

cffpie

(a joint initiative of ICC India and UNICEF India)



CFFPIE Annual Review 2022



Contents

Foreword.....	1
CFFPIE Annual Review.....	2
Our Story.....	3
Our focus.....	4
Digital and financial inclusion.....	4
Climate change and its impact on marginalised communities.....	8
Internet Safety.....	9
Inclusive growth, governance and children rights.....	9
Childcare.....	10
Social protection of informal workers.....	11
SDG Localisation.....	11
Working with allies to achieve our goals.....	12
Our global strategy.....	12
Partnerships for the goals.....	13
Policy Interventions for inclusive growth.....	13

Foreword

The International Chamber of Commerce has taken a leading position in mobilising business action in response to rising geo-economic and geopolitical challenges - as well as unprecedented health emergency leading to food crisis and poverty - with its institutional representation of more than 45 million companies in more than 100 countries. The ongoing geopolitical and socio-economic difficulties have a negative influence on our economy and companies – as the growing poverty is inflicting shocks to the micro-units of our social structure, which is made up of families and children, and hindering socioeconomic development and education.

At the same time, we have learned that the businesses that operate ethically are more likely to recruit and keep motivated staff members as well as attract investors who are willing to risk their own reputations. Companies that do not make an attempt to conduct themselves appropriately, however, risk long-term reputational and financial harm. In this context, ICC India and UNICEF India established a timely partnership to contribute to India's socio-economic growth and further support businesses, governments and non-profit organisations. This partnership brought ICC and UNICEF's expertise, energy and resources together to establish the Centre for Family Friendly Policies and Inclusive Economy (CFFPIE) - to assist in addressing the economic, social, and governance concerns of a globalized world economy.

This report details our journey and focuses on our work to advance safe and secure societies by putting all efforts on a road toward economic, social, and environmental sustainability. Responsible businesses that believe growth should be inclusive for all stakeholders, is key to the success of this initiative. Thus, creating a need to facilitate participation of companies towards achieving the 'social' part of the ESG (Environmental, Social, Governance) goals.

Responsible business practice has influenced institutional investment frameworks and policy decisions across Europe, Asia, and North America. Green and inclusive business operations was often seen as a passing trend, but in light of the ongoing effects of climate change on different parts of the globe and the growing public consciousness of injustice and historical oppression, it has risen to the fore. We now know that ethical business practises can aid organisations in developing their management systems, attracting investors, managing their supply chains more ethically and effectively, and retaining employees.

In light of this, we aim to work for a society that is economically stronger, inclusive, and sustainable and to foster an environment that allows corporations to work with local and global laws and policies to contribute meaningfully towards the Sustainable Development Goals (SDGs). CFFPIE is dedicated to creating a unique platform for businesses, governments, INGOs and NGOs to discuss, develop, and fine-tune socio-economic policies to promote sustainable development.

Suneeta Reddy

President, ICC India

CFFPIE Annual Review

Our Mission

CFFPIE strives for a world that advances rights and equality for all through inclusive growth. Our mission is to build capacity of businesses in ensuring family friendly workplaces and inclusive economy.

Our CFFPIE

The Centre for Family Friendly Policies and Inclusive Economy (CFFPIE) is an initiative of ICC India and UNICEF India. The Centre, housed within ICC India, serves as a repository of global and national best practices and support businesses to adapt and implement family-friendly policies (FFPs).

Our Story

Time has been divided differently into periods before and after the unbelievable events due to covid-19 starting in the year of 2020. We responded quickly to the economic crisis caused by the pandemic, and took the initiative to launch a joint initiative with UNICEF India, CFFPIE, in August 2021. Its objective was to create and disseminate knowledge that could inform businesses, civil society organisations and general public about the aspirational Family Friendly Policies (FFPs) in Indian context and highlight the need for transformative approach towards inclusive economy. Our unique partnership with UNICEF India aims to develop solutions to tackle challenges in economic inclusion and support children's rights from birth through FFPs until they reach adulthood through promoting inclusive workplaces.

