The Sustainable Development Goals Extended Report 2024

Inputs and information provided as of 30 April 2024

8 DECENT WORK AND ECONOMIC GROWTH

Note: This unedited 'Extended Report' includes all indicator storyline contents as provided by the SDG indicator custodian agencies as of 30 April 2024. For instances where the custodian agency has not submitted a storyline for an indicator, please see the custodian agency focal point information for further information. The 'Extended Report' aims to provide the public with additional information regarding the SDG indicators and is compiled by the Statistics Division (UNSD) of the United Nations Department of Economic and Social Affairs.

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Target 8.1 Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries

Indicator 8.1.1 Annual growth rate of real GDP per capita

Sustained, inclusive and sustainable economic growth

Sustained, inclusive and sustainable economic growth

Global real GDP per capita increased at an average annual rate of 1.8 per cent from 2015 to 2019, but decreased sharply by 3.9 per cent in 2020, due to the COVID pandemic, before recovering to an increase of 5.3 per cent in 2021. The growth in global real GDP per capita slowed down to 2.2 per cent in 2022 and is projected to slow down further to 1.0 per cent in 2023 and to increase by 1.8 per cent in 2024. The growth in global real GDP per capita is estimated to slow down to 1.5 per cent in 2025.

Following an increase of 5.1 percent in 2019 the real GDP of the least developed countries recorded only 0.7 per cent growth in 2020, because of the disruption caused by the pandemic. The real GDP of the least developed countries subsequently increased by 3.8 per cent in 2021 and 4.6 per cent in 2022. The growth in global real GDP of the least developed countries is projected to increase to 4.4 per cent in 2023 and is predicted to increase by 5.5 and 4.9 per cent in 2024 and 2025 respectively. However, it is expected that the growth in real GDP of the least developed countries will remain well below the 7 per cent target envisioned by the 2030 Agenda for Sustainable Development.

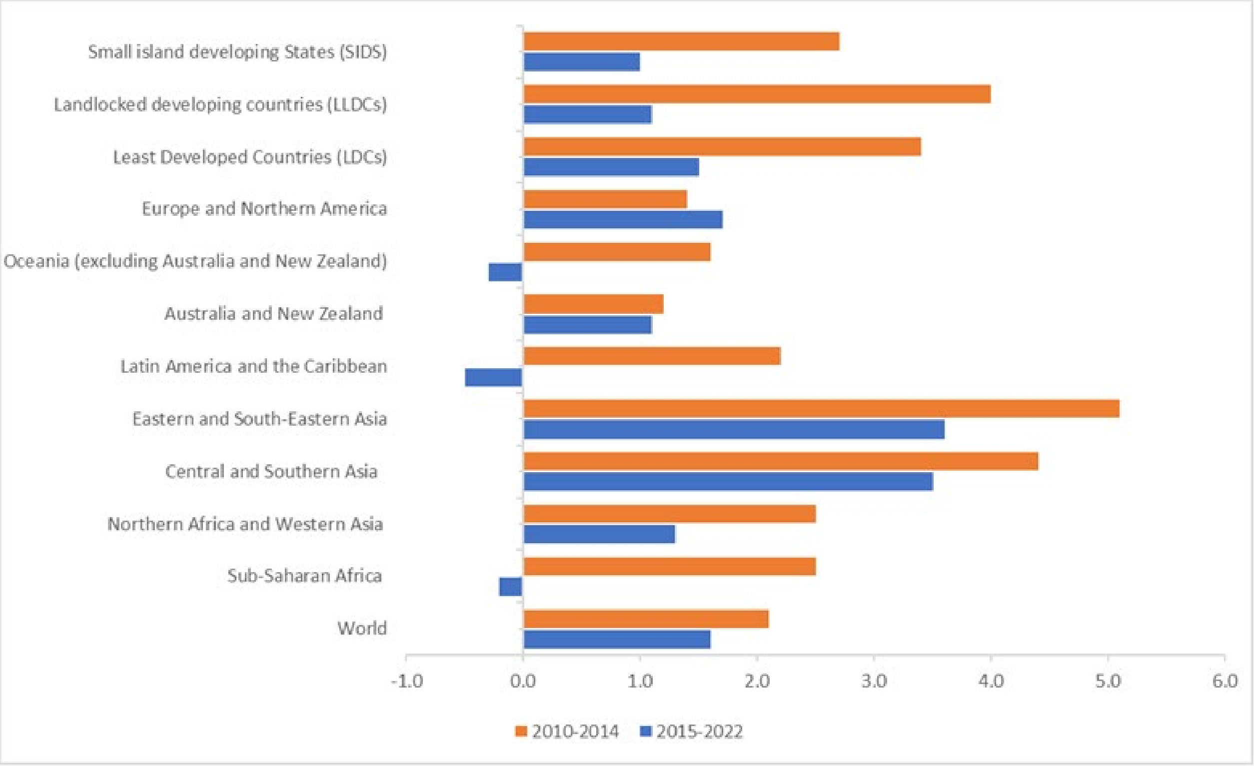
Average annual growth rate of real GDP in LDCs

The growth in real GDP for LDCs accelerated from an average annual rate of 5.8 per cent in the period 2000 to 2004 to 7.2 per cent over the period 2005 to 2009, before it slowed down to average annual rate of 6.0 per cent in the period 2010 to 2014 and 4.0 per cent in the period 2015 to 2022, which are less than the target of 7 per cent.

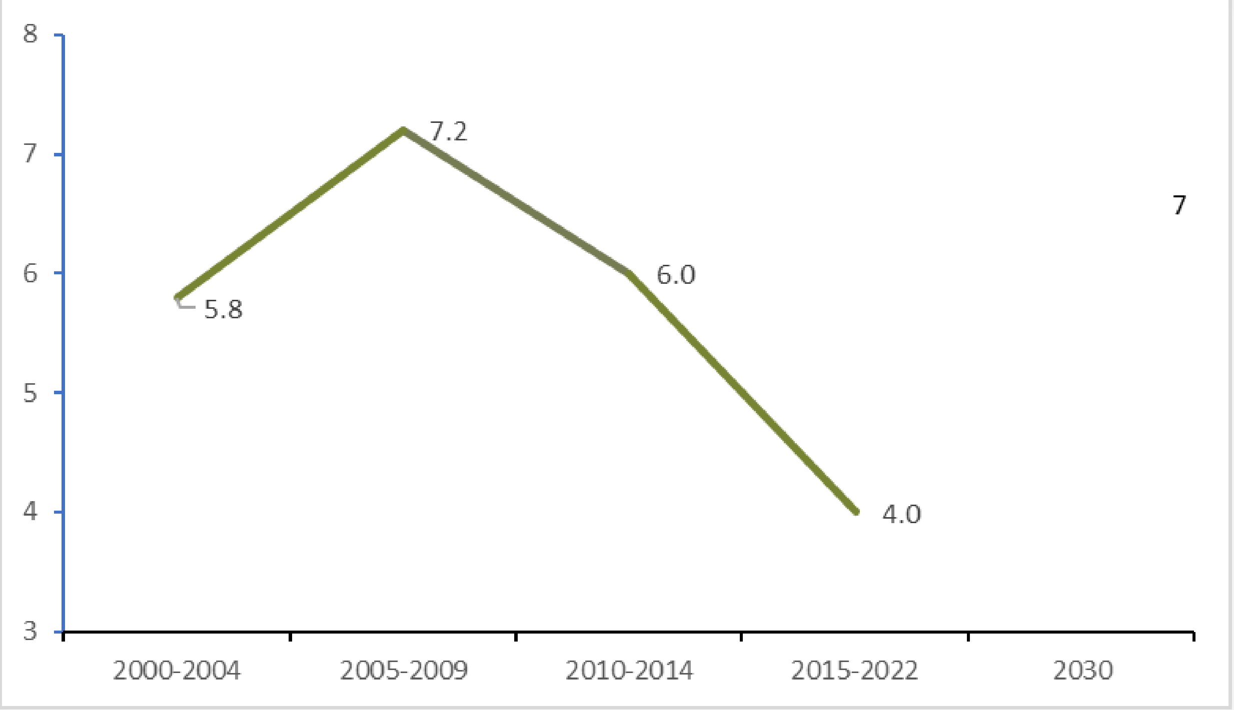
Average annual growth rate of real GDP per capita

Global real GDP per capita increased at an average annual rate of 2.1 per cent in the period 2010-2014, but slow down to an increase at an average annual rate of 1.6 per cent in the period 2015-2022. This lower rate of growth in the 2015-2022 period can be attributed to the moderately lower growth in most regions of the world while the real GDP per capita actually decreased in the Sub-Saharan Africa, Latin America and Caribbean and and Oceania (excluding Australia and New Zealand) regions. The average growth in real GDP per capita for least developing countries and landlocked developing countries fell sharply from an average annual rate of 3.4 per cent and 4.0 per cent, respectively, during the period 2010-2014 to 1.5 per cent and 1.0 per cent, respectively, in the period 2015-2022.

Annual growth in real GDP and real GDP per capita



Average annual growth rate of real GDP in LDCs per cent



Storyline authors(s)/contributor(s): Herman Smith, UNSD

Custodian agency(ies): UNSD

Target 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors

Indicator 8.2.1 Annual growth rate of real GDP per employed person

Global productivity faces stagnation

Productivity growth faced near stagnation in both 2022 and 2023, with growth rates below 0.5 percent. This sluggish pace starkly contrasts with trends prior to the pandemic, from 2015 to 2019, when the average growth rate exceeded 1.5 per cent. The disruptive impact of the pandemic is evident in the sharp interruption of the upward trajectory observed during those years. In 2020, the world witnessed a marked decline in productivity as output plummeted at a faster rate than employment, though this setback was fully offset by a noteworthy – yet short-lived – rebound during 2021.

