enable a stronger exchange of information both horizontally across departments (such as National Meteorological and Hydrological Systems, National Disaster Management Organizations and other ministries) and vertically between the local governance structures and national data repositories.

Number of Countries reporting Local Governments with DRR Strategies



Storyline authors(s)/contributor(s): Animesh Kumar, UNDRR; Xuan Che, UNDRR; Rahul Sengupta, UNDRR

Custodian agency(ies): UNDRR

Target 1.a Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions

Indicator 1.a.1 Total official development assistance grants from all donors that focus on poverty reduction as a share of the recipient country's gross national income

Total ODA grants for basic social services and development food aid, which focus on poverty reduction, represented 0.03% of DAC donor's gross national income in 2021.

Total ODA grants for basic social services and development food aid, which focus on poverty reduction, represented 0.03% of DAC donor's gross national income in 2021. From a recipient country's perspective, this was 0.05% of developing countries' combined GNI.

The following regions received the highest share of grants, which focus on poverty reduction: Oceania (0.22%), Africa (0.07%), the Caribbean (0.04%), whereas Europe and Asia received 0.02% and 0.01% respectively. The Least developed countries (LDCs) received 0.13%.

Since 2015, total ODA for basic social services and development food aid have increased from USD 2.4 billion (in constant 2021 prices) to USD 3.3 billion in 2021. As a share of recipient's countries' GNI they have increased over the same period from 0.08% to 0.10%.

Storyline authors(s)/contributor(s): Yasmin Ahmad, OECD

Custodian agency(ies): OECD

Indicator 1.a.2 Proportion of total government spending on essential services (education, health and social protection)

Shifting public resources towards essential services is one of the key policy interventions for reducing poverty and building a better social safety net

Government spending on essential services for the emerging and developing countries is on the rise but remains behind the advanced economies. The policy responses against the Covid-19 crisis are expected to be temporary, yet the adverse impacts could be long-lasting through deterioration of human capital.

Fiscal policy is the use of the level and composition of the general government and public sectors' spending and revenue—and the related accumulation of government assets and liabilities—to achieve such goals as the stabilization of the economy, the reallocation of resources, and the redistribution of income. In addition to direct spending on targeted poverty alleviation programs (including cash transfer, food and in-kind transfer), the government can support the poor and the vulnerable in the long term by reallocating resources to activities that promote growth including productive investment spending from "unproductive" public expenditures; and basic education and health care, which build human capital and thus enhance growth and equity. Social protection programs also serve as safety nets including unemployment benefits and pensions, mitigating the adverse impacts and preventing people from falling into poverty.

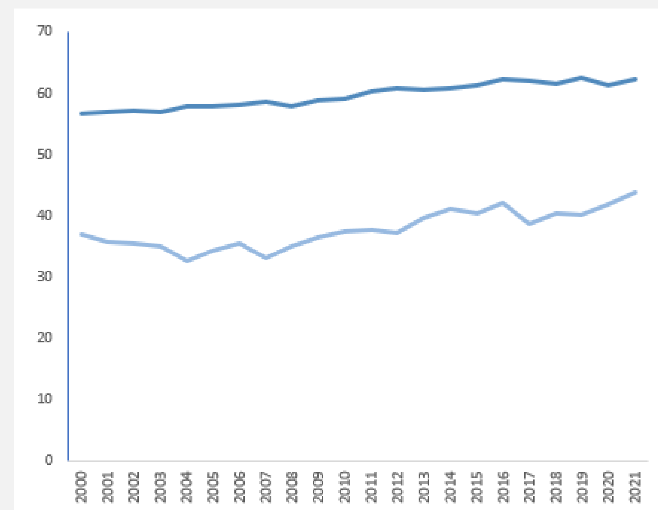
According to the most recent data for a sample of approximately 100 countries who report to government finance statistics (GFS) database, the proportion of total government spending on essential services (comprising education, health and social protection), world-wide, is approximately 53 percent on average. Across different economies, the overall average is 62 percent amongst the advanced economies (AEs) and 44 percent amongst the emerging market and developing economies (EMDEs). While the proportion trends slightly upwards for both economic groups over the past two decades, the gap between them remains stable at approximately 20 percentage points.