In addition to the COVID-19 pandemic's lasting impacts, growing living costs, an uptick in violence, and soaring food poverty and hunger worldwide—all made worse by the impact of the climate crisis—2022 was a year of converging global crises. These interrelated problems have exacerbated the inequality that underrepresented groups, including women, SMEs, and people with disabilities, deal with on a daily basis, and pose a threat to the advancement of equality and inclusion.

Our initial focus had been on FFPs but with changing needs of the third decade of the 21st century globalised economy, we have diversified our work to respond to new developments and concerns. For example, with a more digitalised world, there is increasing need for digital literacy and online safety measures to ensure inclusive and safe digital economy. Our focus areas are:

1. Digital and financial inclusion,
2. Internet safety,
3. Climate change and its impact on marginalised communities,
4. Childcare,
5. Inclusive growth, governance and children rights,
6. SDG Localisation, and
7. Social protection of informal workers.

Our focus

Digital and financial inclusion

The COVID-19 pandemic altered our way of life by compelling new ways of thinking and creating new opportunities. One of these was realizing that all businesses need to digitalise quickly to survive and thrive unfavourable circumstances. The pandemic not just accelerated years' worth of digital transformation into a few months for some companies, but also worked as a digital catalyst for financial services. In a June 2020 McKinsey Global Institute survey of executives, it was stated that the lockdown accelerated digitalisation of businesses by seven years.

Additionally, digital transformation is also one of the priority issues of G20 presidency of India as it offers a range of opportunities for accelerating economic growth, job creation, entrepreneurship and innovation.

The G20 member nations have, in the past, recognised the value of the digital economy and taken steps to capitalise on it. Included in this are programmes such as the G20 Digital Economy Working Group (DEWG), which aims to promote cooperation among G20 nations in the area of digital transformation. Recently the Information and Technology (IT) minister launched 'Stay Safe Online' Campaign and the G20 Digital Innovation Alliance (G20-DIA) as a worldwide G-20 initiative.

Second, the Indian government is striving towards women's economic empowerment through several initiatives. However, there is no doubt that financial inclusion is critical in enabling women empowerment, and it can only be achieved by upskilling women with digital literacy. This is also supported by a recent study 'Women's Economic Mobility and Online Exposure' (2022) by Koan Advisory Group and Ola Mobility Institute (OMI), which stated that additional value of 3.9% GDP could be generated if women had access to online services. The digital economy and inclusive women empowerment is acknowledged as an issue of vital importance by Government of India: G20@2023-The Roadmap to Indian Presidency.

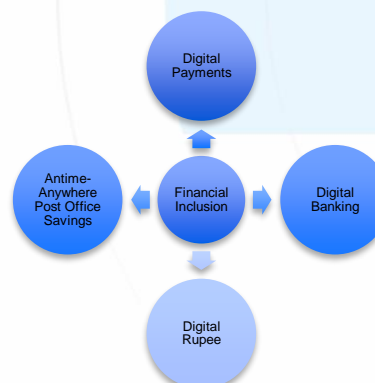
Indeed, gender equality boosts economic growth, stability and sustainable recovery and India needs to advance in closing gender gap in labour force participation. According to a 2018 McKinsey report, The power of parity, India's GDP will boost up to 18% by 2025 by giving equal opportunities to women.

We at CFFPIE also believe that 50% representation of women in economy is important for India to advance to a upper middle/high income country. But, we have a long way to go as only 7 of every 100 entrepreneurs in India are women and women's labour force participation rate is 25% in 2020-2021 for urban (18.6%) and rural (27.7%) women.

Third, India's gender gap remains highest among the G20 in owning credit and debit cards and digital payments, with less than one-third women making/receiving digital payments in India. FinTech's have made the equitable distribution of financial services in India easier, which further reduces poverty. However, there is a need to spread financial literacy across rural areas where access to financial services is limited.

