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## **The Global Accelerator: What it is and what it does in the future of work**

### **Interview with Valérie Schmitt, ILO Deputy Director of the Social Protection Department, and Jean-François Klein, Senior Administrator, ILO Employment Policy Department**

#### **Introduction by host:**

Welcome to the ILO Employment podcast series, Global Challenges, Global Solutions: The Future of Work.

I'm your host Tom Netter, and today we're going to look at The Global Accelerator on Jobs and Social Protection for Just Transitions, what it is and what it does, and how it will address a range of challenges facing the world of work.

Today, our world is facing an unprecedented number of challenges: climate and demographic change, rising inflation and energy costs, COVID-19, a weak and uneven recovery, persisting high levels of informality in many countries, gender inequality, digital transformation, care crises, and a lack of decent work and social security. The list goes on. But one thing is clear, we're losing forward momentum. Poverty, inequality, and hunger are on the rise. So, what can we do to shift gears and start moving forward again?

A new initiative was launched by the UN Secretary General with ILO coordinating support to address these challenges. Its goal is to increase the level and coordination of the multilateral system's efforts to help countries create 400 million decent jobs in both

developed and emerging economies, and to extend social protection to 4 billion people who are currently excluded. So how does this new initiative work? And will it set us on a path towards greater sustainability, inclusiveness, and resilience?

Here to unpack this are two ILO experts, Valérie Schmitt, Deputy Director of the Social Protection Department, and Jean-François Klein, Senior Administrator, Employment Policy Department. Valérie, Jean-François, welcome to the programme.

**Tom: Let's start by providing some background on the Global Accelerator. Where does the impetus come from? And why do we need a Global Accelerator now?**  
**Valérie?**

**Valérie:** Yeah, thanks a lot for the question. First, the Global Accelerator is an initiative of the UN Secretary-General, António Guterres. It was launched in September 2021 to face the COVID-19 crisis, to facilitate a human-centred recovery and to help countries to be better prepared to face future crises such as the climate change crisis or the more recent food and energy crisis. Second, the Global Accelerator aims to overcome the financing gaps and to promote more and better investments in the creation of decent jobs, so not any job, and universal social protection. For instance, ILO estimates that the financing gap to achieve basic floors of social protection in low-income countries are around 78 billion US dollars per year or 15.9 per cent of the country's GDP on average. And so, the Global Accelerator really aims to increase the fiscal space for social protection but also for other policies such as skills development, the formalization of the economy.

And third, I think the Global Accelerator really aims to overcome the persistence and even the growth, the further development actually, of the informal economy by promoting integrated policy approaches with public and private investments to support the development of sustainable enterprises, the creation of decent jobs, access to skills development and, of course, social protection for all. And so really, the Global Accelerator through these integrated policy packages will contribute to the formalization of the economy and we believe that this will create a virtuous cycle where micro and small enterprises really are able to increase their productivity, their turnover, and their net income as well as the decent working conditions of their salaried workers. And we also believe that enterprises and workers will be better represented, organized and will be able to contribute to paying taxes and, of course, social security contributions.

**Tom: Thanks very much, Valérie, for that interesting answer. Now, Jean-François.**

**Jean-François:** Yes, thank you, Tom, and hello everyone. To complement what Valérie has said, I think the Global Accelerator can also support countries to transition to sustainable development. We know, for instance, that economies and societies are facing massive

challenges and transformations. For instance, they need to adapt to climate change, to digitalization or to demographic changes which are all, as you know, key drivers of the future of work. So, the idea of the Global Accelerator is really to support countries manage these transformations while leaving no one behind. So, to put it more simply, to make you know these transitions just. This means that stimulating decent jobs creation is really important through appropriate policies and also giving new opportunities to enterprises and workers, for instance, in terms of access to markets, skills development, working conditions, wages and income. And on the other hand, and complementarily, to make sure that expanding social protection is at the core of the policies, to make sure that those who are excluded from social protection are covered.

So, this value proposition, which is very much based on an integrated approach, is at the centre of the Global Accelerator implementation strategy. This is complemented by another key pillar which is the integrated financing approach, and we will talk about that later, and also a strong multilateral corporation to make sure that we have a coalition of partners, of member states, government and also financing partners and, of course, ILO constituents on board to support this effort. Just a last point to say that the Global Accelerator will be supported by a Technical Support Facility, a UN-wide Technical Support Facility, which will provide support to the countries which will embark in the Global Accelerator and we hope to cover gradually 30 countries over the next four years.

