



Urgent Call for a Global Fund for Social Protection and Strengthened International Commitments at FfD4

As we approach the Fourth International Conference on Financing for Development (FfD4), the United Nations Special Rapporteur on extreme poverty and human rights, Olivier De Schutter, and the International Trade Union Confederation (ITUC) urge the international community to take bold action to address the financing gaps for social protection. Governments have made repeated pledges to support the establishment of social protection floors. These pledges remain largely unfulfilled. In order to deliver on these promise, progress should be made towards establishing **an international financing mechanism (i.e., a ‘Global Fund’) to mobilise and coordinate international support to social protection** to address critical financing gaps for low income countries. Such a mechanism would greatly support delivery on agreed international commitments to extend social protection, address poverty and reduce inequalities, in line with targets 1.3 (universal social protection), 3.8 (universal access to healthcare) and 10.1 (reducing income inequalities) of the UN Sustainable Development Goals (SDGs).

The Urgency of Addressing the Financing Gap for Social Protection

Social protection is an internationally recognized human right, enshrined in the International Covenant on Economic, Social and Cultural Rights and in the ILO Social Security (Minimum Standards) Convention (No. 102) and reaffirmed in the Social Protection Floors Recommendation (No. 202), 2012. There is ample evidence on the critical role that social protection plays in supporting social development, building human capital, and contributing to resilience in times of crisis. Yet, nearly half of the world's population still lacks access to social protection, with low-income countries facing the most severe shortfalls. These countries require an estimated USD 308.5 billion annually to establish universal social protection floors – a sum equivalent to 52.3% of their total GDP. Without significant international financial support, it is impossible for these countries to bridge this gap and provide essential protection to their populations.

Addressing Misconceptions About a Global Fund for Social Protection

The proposal for a Global Fund for Social Protection has received significant international attention over recent years and is supported by global unions and by the Global Coalition for Social Protection Floors, a coalition of more than 100 unions and non-governmental organisations across all world regions. A number of high-level international debates have been organised to discuss the concept, and a 2024 feasibility study by the International Labor Organisation was produced following request

from constituents.¹ The high potential for such an instrument has been broadly recognised. While concerns have also been raised around the creation of a new international institution – particularly at a time when many international organisations are being dramatically cut back –, we emphasize that this is *not* what the proposal for a global fund would imply. Rather, the proposal is to leverage existing coordination mechanisms – such as the Global Partnership for Universal Social Protection – to enhance coordination and mobilise additional resources. Rather than duplicating efforts, the fund would channel international support efficiently – allowing members of the international community to consolidate efforts and undertake joint resource mobilization efforts, whilst avoiding duplications and overlaps in support.

As such, the Global Fund for Social Protection aims to ensure access to a reliable and predictable source of funding for the establishment of rights-based social protection floors, to recast international support for social protection floors as a bridge towards increased domestic resource mobilisation, and to provide countries committing to protect their populations with an insurance against co-variate shocks, both internal (such as climate disasters) and external (such as a sudden fall of export revenues or a sudden increase of import bills), by increasing the level of international support in times of crisis.

Viable International Financing Mechanisms

The Global Fund for Social Protection could be supported through a combination of financing modalities. The instrument could notably support the **mobilization and coordination of official development assistance (ODA) for social protection**, given the relatively low levels of ODA that are currently allocated to social protection in comparison to other critical areas for human development, such as health and education. Trade unions have long advocated for governments to increase the share of their ODA allocations earmarked for social protection to at least 7% by 2030.

Efforts to coordinate international financial support should not be limited to ODA, however. Additional forms of support that could be included under such an instrument could include:

- **Debt-for-Social Protection Swaps:** Redirecting debt service payments towards social protection investments.
- **Issuance of Special Drawing Rights (SDRs):** Allocating SDRs based on need rather than quotas, ensuring LICs receive necessary resources.

¹ See ILO Working Paper 097 (2024) [A global fund for social protection: Lessons from the diverse experiences of global health, agriculture and climate funds](#)



- **International Tax Cooperation:** Implementing global minimum corporate tax reforms and wealth taxation to generate additional revenues for social protection.
- **Solidarity Levies:** Introducing financial transaction taxes, fossil fuel levies and other levies to create new revenue streams dedicated to social protection.

The complementarities between the Global Fund and the UN Global Accelerator for Jobs and Social Protection

The creation of a Global Fund for social protection complements other international-level initiatives to strengthen social protection coverage - including the UN Global Accelerator on Jobs and Social Protection for Just Transitions. The Global Accelerator initiative sets out the ambition of extending social protection to the 4 billion people currently excluded. It aims to provide integrated and evidence-based national strategies and policies; support integrated financing strategies; and enhanced multilateral cooperation. Up until now however, the financing that has been allocated towards the UN Global Accelerator has been primarily funding UN technical support, rather than providing financial assistance directly to states themselves who have limited fiscal capacity to invest in social protection in the short term.

In addition, the overall levels of funding committed to the accelerator are far from what is actually needed to close financing gaps for states at national level – especially in the area of social protection. Greater international financial commitments will therefore be needed to support those countries with large social protection financing gaps, especially the world’s poorest countries – and could help to deliver on the objectives of the UN Global Accelerator.

Call to Action – for FfD4 and beyond

The FfD4 conference provides an important opportunity to secure joint commitments from governments and international organisations on financing strategies for major development priorities – including on social protection. Securing commitments within the FfD4 to advance towards a new international financing mechanism in support of social protection floors would allow for a transformation of existing financing modalities – away from fragmented, short-term aid towards a long-term, rights-based financing approach for social protection. We call on governments and international institutions to:

1. **Make clear, time-bound commitments for international financing for social protection,** ensuring LICs receive adequate and predictable financial support. Governments should commit to meet the UN target of allocating 0.7% of GNI to ODA (with 0.2% for least developed



countries specifically) and to increase the share of ODA towards social protection to at least 7% of overall allocations.

2. **Restart concrete discussions towards the establishment of a Global Fund for Social Protection**, leveraging existing mechanisms and institutions.
3. **Mobilise a range of international financing instruments**, ensuring robust and sustainable resource flows for social protection.

Investing in social protection is not just a moral imperative – it is an essential strategy for sustainable development and economic resilience. Strengthened commitments at FfD4 can ensure that countries receive the support they need to establish universal social protection systems.

We look forward to engaging with governments, international organisations, social partners and other relevant stakeholders involved in the FfD4 process to restart discussions for setting up such a Global Fund for Social Protection, which would enable us to make our common objective of universal social protection a reality.

Sincerely,

A handwritten signature in black ink, appearing to read "Luc Triangle".

Luc Triangle

General Secretary, International Trade Union Confederation (ITUC)

A handwritten signature in black ink, appearing to read "Olivier De Schutter".

Olivier De Schutter

UN Special Rapporteur on Extreme Poverty and Human Rights