A) Financial Inclusion

For many years, governments and officials have made financial inclusion a major focus. Despite the enormous horizontal and vertical expansion of the Indian banking industry, a sizable portion of the population is still unbanked. Better financial access is a requirement for poverty reduction and long-term economic growth. The poor, weaker groups, and marginalised people have limited access to finance for a variety of reasons. Macro data on India's economy reveals that a significant portion of the country's poor and marginalised are either uneducated or financially excluded. They lack access to the range of financial services that the institutional setup offers, and there are disparities in access to financial services across the economy. CFFPIE aims to assist the government, banks and corporates focussed on financial inclusion to maintain effective mechanisms for inclusive policies, and ultimately enhancing inclusive finance.



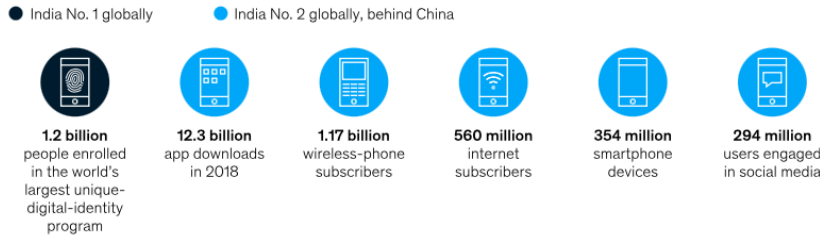
B) Progress in access to technology

Digital connections are essential in the economy and communities of today. Few of the tasks that rely on the internet include data analysis, money transactions, office work, public broadcast of information, and instant communication between people. In a world that is increasingly digital, places without quick internet access suffer significantly on the social and economic fronts. Thus, preparing India for the digital age is one of the key priorities.

India will be defining the G20 agenda at a time when it has accomplished a great deal of developmental work, according to Amitabh Kant. He stated that since 2015, we have opened roughly 40 crore new bank accounts, which is equal to the whole US population. We have processed over 4,860 crore digital payments, which is three times more than China and seven times more than the combined digital payments of the US, Canada, UK, France, and Germany.

According to a report by McKinsey Global Institute 'Digital India: Technology to transform a connected nation' (2019), India is one of the biggest and fastest-growing marketplaces for digital consumers, with over 560 million internet users (as of September 2018) and affordable data. Thanks in major part to the government's Jan-Dhan Yojana programme for widespread financial inclusion, the percentage of Indian adults with at least one digital financial account has more than doubled since 2011 to 80%.

India is among the top two countries globally on many key dimensions of digital adoption.



Source: Priori Data; Strategy Analytics; Telecom Regulatory Authority of India; Unique Identification Authority of India; We Are Social; McKinsey Global Institute analysis



of other digital services.

India's rapid digitalization has been significantly accelerated by the public sector. A big part has been played by the government's initiatives to expand Aadhaar, the national biometric digital identity programme. Since its launch in 2009, Aadhaar has recruited 1.2 billion individuals, making it the world's biggest digital ID programme and accelerating the adoption

C) Education: Digital and Financial literacy

According to OECD working paper 'Trends in income inequality and its impact on economic growth' (2014), reducing income inequality would promote economic development. According to this research, nations with declining income disparity expand more quickly than those with rising inequality. The growing disparity between lower middle class and poor households relative to the rest of society has the single greatest influence on growth. The solution lies in education: the fundamental cause of inequality impeding progress is the poor's underinvestment in education. New research in this paper shows that inequality's primary impact on growth comes from limiting educational options for children from low-socioeconomic families, reducing social mobility, and impeding skill development.

As income disparity increases, educational outcomes for children of low-skilled parents get worse. On the other hand, individuals with intermediate or high levels of parental educational background see little to no impact. The capacity to comprehend and use digital technology and its available tools is known as digital literacy. Digital literacy is also the ability to utilise computers, laptops, tablets, and smartphones as well as other IT-related products. According to National Sample Survey Organisation (2018), urban areas have a substantially greater rate of digital literacy than rural ones, at 61% compared to just 25%.