Figure 1 - Global productivity growth

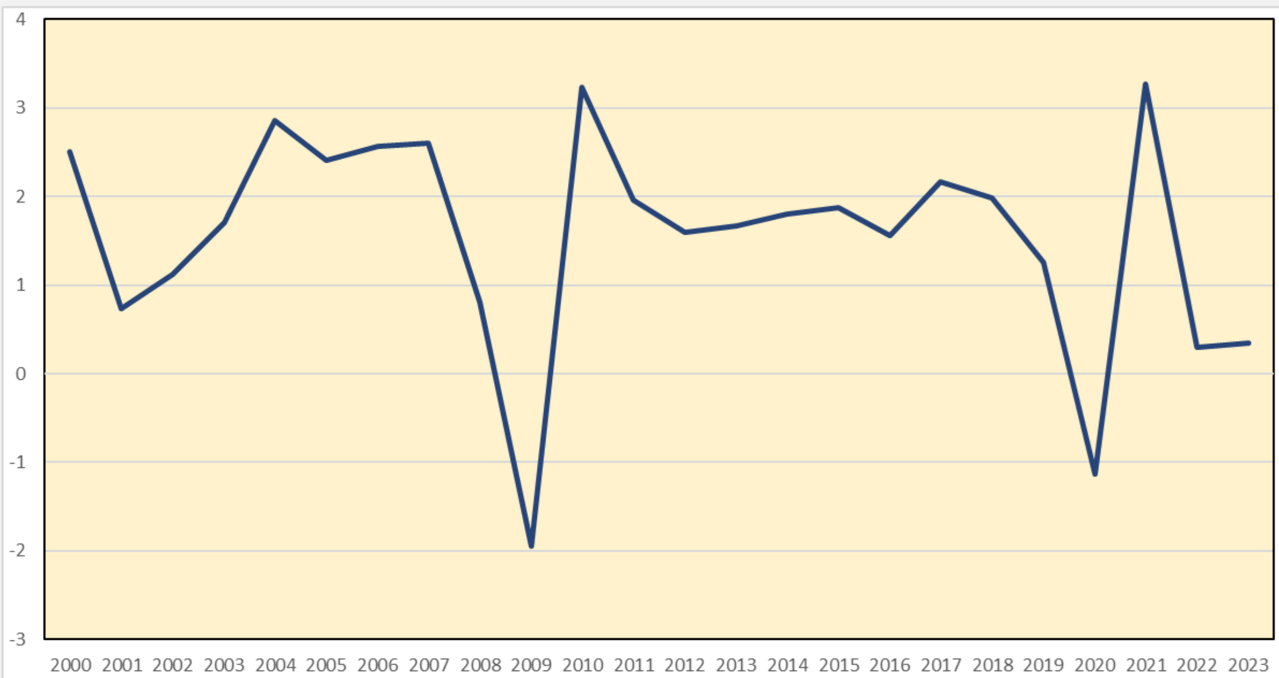
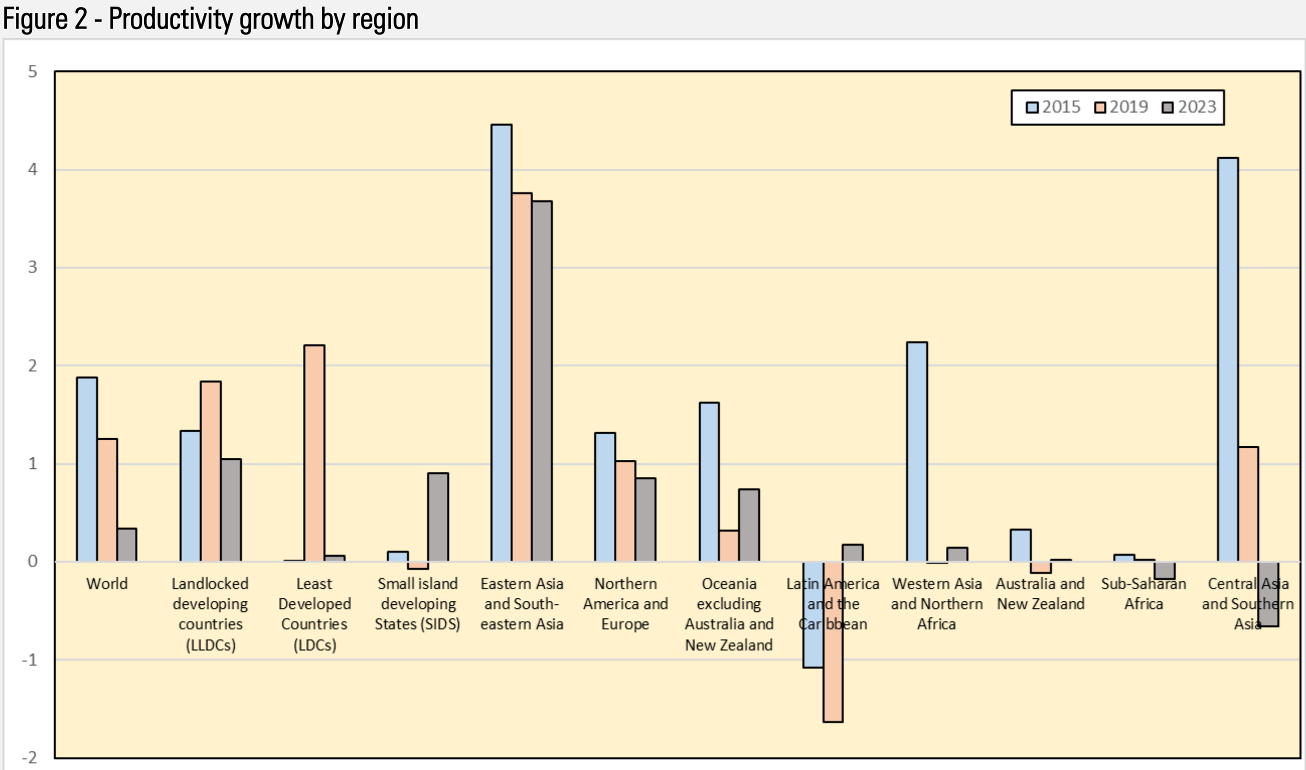


Figure 2 - Productivity growth by region



Regional estimates reveal a high degree of heterogeneity, but a slowdown from 2015 to 2023 is apparent in most regions. Eastern Asia and South-Eastern Asia present solid productivity growth rates in the entire period, always above 3 per cent. Nonetheless, the region experienced a substantial slowdown during this time. In Northern America and Europe, productivity growth has also trended downwards from 1.3 per cent in 2015 to 0.8 per cent in 2023. Latin America and the Caribbean is the only major region where the opposite trend is observed, whereas declines greater than 1 per cent were registered between 2015 and 2019, currently estimates suggest growth rates close to 0. Finally, in Sub-Saharan Africa productivity growth remains close to stagnation in both the pre- and post-pandemic periods. Overall regional trends confirm the worrying picture of insufficient productivity growth.

If productivity continues to be sluggish in the future it would represent a substantial risk to overall economic well-being and development and the goals set out in the 2030 Agenda. Productivity growth, recognized as a key driver of living standards, plays a crucial role in shaping the quality of life for individuals and communities and in poverty eradication. This notwithstanding, caution must be exercised when extrapolating productivity growth rates, given the inherent volatility of this variable as well as the uncertainty associated with its estimates.

Storyline authors(s)/contributor(s): ILO

Custodian agency(ies): ILO

Target 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services

Indicator 8.3.1 Proportion of informal employment in total employment, by sector and sex

More than 2 billion workers globally were in informal employment in 2023

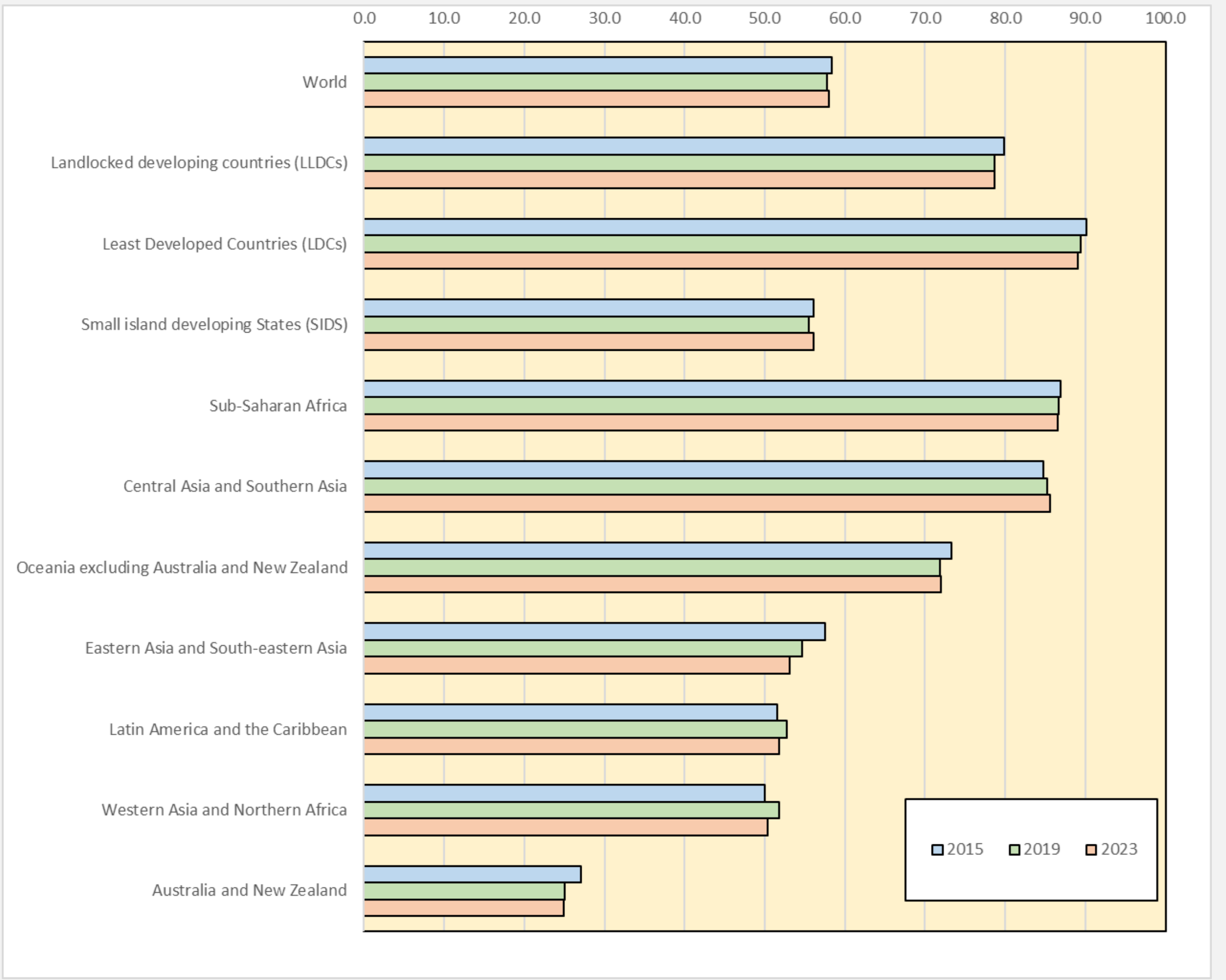
Globally, more than 2 billion workers found themselves in informal employment in 2023, making up 58.0 per cent of the global workforce. This rate is projected to decrease only slightly to 57.8 per cent in 2024. The decline of the informality rate by less than a percentage point since 2015 is far too slow for widespread formalization to be expected any time soon. Although the global informality rate is at its lowest, the number of informal workers is at its highest.

Despite the initial signs of recovery in 2021 following the pandemic-induced labour market disruption, challenging economic conditions are nudging workers toward informal employment. Yet, these jobs lack critical elements of formal employment relationships, notably access to social protection systems, posing a barrier to advancing social justice.

Informal employment is most pronounced in the Least Developed Countries (LDCs), where the rate remained alarmingly high at 89.1 per cent in 2023, reflecting almost no change since the baseline in 2015. Nearly nine out of ten workers in Sub-Saharan Africa and Central and Southern Asia found themselves in informal employment in 2023, with rates at 86.5 per cent and 85.6 per cent, respectively. But regional disparities are stark. In comparison, only a small share of the employed are in informal work in Northern America and Europe (11.4 per cent). Amidst the lack of global progress, Eastern and South-eastern Asia has reduced its share of informal employment since 2015, by 4.4 percentage points.

During the pandemic, more women fell into the informal job market than men. Although women are less likely to be in informal employment than men globally, women were still more prone to these precarious jobs in regions with high informality rates. Over 90 per cent of employed women in LDCs and nearly 90 per cent in Sub-Saharan Africa and in Central and Southern Asia were informally employed, showing little improvement since 2015.

Proportion of informal employment in total employment, 2015, 2019 & 2023



Additional resources, press releases, etc. with links:

- World Employment and Social Outlook: Trends 2024, https://www.ilo.org/global/research/global-reports/weso/WCMS_908142/lang--en/index.htm

Storyline authors(s)/contributor(s): ILO

Custodian agency(ies): ILO

Target 8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead

Indicator 8.4.1 Material footprint, material footprint per capita, and material footprint per GDP

Indicator 8.4.2 Domestic material consumption, domestic material consumption per capita, and domestic material consumption per GDP

Global Material Consumption growth slows, but regional disparities persist

Domestic Material Consumption (DMC) measures the total materials directly utilized within an economy. It accounts for domestic material extraction and the physical balance of imports and exports.

