

PRESS RELEASE

A new normal: UN lays out roadmap to lift economies and save jobs after COVID-19

There will be no return to the "old normal", governments must act to create a new economy and more jobs.

NEW YORK, 27 APRIL 2020—The urgent health crisis that is COVID-19 has created a historic recession with record levels of deprivation and unemployment, creating an unprecedented human crisis that is hitting the poorest hardest, especially women and children. In a new framework released today as a roadmap to support countries' path to social and economic recovery, the United Nations calls for an extraordinary scale-up of international support and political commitment to ensure that people everywhere have access to essential services and social protection.

The "United Nations Framework for the immediate socio-economic response to COVID-19: Shared responsibility, global solidarity and urgent action for people in need" calls for protecting jobs, businesses and livelihoods to set in motion a safe recovery of societies and economies as soon as possible for a more sustainable, gender-equal, and carbon-neutral path—better than the "old normal".

"This is not only a health crisis but a human crisis; a jobs crisis; a humanitarian crisis and a development crisis. And it is not just about the most vulnerable. This pandemic shows that we are all at risk because we are only as strong as the weakest health system. Its unprecedented scale demands an unprecedented response," said United Nations Secretary-General António Guterres, who presented his report on the socio-economic impacts of COVID-19 "Shared Responsibility, Global Solidarity" in March.

"Everything we do during and after this crisis must be with a strong focus on building more equal, inclusive and sustainable economies and societies that are more resilient in the face of pandemics, climate change and the many other global challenges we face," he said. This new framework released today sets the way United Nations entities will deliver this vision on the ground.

Decisions made in the next few months will be crucial for the progress towards the Sustainable Development Goals (SDGs), the UN's framework for social and economic recovery stresses.

Noting that during the Ebola outbreak in 2014, more people died from the interruption of social services and the economic breakdown than from the virus itself, the framework focuses on protecting the needs and rights of those most affected by the pandemic, starting with the most vulnerable countries, groups, and those who risk being left behind.

Drawing lessons from the 2008-2009 global economic and financial crisis, the framework notes that countries with strong social protection systems and basic services suffered the least and recovered the fastest. To prevent billions of people from sliding into poverty, governments around the world will need to rapidly adapt, extend and scale-up safety 'cushions', such as cash transfers, food assistance, social insurance schemes and child benefits to support families.

For the impacts of COVID-19 to be reduced, the UN calls for an extraordinary scale-up of support to cope with the challenges ahead, including immediate social protection responses that consider differentiated impacts on vulnerable groups, children, women, men, and those in the informal sector. This is particularly urgent considering that 4 billion people, more than half of the world population—including two out of three children—have no or inadequate social protection.

NOTES FOR THE EDITORS

The UN will focus on five key streams in its response, which places communities at the centre of recovery efforts:

1. protecting existing health services and strengthening health systems' capacity to respond to COVID-19;

2. helping people cope with adversity, through social protection and basic services; 3. protecting jobs, supporting small and medium-sized enterprises, and informal sector workers through economic recovery programmes;

4. guiding the necessary surge in fiscal and financial stimulus to make macroeconomic policies work for the most vulnerable and strengthening multilateral and regional responses; and 5. promoting social cohesion and investing in community-led resilience and response systems. These five streams are connected by action to meet the need for environmental sustainability, if countries are to recover and "build back better", and be better prepared to address future shocks, including pandemics.

UN teams covering 162 countries and territories will rollout this recovery plan in the next 12 to 18 months, under the leadership of UN Resident Coordinators (RC), supported by a network of global and regional expertise. As the technical lead in the socio-economic recovery effort, the UN Development Programme (UNDP) will support RCs, with UN teams working as one across all aspects of the response.

While a significant proportion of the existing US\$17.8 billion portfolio of sustainable development programmes across UN entities will be adjusted towards COVID-19 needs, given the scale and scope of the socio-economic impact of the pandemic, additional funds will be required. To support these efforts, the Secretary-General launched the United Nations COVID-19 Response and Recovery Fund, a UN inter-agency fund mechanism to help support low- and middle-income programme countries overcome the health and development crisis caused by the COVID-19 pandemic and support people most vulnerable to economic hardship and social disruption. The financial requirements of the Fund are projected at \$1 billion in the first nine months and will be subsequently reviewed. The Secretary-General also called for a multilateral response that amounts to at least 10 per cent of global gross domestic product (GDP) to mount the most effective response to crisis the world has ever seen.

There will be no return to the "old normal", the framework document states. The pandemic is a blow to developing and emerging economies that already face binding constraints of debt and limited fiscal space, with several developing countries needing urgent debt relief. Its impacts will be especially devastating for the most vulnerable countries – those in humanitarian or conflict settings. The UN also calls for a massive fiscal and financial repurposing in the next weeks and months, including the redirection of fossil fuel subsidies to aid the response. The UN stresses that the status quo and business-as-usual are policy choices, and they are not inevitable.

For a sustainable development that benefits more people, the choice must be for a recovery from COVID-19 that is fast, fair, green and inclusive.

About the framework document

The "United Nations Framework for the immediate socio-economic response to COVID-19: Shared responsibility, global solidarity and urgent action for people in need", released today puts in practice the UN Secretary-General's Shared Responsibility, Global Solidarity report on the same subject. It is one of three critical components of the UN's efforts to save lives, protect people, and rebuild better, alongside the health response, led by the World Health Organization (WHO), and the humanitarian response, as detailed in the UN-led COVID-19 Global Humanitarian Response Plan. Three funding mechanisms support the comprehensive response pillars: The COVID-19 Solidarity Response Fund, managed by the UN Foundation and the Swiss Philanthropy Foundation for the immediate health needs; the "Global Humanitarian Response Plan" for the humanitarian appeal; and the United Nations COVID-19 Response and Recovery Fund for the socio-economic recovery.

About the UN Development System

The United Nations development system is the world's largest international actor on social protection and basic services. The UN System is present in 162 countries and territories and reaches tens of millions of people through basic services, social transfers and other forms of social protection. The UN Development System has extensive experience in supporting governments in developing social protection systems including social protection floors and delivery of quality social services and to support such services across humanitarian and development contexts. unsdg.un.org

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