Reports from the National Family Health Survey-5, 2019–2021 suggest that hardly one in three Indian women have ever used the internet, compared to more than half the Indian men. To help the children and youth get comfortable in the online environment, digital literacy is required. The importance of fact-checking in digital media cannot be overstated in order to prevent them from believing everything they read online.

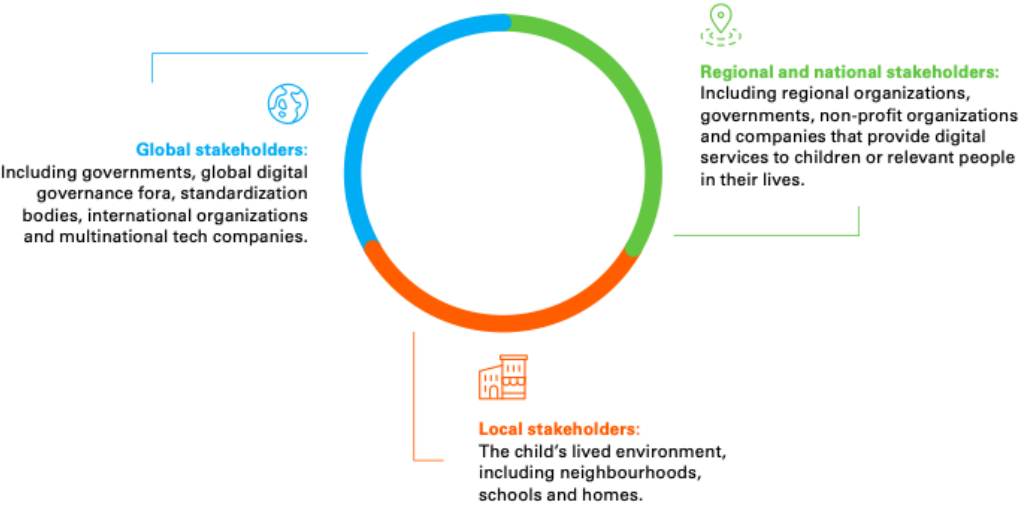
The benefits of technology advancements frequently arrive last to impoverished, non-unionized women employees. EdTech is typically thought of as a crucial technological shift for educational institutions. EdTech is necessary for expanding skill and career opportunities for millions of people in the informal sector who are either learning on the job or entering the workforce through a vocational training institution. Work is becoming more informal, especially in the post-Covid era. Technology will become more and more a part of the Future of Work, either as a tool for doing the work or as the actual workplace.

To survive in the labour market, workers must retrain or acquire new skills. Here, edtech has the potential to change the game because it is essential and required to use technology to stay relevant in the developing digital economy.

The transition from school to work is not always straightforward in the informal sector because young people may continue their education while working, return to school after working, begin with irregular employment before moving on to regular employment, etc. Workers in the informal sector may require an enabling ecosystem to develop the necessary employment skills, overcome shortcomings, and comprehend and manage barriers. However, using EdTech in the informal economy has problems with accessibility, availability, and affordability. Further marginalised groups, such as women who labour in the informal sector, may find it difficult to access such solutions since they are less likely to own devices and experience time and knowledge poverty as a result of widespread sexism and a triple burden.

Women and other genders are reported to have lower levels of education and awareness. For employees in the informal sector, EdTech platforms can offer Escape Velocity, allowing them to break out from the cycle of low skill, low pay, and change orbit to a higher salary through improved skills. The 'Framework for Stakeholders' in the report 'Towards a child-centered digital equality framework' by UNICEF (October, 2022) given below, can be used as a basis for designing and evaluating digital inclusion policies by relevant stakeholders to achieve digital inclusion.

Policies should call on these stakeholders' involvement for a more equitable digital future



Financial literacy is the capacity to "understand and use various financial abilities". This covers personal financial management, investing, managing credit, and setting a budget. Financial literacy is one of the most underestimated talents and will determine a nation's future.