The period from 2000 to 2022 is characterised by a 69% growth of DMC with 56.6 billion tonnes in 2000 up to 96.0 billion tonnes in 2022. Slowing down growth dynamics can be observed for the indicator translating into compound annual growth rate (CAGR) of 3.9% in the 10 years period starting from 2003, decelerating to 0.8% CAGR in the decade starting in 2013.

In spite of being the most widely used MFA-based indicators in policy processes, DMC does not take into account the raw materials utilized to produce imported and exported goods. This limitation may render DMC an inaccurate measure of material consumption for countries engaged in high-intensity international trade. Analyzing the Material Footprint (MF), which includes the raw material equivalents of goods traded, can achieve a more accurate indicator of actual material consumption.

From 2000 to 2022, the global MF, similarly to DMC, has increased by 71% from 57.4 billion tonnes to 98.0 billion tonnes. A corresponding slowdown in the growth rate can be observed, with the CAGR of MF decreasing from 3.9% between 2003 and 2012 to 0.9% between 2013 and 2022. This deceleration indicates a moderation in the environmental pressure exerted by material consumption.

The composition of MF is undergoing continuous, directional structural changes (see chart 1). The most apparent relative dynamics can be observed for the share of biomass and non-metallic minerals. In 2000, biomass accounted for 32% of the MF and non-metallic minerals for 41%. By 2022, the shares shifted, with biomass at 27% and non-metallic minerals at 48%. This shift reflects evolving patterns of MF and emphasizes the increasing utilization of non-metallic minerals and decreasing relative impact of biomass in global material consumption.

The data indicate that the fossil fuel category is a major factor in the growth rate slowdown, with the CAGR dropping from 3.4% between 2003 and 2012 to 0.3% from 2013 to 2022. Similarly, the growth rates for the remaining categories have also decelerated, with biomass dropping from 2.0% to 1.0%, metal ores from 5.3% to 1.0%, and non-metallic minerals from 5.0% to 1.0%.

While the dynamics of both indicators are consistent at the global level, analysing the regional discrepancies between DMC and MF can lead to further insights.

It can be observed that the DMC deceleration is stronger than the slowdown of MF in the regions where MF is already higher than DMC. The Material Footprint surpasses the Domestic Material Consumption in Eastern and South-Eastern Asia, Europe and Northern America, and Northern Africa and Western Asia regions consistently from 2000 to 2022 (see chart 2). For those higher MF regions, CAGR of MF decreased from 3.7% to 0.8% between the decades of 2003-2012 and 2013-2022, while DMC experienced a more significant deceleration, dropping from 3.9% to 0.5%. Conversely in lower MF regions - Central and Southern Asia, Latin America and the Caribbean, Sub-Saharan Africa, and Oceania - CAGR decreased from 4.5% to 1.3% for MF and from 3.8% to 1.6% for DMC between the respective decades, indicating a growing gap between the two indicators at the regional level (see table 1). These trends may entail an increasing disparity between regions with higher MF compared to those with higher DMC when the two indicators are concerned, suggesting varied environmental pressure caused by material consumption.

Chart 1. Structure of global Material Footprint, 2000-2022 (per cent)

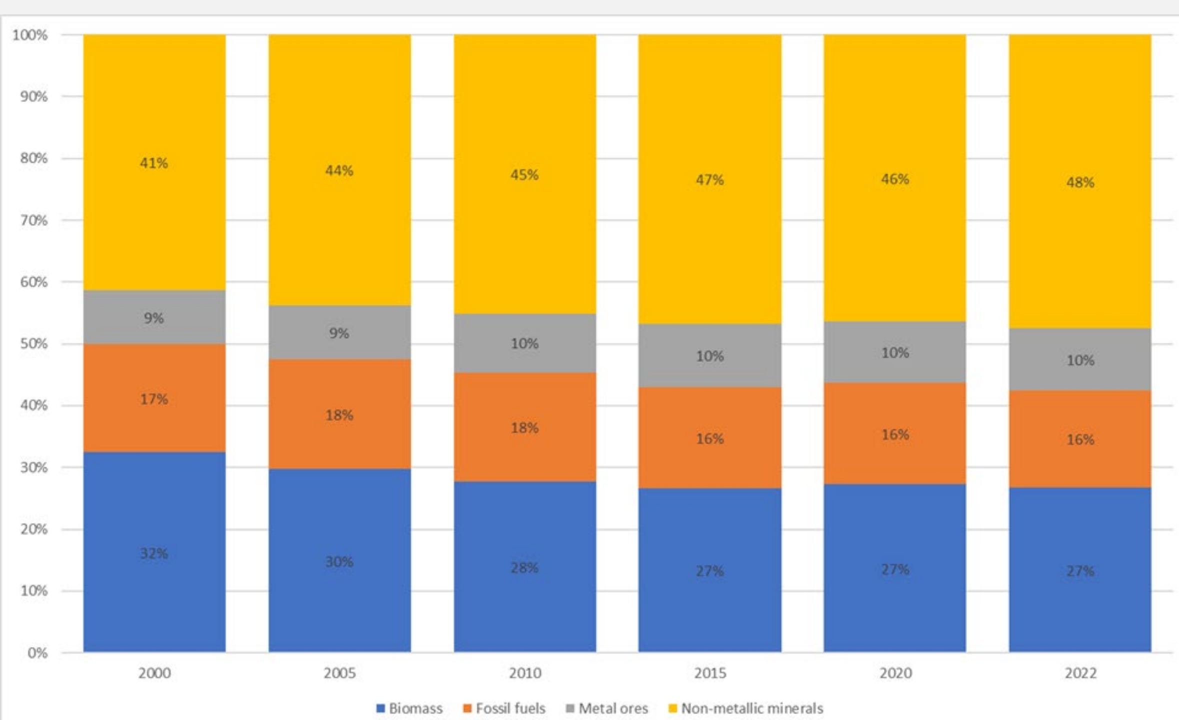
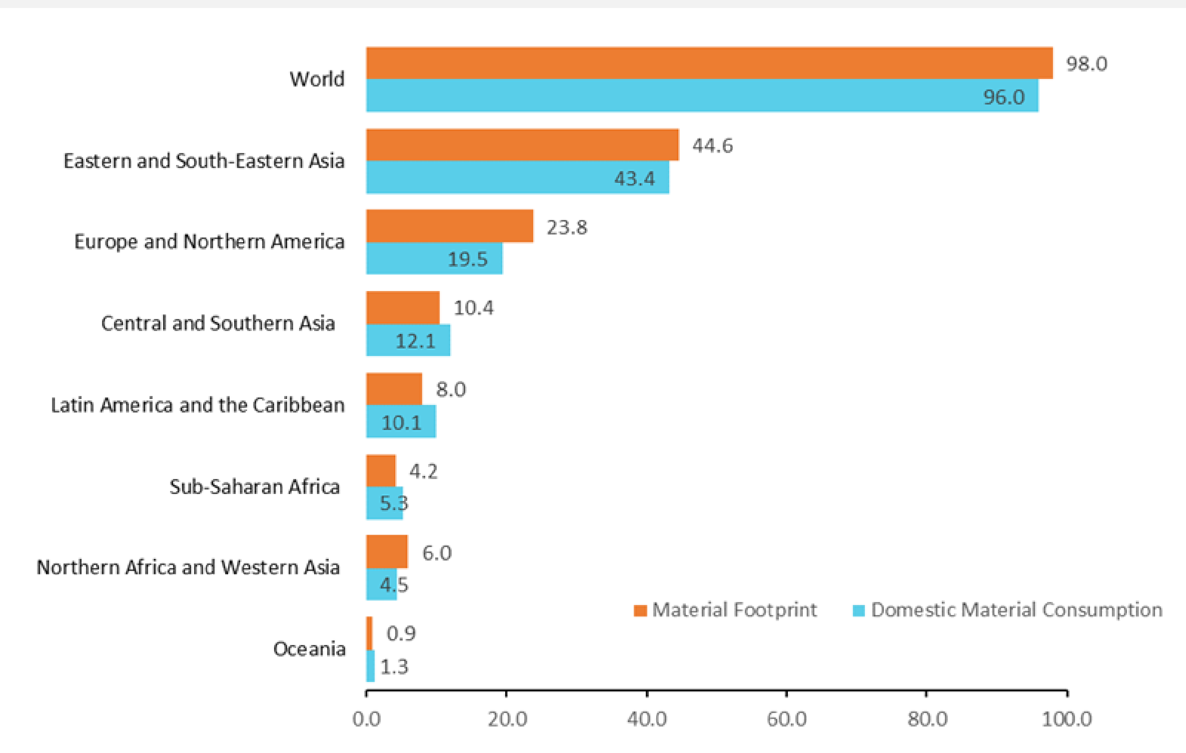


Chart 2. Indicators of economic pressure on the environment, 2022 (billion tons)



Note: MF is based on estimates, whereas DMC presents a combination of estimates and country data (mainly from the European Union Member States).

Table 1. Compound annual growth rate (CAGR) of Material Footprint (MF) and Domestic Material Consumption (DMC)

		2003-2012	2013-2022
Regions with MF higher than DMC: Eastern and South-Eastern Asia, Europe and Northern America, Northern Africa and Western Asia	MF	3.7%	0.8%
	DMC	3.9%	0.5%
Regions with MF lower than DMC: Central and Southern Asia, Latin America and the Caribbean, Sub-Saharan Africa, Oceania	MF	4.5%	1.3%
	DMC	3.8%	1.6%

Additional resources, press releases, etc. with links:

- Global Material Flows Database: https://www.resourcepanel.org/global-material-flows-database
- The Use of Natural Resources in the Economy: A Global Manual on Economy Wide Material Flow Accounting: https://wedocs.unep.org/handle/20.500.11822/36253;jsessionid=A5781145463327FABDD534FF8788E01C

Storyline authors(s)/contributor(s): Patryk Guenther, UNEP; Ekaterina Poleshchuk, UNEP

Custodian agency(ies): UNEP

Target 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

Indicator 8.5.1 Average hourly earnings of employees, by sex, age, occupation and persons with disabilities

Custodian agency(ies): ILO

Indicator 8.5.2 Unemployment rate, by sex, age and persons with disabilities

Global unemployment rate reaches new low since 2000, yet challenges persist in achieving decent work

The global unemployment rate not only recovered in 2023, dropping below its pre-pandemic rate but reaching an all-time low since 2000 at 5.1 per cent. ILO projections suggest a slight uptick in global unemployment in 2024 by about 2 million persons, translating to a 5.2 per cent unemployment rate.

