

# UNFPA: A Value Proposition for the Demographic Dividend

Sustainable development cannot be achieved without assuring that all women and men, girls and boys, enjoy the dignity and human rights to expand their capabilities, secure their reproductive health and rights, find decent work, and contribute to sustainable economic growth.

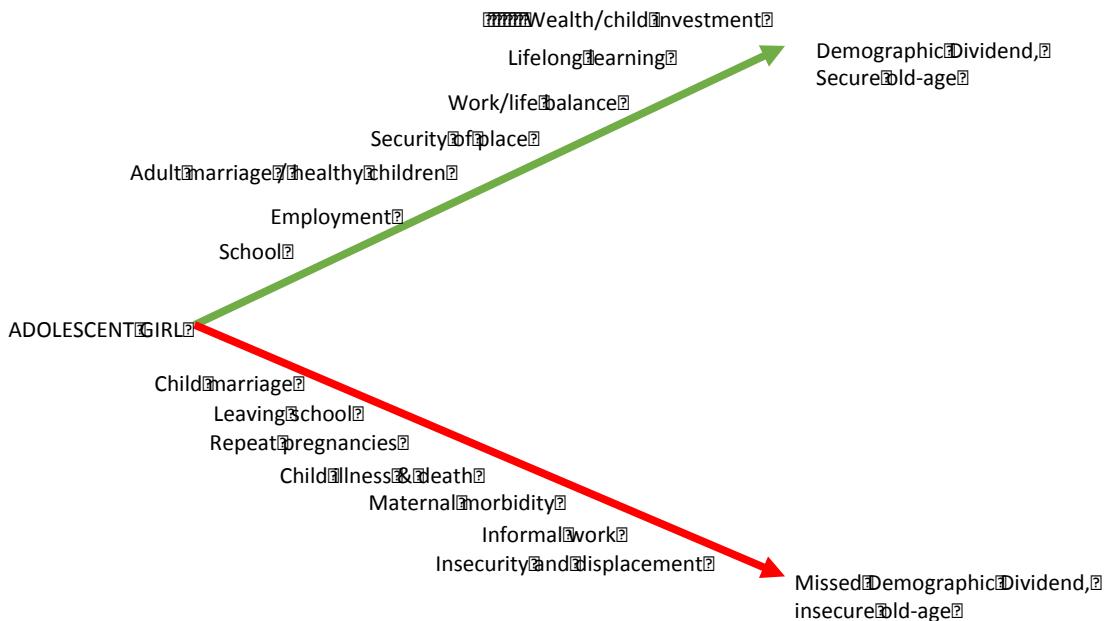
Defining the necessary policies and investments to *secure* that future, demands that governments throughout the world know the size, sex, location, and age structure of their present and future populations, so that they can tailor investments for inclusive growth, and leave no one behind.

Countries with the greatest *demographic advantages for development* are those entering a period in which the working age population will have a low proportion of young dependents, and the benefits of good health, quality education and decent employment. The smaller number of children per household generally leads to larger investments per child, more freedom for women to enter the formal workforce, and more household savings for a secure old age. When this happens, the national economic payoff can be substantial, leading to a *demographic dividend*.

## The Demographic Dividend

Realizing such a demographic dividend requires multiple intersecting investments. Yet the most essential, without which no progress will be made, is building the capabilities of people, and ensuring their rights and freedoms to achieve their potential. Young people need the chance to gain the education and experience to succeed in a competitive global workplace that demands more skills, education and technical expertise than ever before.

Yet, the chance to realize potential is derailed for millions of girls worldwide by child marriage, early and unplanned pregnancies, poor access to health care, and limited education – just because they are female. For the population as a whole, **when many people find themselves trapped in this trajectory of restricted opportunities, poor health and limited capabilities, there can be no demographic dividend**: an age structure with fewer dependents is unlikely to occur, and each person's ability to achieve their capabilities, save and invest, be resilient in the face of climate change and crisis, and take the risk to innovate will be permanently undermined. The fulfillment of sexual and reproductive health and reproductive rights, therefore, is not a side-line to inclusive national growth; it is essential for any society to achieve a demographic dividend.



History shows the real possibility of a missed dividend, as the chances for a country to reap a dividend occur during a window of time that gradually closes as the working generation ages. During the late 20th century demographic dividend window in Asia, GDP increased 7-fold, contributing to the “Asian economic miracle”. However, in Latin America, growth was only 2-fold, reflecting unequal access to investments, education, including the reproductive health and rights of women and girls.

A selection of countries, mainly but not exclusively in Africa and South Asia, now face a potential demographic dividend. Fertility has started to decline, and they have a proportionately large population of young people on the cusp of working age. The time is right for these governments to make the strategic investments to ensure an empowered population, filled with potential and ready to drive growth across all sectors and deliver durable and innovative development.