Unless you teach a young child something is significant, they won't learn it. They must learn how to manage money at a young age, particularly in the case of money. Given how quickly the dynamics of the world are changing, financial literacy for young children is becoming a crucial component of daily

living. For adolescents to manage difficult financial decisions and form sound long-term financial habits, early exposure to financial information and abilities is crucial.

D) Responding for women labour force participation in crisis

One realisation which emerged through our strategy development in 2022 was, we must scale up our outreach work for women empowerment.

To keep up with a fast-changing world, it is critical to eliminate gender inequalities that impede women's advancement. Assuring equality in opportunities and capacity for economic participation can help the economy recover more quickly from recent shocks and serve as a powerful growth engine for future economies that are more robust, sustainable, and inclusive. Macroeconomic and financial stability go hand in hand with gender equality, which also promotes economic growth, improves efficiency in both the public and private sectors, and lowers income disparity.

The 2030 Agenda for Sustainable Development and the Sustainable Development Goals, in particular Goal 5 on achieving gender equality and Goal 8 on promoting full and productive employment and decent work for all, as well as Goal 1 on ending poverty, Goal 2 on ensuring food security, Goal 3 on ensuring health, and Goal 10 on reducing inequalities, depend on the empowerment of women in the economy and closing gender gaps in the workplace. India has 432 million women who are working at the moment, out of which 343 million are employed in the unorganised sector. According to a McKinsey Global Institute analysis, India's GDP might increase by 770 billion US dollars by 2025 simply by providing equal opportunity for men and women. Still, women continue to contribute 18% of the GDP at the moment.

Furthermore, as a result of the pandemic's obstacles, India's gender gap has grown by 4.3% as a result of Indian women's declining involvement in the official labour force and declining economic possibilities. The informal labour market is likewise experiencing the pandemic crisis' aftershocks. A woman's time is limited by the abundance of unpaid tasks, which also affects her capacity for decision-making. This prevents people from pursuing higher education and skill development, which restricts the development of their businesses.

And that is why we have been challenging our existing ways of working and supporting Family Friendly Policies (FFPs) at workplaces to achieve maximum impact. In preparing our next strategy, to ensure we were building on our strengths and experience as a world business organisation and listening to those closest to our work, we engaged with primary stakeholders such as government, business and civil society organisations to contribute to our knowledge. The outcome is a refreshed understanding of ongoing issues from social protection of informal workers to financial literacy.

Climate change and its impact on marginalised communities

India ranks amongst the worst, in terms of vulnerability to climate change. Increased temperatures, unpredictable precipitation, and extreme weather events have already started to have a negative impact on India's economy as a whole, which has an influence on the lives and livelihoods of millions of poor people.

India is currently leading the fight against the climate issue. This year, two-thirds of the nation endured months of extreme heat that destroyed crops and way of life. 80 percent of the days of 2022 saw harsh weather.

In a report by DW (2022), experts warn that the effects on maternal and new-born health could be disastrous as a result of climate change exacerbated excessive heat in many regions of the world. According to a meta-analysis of 70 studies on the effects of heatwaves on pregnant women, the risk of premature delivery and stillbirth increased by 5% for every 1 degree Celsius increase in temperature. Most studies identified a connection between heat exposure during pregnancy and low birth weight, and one Australian study indicated a 46% increase in stillbirths during heatwaves.

Women around the world are more reliant on but have less access to natural resources. Women are disproportionately responsible for securing fuel, water, and food in many areas. In low and lower-middle income nations, agriculture is the most significant area of employment for women. During droughts and seasons of irregular rainfall, women labour even harder as agricultural workers and primary procurers to provide supplies and money for their family. Girls are under much more pressure because they frequently have to drop out of school to assist their mothers in carrying the heavier load.

As a "threat multiplier," climate change amplifies social, political, and economic pressures in unstable and conflict-affected environments. Women and children are more susceptible to all types of gender-based violence as a result of the globalisation of conflict, including human trafficking, child marriage, and sexual assault related to conflict. Fortunately, the 2023 CxO Sustainability report from Deloitte found that at least 57% of Indian CxOs ranked climate change as one of their top three concerns, compared to 42% of CxOs worldwide.

