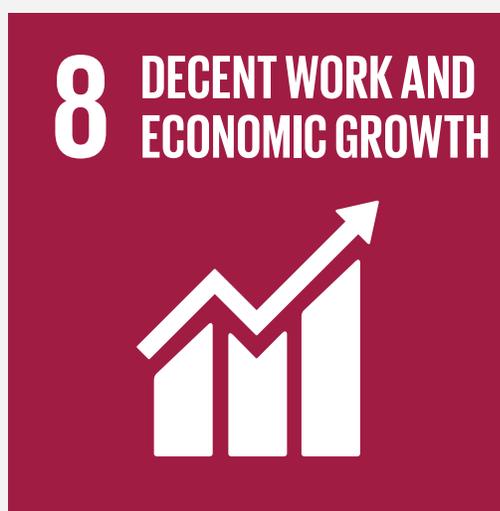




*Empowered lives.  
Resilient nations.*



## **UNDP SUPPORT TO THE IMPLEMENTATION OF SUSTAINABLE DEVELOPMENT **GOAL 8****

PROMOTING INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH

# SUSTAINABLE DEVELOPMENT GOALS



*This is a living document, which will be updated periodically.  
January 2016  
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## SUSTAINABLE DEVELOPMENT

### *A path towards global prosperity, human well-being and a healthy planet*

The world has achieved remarkable gains in human development over the past two decades. Extreme poverty has significantly reduced, access to primary education and health outcomes has improved, and substantial inroads have been made in promoting gender equality and the empowerment of women. The pursuit of the eight Millennium Development Goals has contributed to this progress and enabled people across the world to improve their lives and future prospects. Yet, despite these significant gains, extreme poverty remains a key challenge, with more than 700 million people globally living on less than US\$ 1.90 PPP (purchasing power parity) per day. Inequalities are either high or widening, especially within countries. Unemployment and vulnerable employment levels are high in many countries, particularly among youth. Unsustainable consumption and production are pushing ecosystems beyond their limits—undermining their ability to provide services vital to life, development, and their own regeneration. Shocks associated with macroeconomic instability, disasters linked to natural hazards, environmental degradation, and socio-political unrest impact negatively on the lives of millions. In many cases, these shocks hold back, if not reverse, progress already achieved in meeting national and internally agreed development goals. Preserving the gains that have been made and addressing the current development challenges the world faces cannot be solved by tinkering at the margins.

There is an imperative today to foster sustainable development. A vision for what this encapsulates is laid out in the new sustainable development agenda that aims to end poverty, promote prosperity and people's well-being while protecting the environment by 2030. As the UN's Development arm, UNDP has a key role to play in supporting countries to make this vision a reality—putting societies on a sustainable development pathway, managing risk and enhancing resilience, and advancing prosperity and wellbeing.

Building on its core strengths—a large country network in more than 170 countries and territories, a principal coordination role within the UN Development System, and the proven ability in supporting efforts to reduce poverty, inequality and exclusion, and protect vital ecosystems—UNDP has outlined a vision in its Strategic Plan 2014-17 focused on making the next big breakthrough in development: to help countries achieve the simultaneous eradication of poverty and significant reduction of inequalities and exclusion. While ambitious, this vision is within reach and significant inroads can be made in eradicating poverty, reducing inequalities and exclusion, and safeguarding the environment.

In line with this vision, UNDP has worked with the United Nations Development Group (UNDG) in developing a strategy for effective and coherent implementation support of the new sustainable development agenda under the acronym 'MAPS' (Mainstreaming, Acceleration, and Policy Support). The *Mainstreaming* component of MAPS aims to generate awareness amongst all relevant actors and help governments land the agenda at national and local levels; and ultimately to mainstream the agenda into their national plans, strategies and budgets. The *Acceleration* component focuses on helping governments accelerate progress on Sustainable Development Goal (SDG) targets, by providing tools that will help identify critical constraints to faster progress and focus on those development objectives that are more relevant to the country context. The *Policy Support* component aims to provide coordinated and pooled policy support to countries working to meet their SDG targets. In this regard, UNDP offers an integrated package of policy support services that align with its programming priorities. These services, as outlined in the prospectus, cover a wide range of areas: poverty reduction, inclusive growth and productive employment, gender equality and the empowerment of women, HIV and health, access to water and sanitation, climate change adaptation, access to sustainable energy, sustainable management of terrestrial ecosystems, oceans governance, and promotion of peaceful and inclusive societies.