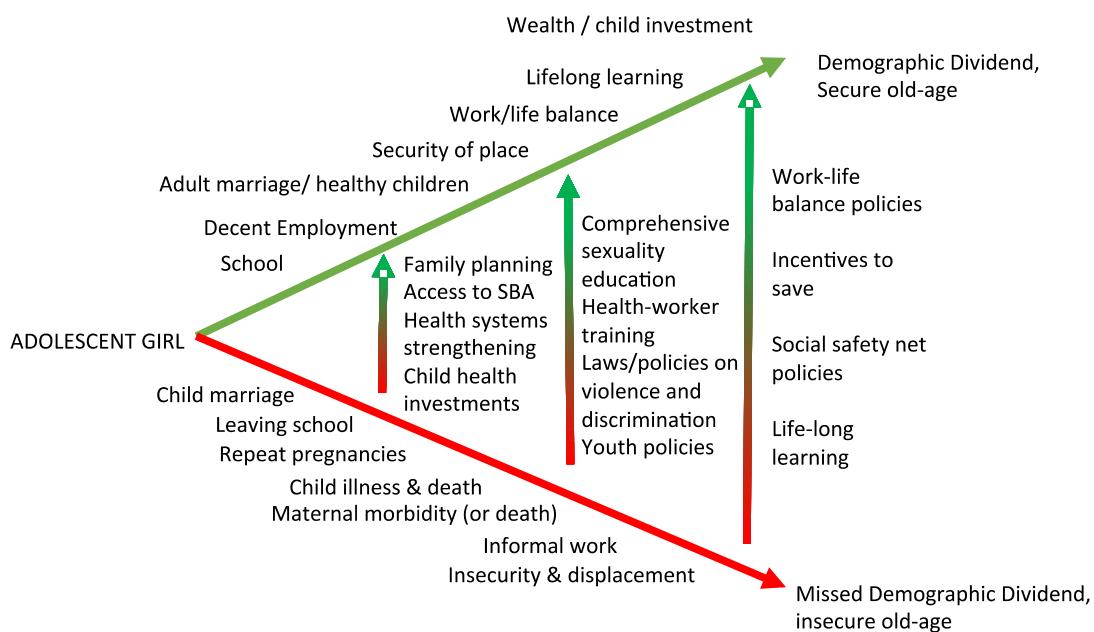
### What it takes

Capitalizing on the demographic dividend demands that each country understand the size and distribution of their population, the current and projected age structure, and the pace of population growth. A growing number of analytic tools are available for such “population assessments”, thus shortening the time and resources needed for a situation analysis of national circumstances.

National needs must be matched to a sequence of short and medium term investments that assure the rights of all young people to plan their lives, be free of violence and trauma, be assured

of essential freedoms and reproductive rights, and with access to quality education and mentoring.

Dividends will be constrained without simultaneous investments in decent job creation, good governance, infrastructure, and a functioning business climate. But all progress will be constrained if the population is under-prepared, and every person, particularly every girl, cannot pursue her education, or navigate her transition to adulthood assured of her human rights. Such assurance includes the freedom to decide when and whom to marry, the timing and number of children, and the security to balance work and family life.



### What UNFPA Delivers for a Demographic Dividend – the *Rights Advantage*

UNFPA is founded on the premise that the rights and dignity of all people lie at the heart of development. That premise is reflected in a mandate to support countries in the realization of the ICPD Programme of Action (POA), which links investments in each human person, without discrimination, to the broadest realization of sustainable development.

The commitment to human rights represents the distinct leadership that UNFPA brings to the DD. The realization of human rights underscores all UNFPA policies and programmes to build human capital, in countries across the world.

UNFPA's integrated and rights-based approach to development is not only essential to achieving a demographic dividend, but to achieving the unfinished MDGs, the full implementation of the ICPD Beyond 2014, and the post-2015 development agenda.

The draft outcome document for the UN Summit on the Post 2015 Development Agenda, adopted by the Plenary of the Intergovernmental process on 2 August 2015, identifies the importance and promise of reaping a demographic dividend for sustainable development, linked to people-centred economies that promote youth employment and women's economic empowerment. The outcome document affirms the principles of human rights, fundamental freedoms, non-discrimination, and building human capabilities that reflect the core mandate of UNFPA, in implementing the ICPD POA and the ICPD Beyond 2014 Framework.