Assessing components of essential services, what separates the two groups of countries is spending on social protection which is higher for AEs than EMDEs by approximately 17 percentage points on average, in part reflecting a higher coverage of pensions for AEs. To a lesser extent, spending on health accounts for approximately 6 percentage points of the differences on average.

The general trend of this indicator across income groups also paints a similar picture in that government spending on essential services for low-income countries remains the same over the past two decades and lags behind higher income countries with a widening gap.

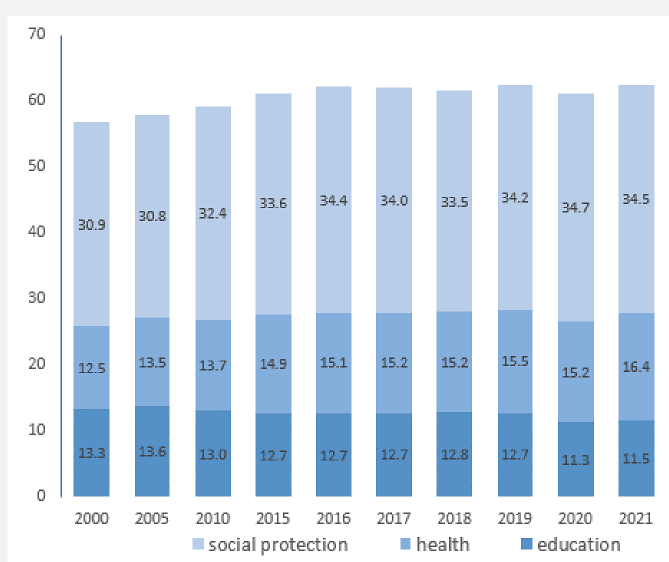
Similarly, in terms of percentage of gross domestic product (GDP), spending on essential services for AEs is approximately 28 percentage which is higher than EMDEs by approximately 14 percentage points. Spending on social protection accounts for the largest share of the differences (9 percentage points) between the AEs and EMDEs with a lesser extent by spending on health (3 percentage points), followed by spending on education (1 percentage point).

Essential Services (% of Total Government Spending)

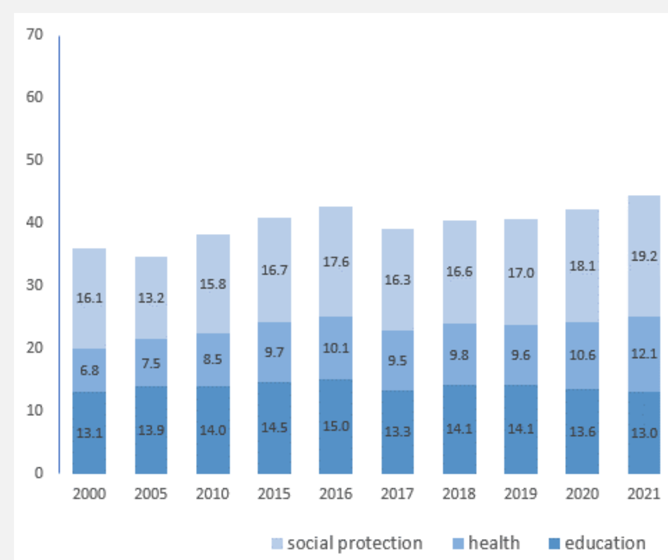


Reflecting short-term impacts of the Covid-19 pandemic, spending on social protection and health increased while spending on education declined. The policy measures to the pandemic crisis in terms of social protection and health spending and the adverse impact on education spending in part reflecting the school shutdown are expected to be temporary in nature as the adverse impacts of the pandemic crisis are to dissipate. Nonetheless, prolonged health issues and deprived educational developments on the individuals albeit temporary would potentially have long term impacts through human capital.

Essential Services (% of Total Government Spending) - Advanced Economies



Essential Services (% of Total Government Spending) - Emerging and Developing Economies



Additional resources, press releases, etc. with links:

- International Monetary Fund (IMF). 2014. "Government Finance Statistics Manual 2014." Washington, DC.

Storyline authors(s)/contributor(s): Naoto Osawa, IMF

Custodian agency(ies): Under discussion among agencies (ILO, UNESCO-UIS, WHO)

Target 1.b Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions

Indicator 1.b.1 Pro-poor public social spending

Custodian agency(ies): UNICEF