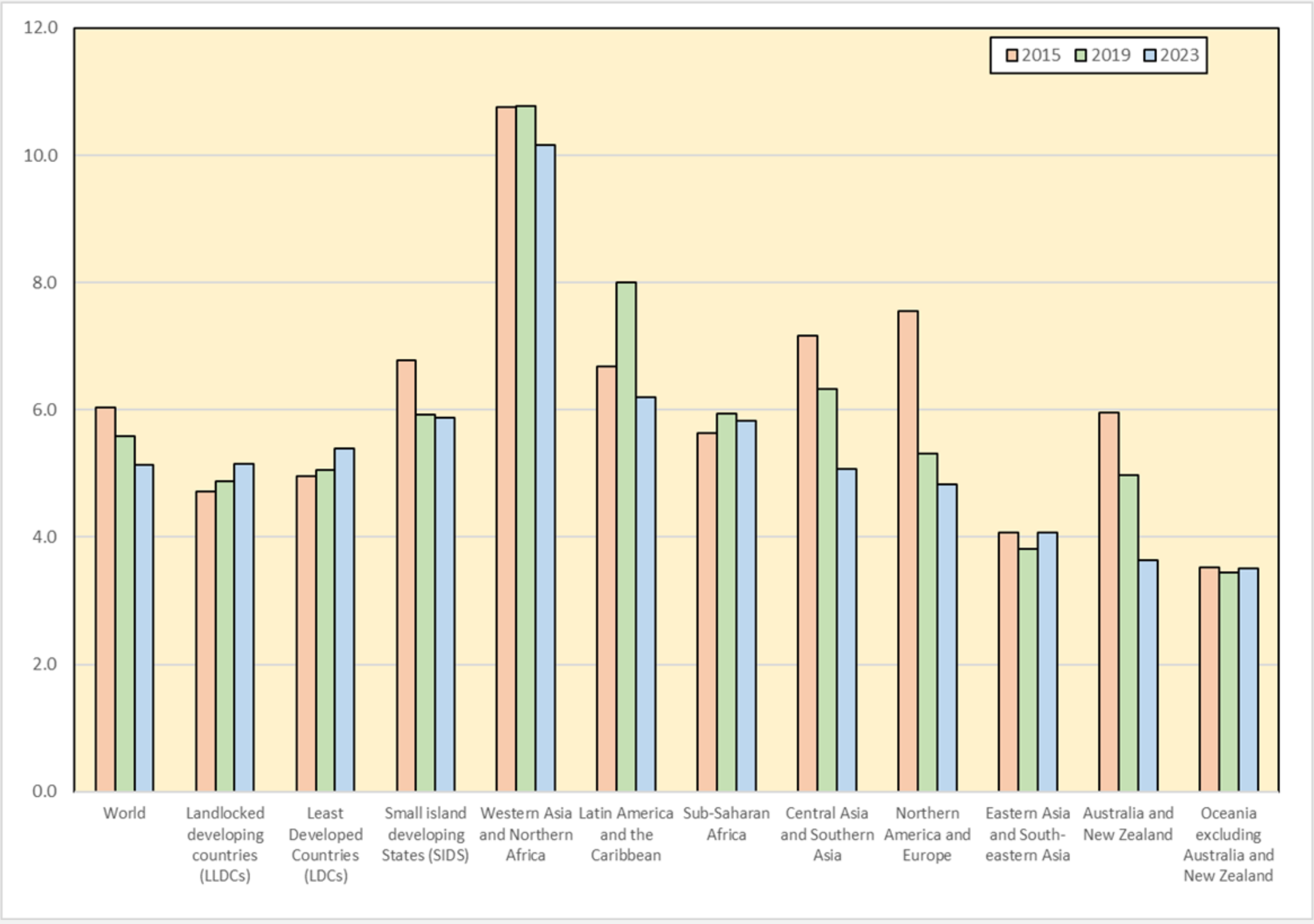
Regions experienced varying degrees of recovery post-pandemic, with only Eastern Asia and South-eastern Asia seeing a higher unemployment rate. The Least Developed Countries (LDCs) and Landlocked Developing Countries (LLDCs) were also unable to fully recover, both experiencing increases of 0.3 percentage point from 2019 to 2023. Despite recording a notable decline since the pandemic, Western Asia and Northern Africa remained with the highest unemployment rate in 2023 at 10.2 per cent.

Women and youth still face higher unemployment rates than their male and adult counterparts globally and across most regions. By 2023, the gender gaps in unemployment rates nearly mirrored those of 2015. The widest gender gap remains in Western Asia and Northern Africa, where women have consistently been around twice as likely to be unemployed than men for more than a decade. In contrast, Central and Southern Asia has closed its gender gap due to improved labour market access for women, particularly in South Asia.

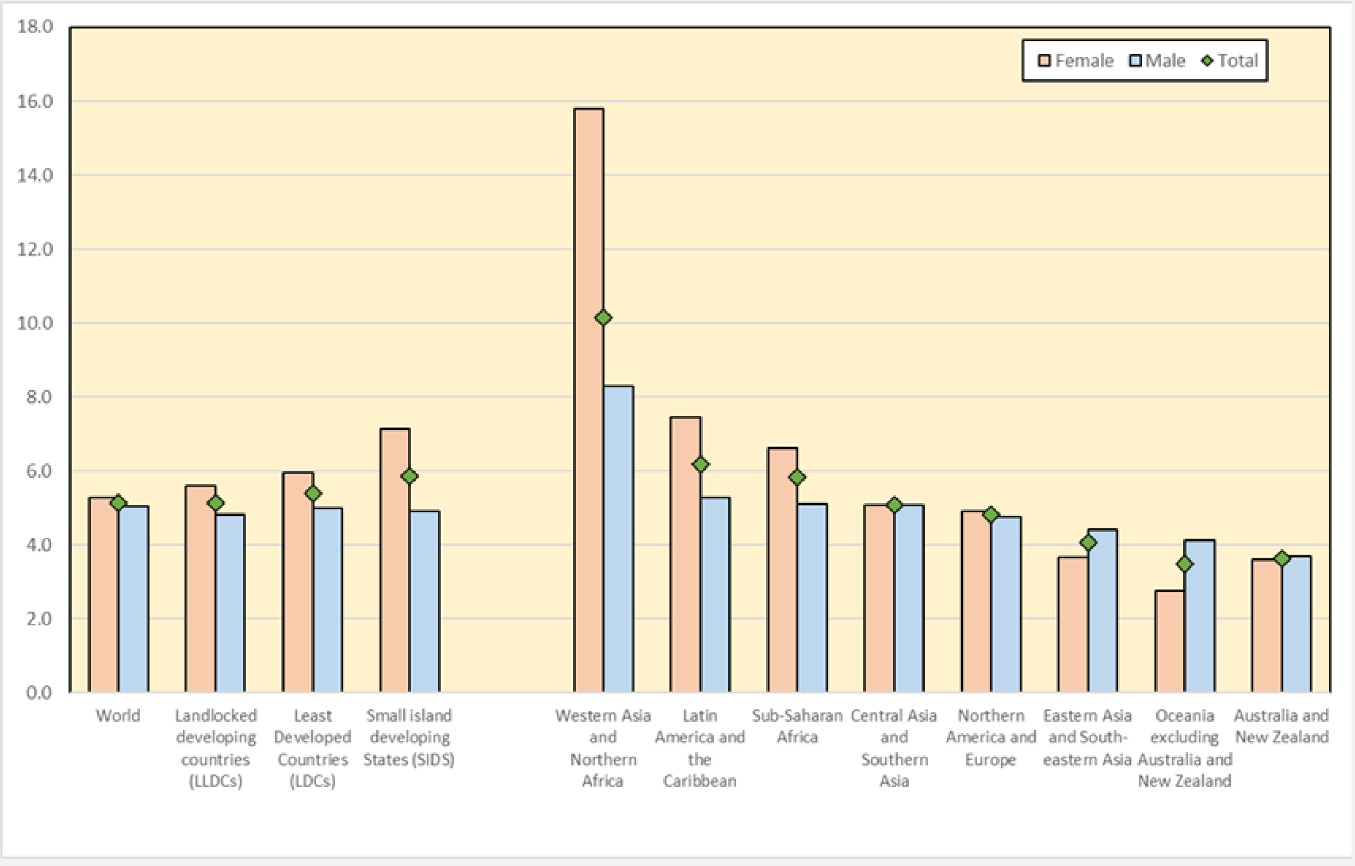
Young people (aged 15 to 24) face enduring challenges in securing quality employment. The global unemployment rate for youth remains more than three times higher than that of adults (aged 25 or older), reaching 13.3 per cent in 2023 compared to 3.9 per cent for adults. This pattern is consistent across all regions.

Headline indicators such as unemployment and employment rates have shown marked improvements, but this trend obscures the grim trajectories in achieving decent work. For example, working poverty and informality rates have shown little progress since 2015.

Unemployment rate, 2015, 2019 & 2023



Unemployment rate by sex, 2023



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Storyline authors(s)/contributor(s): ILO

Custodian agency(ies): ILO

Target 8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training

Indicator 8.6.1 Proportion of youth (aged 15–24 years) not in education, employment or training

Global youth NEET rate sees dip after pandemic, but stark gender disparities persist

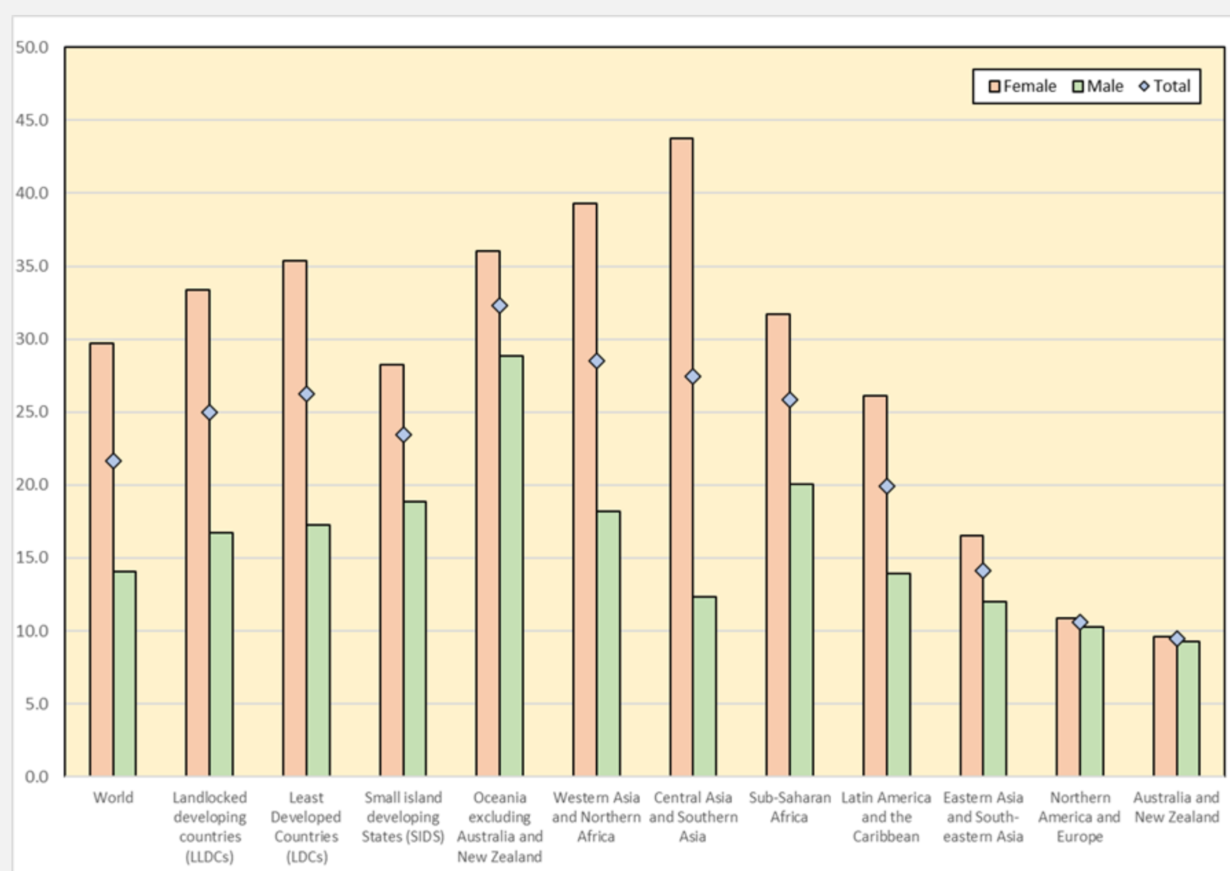
Globally, the NEET (not in education, employment, or training) rate among young people sat at 21.7 per cent in 2023, marking a notable decrease since 2020. It is now close to the 2015 baseline of 21.8 per cent and projected to remain at this rate through 2025.

