Virtual Africa Regional Review Meeting in preparation for the 5th United Nations Conference on the Least Developed Countries,

Session 1: Ministerial Dialogue: Lessons Learned and Building Back Better.

Monday 22 February 2021

Intervention for European Union: Mr Koen Doens, Director General of the European Commission's Department for International Cooperation

- It's a great pleasure to attend this meeting.
- From the different interventions we have already heard at this session, one thing
 is clear for sure: the world will not meet meeting the Sustainable Development
 Goals we have set ourselves by 2030 unless significant progress can be made
 that allow Least Developed Countries to transition out of poverty and into
 sustainable development.
- Our meeting also makes clear the recipe for this is not straightforward.
- In that context, I would like to share with you three key messages:
 - 1. Poverty does not exist in isolation. It is closely connected with the other big global challenges of our time: climate change, digitalization, inequalities and the attempts to erode democracy. If our collective efforts to address these trends fail, individual countries' efforts to address the challenge of poverty will face major headwinds. This is compounded the fact that low income countries are part of regions where they co-exist with wealthier countries, which offers both the chance and the need to connect them to the more positive dynamics in the same regions.
 - 2. So how do we help partners address poverty against the tough headwinds of the future?
 - Even before the pandemic, the world was on a dangerously unsustainable path. Yet the crisis has exacerbated many of the world's structural imbalances, widening inequalities and hitting hardest those who are least able to cope.

- Leading a country through a pandemic has many similarities to leading it through a war, and some Heads of State have made that comparison. It reminds me of a quote from one of the greatest theorists of warfare, Claus von Clausewitz: "War is not just an act of policy, but a true political instrument". He meant that it could not be fought using military expertise alone; other perspectives had to be integrated, too. Applied to the pandemic, which has such a huge disruptive impact on the economy and society; it needs an approach that is "total" in nature, requiring a full scale mobilisation.
- Last spring, European Commission President Ursula von der Leyen called at the UN for a Global Recovery Initiative that is green, digital, socially just and resilient. The underlying concept behind it is sustainability, in its various forms:
 - ➤ Environmental: because a recovery is not sustainable if it doesn't take into account the need to stop climate change, which is steadfastly threatening our livelihoods and ultimately our existence. And because there is a business case to it: more than half of global GDP is dependent on high-functioning biodiversity and ecosystems and it is from food to tourism.
 - Digital: because a recovery is not sustainable if it doesn't fully embed the process of digitalisation of working and living, which the pandemic has accelerated. Still the digital divide and, within it, the gender divide is huge and, if not addressed, will deepen inequalities. We need a holistic digital rulebook that builds infrastructure for greater accessibility, invests in innovation and skills, protects data and privacy and is human-centric and value-based.
 - Socio-economic: because the recovery is not sustainable if it doesn't generate benefits for all parts of society in an inclusive way and if it doesn't accompany the demographic boom, in particular in Africa, and the need for domestic job markets that meet the young population's demands for decent jobs.

- ➤ **Governance**: because the recovery is not sustainable if our democratic institutions and mechanisms are challenged by populism and misinformation.
- 3. So what is the European Union doing to deliver as partner on the Global Recovery? By generating scale and by generating the right flexible tools.
- We generate scale through Team Europe. It brings together the expertise, networks and resources of the whole EU family European institutions, EU Member States, European Development Financial Institutions to provide a coordinated, efficient and impactful response to the challenges we face. In less than one year, Team Europe has:
 - Mobilised nearly EUR 40 billion to help partners respond to the health and socio-economic crisis, of which approximately half has been spent.
 - Led contributions to COVAX with over €2.2 billion, including recent pledges of €1.4 billion at the G7 meeting last week.
 - ➤ Invested in structural partnerships, for instance through the work of the European and the African Centres for Disease Control or by exploring how to best support African partners that have the capacity to build up local manufacturing and production capacity.
- We generate flexible tools through a more focused and efficient foreign aid budget for the period 2021 to 2027. In particular for Africa,
 - It will see a substantial financial increase compared to our previous 7year budget.
 - This increase in quantity will be matched by an increase in quality: our new budget will be more **flexible** to adapt to a rapidly evolving context, and more **responsive** to our partners' structural needs, helping to achieve **greater transparency and domestic revenue mobilisation**.
 - Crucially, it will make use of innovative mechanism to leverage the power of other actors. It will enable the design of **policy packages** bespoke to

the specific situation of our partner countries, combining our different tools to help restructure debt, to provide concessional financing and to offer technical assistance, as well as to foster private sector development.

- Europe and Africa are preparing to hold their next EU-AU Summit as soon as COVID-19 circumstances allow it.
- It is through a common understanding of the global challenges we face, a
 collective effort to address them through sustainable policy initiatives and
 international partnerships, and joint action that coordinates our resources and
 expertise, that we believe we have accelerate progress in our partner countries.
- Thank you.