Well-equipped with this integrated package of policy support services, UNDP stands ready to support country partners to effectively implement the new development agenda and make long-term economic prosperity, human and environmental well-being a reality.



## PROMOTING INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH

### *Why does this matter?*

Inequalities in income and other non-income outcomes, including health conditions, educational attainment and employment opportunities, are important determinants of economic growth and well-being. The most disadvantaged and vulnerable often lead shorter lives and find it difficult to break free from a vicious cycle of educational underachievement, low skills and poor employment prospects. **In the long term, inequality of income and opportunity undermines economic growth prospects.** Addressing the multidimensional nature of inequality and its impacts on different segments of the population is essential for sustainable economic growth. Hence, fostering inclusive growth is an important part of a pro-growth agenda.

**Livelihoods and jobs are critical to human well-being and to eradicating poverty,** increasing equitable access to and use of natural resources, reducing gender and other forms of inequality and enabling better protection against economic and environmental shocks. However, promoting sustainable job creation and livelihoods remains challenging, particularly in developing economies, and is more complex in conflict and disaster contexts.

Globally, **more than 200 million people are unemployed.**<sup>1</sup> The employment situation is deteriorating in emerging and developing economies, with underemployment and informal employment expected to remain intractably high over the next five years. Rising unemployment in a number of countries can fuel social unrest.

An estimated **600 million productive jobs are needed over the next decade to sustain growth and maintain social cohesion.**<sup>2</sup> Without the current global jobs gap, aggregate global wages in 2013 would have been US\$1.218 trillion above the actual, observed level.<sup>3</sup> As a result of multiplier effects of increased wages, increased profits, higher consumption and investment levels, an estimated US\$3.7 trillion would be added to global GDP.<sup>4</sup>

Beyond the large number of additional jobs needed, the **quality of employment requires urgent attention.** The number of workers in vulnerable employment globally increased by 136 million since 2000 and stood at an estimated 1.52 billion in 2011.<sup>5</sup> Vulnerable employment is often characterized by inadequate earnings, low productivity and difficult conditions of work that undermine workers' fundamental rights.<sup>6</sup> Women, in particular, are disproportionately engaged in vulnerable forms of informal employment and earn substantially less than men; their economic contribution has largely remained undervalued.<sup>7</sup>

Labour-saving technologies and the hiring of high-skill workers in many countries are helping to drive innovation. Most of these jobs are in knowledge intensive sectors and, in most cases, require at least a college degree, so the **demand for some low- and medium-skill workers has declined** as have their respective incomes.<sup>8</sup> Conversely, demand for high-skill workers and their wages continue to rise. If these trends continue, developing countries will have very few high and medium-skill workers to fuel economic growth and far too many workers without the necessary education and skills to surpass the low-productivity trap; this will increase income inequality, pressure on the public sector and social tensions.

In many countries, **low unemployment rates often mask working poverty.** An estimated 900 million workers live with their families below the US\$2 a day poverty line, mostly in developing countries.<sup>9</sup> Unpaid family work remains high in most developing countries, where women spend at least twice as much time as men on unpaid domestic work.<sup>10</sup> Recent employment estimates show that over 81 percent of workers in low-income countries and over 53 percent of workers in middle-income countries are own account/unpaid family workers.<sup>11</sup> More needs to be done to provide decent and inclusive jobs for these workers, offering them a viable opportunity to lift themselves out of the poverty cycle and regain sustainable livelihoods.



Youth are particularly hard hit by the global jobs crisis. **Two thirds of young women and men in developing economies are unemployed, out of school or engaged in irregular, informal employment,**<sup>12</sup> with 74 million young people (aged 15–24) looking for work in 2014.<sup>13</sup> This contributes to long-term, intergenerational poverty and inequality, leading to weaker resistance to shocks and weaker social cohesion.

**Gender disparities in labour market participation** hinder human development and represent a substantial loss of economic potential. This is attributed to structural causes rooted in institutional and economic systems – both formal and informal, including the care economy. Women’s empowerment and enhancing women’s productivity in sectors that are critical to growth, economic recovery and sustainable development are key. Approximately 73 percent of the global jobs gap in 2014 was due to a shortfall in employment among women, who comprise only about 40 percent of the global work force.<sup>14</sup> In 2013, the estimated wages lost due to the global gap in female labour force participation stood at US\$589 billion.<sup>15</sup> Greater attention needs to be paid to remove the structural barriers that women face in the labour market.