Certain regions bear the brunt of this issue, notably Western Asia and Northern Africa and Central Asia and Southern Asia, where NEET rates in 2023 reached 28.5 and 27.4 per cent, respectively. Although only one-third of the global youth population are in these regions, they account for about half of those not engaged in education, employment, or training. Despite still having a high share of youth NEET, Central and Southern Asia has made the most progress among regions, reducing its NEET rate by 7.5 percentage points since 2005. Meanwhile, Sub-Saharan Africa had the largest increase over the same period, reaching a NEET rate of 25.9 per cent. This poses a challenge for a region with a rapidly growing youth population.

Gender disparities in NEET rates remain stark, particularly in Central Asia and Southern Asia, where nearly half of young women fall into this category in 2023 compared to 12.3 per cent of young men. These figures are driven by the high female NEET rate in the sub-region of Southern Asia. A similar trend is observed in Western Asia and North Africa, where 39.3 per cent of young women are NEET compared to 18.2 per cent of young men. Globally, young women are more than twice as likely as young men to be NEET.

There is a critical need to intensify initiatives aimed at reducing NEET rates among youth, especially focusing on young women, which should go far beyond pre-pandemic benchmarks. The staggering number of young people, approximately 269 million in 2023, disconnected from either job experiences or educational programs not only signifies an economic setback but also threatens lasting repercussions for their future transitions into the labour market.

Proportion of youth not in education, employment or training by sex, 2023 (%)



Additional resources, press releases, etc. with links:

- World Employment and Social Outlook: Trends 2024, https://www.ilo.org/global/research/global-reports/weso/WCMS_908142/lang--en/index.htm

Storyline authors(s)/contributor(s): ILO

Custodian agency(ies): ILO

Target 8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms

Indicator 8.7.1 Proportion and number of children aged 5–17 years engaged in child labour, by sex and age

Custodian agency(ies): ILO, UNICEF

Target 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

Indicator 8.8.1 Fatal and non-fatal occupational injuries per 100,000 workers, by sex and migrant status

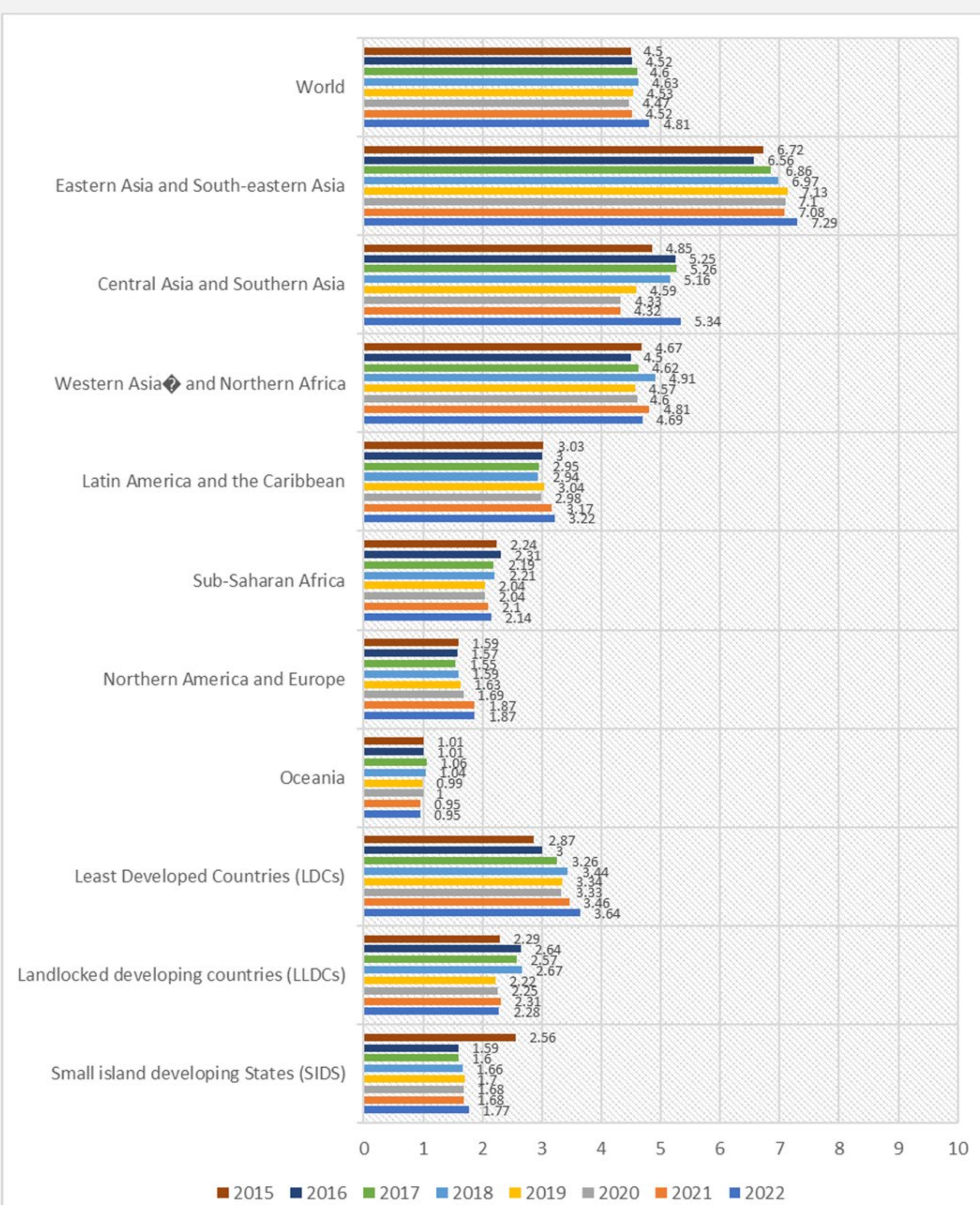
Custodian agency(ies): ILO

Indicator 8.8.2 Level of national compliance with labour rights (freedom of association and collective bargaining) based on International Labour Organization (ILO) textual sources and national legislation, by sex and migrant status

Alarming deterioration in compliance with fundamental labour rights

The global average for SDG indicator 8.8.2 in 2022 stood at 4.81[1], marking a significant and continued deterioration since 2015, when it stood at 4.5. The indicator has a range from 0 to 10, with 0 being the best possible score (indicating higher levels of compliance with freedom of association and collective bargaining rights) and 10 the worst (indicating lower levels of compliance with these rights).[2]

SDG indicator 8.8.2 (2015-2022) World and regional averages



Such worsening concerns both developed, developing and least developed countries (by 0.2, 0.3 and 0.8 respectively) and is even more markedly evident across all regions since 2020. From 2020, the scores worsened for 33 per cent of all ILO member States while, in part as a result of important legislative reforms, improved for only 11 per cent of member States.

Looking at regional averages, the largest deterioration for the period of 2015 and 2022 is indicated for Eastern Asia and South-eastern Asia (0.57), Central Asia and Southern Asia (0.49), Europe and Northern America (0.31) and Latin America and the Caribbean (0.19). While the regional average continues to be among the highest for the regional grouping of Western Asia and Northern Africa, they changed little over the period from 2015-2022 (0.02). The regions for which the data indicates improvement from 2015 to 2022 are Sub-Saharan Africa (0.1) and the country grouping of Small island developing States (0.79).

The underlying coding indicates that the changes observed since 2020, occurring in the context of protracted and interlocking crises, are driven by violations in practice and, alarmingly, by violations of fundamental civil liberties of workers, employers and their organizations. While the majority of violations continues to be in law and related to the right of workers and employers to establish and join organizations, the number of coded violations concerning fundamental civil liberties increased by 58.7 percentage points from 2015 to 2022. The second largest increase in violations concerned the right to collective bargaining, which increased by 8.2 percentage points.

The ILO's Committee of Experts on the Application of Conventions and Recommendations in its 2023 report[3] stressed that freedom of association and collective bargaining, as enabling rights for the exercise of fundamental rights at work, face significant challenges across the world and recalled the important message of the ILO's 1919 Constitution noting that "Universal and

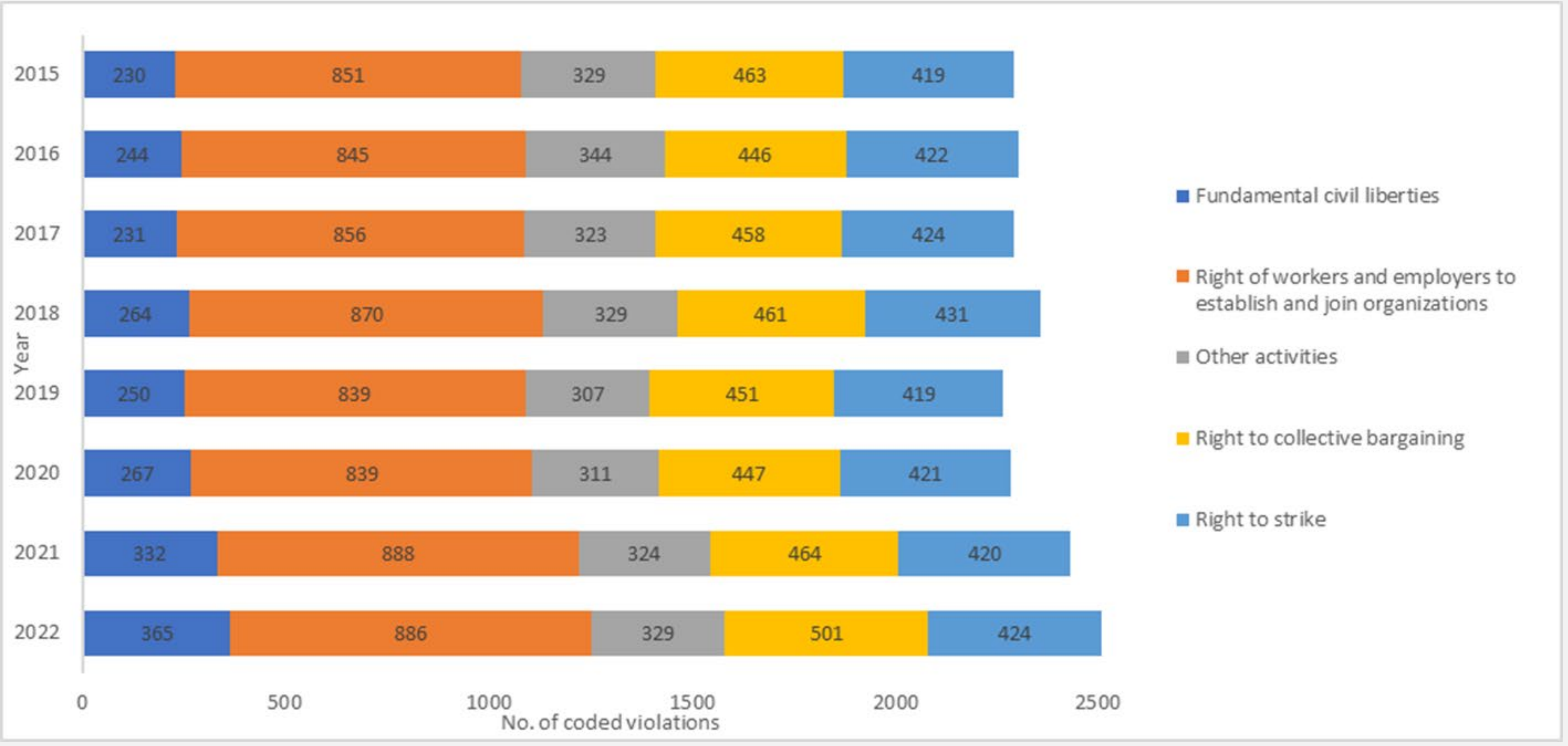
[1] Global and regional aggregates are weighted averages with weights derived from ILO labour force estimates.