**Tom: Thank you, Jean-François. The Global Accelerator calls for increasing investments in key emerging sectors of the economy – and especially the digital, green and care economies. What kind of investments are needed and how could they promote job creation and access to social protection? Jean-François.**

**Jean-François:** Well, that's a tough question but to put it very simply, what we need are investments that create decent jobs with social and green impact. So, let's start with some figures and let's start with the care economy, for instance. We know that closing the care gap through investing in inclusive care policies and services and addressing decent work deficits in the care sector, which is an important problem, we know that closing this gap could generate almost 300 million jobs by 2035, while at the same time advancing gender equality and equity. So that really has a very important potential. Now, if you look at the green transition and the green sector, for instance, worldwide doubling the share of renewable energy in the total energy supply by 2030 could lead to 24 million new jobs in the energy sector including many jobs for young women and men. And we also know that these figures could be even further leveraged if digital transformation processes are managed in an inclusive way. So, this gives you a sense of the opportunities in the untapped potential of these sectors in terms of overall job creation. Now, in parallel, the United Nations and international community are calling for increasing financing to achieve the SDGs and you know perfectly that the idea is really to move from billion to trillions, you know, which are needed to do so.

Just to give you a sense of the magnitude, for instance, loans provided by multilateral development banks are targeted to reach 400 million US dollars per year, so that is a target set by the UN, for instance. But on the other hand, we know that these investments will not necessarily create decent jobs if they are not accompanied by conducive policies. They may actually even further increase, for instance, inequalities. So, what is super important is that national employment policies need to be in place to support the integration of job creation in other key policy areas, for instance, like skilling, industrial and sectoral policies, enterprise development, private sector development policies and social protection. So, these efforts should really be underpinned by effective social dialogue, strong institutions, inclusivity, and institutional coherence to really make that effective shift. So, this is really about making sure that, you know, financing for jobs and social protection is very closely related to the development of adequate policies, and this is why also the development of national financing strategies is so important and ensuring that employment policies, social protection policies are part of what is called the Integrated National Financing Framework at country level to make sure that we can harness these strategies and make the transformation at scale that are needed.

**Tom: Thank you, Jean-François. Now Valérie, can you give us your views?**

**Valérie:** Yeah, I just wanted to complement what Jean-François said. I think that the Global Accelerator will ensure that investments in the economy have not only financial and economic returns but also social and environmental returns, positive returns, of course. So, promoting environmental returns can be achieved by, of course, investing in green energy, waste management, et cetera. It can also be achieved by promoting green jobs and methods of production, transformation, distribution that are more eco-friendly in various sectors of the economy, whether it's agriculture, construction, et cetera.

Promoting social returns can be achieved by creating new formal jobs or formalizing existing jobs in the informal economy. I just wanted to give an example of the craft industry where people usually work and live from day-to-day. So, the Global Accelerator wants to ensure that these enterprises and people have new perspectives by supporting the formalization of the tiny, small and micro-businesses through their first registration in the Chambers of Commerce, for instance, or under the tax authorities, the use of accounting, which is lacking in many cases, access to markets, access to credits, which is very important to develop one's business, more support to invest in equipment and machinery and, of course, also helping in the organization of the sector to ensure that enterprises, owners and also workers are better equipped to defend their own rights and also have more ability to generate earnings, and also to be protected through social protection to really have a decent life today and also in the future.

I wanted to raise your attention on the fact that today 4 billion people, so it's half of the world's population, have no access to social protection at all. And in countries where the

national social protection system is not performing well the idea with the Global Accelerator that the Accelerator will really support and promote the improvement, the further development of national social protection systems to ensure that these systems can provide the protections to all the population, including the workers and the enterprises in the informal economy that are often left behind. And this will require high investments from the state budget and also from the international community through increased ODA, for instance, to really complement the national efforts.

**Tom: Ok, thank you very much. Now continuing with Valérie, one of the things about the Global Accelerator is that it highlights the importance of global partnerships to address global challenges. Is this the first time we are seeing this kind of cooperation and what is unique about it, Valérie?**

**Valérie:** Oh, thanks for the question. Actually, it's not the first time because in 2009 during the last financial and economic crisis the UN had already joined forces and launched several initiatives to face a crisis and accelerate recovery. And one of them was on social protection floors and this initiative, in particular, had impressive results. Many countries have made significant progress since 2009 in building their national social protection floors and actually, the UN family, so, ILO, UNICEF, UNDP, UN Women, WHO, many UN agencies have joined forces to support these countries. There are also other multi-partner initiatives that are connected or linked to the Global Accelerator such as the Global Initiative on Decent Jobs for Youth or the Climate Action for Jobs Initiative. But none of these initiatives has the scope and the level of ambition of the Global Accelerator and I would like to explain why the Global Accelerator is different. I think it's for at least four reasons. First, it is not only a UN initiative, but it aims to embark also national development banks, financial institutions such as the World Bank, the IMF, regional development banks, the Islamic Development Bank, European Investment Bank, et cetera.

The second reason is that the Global Accelerator talks about investments in the economy with more social and environmental impacts. So, it doesn't see social protection or skills development or other policies, social policies as a cost but as an investment and really tries to convince national ministries of finance, of economy, planning on the need to invest in decent jobs and social protection. And the third reason, which was already mentioned by Jean-François, is that the Accelerator does not focus only on one policy approach, such as on skills or on enterprise development or on social protection but it links several policies together to really increase impact. For a worker or a micro-enterprise in the informal economy it is necessary to provide them an integrated package with skills development, enterprise support, access to new markets, credits, access to social protection, et cetera, to really help them develop.

