

24 November 2015

**Statement by H.E. Mr. Mogens Lykketoft,
President of the 70th Session of the General Assembly,
At the Africa Industrialization Day Celebration 2015 “SMEs for
Poverty Eradication and Job Creation for Women and Youth”**

Excellencies, ladies and gentlemen, good afternoon to you all.

It is my pleasure to join you as we celebrate the Africa Industrialization Day and I thank each of the organizers for convening this event.

This year's focus on strengthening small, medium enterprises is extremely appropriate.

To appreciate the role of SME's, one need only think of any local economy.

Think for example of the tea-vendor catering for weary shoppers at the market.

Think of the print shop that services the needs of local businesses.

Or think of the larger company turning a country's raw materials into more lucrative shelf-ready or exportable products.

Each of these SMEs provide jobs, income and, over time, important tax revenues.

They also provide goods and services which themselves drive other parts of an economy.

And they contribute significantly to economic growth, poverty eradication, social mobility, gender equality and much more.

With the Sustainable Development Goals, world leaders have promised action on poverty, inequality, energy, infrastructure, cities, ecosystems and, of course, economic development and industrialization.

Accounting for over 70% of the private sector and 80% of employment in Africa, SMEs can be major key drivers of these changes.

But despite accelerating GDP growth, economic development in Africa has not met the employment needs of a fast-growing population.

For Governments therefore, the challenge is two-fold. Create the right environment for SME's to flourish. And ensure that this supports outcomes such as the SDGs.

And as highlighted by today's theme, empowering young people and women is central to this.

As many of you know only too well, Africa's youth population is growing faster than in any other part of the world.

Providing these young people with jobs, with opportunities and with hope must be the number one priority and SMEs are central to this.

Fail to achieve this and we will see both higher poverty levels and greater social unrest. Succeed, and we sow the seeds for true social and economic transformation.

We also know very well about the empowering effect of employment particularly for women as well as the multiplier effect of such employment on other areas.

In particular, therefore, it is crucial to strengthen support for women-owned SMEs – currently between 30-37% in developing countries.

For all of this, a series of specific actions are needed particularly from governments.

It requires targeted public policies and greater access to finance for SMEs.

It requires support for capacity development and major investments in sustainable infrastructure such as energy, transport, and ICT.

And with the Paris Conference almost upon us, governments must embrace the economic development opportunities associated with climate action.

African Governments and African SMEs, however, are also in need of significant support from the international community, including as outlined in the Addis Agenda.

The United Nations, international financial institutions and others, for example, must become better at supporting governments in bringing forward economic development that is both socially inclusive and environmentally sustainable.

This requires a major shift in thinking – from a charity approach to one of justice, partnership and investment.

Right now, during this first implementation year, it also requires a dramatic shift in gear – from commitments to action.

And I encourage all you here today to contribute to both of these shifts so that we get implementation off to the best possible start.

If we do so, then the future for Africa's young people and for women everywhere can be one of both hope and opportunity.

Thank you.