

COVID-19 WILL PUSH MILLIONS MORE INTO EXTREME POVERTY

A slowing economy, job losses and lack of social protection are expected to push anywhere from 71 million to 135 million additional people into extreme poverty – a heartbreaking reversal after years of steady decline in poverty rates.¹⁹ New economic forecasts by sex and age using the International Futures Model – commissioned by UN Women and UNDP and prepared by the Pardee Centre at the University of Denver – put the figure at approximately 96 million people, of whom 47 million are women and girls.²⁰ The impact, which considers downward revisions in global economic growth, will be even greater if the crisis isn't controlled enough for normal economic activities to resume. Aggravating the impacts for women, increased care burdens, a slower recovery or reduced public and private spending on services – such as education or childcare – may push women to leave the labour market permanently.

The fallout will intensify extreme poverty across regions

Central and Southern Asia and sub-Saharan Africa (where 87 per cent of the world's extreme poor live) will see the largest increases in extreme poverty, with an additional 54 million and 24 million people, respectively, living below the international poverty line as a result of the pandemic.²¹

The expected rise of poverty in South Asia as a result of the economic fallout of the pandemic showcases the vulnerability of women and girls living in households that have only recently been able to escape poverty. The pre-pandemic female poverty rate in this region was projected to be 10 per cent in 2021 but is now expected to reach 13 per cent. Moreover, before the pandemic, projections for the region suggested that by 2030 only 15.8 per cent of the world's poor women and girls would be living in South Asia. The revised projections now put that figure at 18.6 per cent.²²

Gender poverty gaps will worsen as a result of the crisis

The resurgence of poverty due to the pandemic also threatens to deepen gender poverty gaps, especially for people aged 25 to 34 – a key productive and family formation period for both women and men. In 2021, it is expected there will be 118 women in poverty for every 100 poor men globally, and this ratio could rise to 121 poor women for every 100 poor men by 2030. Not all regions are expected to face the same trajectory. While sub-Saharan Africa and South Asia will be the most impacted, significantly more women than men in South Asia will be affected. In the 25-34 age group, there will be 118 poor women for every 100 poor men in that region, and that ratio will increase to 129 women for every 100 men by 2030.²³

To eradicate extreme poverty, policymakers need to act now

Smart investments and sound policies will be crucial to put the world back on track to eradicate extreme poverty. The cumulative cost of doing so by 2030 is about \$2 trillion in purchasing power parity (PPP), or just 0.14 per cent of global GDP. As more women than men live in poverty, closing the gender poverty gap must be a vital part of a broader poverty eradication strategy. A policy simulation analysis emanating from the International Futures Model estimates that over 100 million women and girls could be lifted out of poverty if governments implement a comprehensive strategy aimed at improving access to education and family planning, fair and equal wages, and expanding social transfers.²⁴

Applying a gender lens in designing fiscal stimulus packages and social assistance programmes is crucial for building a more prosperous, equal, inclusive and resilient society.

The COVID-19 crisis will likely increase female poverty

Globally,

247 million women

aged 15+ will be **living on less than \$1.90 per day in 2021**, compared to

236 million men.

Among the 15+ age group in **sub-Saharan Africa** (where the majority of the poorest live),

132 million women

compared to

124 million men

will be **living on less than \$1.90 a day in 2021**.

Gender poverty gaps are deepest in the **prime reproductive years**.

Globally,

60 million women

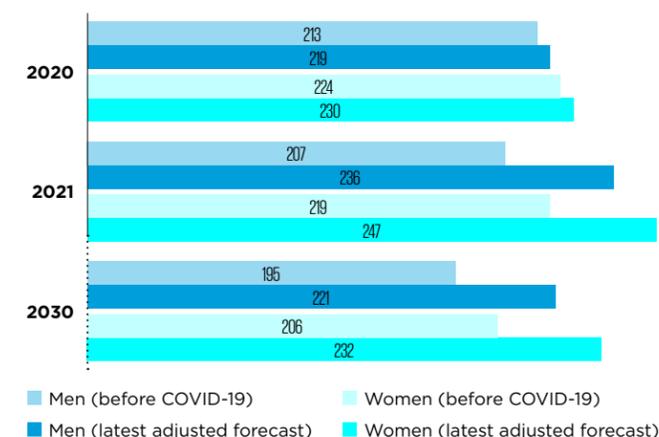
aged 25 to 34 compared to

54 million men

are expected to **live on less than \$1.90 per day in 2021**.

Gender poverty gaps will worsen by 2030

Among those aged 15+, women will still be the majority of the extreme poor in 2030.



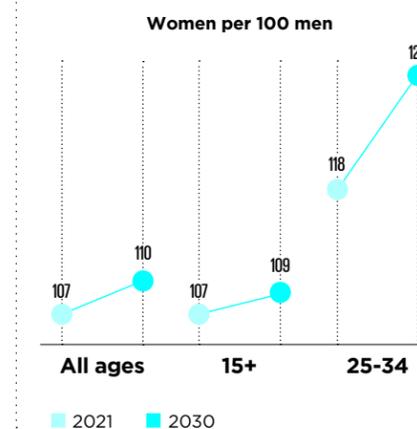
By 2030, the **global gender poverty gap** for ages 25 to 34 will worsen from:

118 women

for every 100 men in 2021 to

121 women.

In **South Asia**, the **gender poverty gap** will worsen further still:



Gender-responsive policymaking is key for closing gender poverty gaps

Over

100 million women and girls

can be **lifted out of poverty globally** if governments implement a comprehensive policy strategy aimed at **improving access to education, family planning, equal wages and social transfers**.



The **cumulative cost of eradicating global poverty by 2030** is estimated at

US\$ 2 trillion,

just 0.14% of global GDP.

Considering that more women than men live in poverty, **eradicating extreme poverty requires investment in closing the gender poverty gap** – estimated to cost

US\$ 48 billion in PPP.