[2] SDG indicator 8.8.2 seeks to measure the level of national compliance with fundamental labour rights (freedom of association and collective bargaining). It is based on six International Labour Organization (ILO) supervisory body textual sources and also on national legislation. National law is not enacted for the purpose of generating a statistical indicator of compliance with fundamental rights, nor were any of the ILO textual sources created for this purpose. Indicator 8.8.2 is compiled from these sources and its use does not constitute a waiver of the respective ILO Constituents' divergent points of view on the sources' conclusions. SDG indicator 8.8.2 is not intended as a tool to compare compliance among ILO member States. It should specifically be noted that reporting obligations of an ILO member State to the ILO's supervisory system and thus ILO textual sources are different for ratifying and non-ratifying ILO member States.

[3] Application of International Labour Standards 2023. Report of the Committee of Experts on the Application of Conventions and Recommendations. International Labour Conference 111th Session, 2023.See at: https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_868115.pdf

lasting peace can be established only if it is based upon social justice" which, in turn, can only be maintained by observing labour rights and realizing human rights more broadly[4].

Total no. of violations per main categories of violations (2015-2022)



Storyline authors(s)/contributor(s): Dora Sari, ILO Custodian agency(ies): ILO

[4] Ibid. p. 50

Target 8.9 By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products

Indicator 8.9.1 Tourism direct GDP as a proportion of total GDP and in growth rate

Tourism is on a firm path to recover its sustainable development potential, but still at 82% of pre-pandemic levels

Tourism continued its recovery to pre-pandemic levels, with its share of global in 2022 at 3.1%, or 82% of what it was in 2019. The regained economic contribution of tourism follows the rebound in visitor arrivals and tourism expenditure resulting from lifted travel restrictions, better air connectivity and pent-up demand for travel.

The COVID-pandemic led to the worst crisis in history for tourism, and tourism was one of the most heavily affected of all sectors. Tourism's contribution to the global economy plummeted from 3.8% of GDP in 2019 to 1,8% in 2020. In 2021, the sector globally showed encouraging signs of recovery amidst still prevalent travel restrictions, contributing 2.5% to global GDP or 66% what it was in 2019. However, in some countries and regions the contribution of tourism to national economies decreased further in 2021. The starkest case is that of 'Oceania excluding Australia and New Zealand' where tourism direct GDP shrunk to 30% pre-pandemic levels in 2020 and then fell to 16% of pre-pandemic levels in 2021.

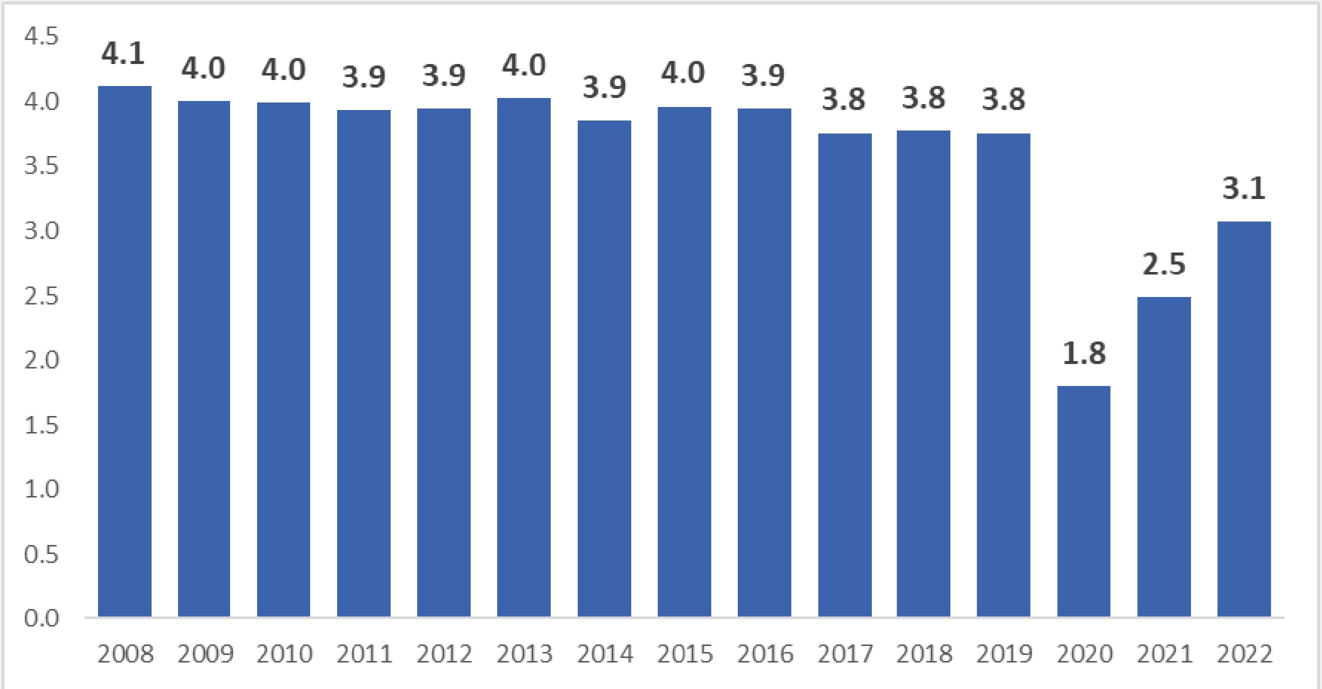
In 2022, the path to recovery is unmistakable. In all regions economic activity from tourism picked up with lifted travel restrictions and the development of lively domestic tourism markets. The regions closest to reaching 2019 levels in 2022 are: 'Latin America and the Caribbean' (93%), 'Australia and New Zealand' (91%), 'Western Asia and Northern Africa' (91%) and 'Northern America and Europe' (90%).

Notable differences in resilience between countries and regions remain, with 'Oceania excluding Australia and New Zealand' only at 68% of pre-pandemic levels while, at the global level, 6 countries reported surpassing their 2019 tourism economic performance. Small Island Developing States (SIDS) are still one of the most affected groups, with tourism's contribution in 2022 (2.2%) well below half (only 43%) of what it was pre-pandemic (5.1% in 2019).

Beyond its economic significance, tourism sustains jobs and livelihoods, supports the preservation of local ecosystems with earnings to uplift communities and encourage more environmentally friendly practices, contributes to peacebuilding, and fosters more equitable and prosperous livelihoods even in remote areas. Tourism contributes to poverty reduction both directly – by generating jobs and opportunities to supply goods and services to visitors— and indirectly, by providing income, tax revenues, foreign exchange and infrastructure developments that can be used to the benefit of local populations.

Factors that could risk the recovery of tourism and its sustainable development impact include: the inflation, climate change, and geopolitical conflict in addition to the uneven resilience of tourism's economic impact across countries, with SIDS economies largely dependent on tourism activity still struggling.

Figure 1. Tourism Direct GDP is recovering to pre-pandemic levels | Global Tourism Direct GDP as % of GDP, 2008-2022



Additional resources, press releases, etc. with links:

- https://www.unwto.org/tourism-in-2030-agenda
- Tourism Statistics Database
- Statistical Framework for Measuring the Sustainability of Tourism
-

Storyline authors(s)/contributor(s): Clara Van Der Pol, UNWTO; Leandry Moreno, UNWTO; Laura Ballerini, UNWTO; Pedro Aramburu, UNWTO; Eric Hernández Corona, UNWTO

Custodian agency(ies): UNWTO

Target 8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all

Indicator 8.10.1 (a) Number of commercial bank branches per 100,000 adults and (b) number of automated teller machines (ATMs) per 100,000 adults

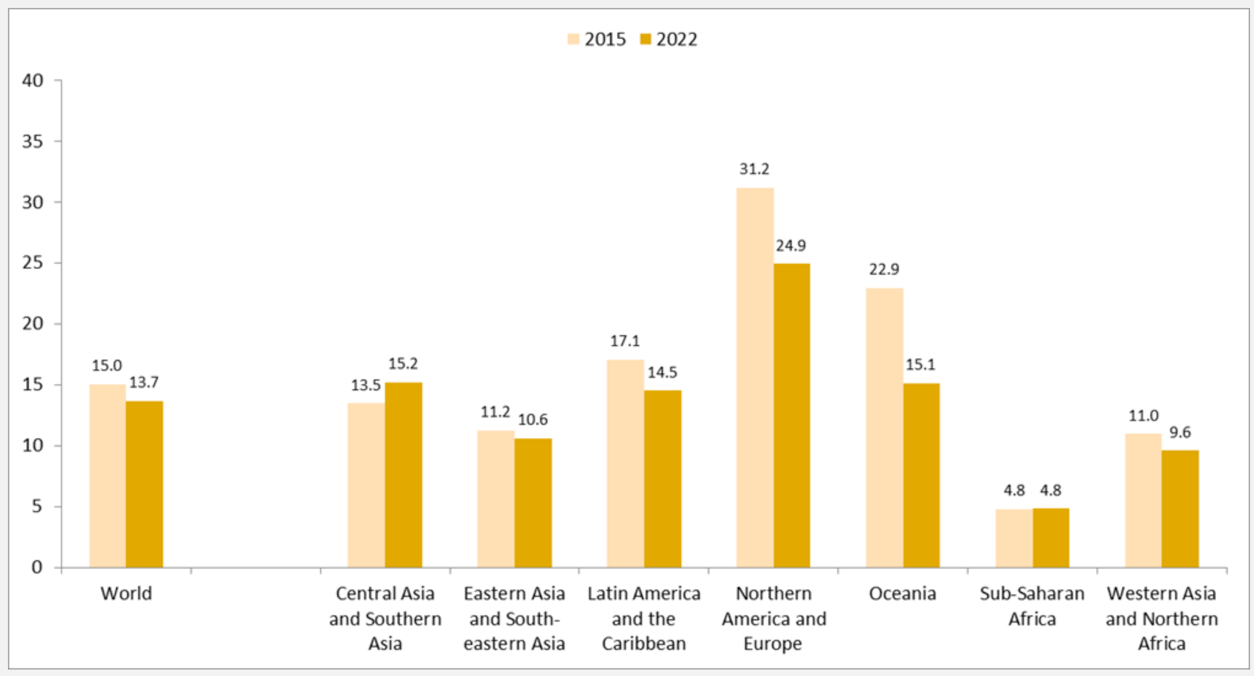
Access to finance has continued to rise across the world since 2015 while new modes of financial access have gained relevance, growing even more rapidly since the outbreak of the COVID-19 pandemic

Globally, the number of ATMs per 100,000 adults slightly declined between 2015 and 2021(64.6 in 2015 versus 63.9 in 2021), though significant regional differences are observed. The fastest growth was observed in Central Asia and Southern Asia with an annual growth rate of 6 percent while Western Asia and Northern Africa also experienced a modest increase. In Least Developed Countries (LDCs) and Landlocked Developing Countries (LLDCs), the number of ATMs per 100,000 adults grew annually on average by 7 percent between 2015 and 2022, reaching 8.7 and 20.4 ATMs per 100,000 adults in 2021, respectively. On the other hand, this indicator decreased in Eastern Asia and South-eastern Asia, the Oceania and Sub-Saharan Africa and remained broadly stable in Latin America and the Caribbean, Northern America and Europe, and Small Island Developing States (SIDS).