Livelihoods and jobs are contingent on and can help ensure continued **sustainable management of natural resources and safeguarding of critical ecosystems services.** For communities that rely heavily on natural resources as their main asset – especially rural families, women and men living in poverty and indigenous peoples – human well-being and sustainable livelihoods are completely dependent upon and intricately linked to the health and productivity of ecosystem goods and services. For example, more than 1.6 billion women and men worldwide directly depend on forests for their livelihoods and over 3 billion people depend on marine and coastal resources.<sup>16</sup> Marine and terrestrial ecosystems underpin many national and global economic sectors providing employment such as agriculture, forestry, fisheries, energy, extractives, tourism, transport and trade. In Mexico, for example, protected areas recorded 14 million visitors per year and created 25,000 jobs.<sup>17</sup>

At the same time, however, population growth, climate change, urbanization and agriculture and industry needs are increasing pressure on and degrading

these resources. Without immediate action to address these environmental issues, countless jobs could be lost and livelihoods disrupted. **Decent green jobs in key economic sectors can become an engine for sustainable development,** as they help to: safeguard ecosystems and biodiversity; decrease energy, water and material consumption; de-carbonize the economy; and reduce or avoid generation of all forms of waste.

International trade can play an important role in raising levels of human development and achieving sustainable poverty reduction by expanding markets, raising productivity and accelerating technology transfer. **Productive capacity gaps, the lack of export diversification, weak economic governance and institutional constraints** hamper many developing countries, especially LDCs, from fully integrating into the world economy. In 2013, LDCs’ merchandise export accounted for only 1.1 percent of world trade.<sup>18</sup> Furthermore, **high trade costs and other trade barriers impede the economic potential of many of the poorest countries,** pricing them out of global markets. Remote, landlocked and small economies are marginalized by trade costs that reflect geography, not capability.<sup>19</sup> Trade costs also disproportionately fall on small- and medium-sized enterprises. These enterprises are a key driver for growth and jobs and offer a path out of poverty.



Inclusive Growth, Jobs & Livelihoods - Key Facts



Empowered lives.  
Resilient nations.



**Over 200 million** people globally are unemployed



**600 million** productive jobs are needed over the next decade to sustain growth and maintain social cohesion



Estimated amount that would be added to global GDP as a result of a reduction in the global jobs gap



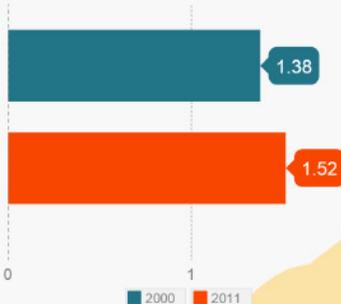
Ecosystem services and other non-market goods make up **50%-90%** of the total source of livelihoods among poor rural and forest-dwelling households worldwide



**International trade** can play an important role in raising levels of human development and achieving inclusive and sustainable economic growth



Yet merchandise export by LDCs accounted for only **1.1%** of world trade



The number of workers in vulnerable employment globally increased by 136 million since 2000 and stood at an estimated **1.52 billion** in 2011



**900 million** workers live with their families below the US\$ 2 a day poverty line, mostly in developing countries.



Two-thirds of youth in developing economies are unemployed, out of school or engaged in irregular, informal employment with **74 million** young people looking for work in 2014



**73 percent** of the global jobs gap in 2014 was due to a shortfall in employment among women, who comprise only about 40 percent of the global work force



**US\$ 589 billion**

Estimated wages lost due to the global gap in female labour force participation in 2013

\*Jobs figures cited in this infographic are drawn from the International Labour Organization

## What do we offer?

UNDP works with programme countries to design and implement sustainable development policies that promote inclusive growth, improve the resource endowments of the poor and boost their prospects for employment and livelihoods. Our work on inclusive growth and jobs and livelihoods is strongly aligned with **Sustainable Development Goal 8 on promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all** as well as with the relevant dimensions of all the other goals. Through application of UNDP's Social and Environmental Standards and related Accountability Mechanism UNDP also ensures appropriate safeguards are in place across all of its programming to avoid, manage and mitigate potential harm to people and the environment, including a commitment to respect and promote the right to decent work.

In partnership with a wide range of actors, we offer the following services to countries:

**We assist with the design and effective implementation of development strategies, policies and programmatic interventions** to ensure that inclusive growth spurs structural economic transformation to reach the marginalized and significantly reduce risks and poverty. We work with governments to **develop analytical tools, policy frameworks and knowledge management systems** to undertake strategic planning for advancing inclusive growth.

**We support the development and implementation of institutional and policy frameworks** and work towards the **removal of structural barriers** that the poor and disadvantaged groups, including women and youth, face in the labour market.