## **How UNFPA supports countries to seize the dividend**

### **Strategic Assessment**

- UNFPA offers a growing package of tools to rapidly characterize population typologies based on the census and population surveys, including age-structure patterns and projections, current rates of child marriage, unmet need for family planning, coverage and access to SRH and RR, sex differentials in schooling, etc.
- Through national policy reviews on relevant legislation and national action plans affecting rights-based human capital: e.g. status and enforcement of laws and on child marriage, protection of women's right, youth policies, - which form the basis of policy guidance on the deepening investments needed for a demographic dividend.
- Through clear guidance on the “multiplier effects” of key investments, and how support for the rights and capabilities of young people will address disparate targets across the SDGs (poverty, health, gender, employment, economic growth, inequality, data, sustainability), in an actionable and results-oriented way.

### **Building Human Capital**

- UNFPA supports countries to fulfill the rights and participation of women and adolescent girls, and deliver the sexual and reproductive health knowledge and services that have high multiplier effects for achieving a demographic dividend, including programmes for youth empowerment; improvements in maternal, newborn and child health; universal access to contraception; prevention and treatment of HIV and STIs; and the elimination of gender based violence and harmful practices such as child marriage.
- UNFPA's combination of support for population assessments, policy advice and programming allows a rapid translation of national assessments into tailored guidance and technical assistance aligned with national circumstances.

### **Essential Partnerships**

- UNFPA has a long historic presence in multiple countries across the world, resulting in strong partnerships and long-term capacity-building of national institutions. Few UN agencies operate across the development spectrum in the manner of UNFPA, allowing the Fund to convene other

stakeholder (including the ILO, PGA, UNDESA, WEF, among others), to advocate for investments framed by a rights-based demographic dividend, globally and in countries.

- UNFPA does not deliver a DD alone, and prospects for dividends will be limited without other investments beyond human capital – including job creation, good governance, infrastructure, sound labor policy, social protection, and a functioning business climate. High rates of youth migration and displacement in many parts of the world may call for new political solutions to ensure success.
- But without what UNFPA can deliver, a demographic dividend is not attainable, because the capacity and potential of young people, including the life-chances of every young girl, lie at the core of achieving a demographic dividend.

### **What the DD offers to UNFPA**

The demographic dividend presents an opportunity for UNFPA to draw a *clear causal line from the empowerment of young women and the delivery SRHR to sustainable economic development*, garnering the interest of governments to investments that have been under-valued in the past.

Within UNFPA, the demographic dividend has the potential to further unify and integrate the work of the organization, from population analysis, gender and rights, adolescents and youth, and SRHR, to programming, communication, and intergovernmental affairs – and to deliver “as one UNFPA” to the benefit of countries.

### **Moving Forward**

UNFPA regional centers of excellence on the demographic dividend are already in place, but need to be strengthened and expanded into shared “communities of practice”, that will ensure rapid support to countries.

Key messages need to be developed on the links between the development of human capabilities, the realization of the demographic dividend and the achievement of the Post-2015 development agenda, stemming from the Post-2015 outcome document and the argumentation in this value proposition. Indeed, the DD provides a framework for prioritizing and advancing multiple SDG goals and targets. This work is already underway on the Goals and Targets, but must inform and contribute to the final selection and disaggregation of indicators to ensure follow up and review of gains towards a successful DD.

National population and policy assessments for the DD are already being delivered, including for the Sahel Women’s Empowerment and Demographic Dividend Project, through country case studies, and the development of DD typologies. These need to be further developed with comparable templates, and in partnership not only with country offices (CO) and national experts, but also in collaboration with ILO and UNESCO, and possibly other UN partners. The

convening of national experts and governments and other UN partners will strengthen a comprehensive, actionable and context-specific approach to the realization of the DD in countries.

Meetings with ILO to explore such a collaboration are underway, and may be best advanced by a coalition of partners focused on 1-2 countries to establish modes of cooperation that can be replicated at scale in other countries. Consistent with related goals of the Post 2015 Development Agenda, key attention should be given to building national institutions and statistical capacity in developing countries, to assure a growing cadre of experts in all countries who can sustain and accelerate national and global progress for years to come.

Growing traction over the demographic dividend among national leaders, and historic endorsement of the DD within the Post 2015 Development Agenda, opens a unique opportunity for UNFPA to accelerate the fulfillment of core aspirations and fundamental principles defined in the ICPD POA and the ICPD Beyond 2014 Framework. These include the realization of human rights and fundamental freedoms, the fulfillment of non-discrimination and gender equality, deepening investment in youth capabilities, and building both stronger health systems and national statistical capacity.

The DD offers fresh ground for UNFPA to improve the fate of millions of people across the globe, and to increase national prospects for sustainable, inclusive growth. UNFPA should waste no time to structure and enrich a growing set of national partnerships to promote such success.