And the last and fourth reason is that this initiative was launched, as you know, by the UN Secretary General and this high-level UN support really requires high-level political

commitments on the side of participating countries. So, either at the level of the president or the prime minister and this is very important as it creates accountability and facilitates the coordination of the Global Accelerator across different ministries at national level, such as the ministries of economy, finance, labour, social welfare, agriculture, commerce, industry and many others.

**Tom: Thanks, Valérie for that interesting answer. Now, my last question is to Jean-François. What kind of policy solutions are possible, and what is the significance of this as it pertains to the future of work?**

**Jean-François:** Well, thank you, Tom. Well, as Valérie has just said the Global Accelerator does not advocate for one policy, but it is actually a vehicle to implement decent work by linking several policies into a comprehensive package. And also, by ensuring that these policies are adequately financed. So, for instance, if we look at the interrelation dimension of employment and social protection policies, we know that they are key, obviously, to achieve the SDGs. And if they are designed and implemented in conjunction, the investment in these two policy areas can really contribute to first, inclusive structural transformation and that, as we know very well, is very key to support formalization and the creation of decent employment in key sectors of the economy. And for all the listeners to this podcast I'm sure that they know that you know decent work requires an integrated approach, promoting employment opportunities, rights at work, social dialogue and adequate and sustainable social protection. So, we know that this is essential for enforcing resilience and productivity. But also, to provide a balanced combination of distributive and redistributive policies to address inequalities. And this virtuous circle, as Valérie was mentioning before, also contributes to an expanded fiscal space for social investment, of which we know there is a critical lack in developing countries.

So, to summarize, in the context of recovery and transitioning to a low carbon economy, integrated employment and social protection policies can be really critical vehicle to support and ensure income support in the case of job loss and phase out. Also, to facilitate skills development for the transition to new jobs and also facilitate investment in more sustainable livelihoods and behaviour. And very importantly, this also requires close links to active labour market policies, you know, which facilitates labour market transitions via reskilling and upskilling, formalization and labour market mobility. So, this integrated policy package is also, as part of your question, very relevant to address the future of work drivers, such as demographic change, digitalization or impact of climate change.

So, this is all fine on paper but in practice, you know, and this is a key challenge there. We know very well that there is often fragmentation in the way these policies are developed and implemented. There is usually a lack of awareness and practical knowledge among policymakers, social partners, even development partners on the potential impact in

multipliers effects of well-designed and financed social protection and employment policies.

And the Accelerator will really support that, you know, building this evidence around this integrated approach and how they mutually reinforce each other. We really need to provide this proof of concept. There are also other challenges. One is the weak implementation and institutional capacities in many countries where we work, whether it be from public institutions or on the part of policymakers. So, reinforcing such capacities to deliver really require long-term strategies and also the necessary financing, which is often missing, and often, as we know, we leave nascent institutions struggling. So, we are really looking at, through the Global Accelerator and the Technical Support Facility, provide that capacity development and also provide and generate new data. I mean, we know that the lack of timely and relevant data, which is due to underdeveloped labour market information systems and social security statistics is another constraint in many of these countries, so we hope that through the Global Accelerator we will also be able to support countries generate better data and make a better use of data, for instance, in the Employment Policy Department, we work a lot also with countries in enabling them, you know, assess the impact of their investment on employment, both from a quantitative perspective but also qualitative perspective, and these are all very important processes to ensure that policy decisions and investment decisions are done in an informed way.

So, to summarize, I think the Accelerator will propose to structure and support policy action from several ministries, social partners, private sector enterprises with the support of the UN and other development agencies. We will also be developing new tools also with other UN agencies, such as, for instance, integrated diagnostics, expenditure budget reviews, fiscal space analyses and all that, you know, as part of a very strong push to capacity development. Thank you.

**Tom: Valérie, Jean-François, thank you very much for those responses and for this interesting podcast.**

**So, will the Global Accelerator be the game changer we need? It's aimed at transition from seemingly never-ending crises and emergencies to greener, fairer, and more inclusive economies. And for achieving the Sustainable Development Goals, decent work, and better livelihoods. In other words, a just transition for all. That's a tall order.**

**The Global Accelerator can help mobilize critical resources and forge strategic partnerships -- to fully realize the objective of creating hundreds of millions of decent jobs and providing social protection to billions more. Can this be done? Let's**

hope so. Meanwhile, it's no exaggeration to say that the Global Accelerator has the potential to help countries address the challenges brought on by the future of work.

I'm Tom Netter and you've been listening to the ILO Employment Policy Department podcast series, "Global Challenges, Global Solutions: The future of work". Thank you for your time.