Internet Safety

Children were compelled to use the internet for education, entertainment, and everything in between due to multiple lockdowns during COVID-19. Their typical screen time increased as a result. The risks to children's online safety have escalated as a result of their prolonged online exposure. Children today have a considerably larger possibility of being exposed to hazardous content due to the rising use of social media platforms, the use of educational applications, and the transition to online classes. Therefore, it is more important than ever to ensure children's welfare and safety online.

The ability to use the internet safely, fearlessly, and positively must be taught to all citizens, together with the knowledge of where to turn for assistance if any problems develop. Public protection strategies must be developed based on evidence which is sensitive to the needs of each individual community, and progress must be monitored to assure actual impact. There is a need to work towards adaptable, locally relevant solutions for internet safety. While language should not be a barrier in digital inclusion, we need to ensure that we have resources promoting safe use of internet in many languages, including Tamil, Hindi, and Punjabi, among many others.

Inclusive growth, governance and children rights

Governance is important for inclusivity. Broad citizen participation, pluralism, and an efficient system of checks and balances can be ensured by inclusive institutions, which may also guarantee that markets are functional and open to competition. This improves access to opportunities and services. Cross-

country research supports the notion that inclusive governance can enhance development outcomes, such as greater health and literacy, or reduce infant mortality (e.g. Halperin, Siegle and Weinstein, 2010; Evans and Ferguson, 2013). Rajkumar and Swaroop (2002) also discover that corruption, for instance, disproportionately prevents the poor from accessing healthcare and educational opportunities.

Public governance is crucial at every stage of the policy-making process, including the design, execution, and evaluation of inclusive growth programmes.

A focus on the public sector reflects the understanding that states, as Convention on the Rights of the Child (CRC) signatories, carry the primary responsibility for enforcing children's rights. At the same time, the goal is to look beyond recognising governmental institutions to the dynamics and processes that shape the result.

Acknowledging that children are persons with rights implies that they are not simply entitled to the protection of their rights by adults, but that they are also real persons with agency who can influence their surroundings. It would therefore be required to think further about potential entrance points for children to be involved in governance processes from this starting point. Involving children is seen to be particularly successful in various sectors at the local level.

Child-focused indicators are crucial for evaluating governance from the standpoint of children's rights and for including children in governance initiatives. Child-specific indicators may be utilised to create a unique index or may be incorporated into current tools, depending on the assessment's goal and the organisation conducting it.

Childcare

According to International Labour Organisation (ILO), the investment in childcare can create almost 300 million jobs and help alleviate poverty, encourage gender equality, support care for children and work toward an inclusive economy. CFFPIE is committed to promoting FFPs and strongly believes that childcare benefits both businesses and families. It influences our work habits, schedules, and, for many people, it is the major motivation behind working. In the future, where we work might also be impacted by employer-provided childcare.

High-quality childcare services offered by employers help businesses stand out as they offer perks that encourages employee retention. Employees are less inclined to switching jobs where trusted childcare setting is available. Businesses must come up with innovative ideas on how to provide the infrastructure for childcare that will enable working parents to continue providing for their families and the economy as a whole.

More importantly, we need to sensitize both genders as childcare is not just the responsibility of women. According to ILO survey, more than 1.2 billion men who are in their prime for parenthood live in countries where paternity leave is not guaranteed, despite the fact that it would help mothers and fathers balance their roles as caregivers and workers. There is a significant "gender leave gap" because paternity leaves are rarely longer than the global average of nine days.

Lack of affordable, high-quality childcare is a major barrier to India's goal of having more women in the labour sector. Indian businesses must be aware of parents' needs and provide assistance in the form of childcare facilities (including lactation rooms for nursing moms) if needed.