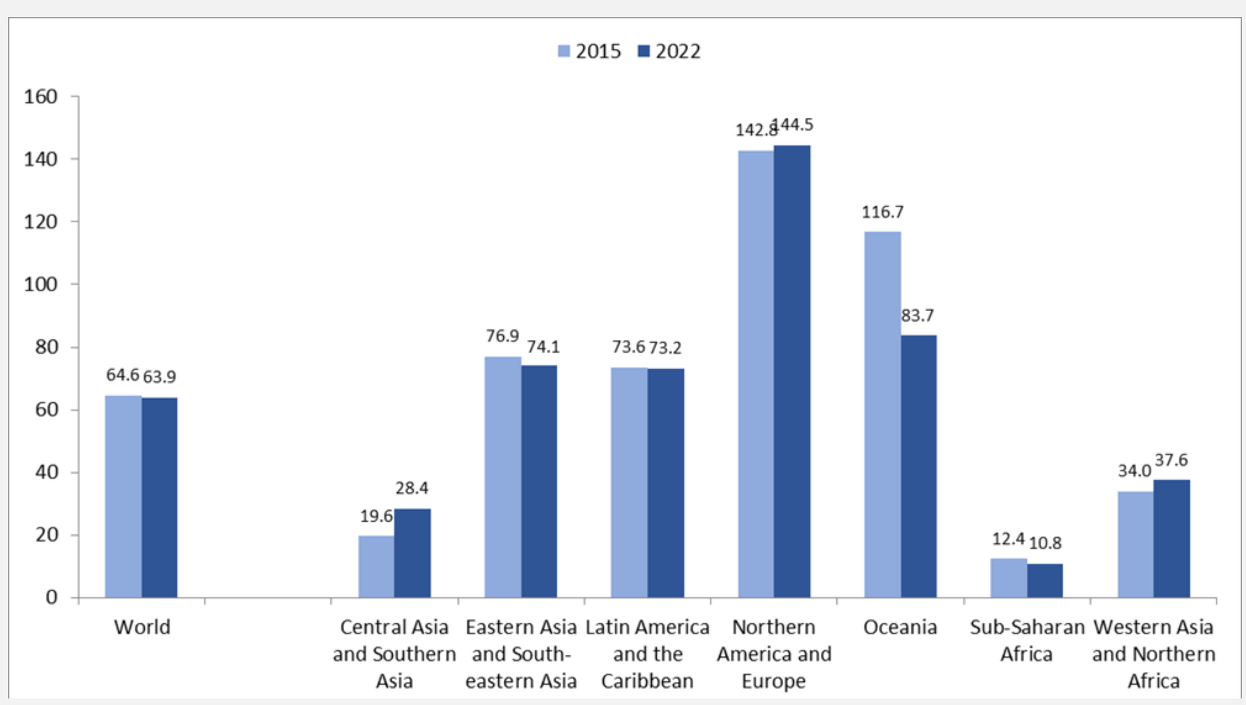
The growth of commercial bank branches per 100,000 adults worldwide has seen a slight reversal in 2022 relative to its level in 2015, declining from 15.1 to 13.7 during this period. This is a result of the decreasing trend in bank branches in many regions to reduce costs, and the move towards the adoption of digital financial services such as mobile and internet banking., Oceania experienced the largest decline in bank branches between 2015 and 2022, with negative average annual growth of about 6 percent followed by North America and Europe (3 percent average annual fall) while Latin America and the Caribbean and Western Asia and Northern Africa also observed a fall. The level in Sub-Saharan Africa has remained broadly stable over the past five years. In contrast, however, Landlocked Developing Countries (LLDCs) experienced the fastest average annual growth of 6 percent between 2015 and 2022.

The COVID-19 pandemic seemed to have reinforced the use of digital modes of financial access further while more traditional modes of accessing finance captured by the two indicators decline globally and in most regions from 2019 to 2022.

Number of commercial bank branches per 100,000 adults



Number of automated teller machines (ATMs) per 100,000 adults



Additional resources, press releases, etc. with links:

- FAS 2023 Press release
- FAS 2023 Trends and Developments
- Measuring Financial Access: 10 Years of the IMF Financial Access Survey

Storyline authors(s)/contributor(s): Berhe Beyene, IMF; Andrea Quevedo, IMF

Custodian agency(ies): IMF

Indicator 8.10.2 Proportion of adults (15 years and older) with an account at a bank or other financial institution or with a mobile-money-service provider

41 percent of adults worldwide lack financial resilience

In a given year, many households around the world will experience an event that threatens their income or strains their household budget. These events, whether an illness, accident, or natural disaster that damages property and affects the ability to earn income, can create significant hardship for people who lack financial resilience, a cornerstone of financial inclusion. The Global Findex 2021 finds that although 74 percent of adults have a financial account at a bank, mobile money provider or other financial institution, 41 percent of adults worldwide could not easily access extra money, equal to 5 percent of their country's gross national income, within 30 days of experiencing a financial shock—this ability to access emergency money is how the Global Findex measures financial resilience.

The source of emergency money people rely on is associated with how resilient they are. Family and friends are the most common sources of emergency money, preferred by 31 percent of adults in developing economies. Work income comes a close second, with 26 percent of adults naming it as their preferred source of extra money. Yet these sources are not reliable. About half of the people who would turn to family and friends say the money would be very hard to get, as do a third of people who would try to increase their work hours.

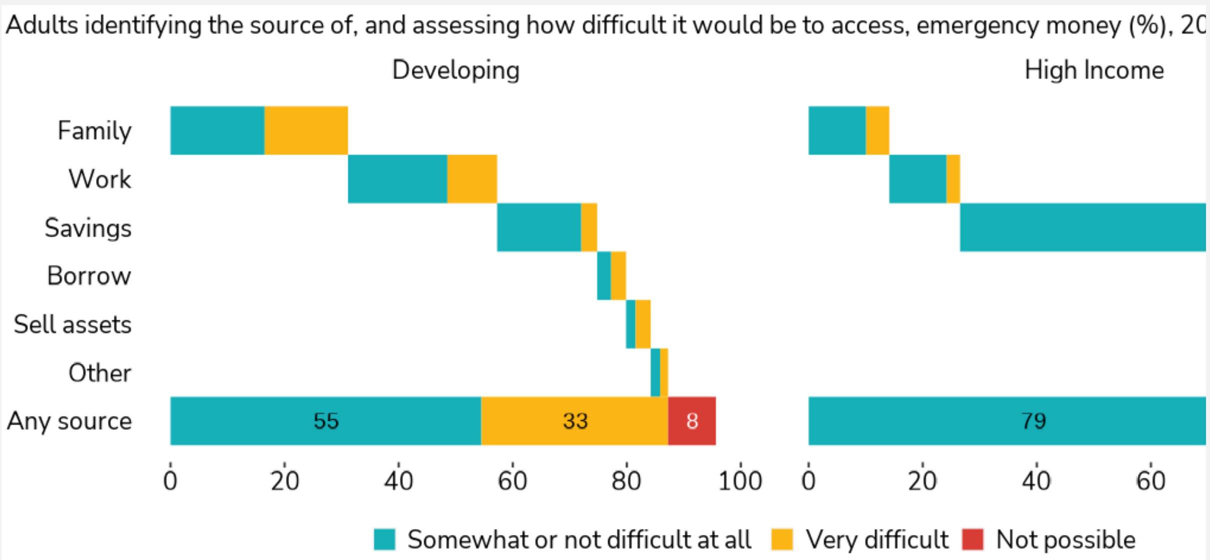
Savings, in contrast, are the preferred source of extra money for just 18 percent of adults in developing economies and less than a fifth of people who would rely on it say the money would be very difficult to get. Thus, having and using a savings account is associated with improved financial resilience.

The impact may be higher in some regions and for some populations than others. South Asia, for example, is the least financially resilient region in the world, with only 32 percent of adults saying they could access emergency money, and only 11 percent saying they would rely on savings. In contrast, East Asia and the Pacific is the most resilient developing world region, with 77 percent of people saying they could access emergency money and 28 percent saying they would rely on savings (these data are heavily skewed by China, given its high population and high rate of account access and savings). Women and members of lower-income households in every region are more likely than men and higher income households to lack financial resilience and less likely to have and rely on savings in an emergency. Across the developing world, 41% of adults from the poorest 40% of households could access emergency money with little to no difficulty compared with 64% of adults from the richest 60%. While not as large, the gap between urban and rural households in developing countries is also significant with just 32% of rural households able to access emergency money and 47% of urban ones.

In short, for every cut of the population, whether by region, gender, or income group, adults that have and rely on savings for emergency money are more confident in their ability to access it without much difficulty than members of their cohort relying on other sources.

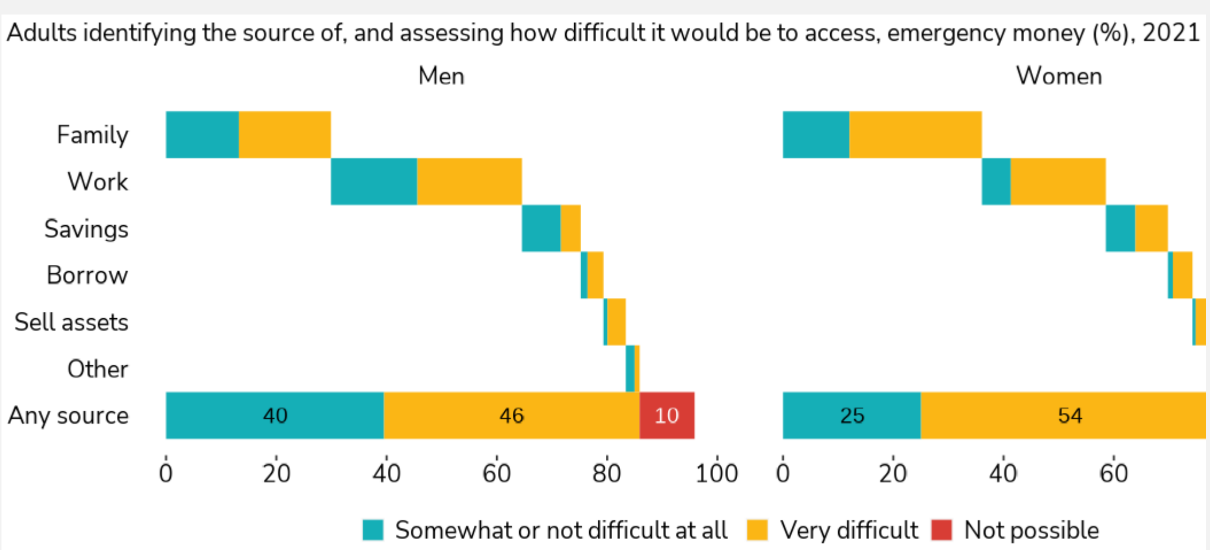
The SDG goal of achieving universal financial inclusion by 2030 is not just about people having a financial account but using it to improve their financial situation. Increasing resilience is a concrete demonstration of the benefits of financial inclusion, specifically savings. This can help motivate advocates and policy makers to promote savings as part of their financial inclusion—especially for women and low-income households who are the most vulnerable to having a financial shock push them into poverty.

Common sources of emergency money



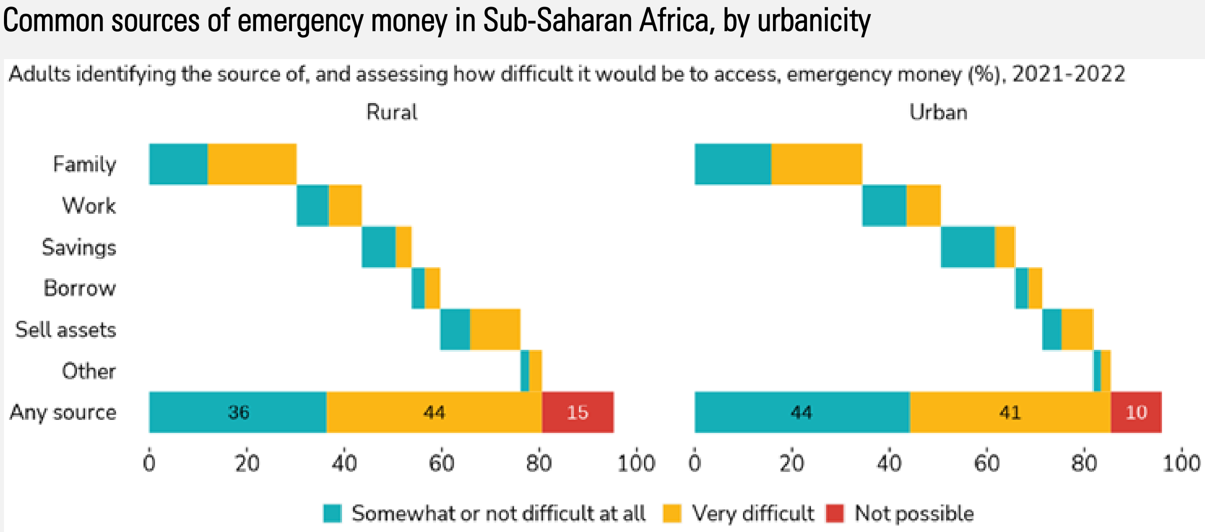
Source: Global Findex Database 2021.
Note: The length of the bar in each row is the share of adults that reported using the specificied source of money. A small share of adults did not know or refused to disclose their main source of emergency money.