**We strengthen institutional capacities** to implement measures that create work opportunities in the informal sector in the areas of small, micro and medium enterprises (SMME) development, skills building and market development, as a majority of people in developing countries work in the informal economy.

**We advocate for partnerships with the private sector** through numerous programmes, including the Africa Facility for Inclusive Markets, to promote sustainable inclusive markets, generate tax revenues to finance essential social and economic infrastructure, and develop new and innovative solutions that help tackle development challenges.

**We promote entrepreneurship development initiatives** through the provision of training, starting and scaling-up of small businesses, and business skills development. This is to create an enabling institutional framework for SMMEs, particularly in labour intensive (low-productivity) sectors in which the poor predominantly work.

**We promote inclusive and sustainable market growth** through development, expansion, greening and de-risking of national and regional value chains in key livelihoods and job-creating sectors such as agribusiness, tourism, renewable energy, retailing and mining.



**We stimulate job creation by helping 'biodiversity-friendly' producers access new markets, promoting nature-based tourism initiatives** that generate income for local communities and supporting sustainable harvesting livelihoods, and access and benefit-sharing agreements on genetic resources. We promote secure land tenure, effective management and expansion of protected areas, and large-scale rehabilitation projects to strengthen livelihoods and to increase tourism revenues and job opportunities.

**We provide technical support and capacity-building in the design, expansion and implementation of appropriate skills development and education-to-work transitions** to establish strong links between education and employment outcomes, particularly for youth. This support will be critical for the poor to access jobs in higher productivity sectors with increased wages in the long term.

In the **crisis and post-crisis context**, we provide a framework of support that includes interventions in the short, medium and long terms to achieve early and long-term economic and livelihoods recovery. UNDP's **immediate approach supports livelihoods stabilization**, ensuring that relief, recovery and development are a continuum, starting very early in crisis and post crisis settings. With this approach, UNDP

promotes a wide array of livelihood opportunities in cash-for-work schemes in reforestation, agro food processing, rainwater harvesting, high-value crops cultivation, improved agricultural practices and irrigation systems, and skills-building. This helps strengthen community-level resilience, increase equitable access to and sustainable use of natural resources and better protect against economic and environmental shocks. UNDP's **medium-term approach supports local economic recovery for medium- and long-term jobs, productive employment, income generation and development solutions for displacement. UNDP's longer-term approach supports economically and environmentally sustainable livelihoods, medium and long-term employment and inclusive economic growth** by establishing the building blocks for countries' resilience and ability to cope with unavoidable shocks. UNDP also supports the sustainable, community-based reintegration of ex-combatants and the translation of mine action into sustainable development dividends in the form of jobs and livelihoods.

**We support countries, especially LDCs, harness trade opportunities to spur inclusive growth**, engaging at the global, regional and national levels. At the global level, UNDP advocates for a fair and open multilateral trade system that considers the special needs of developing economies. We support the development of regional trade strategies to enhance sustainable and equitable growth. UNDP also supports policy integration at the national level, enabling developing countries and LDCs in particular to integrate pro-poor trade policies into development strategies. UNDP also helps identify capacity gaps and solutions to these challenges.



## UNDP IN ACTION

### *Jobs and Livelihoods*

With UNDP support, 125 programme countries have created an enabling environment for the generation of livelihoods and jobs in 2014, with the livelihoods of 11.2 million people (51 percent women) across 94 countries strengthened, nearly 1 million new jobs (41 percent for women) created in 77 countries and over 2.4 million women directly benefitting from interventions designed to reduce or eliminate barriers to women's economic empowerment. Community-building schemes in 20 crisis-affected countries resulted in 135,000 jobs (42 percent for women) and an additional 5.7 million people (49 percent women) benefited from diversified livelihood opportunities. A sample of country results from recent years is highlighted below:

In **Afghanistan**, UNDP helped to establish over 279 rural infrastructure projects in energy, transport, water supply, natural resources, disaster management and agriculture in 31 provinces, which benefitted approximately 2.8 million rural women and men with livelihood opportunities.

In **Bolivia**, UNDP provided more than 4,000 indigenous women with training and microloans to establish new, community-based businesses.

In **Colombia**, UNDP worked with the Ministry of Employment to develop policies to help eliminate gender inequalities in the public and private sectors. An initial group of 20 private companies with more than

60,000 employees developed action plans to reduce gender gaps in recruitment, address salary differentials and promote career development for women.