Organized day-care centres and creches are common in many developed nations; some are even funded by the government or companies. These places provide young mothers with a secure place to leave their kids. But these services are not readily accessible in India. Although some businesses are opening day-care facilities progressively, there are currently few of them and they are only offered by larger organisations in a few major cities.

The COVID-19 pandemic situation further highlighted the need for improved access to childcare in India.

Social protection of informal workers

The COVID-19 pandemic has had a devastating effect on people's capacity to balance work and caring for their children and families. Moreover, informal sector workers are highly vulnerable to economic impacts of the pandemic.

According to International Labour Organisation, 81.8% of women employed in India are concentrated in the informal economy. Hence, India has highest rates of women in the informal sector and there is a need to recognize their contribution to the economy.

For more gender-transformative and equitable solutions, we need long-term policy and protection responses that bridge the fundamental gap in tackling child poverty, gender inequality and achieving the SDGs. Private sector can support the workers in unorganised sector, who are still reeling from the impact of covid and build an inclusive economy.

Notably, the informal economy in India accounts for more than 80 per cent of non-agricultural employment making it a significant contributor to the Indian economy. In spite of unprecedented global efforts, the pandemic forced almost 100 million people into extreme poverty. In 2021, 13 million fewer women were in employment compared to 2019. The drop in female labour participation is alarming. Since majority of them work in informal sector, it is important to work with the informal sector to achieve gender equality.

Social protection is facing new challenges both now and in the future as a result of the crisis. With 4.1 billion people living without the ability to access social security and only one in four children having access to any type of child or family benefit, the gaps in social protection coverage continue to be quite worrying.

SDG Localisation

Localisation, in itself, is the adoption of activities that were previously implanted externally at local level. In order to strengthen local governance, localizing the SDGs must go beyond simply incorporating the global objectives into local development plans. This includes collaborating with public and private actors to co-design new service delivery models, project finance, and accountability mechanisms.

Local action has never been more crucial to achieving global goals because there are just seven years left for the 2030 Agenda for Sustainable Development's pledges to be fulfilled. Local and regional governments are increasingly seen as equal partners in a process where integration of global objectives, national resources, and local implementation is anticipated.

Every SDG has an objective that is somehow connected to the day-to-day operations of local and regional governments and local stakeholders. Although the SDGs have a global scope, local leadership and effort will be necessary for them to be realised.

SDG localization is the process of bringing the SDGs to life at the local level in accordance with regional priorities and broader national frameworks. In order to be effective, localization must be founded on the values of inclusiveness, partnership, and multilevel governance, as well as on the availability of sufficient data and funding at the local level.

The COVID-19 pandemic has exacerbated poverty and increased already-existing disparities over the past two years, undoing years of progress made toward the SDGs. However, the health catastrophe brought to light the very important role that local governments play in the front lines of disaster response and in advancing the sustainable recovery process in line with the SDGs.

Working with allies to achieve our goals

Alongside its outreach work, CFFPIE led influencing efforts at local, regional and global levels with some significant successes. CFFPIE wants to see women and small businesses to shape decisions that affect their lives by leading change within their own communities and influencing decisions at higher levels.

Businesses that partner with us will help realise children's rights and inclusive economy by funding children's programmes, offering their skills, knowledge, and experience to deliver results, using their influence to advocate for children's rights, working with the government to regulate the business environment to be inclusive, changing their own business practises, and promoting diversity, equality and inclusion at work.

Our global strategy

Our strategy is to transform the lives of children and underrepresented groups such as women and SMEs through our partnership with UNICEF. Our work is inspired by United Nations' Global Goals, and G20.

Since 2021, our work includes efforts to foster prosperity and fight poverty through strong development focus, contribute to poverty reduction, and enabling persons from all communities in contributing to India's development.

We help to ensure quality education and gender equality that increases the access to digital technology for all. We believe economic empowerment for all will reduce discrimination, and adoption of sustainable development practices will support local small and medium enterprises and families at micro-level to improve indicators around economic growth, education, health, among many others.

