

Shared Responsibility to Recover Better from COVID-19
UNDP Administrator Achim Steiner
New York, 6 July 2020

Opening

Dear Excellencies,

Dear Colleagues,

My UN colleagues and the distinguished Permanent Representative of Luxembourg have described the depths of the current crisis.

Growth has collapsed.

Millions of jobs have been lost overnight.

Between 40 to 60 million people could be pushed into poverty.¹

Health systems are overwhelmed.

Food systems are strained.

And the spread of the virus is accelerating.

The implications of the pandemic and the current surge are *severe*.

The IMF's revised forecast of a nearly five per cent contraction in economic growth could mean that more than half the 3.2 billion informal sector workers, -- many living on less than \$5 per day and not receiving social insurance -- could lose their livelihoods.

Observations on the Response to the Crisis

¹ <https://blogs.worldbank.org/opendata/impact-covid-19-coronavirus-global-poverty-why-sub-saharan-africa-might-be-region-hardest>

Our socio-economic assessments (SEIAs) show that in response, governments and UN Country Teams are responding to the emergency by protecting health, incomes, jobs and livelihoods.

Developing countries are repurposing between one and three per cent of fiscal resources towards crisis mitigation.

For instance, as of June, 195 countries expanded social protection, with 131 countries topping-up existing cash transfer programmes.²

It is clear that a global recovery will depend on countries with accelerating infections *containing* the crisis and converging economically with countries that are currently re-opening their societies and economies.³

However, we know that a sustainable recovery will only come if we treat the current crisis as a lesson on how to move forward differently.

It could be said that COVID-19 is the result of the *same* systemic failures we faced before the pandemic arrived.

The *same* failures that have resulted in stubborn poverty, deep economic and gender inequality, malnutrition and hunger -- and an environmental and climate crisis manifested in catastrophic and more frequent disasters and massive ecosystems and biodiversity loss.

The human and economic impacts of these trends are likely to be far more severe than what we are witnessing today without unified, global cooperation and commitment to re-establish our relationship with the environment -- and with one another.

To do this, we must leverage our commitments to the Paris Agreement and the SDGs to protect and nurture people and planet -- and erase bias, poverty, and inequality in *all* of its forms.

This requires raising our ambitions further.

It means *re-defining* our standards and indicators of quality of life.

² For instance: **Togo** built a fully digital cash transfer programme serving over 12 per cent of the population from scratch in just a matter of weeks. **Brazil** is implementing an Emergency Basic Income policy that involves registering millions of people who were not previously on administrative registries – it now reaches over 50 million people.

³ The World Health Organization (WHO) estimates 1.2 million new cases -- driven mostly by a spread to more populous developing countries -- Brazil, Mexico, India, Pakistan, Iran are amongst the largest ones. See: <https://covid19.who.int/>

This will take a whole-of-society and a whole-of-government approach, but I am confident we can do it.

I am confident because we already see many countries on a track to *build back better*.

We see it in the European Union's Green Deal, and we see it in the climate ambitions of over 100 countries through their National Determined Contributions (NDCs), which are supported by UNDP's Climate Promise.

Countries like **Rwanda, Vietnam, Somalia, Moldova, Chile** and **Nigeria** are using the crisis as an opportunity to reverse course and accelerate a sustainable growth trajectory.

This about much more than mitigation.

An increasing number of countries recognize that climate protection and social protection are one in the same.

They are using the NDCs to improve access to healthcare, energy, and digitization, and spark a "capabilities revolution" that will ensure a bright future for our young people.

Ladies and Gentlemen,

We *have* the frameworks we need in the SDGs, Paris Agreement and NDCs, and the political will and desire to live in a *better* way.

We *have* the science-and evidenced-based instruments and approaches - public and market based.

We also *have* the expertise and investments we need to succeed.

And, so, while the UN System is responding to the emergency -- it is also "building bridges" to the future.

Although many countries are still facing the worst of the pandemic, we must simultaneously look *beyond* recovery across key pillars including governance, social protection, digitization, the green economy and Universal Health Coverage.

Despite a reduced fiscal space, the UN System is working with governments to steer fiscal stimulus towards the "DNA" of this new, green economy through inclusive socio-economic policies that strengthens resilience and livelihoods and focusses on the most

vulnerable – including women, youth and small businesses -- to ensure that *no one is left behind*.

Conclusion / Way Forward

In conclusion, the SDGs provide us with the *blueprint* the world needs to implement the tailored, integrated solutions needed for a resilient recovery.

However, the bridge to “on-track” the SDGs will take two steps:

- The first will focus on mitigating the worst effects of the backslide in the SDGs currently underway -- and doing “whatever it takes” to protect the most vulnerable peoples around the world;
- The second is setting-up the fiscal and financial conditions for a hard “economic re-set” that is driven by new sources of productivity -- including green and digital engines of growth.

It is also notable that the “V-shaped” recovery projected by the IMF and multilateral development banks MDBs in February have given way to a more protracted “U” or “W” - shaped scenario of contraction or low growth.

These projections provide a *new* timeline for the next 12 months.

That is, most developing countries and the UN System will spend most of this period fighting the regress in the SDGs and setting the stage for comprehensive recoveries.

However, I believe that we can turn the monumental challenges that we now face – including the greatest reversal of human development in a generation -- into a *historic leap forward*.

The UN System will continue to work closely with Member States at this extremely challenging time -- in the weeks, months and *years* ahead.

And I am seeing that together, we are starting to seize this incredible opportunity to set the world on a greener, more resilient, and more sustainable path.

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