International Labour Organization

Accelerating the achievement of SDG target 1.3 on universal social protection

ILO input to the 3rd FfD4 PrepCom

Sustainable Development Goal 1 calls to end poverty in all its forms everywhere by 2030. Target 1.3 identifies a concrete strategy to eradicate poverty by upholding the promise of universal social protection by 2030.

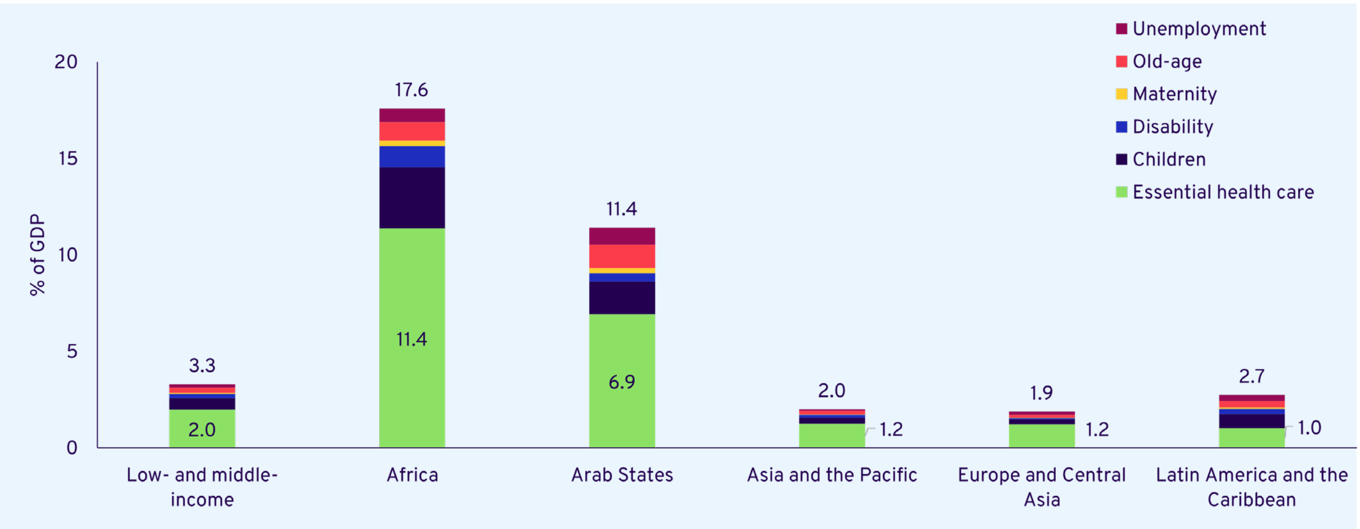
Expanding social protection is essential not only for eradicating poverty, but also for reducing inequalities, formalizing employment and enterprises, facilitating a just transition to a green economy and promoting gender equality.

For the first time, more than half of the world's population (52.4 per cent) is covered by at least one social protection benefit (SDG indicator 1.3.1). This is welcome progress. But it also means that 3.8 billion people are still left unprotected for routine life-cycle risks (e.g. if they get sick or lose a job) and climate-related or other systemic shocks that lie ahead. These coverage gaps are not evenly distributed: people in low-income countries and especially in countries that are most vulnerable to climate change have some of the largest coverage gaps. In the 20 most vulnerable countries to the climate crisis a mere 8.7 per cent of the population is covered by some form of social protection. This is no way to proceed in the context of a more volatile climate future.[1]

These coverage gaps are underpinned by under-investment. **ILO estimations show that the annual average financing gap to achieve a social protection floor accounts for 3.3 per cent of GDP annually or US$1.4 trillion per year in absolute terms** (Figure 1). This global average masks significant disparities among countries. For example, in the case of Africa the financing gap is 17.6 per cent of the region's GDP per year.[2]

To close the social protection coverage and financing gaps, countries need to set realistic short-term targets. Therefore, the International Labour Organization (ILO) and the Global Partnership for Universal Social Protection to Achieve the Sustainable Development Goals (USP2030) are calling all countries to prioritize public investments to extend social protection coverage by at least two percentage points per year, prioritizing populations and countries with greatest coverage gaps (i.e. Global Call to Action to universalize social protection).

Figure 1. Financing gap for achieving universal social protection coverage per year, as a percentage of GDP, by social protection benefit, by national income group, and by region, 2024



Source: Cattaneo, U., Schwarzer, H., Razavi, S., Visentin, A. 2024. Financing gap for universal social protection: Global, regional and national estimates and strategies for creating fiscal space, ILO Working Paper 113 (Geneva, ILO).

[1] ILO, 2024. World Social Protection Report 2024–26: Universal social protection for climate action and a just transition.
[2] Cattaneo, U., Schwarzer, H., Razavi, S., Visentin, A. 2024. Financing gap for universal social protection: Global, regional and national estimates and strategies for creating fiscal space, ILO Working Paper 113 (Geneva, ILO).

Reflecting this call to action, a tentative text that UN Member States could consider adding to para 29 of the FfD4 Zero draft in the section on Alignment of fiscal systems with sustainable development, after letter e) is the following:

We commit to maximizing domestic public resource mobilization through a context-specific mix of progressive taxes and social security contributions, including reallocation of savings from the reduction of fossil fuel subsidies, with a view to support the extension of social protection by at least 2 percentage points per year (measured by SDG indicator 1.3.1). This strategy is key to eradicate poverty and reduce inequalities, enable the formalization of economies, strengthen resilience to climate shocks, enhance public acceptance of climate mitigation policies, and promote gender equality.

Is the Global Call to Action realistic? Between 2015 and 2023, 42 countries and territories, representing 51 per cent of the global population, achieved an average growth rate in aggregate social protection coverage at or above 2 percentage points per year. Based on this evidence, **increasing social protection coverage by at least 2 percentage points per annum is both feasible and achievable.**[3]

Therefore, Member States should not hesitate to take the floor in plenary during the third PrepCom and specifically advocate for the inclusion of the 2 percentage points target in Paragraph 29 of the Zero Draft of the FfD4 outcome document.

Achieving the 2 percentage points target in low- and middle-income countries would require an investment of US$17.4 billion or 0.04 per cent of their GDP per year.[4]

To prioritize social protection investments, governments need to implement sustainable financing solutions adapted to their contexts, combining progressive taxation, social security contributions, reallocation of savings from the gradual phasing out of fossil fuel subsidies, and official development assistance where needed. Investments in social protection should be complemented with Active Labour Market Policies as integrated policy solutions.

▶ Who to contact during the 3rd PrepCom in New York (10-14 February)?

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Shahra Razavi and Umberto Cattaneo will be in New York during the 3rd PrepCom, 10-14 February, and they will be happy to answer questions on the **Global Call to Action** to accelerate the achievement of SDG target 1.3, as well as on the **Global Accelerator on Jobs and Social Protection.**

[3] ILO calculations based on ILO World Social Protection Database (WSPDB), 2025.

[4] ILO calculations based on Cattaneo, U., Schwarzer, H., Razavi, S., Visentin, A. 2024. Financing gap for universal social protection: Global, regional and national estimates and strategies for creating fiscal space, ILO Working Paper 113 (Geneva, ILO).

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