Common sources of emergency money in South Asia, by gender



Source: Global Findex Database 2021.
Note: The length of the bar in each row is the share of adults that reported using the specificied source of money. A small share of adults did not know or refused to disclose their main source of emergency money.

Common sources of emergency money in Sub-Saharan Africa, by urbanicity



Source: Global Findex Database 2021.
Note: The length of the bar in each row is the share of adults that reported using the specificied source of money. A small share of adults did not know or refused to disclose their main source of emergency money.

Additional resources, press releases, etc. with links:

- https://blogs.worldbank.org/developmenttalk/responsible-finance-and-its-role-improving-financial-resilience-and-well-being
- https://www.worldbank.org/en/publication/globalfindex#sec5

Storyline authors(s)/contributor(s): World Bank

Custodian agency(ies): World Bank

Target 8.a Increase Aid for Trade support for developing countries, in particular least developed countries, including through the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries

Indicator 8.a.1 Aid for Trade commitments and disbursements

Aid for Trade rebounds to an all-time high in 2022

Aid for Trade disbursements increased by 14% in real terms between 2021 and 2022, reaching USD 51.1 billion. This followed a temporary decline in 2021 (-4.9%) explained by the COVID-19 pandemic and prioritisation of emergency needs including humanitarian aid and vaccine donations, as well as practical restrictions hampering project delivery in certain sectors. Aid for Trade disbursements exceeded pre-pandemic levels and reached an all-time high in 2022.

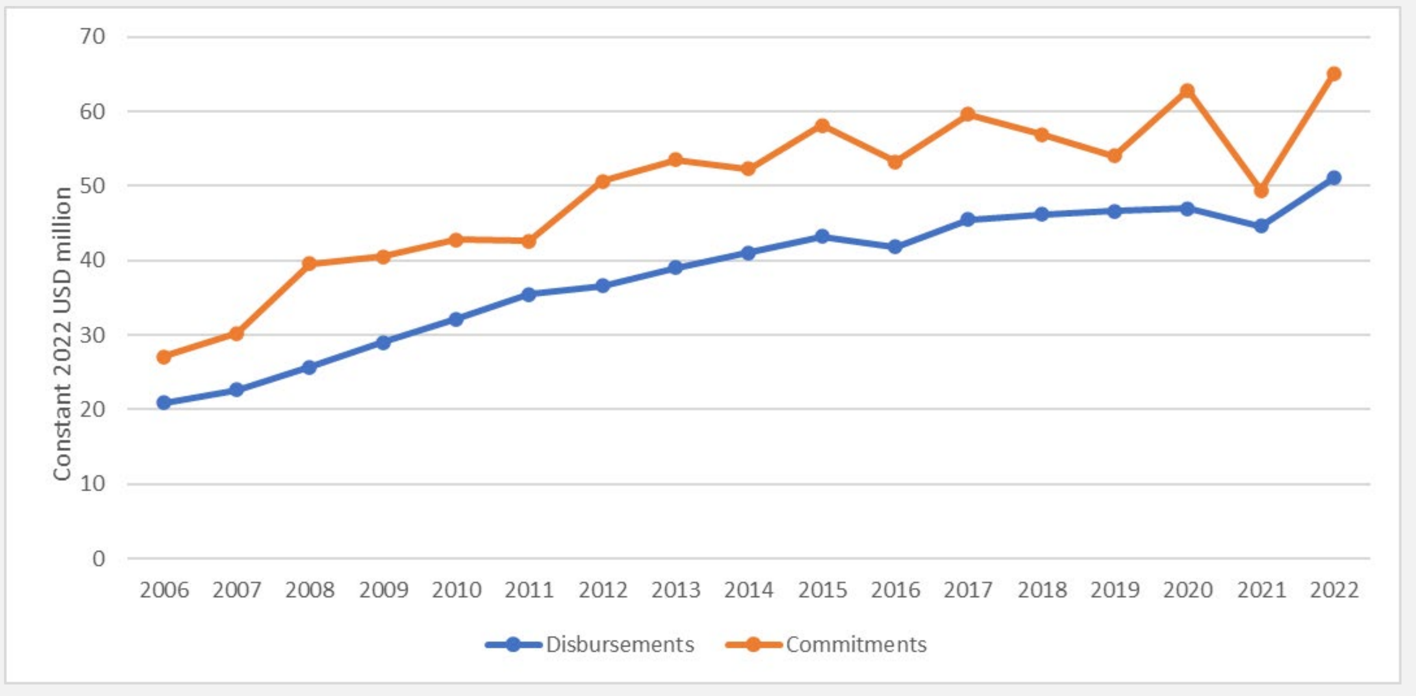
Growth in Aid for Trade disbursements between 2021 and 2022 has been primarily driven by increased support to economic infrastructure projects, which accounted for 55% of total disbursement in 2022. This follows a temporary contraction in Aid for Trade disbursements in this category amidst in 2020 and 2021 linked to the COVID-19 pandemic. Conversely, disbursements aiming to build productive capacities, particularly in sectors relevant to mitigate the effects of the pandemic such as banking and financial services, were prioritised in the early stages of the pandemic.

Geographically, Aid for Trade disbursements targeted primarily Asia (36%) and Africa (34%), followed by Europe (9%), America (8%) and Oceania (1%) in 2022. In term of income groups, Aid for Trade disbursements have increased for all groups over the period 2021-22, with the largest increase observed for Lower Middle-Income countries (LMICs) (+22%) followed by upper-middle income countries (UMIC) (+21%), other low-income countries (LICs) (+18%) and least developed countries (LDCs) (+10%).

In addition to providing support to key economic sectors and helping build resilience, Aid for Trade can be an important tool to help developing countries seize trade opportunities created by the twin digital and environmental transitions. The evolution of Aid for Trade flows demonstrates a growing focus on climate. In 2021-22 67% of bilateral Aid for Trade commitments included a focus on climate – a share that has been consistently rising in recent years. Disbursements allocated to information and communication technologies more than doubled between 2021 and 2022.information and communication technologies more than doubled between 2021 and 2022.

More broadly, the evolution of Aid for Trade flows in recent years points to a growing focus on sustainability issues. OECD data indicates that beyond its contribution to SDG 8.a, Aid for Trade contributes to all SDGs. In 2021-22, Aid for Trade disbursements primarily served SDG 9 (Industry, Innovation, and Infrastructure) , followed by SDG 7 (affordable and clean energy), SDG 2 (zero hunger), SDG 11 (sustainable cities and communities) and SDG 8 (decent work and economic growth).

Aid for Trade



Storyline authors(s)/contributor(s): OECD

Custodian agency(ies): OECD

Target 8.b By 2020, develop and operationalize a global strategy for youth employment and implement the Global Jobs Pact of the International Labour Organization

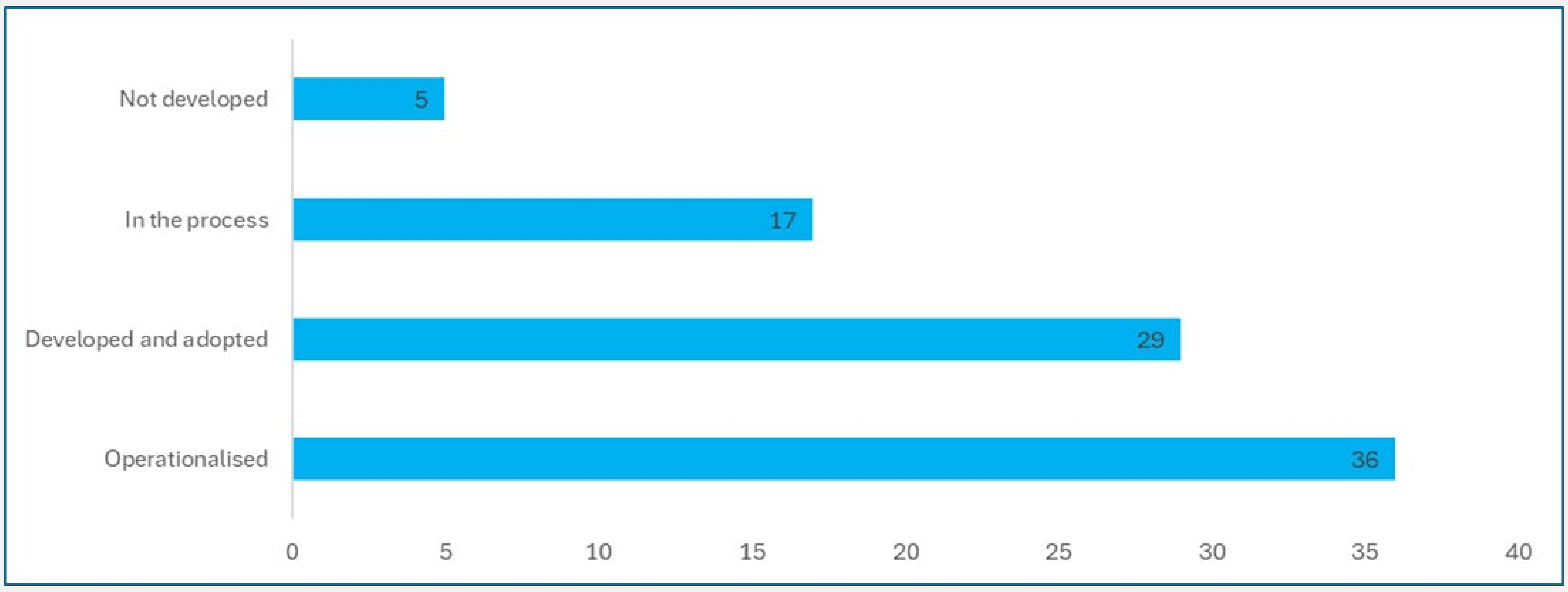
Indicator 8.b.1 Existence of a developed and operationalized national strategy for youth employment, as a distinct strategy or as part of a national employment strategy

Decline in the number of countries with an operationalized strategy for youth employment

Compared to previous years, fewer countries had an operationalized strategy for youth employment. Less than half of countries (36 out of 87 countries) reporting data for 2023 implemented a national strategy for youth employment. Approximately one-third of these countries have a strategy, yet lack conclusive evidence of its implementation, while one-fifth of them are currently developing one.

From a regional standpoint, the majority of countries with implemented national youth employment strategies are found in Asia and the Pacific (40 per cent) and Europe and Central Asia (38 per cent). Meanwhile, most countries in Africa and the Americas (69 per cent), while having developed such strategies, have yet to fully operationalize them. Across all regions, 18 per cent of countries are in the developmental stages of their national youth employment strategy, and only 6 per cent have neither an existing strategy nor any initiatives to develop one.

Number of countries' national strategies for youth employment by status according to the SDG Indicator 8.b.1, February 2024



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Custodian agency(ies): ILO