In **Kenya**, with UNDP support, the Youth Enterprise Fund helped to support 89,000 youth enterprises, offered market support to 1,800 entrepreneurs, trained over 15,000 youth in entrepreneurship and facilitated over 2,000 youth in job seeking efforts through the Youth Employment Scheme. This has been a key success to ensure public-private sector dialogue in support of private sector development.

In the **Philippines**, where Typhoon Haiyan caused widespread loss of lives and livelihoods and extensive damage to community infrastructure in 2013, UNDP and its partners launched an emergency employment programme, beginning with debris and waste removal in the most affected areas, through emergency work schemes. More than 41,400 people received assistance.

In **Syria**, where conflict has killed over 200,000 people and displaced more than 2 million, UNDP used emergency job schemes to manage solid waste and repair community infrastructure. In 2013, UNDP provided jobs to 55,000 families whose livelihoods were severely disrupted by the conflict.

In **Tajikistan**, through the UNDP-UNEP Poverty-Environment Initiative, women's cooperatives have been established to provide 'green' jobs for women. These cooperatives use greenhouses to grow crops year-round, enabling women to take an active role in local economic activity rather than to depend on unreliable



remittances from abroad. Each greenhouse generates up to US\$3,600 in six months, providing stable and independent livelihoods for women.

In **Yemen**, where youth unemployment was one of the root causes of the recent conflict, UNDP supported over 500 young people in establishing new businesses in conflict-affected communities and provided financial literacy training.

### ***Inclusive Businesses and Value Chain Development***

UNDP supported the **development of value chains** with growth, job and income generation potential, specifically targeting low-income groups in over 40 countries. Support was also provided in building private sector capacity on inclusive agribusiness and value chain development through training, platform participation and knowledge products.

UNDP's regional Africa Facility for Inclusive Markets supported cross-border value chain initiatives and strengthened the capacity of the Regional Economic Commissions to further support and enable inclusive market development in the region. This portfolio, including the activities of UNDP's affiliate, the UN Capital Development Fund (UNCDF), accounts for approximately US\$100 million per year globally and is aimed at enhancing the contribution of the private sector, including micro, small and medium-sized enterprises, to trade, growth and poverty reduction.

UNDP, through its Green Commodities Programme, strengthened the links between buyers and producers to facilitate improved terms and conditions to small-scale farmers supplying sustainable products. Companies with major global purchasing power for the world's agricultural commodities, such as Kraft, Walmart, Ikea and Dole, are engaged with the Programme. In 2008, Cadbury (now owned by Kraft) launched the Cadbury Cocoa Partnership in Ghana to secure the economic, social and environmental sustainability of 1 million cocoa farmers. Working in partnership with the Government of **Ghana**, leading development NGOs and UNDP, the initiative focused on: improving incomes by helping approximately 500,000 farmers increase their yields and produce top-quality beans; introducing new sources of

rural income through microfinance and support to kick-start new rural businesses; and government capacity-building to improve extension services and policy reform. The interventions under this partnership have helped increase yields significantly. Cocoa production is now a year-round exercise and farmers have started doubling their yields in less than two years of operations.

### ***Inclusive Growth and Trade***

Along with other UN agencies and development partners, UNDP supported the **Aid for Trade** initiative. UNDP provided support for the design of trade policies and the mainstreaming of trade into national development and private sector strategies to spur inclusive sustainable growth.

As a core partner of the Enhanced Integrated Framework, UNDP helped **Cambodia, Comoros, Chad, South Sudan**, and **Yemen** to formulate trade diagnostic studies. Trade diagnostics map the current economic outlook of a country and identify priority sectors and policy reforms necessary to enhance trade opportunities with an impact on poverty reduction. In **Malawi, Samoa, Sao Tome and Principe, Sierra Leone** and **South Sudan**, UNDP carried out capacity assessments of trade-related institutions and organizations and proposed an action plan to address capacity gaps. Addressing these gaps will help strengthen organizational performance and contribute to making trade a strong driver of inclusive growth and transformation.

Through the Aid for Trade programme for Central Asia, South Caucasus and Western CIS, and in partnership with other development actors, UNDP has strengthened trade-related capacities of small and micro entrepreneurs in remote urban and rural areas in **Kyrgyzstan, Tajikistan** and **Kazakhstan** to help them gain from expanded trade opportunities. This was done through over 100 trainings in areas including business management, marketing and value chains. In Kazakhstan, the project supported the development of advisory capacities of the Women Entrepreneurs Association; as a result of this support, the Association has provided business consulting services to women entrepreneurs.



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