We aim to promote and build awareness around good governance models, globally and in India, through awareness, facilitating accessibility and capacity building.

CFFPIE is one of the pioneering initiatives in the field of family-friendly policies (FFPs) and inclusive economy in India and is of much relevance and significance in the country. We propose a lean and viable model for improving accessibility, capacity building and inclusive education and workplaces for informal workers, persons with disabilities and vulnerable and marginalised groups.

Partnerships for the goals

Thanks in part to digital technology, the world is now more connected than ever. As a result, SDGs will be realised only with a steadfast dedication to international cooperation and partnership. It is crucial to coordinate policies to aid emerging nations, especially the least developed ones to achieve sustainable growth and development. This entails encouraging investment as well as helping these nations manage their finances, especially their debt.

Despite the challenges posed by the pandemic, we have been able to achieve incremental changes. Since the initial stages of our ambitious project will be resources intensive, we are keen on working with CSRs and embassies on mutually allied areas under the spectrum of education, climate change and inclusive economic growth with focus on capacity building, increasing awareness and accessibility for all.

CFFPIE is continuously investing and leveraging the expertise of world business organisation, ICC, and pioneer of children rights, UNICEF. Our long term vision is to create sustainable partnerships and network of institutions, private and public, thereby propelling the cause. It is crucial to bring continuity to our efforts for inclusive economic growth and stability, and create a meaningful dialogue and conducive environment for sustainable growth along with major stakeholders.

Policy Interventions for inclusive growth

"Economic growth that offers opportunity for all segments of the population and distributes the dividends of increasing prosperity, both in monetary and non-monetary terms, fairly across society" is how the OECD defines inclusive growth.

Rising inequality is one of the main factors driving the increased interest in inclusive growth. Despite significant decline in poverty, the greater prosperity by rapid GDP development in several nations such as China, India, and Indonesia, has been accompanied by a concentration of income among the wealthy (OECD, 2014).

However, inequality is a multifaceted issue that extends much beyond just income. For people's wellbeing, employment, work satisfaction, health outcomes, and educational possibilities are important, and these factors are strongly influenced by socioeconomic status or even location-based factors.

Figure 3. A shift towards Inclusive Growth



Traditional Economics

Focus on GDP as the key measure of success

Binary approach: either growth or equity

Focus on outputs (GDP per capita)

Attention to the average

Inequality (income gap)



Economics of Inclusiveness

Focus on material and non material living standards

Integrated policies: growth and equity

Focus on outcomes (health, education, jobs)

Attention to different social groups and scales

Inequalities (Income and well being)

Inequality is expensive and can impede development. Growth in material living standards has an impact on income inequality, but the opposite is also true. As a result, how the advantages of growth are distributed is important for long-term prosperity. High levels of inequality can also have significant social consequences, such as those related to weakened social cohesiveness. Furthermore, growing inequality has the potential to erode trust in government institutions and weaken commitment to democratic principles and values.

As a conventional performance indicator, enhancing the population's income and consumption potential has traditionally been the focus of policy research and recommendations. Progress has been measured at the level of a "average" person or household. In other words, emphasising "average economic growth" as a performance indicator rests on the presumption that the advantages of growth will inevitably trickle down to all social groupings and, as a result, bring increased welfare to individuals. Recent studies have refuted this presumption and advocated for win-win strategies where growth and equity go hand in hand rather than the usual binary approach of either growth or redistribution (Figure 3).

Additionally, this change has practical implications for every area of public policy in addition to conceptual ones. Finally, it is consistent with the Sustainable Development Goals, which aims to "promote sustained, inclusive and sustainable economic growth" and "promote peaceful and inclusive societies for sustainable development," and which will guide development results in the upcoming years.

Connect with us



 Email us

iccindia@iccindiaonline.org



For more information contact

International Chamber of Commerce India
Federation House, Tansen Marg, New Delhi 110 001

T : +91 11 2348 7375

E : iccindia@iccindiaonline.org

W : <https://iccindiaonline.org/>