

Remarks by World Bank Group President David Malpass at High-level Event on Jobs and Social Protection for Poverty Eradication

September 28, 2021

Secretary-General Guterres, Excellencies, and Distinguished Colleagues, thank you for convening today's important event on jobs and social protection.

The COVID-19 pandemic has disrupted the labor market and highlighted the challenge of creating jobs. It has caused devastating job loss and a reversal in labor income. It has also stressed social protection systems. We are confronting a looming era of reversals of the development achievements of the last decades.

The World Bank has worked with countries to promote social protection, livelihoods and jobs, and financial inclusion investments. Since the start of the pandemic, global social protection programs have been expanded at an unprecedented scale. More than 200 countries have deployed more than 3,000 social protection and labor measures. Relative to pre-COVID levels, programs doubled the amount of cash provided to beneficiaries and coverage more than tripled on average.

In response to COVID-19 severely damaging the lives and livelihoods of millions of people in developing countries, the World Bank Group deployed over \$157 billion to fight the pandemic's health, economic and social impacts. Social Protection and Jobs operations have increased significantly to over \$10 billion, reaching more than one billion individuals worldwide.

We are working with partners to help countries recover in ways that will be sustainable, greener and more prosperous. It's clear that transformative economic growth will be the ultimate driver of poverty reduction, but it's critical that growth be inclusive and broad-based. The pandemic offers an opportunity for countries to integrate economic growth and inclusion into their development strategies for poverty reduction and job creation. This shift requires that countries address long-term challenges, but also a step-change towards environmental sustainability and strengthening human capital.

There are 5 critical areas we need to focus on even as the world of work is rapidly changing due to technological and demographic change, climate change, urbanization, and globalization:

- First, we should promote structural reforms and job creation in industries with the potential to grow and where employment gains can be large, realizing those opportunities require significant and deliberate investments today.
- Second, we should support skills development to meet changing labor market needs, including addressing the learning losses due to COVID-19 and ramping up programs that meet growing demand, such as digital skills.

- Third, we should confront labor market inequalities head-on, by being more thoughtful in the design of policies to support the most vulnerable and addressing the significant disability and gender gaps that persist in labor force participation and earnings.
- Fourth, we need to build social protection systems that protect *everyone*. The COVID-19 crisis has underlined the absence of effective schemes to protect informal workers. Governments should consider developing integrated, universal social protection systems to support *both* the goal of achieving universal social protection by 2030 *and* the goal of accelerating the growth of better jobs.
- Fifth, we need to harness the investments made during the pandemic, and continue strengthening social protection systems, by building resilience against future crises. Existing cash transfer investments provide a cost-effective foundation to build upon. The use of technology and institutional strengthening, like social registries or early warning systems, have made delivery systems more inclusive, adaptive and efficient. Digital solutions can help leapfrog some delivery constraints and increase cost-effectiveness.

As co-chair of the Universal Social Protection 2030 partnership, I would like to conclude by stressing that international collaboration on jobs and social protection is vital. The World Bank welcomes the opportunity to be part of this dialogue and to continue our support for countries in their quest for a more sustainable, prosperous, and inclusive world of work.