



The NGO Committee on Financing for Development commends the efforts made by all Member States participating in the ECOSOC Forum on Financing for Development follow-up (FfD Forum) to advance the implementation of social protection floors. We support the recognition of measures needed to support the poor and vulnerable; in particular, social protection floors that are consistent with national development strategies. Provision of a basic set of social protections is necessary for different stages of the life cycle, from child grants to unemployment and disability insurance for working-age people to social pensions for the elderly.

Eighty percent of the global population still lacks access to comprehensive social protection and that is unacceptable. Adequate funding modalities are needed to enable sustainability and effectiveness. In order to reach the poorest people in a country, stable funding for social protection can best be provided through mandatory budgetary outlays that are not reduced in the face of economic crises. Basic social protection must be funded through tax revenue.

The unequal international distribution of wealth since the financial crisis has made it difficult for developing countries, especially those with a narrow tax base and low tax-to-GDP ratio, to put in place comprehensive social protection systems that ensure that households have the capacity to cope with, as well as to mitigate against, the social and economic fallout of crises. We applaud the progress made by some States in strengthening tax administration and financial management capacities. However, people in poverty still suffer because substantial money is being hidden through tax evasion, tax avoidance and tax fraud, forcing governments to undermine social protection programs, or to rely on external financing while international tax competition continues.

In order to ensure the sustainability of social protection floors, we endorse the following three measures to strengthen funding mechanisms aimed at developing countries:

- 1) That sufficient official development assistance (ODA) be provided to underwrite social protection systems, as direct service support or technical assistance grants.
- 2) That an evidence-based assessment of policy needs be carried out, including an inventory of all such social protection mechanisms and identification of gaps. We believe that the Inter Agency Task Force is singularly equipped to best carry out this function at the request of Member States.
- 3) That consideration be given to new forms of bond and loan contracts that would build in a trigger mechanism to postpone or even cancel required borrower payments under pre-specified conditions, such as “catastrophe bonds”.

On behalf of all people who are marginalized and vulnerable, we call for a robust discussion of these measures in the ECOSOC Forum on Financing for Development.