Reducing Inequalities to Accelerate Poverty Reduction

SDG 1: End poverty in all its forms everywhere
SDG 10: Reduce inequality within and among countries

The first Sustainable Development Goal is to end poverty, in all its forms, everywhere by the year 2030. International organizations have been working on the task of eradicating poverty long before world leaders set the Sustainable Development Goals in 2015. Despite the great progress made from 1990 until now, the UN has estimated that 600 million people will still live in poverty by 2030 and efforts to meet the target had slowed before the COVID-19 pandemic already. It is now crucial to accelerate the global concerted action towards eradicating poverty in all geographies and for all people, regardless of age, sex and ability.

The tenth Sustainable Development Goal is to reduce inequalities both within and among countries. Amongst others, main targets are the reduction of income inequalities within the same country and the promotion of social, economic and political inclusion. Before the pandemic, inequality persisted in its various forms: income, wealth and opportunities. The pandemic is now exacerbating existing inequalities and is projected to push back the poorest countries a full 10 years on their SDG progress.

The emancipation of every individual in social, economic and political realms is embedded in both SDGs' targets as monetary-based poverty measures can miss a lot in the description of the deprivations faced by many. Poverty is often perceived as multidimensional, and includes health (poor health and malnutrition – also see SDG 3), education (measured in years of schooling and school attendance – see SDG 4), living standards (lack of adequate sanitation facilities and access to drinking water – see SDG 6, and access to electricity and availability of clean cooking fuel – SDG 7 – and technology, bad housing conditions), social exclusion, violence and disempowerment.

While the number of poor people, those living with less than $1.9 a day, is estimated to account for **700 million** people worldwide, the number of "multi-dimensional" poor is estimated to be of **1.3 billion**, 83% of which are located in Sub-Saharan Africa and South Asia.

Rural areas are home to 55% of the world population, yet out of all the individuals considered to be multidimensionally poor, 85% live in rural areas. The incidence and intensity of poverty are thus consistently higher in rural areas across the globe, while rural areas in different countries are characterized by different deprivations. Rural-urban differences are particularly pronounced in the

indicators for the living standards and the rural-urban divides are the largest in Sub-Saharan Africa, South Asia, and East Asia and the Pacific.

Your Challenge

What can your company do to reduce (regional) inequalities and support the development of poor communities in multiple dimensions? You may focus on a specific geographical region or develop a solution which can be used across different geographies. You are encouraged to brainstorm on existing synergies which might benefit the progress towards multiple SDGs at once. Be sure to describe in detail how your solution could be distributed and/or operated efficiently, also in rural areas. Work on a solution (product, service or other) that your company could deliver, build the business case and prove that it will work, with impact!

Sources:
Demographics of the Extreme and Moderate Poor – ourworldindata.org
Global Multidimensional Poverty Index Report – ophi.org.uk
Gross domestic product per person adjusted for differences in purchasing power – gapminder.org

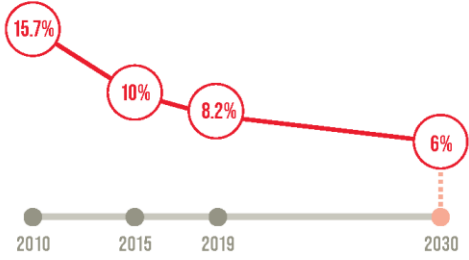SDG 1 and 10 at a Glance…

Be sure to explore these goals further!
Further resources to get started: SDG 1 | SDG 10 – also consider SDG 3 | SDG 4 | SDG 6 | SDG 7.

1 NO POVERTY

END POVERTY IN ALL ITS FORMS EVERYWHERE

BEFORE COVID-19

=== THE WORLD ===
WAS OFF TRACK TO END POVERTY BY 2030

15.7%
10%
8.2%
6%

2010   2015   2019   2030

YOUNG WORKERS ARE TWICE AS LIKELY TO BE LIVING IN EXTREME POVERTY AS ADULT WORKERS (2019)

COVID-19 IMPLICATIONS

COVID-19 CAUSES THE FIRST INCREASE IN GLOBAL POVERTY IN DECADES

+71 MILLION PEOPLE ARE PUSHED INTO **EXTREME POVERTY** IN 2020

4 BILLION PEOPLE DID NOT BENEFIT FROM ANY FORM OF SOCIAL PROTECTION IN 2016

NATURAL DISASTERS EXACERBATE POVERTY

$23.6 BILLION DIRECT ECONOMIC LOSSES (FROM 63 COUNTRIES IN 2018)

10 REDUCED INEQUALITIES

REDUCE INEQUALITY WITHIN AND AMONG COUNTRIES

— INCOME INEQUALITY —
WAS FALLING IN SOME COUNTRIES

GINI INDEX FELL
IN 38 OUT OF 84 COUNTRIES
(2010-2017)

THE GINI INDEX MEASURES INCOME INEQUALITY AND RANGES FROM 0 TO 100, WHERE 0 INDICATES THAT INCOME IS SHARED EQUALLY AMONG ALL PEOPLE, AND 100 INDICATES THAT ONE PERSON ACCOUNTS FOR ALL INCOME

GLOBAL RECESSION
COULD SQUEEZE DEVELOPMENT AID TO **DEVELOPING COUNTRIES**

RESOURCE FLOWS FOR DEVELOPMENT

$420 BILLION (2017) → **$271 BILLION** (2018)

COVID-19 IMPLICATIONS

THE MOST VULNERABLE GROUPS
ARE BEING HIT HARDEST BY THE PANDEMIC

OLDER PERSONS | PERSONS WITH DISABILITIES | CHILDREN | WOMEN | MIGRANTS AND REFUGEES

54%
OF COUNTRIES
WITH DATA HAVE A COMPREHENSIVE SET OF MIGRATION POLICIES