

BRIEFING FOR THE ASSOCIATE ADMINISTRATOR

What: Ambassadorial Retreat in Preparation of LDC5

With: PRs, DPRs and technical staff of LDCs, international organisations and partners

Date/Time/Venue: 21 October, 18h30 – 21h00, Tarrytown House Estate

Statement

Excellencies,

Distinguished Delegates,

Dear colleagues,

The LDC5 conference constitutes a one-in-a-decade opportunity to put the spotlight on the LDCs and collectively support their development aspirations.

The extreme shock of Covid compounded LDC challenges, worsened inequalities and destroyed lives, livelihoods and opportunities. As a result of the COVID-19 pandemic, **LDCs are experiencing their worst economic crisis in 30 years -- per capita GDP for the group fell by 2.6% in 2020.**¹

And gains in human development and in critical areas like **gender equality** are starting to reverse.²

In 2021, extreme **poverty is projected to increase 3 percentage points on average across LDCs due to the effects of COVID-19.**³

Our **collective failure to bring along those further behind** undermine the effectiveness of global efforts to battle the pandemic and to drive an inclusive and sustainable recovery.

The **choices we make today will shape what the future will look like** for us and the generations to come.

At UNDP, our ambition working with countries and partners over the next four years of our 2022-2025 Strategic Plan is in particular to:

¹ Source LDC report – UNCTAD - 2020

² <https://news.un.org/en/story/2020/08/1071372>

³ UNCTAD (2020): The Least Developed Countries Report 2020. Productive capacities for the new decade.

1. Expand human capabilities through which 100 million people can escape multidimensional poverty

LDCs need increased public investment in social services to accelerate human development. In 2019, **25 LDCs spent more on debt service than on health, education and social protection combined.**⁴

UNDP will work with governments and partners to provide poor households with baskets of services (education, health, basic services, and internet). This will help to ensure that communities are more resilient in the face of the next global crisis. And it will reinforce pathways to greater prosperity for all.

2. Support access to clean energy for 500 million people

We are aiming to more than halve the number of people without access to electricity. The pace of innovation today in clean energy alone makes this a real possibility.

One to which UNDP is contributing through efforts like the Africa Minigrids Programme, improving the financial viability of renewable energy mini-grids in 18 countries, where some 285 million people live without electricity.

3. Transition to sustainable green economies to underpin prosperity for all

We know that current patterns of growth and development in many LDCs, often anchored in commodities production and export, have largely failed to create opportunities for young people. And the phenomenon of “jobless growth” is common.

This is a significant development challenge when 13 million new workers are expected to join the labour market annually in LDCs over the next decade. Yet we know that a just transition towards a green economy will create new green jobs that will pay better. For instance, **UNDP’s Climate Promise is supporting 118 countries and helping LDCs embrace clean, renewable technologies, boosting economies and creating new jobs.**

Moreover, consider the incredible opportunities associated with the **African Continental Free Trade Area** which opens-up a market of 1.2 billion people. UNDP is supporting countries to make new strategic investments in this burgeoning market.

4. Harness the power of digital technologies

⁴ https://www.unicef-irc.org/publications/pdf/Socialspending-series_COVID-19-and-the-looming-debt-crisis.

We must **sustain the unprecedented wave of digital innovation** created in the wake of COVID-19.

The **UNDP Accelerator Labs** network is building on this momentum – surfacing and scaling-up much needed-solutions in LDCs. Now serving 115 countries, **the labs supported over 1,700 local solutions in 2020 alone.**

And UNDP and the International Telecommunication Union have just launched a **Joint Facility for Digital Capacity Development** to equip people with much-needed digital skills -- including in LDCs.⁵

5. Promote the investment of over \$1 trillion of public expenditure and private capital in the SDGs

Transformations at scale require substantial public and private financing. The world has sufficient wealth – but it is not yet put to work for the SDGs.

Building on our technical co-lead role in the UN on Integrated National Financing Frameworks (now in over 70 countries) we are calling for a combination of **additional concessional financing, timely debt relief, and transformative reforms -- including the strategic use of catalytic blended finance solutions to attract sustainable private investment towards the Global Goals.**

Distinguished guests,

Only **a big push can get us back on track to deliver on the SDGs.** A Recovery Facility that strengthens the capacity of LDCs in these key development areas would be critical. Now is the time for collective ambition.

Thank you.

⁵ <https://www.undp.org/press-releases/itu-and-undp-join-forces-address-urgent-unmet-capacity-building-needs>