



4 - 6 SEPTEMBER 2023

Promoting Jobs and Social Protection for Just Transitions

How to build cooperation with PDBs in the context of the Global Accelerator?

Strengthening impact and measuring contributions to the achievement of the SDGs

► Background

Through the **FICS Coalition for Social Investment**, established in November 2020, PDBs join forces to help achieve the SDGs and support the social agenda with their investments. The Coalition aims to increase awareness and readiness of PDBs to increase the social impact of their investments through regular events and discussions. As we strive to accelerate impact, it becomes imperative to harness all available tools and resources for driving meaningful progress towards the SDGs.

The **Global Accelerator on Jobs and Social Protection for Just Transitions**, launched by the UN Secretary-General in 2021, is one of these tools which provides an opportunity for countries to achieve the SDGs.

It promotes a more inclusive model of development where human rights and labour standards provide essential guardrails to navigate trade-offs, increase equality and promote policies that ringfence social spending and protect the most vulnerable.

It facilitates just transitions to low carbon and digital economies, ensuring that the new jobs created are decent, supporting the formalization of the economy, and promoting the extension of social protection to all those that are currently excluded.

It promotes pursuing quality infrastructure investments to maximize the positive economic, environmental, social, and development impact of infrastructure and create a virtuous circle of economic activities, while promoting decent work and ensuring sound public finances.

It contributes to strengthening national institutions for social protection, decent employment, skills development, enterprise development and rebuilding the social contract.

It builds evidence of the economic impact of social investments on productivity, GDP growth and the broadening of the tax base, thus generating more fiscal space for future investments. It helps mobilize sufficient fiscal space for investments in the social agenda through domestic public and private investments, complemented by international financial support.

Through a co-creation process of national roadmaps that set the priorities, and based on a harmonized results framework, it ensures national ownership and enhances multilateral cooperation and synergies among participating ministries, donors, development banks, UN agencies, the private sector, social partners, and civil society.



► Opportunities for PDBs using the national roadmaps / joint results framework under the Global Accelerator

1. PDBs participate in the financing of a national strategy for just transitions as outlined in countries' national roadmaps and results frameworks.

2. PDBs investments are coordinated and thus become complementary while focusing on integrated policy approaches.

3. PDBs play a role as drivers of good practice and catalyzers of private investments. PDBs can crowd-in the private sector, using instruments such as blended finance, credit lines or guarantees. They have a catalytic effect on directing resources towards national priorities and underserved groups, such as low-income households, micro, small and medium-sized enterprises, and others (as identified in the national roadmaps). This can help PDBs achieve their developmental mandate. Moreover, their sustainable finance practices can also be transmitted to private sector actors, thereby contributing to social impact of private finance as well.

4. A list of countries, so-called Global Accelerator pathfinder countries, have made a commitment at Head of State or Government level to place decent work and social protection at the heart of their national development strategies. This reduces risks for PDBs' investments falling below due social diligence standards in these countries, and it contributes to making the energy transition and the broader transition towards environmentally sustainable economies 'just'. The GA will also ensure that other transformations of the economy (digital, care, agriculture, industry, etc.) are inclusive and equitable.

5. Policy and institutional reforms undertaken reduce the risk of a social crisis and the risk of the deepening of an economic crisis. Moreover, these reforms can create positive multiplier effects and generate virtuous circles of increased employability, more productive workforces, higher tax revenues and greater fiscal space for further investments in decent work, social protection and just transitions, thus further reducing the abovementioned risks.

6. It is key that PDBs participate in the national dialogue, contribute to the national roadmap, and use a common results framework at country and global level.

7. By contributing to the definition of the results framework under the Global Accelerator, PDBs are able to strengthen and measure their contributions, as well as improve the reporting and the visibility of bank financing. This could drive changes at the level of commercial banks and other financial service providers which work with these PDBs.

8. The FICS Coalition for Social Investment can disseminate best practices and tools to improve the impact

measurement of the PDBs, the monitoring of their investment activities and more broadly the activities of sustainable finance. The Global Accelerator in close collaboration with the FICS Coalition for Social Investment can also offer support to PDBs to better measure employment and other social impacts of their operations and consider such impacts in investment decisions.

9. PDBs can take part in the national and global governance bodies of the Global Accelerator that will give them greater visibility and voice their contribution to the SDGs.

From Commitments to Action

PDBs joining forces in the context of the Global Accelerator reiterate their commitment in the Investment Agenda towards the SDGs proposed during the 2022 FICS by investing in health and social protection systems.

They also commit to:

- Try and **support national roadmaps** in pathfinder countries through social investments and increasing the social impact of infrastructure investments.
- **Cooperate** with relevant stakeholders, including government partners, PDBs, international organizations including UN agencies and donors, to seek synergies to support the implementation of national roadmaps. This should translate in a coherent support to a structured demand for investments, ensuring complementarity and reducing overlap of investments.
- Work on more systematic **impact measurement** including through consistent tools, and the results framework of the Global Accelerator.

More information: join us in Cartagena!

On the side-lines of the FICS in Cartagena, the ILO is organising, together with the FICS Coalition for Social Investment, a side event on "PDB Collaboration in the context of the Global Accelerator: Strengthening impacts and measuring contributions to the achievement of the SDGs" **We look forward to meeting you there!**



Monday
4th Sept 2023
16.45-18.00



Room
302 AB