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**Opening Statement by**

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**Under-Secretary-General & High Representative  
for the Least Developed Countries, Landlocked Developing  
Countries and Small Island Developing States**

**at the**

**10<sup>th</sup> Ministerial Conference of the LDCs**

**Fair Globalization: Innovative Solutions for LDCs'  
Industrialization and Structural Transformation**

**VIC, Vienna, Austria**

**24 November 2023**

**Time available: 7 mins**

**Mr. Chairman,  
Honorable Ministers,  
Director General of UNIDO, Mr. Gerd Muller,  
Excellencies and Distinguished Delegates,**

**I am pleased to welcome you all to this 10th LDC Ministerial Conference.**

**I wish to express my sincere thanks and appreciation to UNIDO for its collaboration with my office to organize this event. We deeply value this partnership.**

**I appreciate the focus of this Ministerial on innovative solutions for LDCs' industrialization and structural transformation.**

**Sustainable industrialization can play a vital role in charting the LDCs' pathway towards prosperity. This was recognized both in the Istanbul Programme of Action and the recently adopted Doha Programme of Action for the LDCs. Yet little progress has been made in these countries in past decades.**

**For example, from 2011 to 2019, the contribution of manufacturing to GDP remained relatively constant, at about 10 per cent in LDCs.**

**The lingering impacts of COVID-19 pandemic and other overlapping crises – from economic shocks to geopolitical conflicts, and the adverse effects of climate change, further aggravated the situation.**

**LDCs are now home to more than half of the world's most impoverished - an estimated 377 million people. In 2020 alone, an additional 32 million people in LDCs were pushed into extreme poverty.**

**More than one third of all food insecure people live in LDCs, which amount to roughly 277 million people.**

**More than half of the LDCs are either in debt distress or are at serious risk of debt default.**

**More than ever, LDCs need structural transformation in agriculture, manufacturing, and services to create new opportunities and overcome these longstanding development challenges.**

**Allow me to share a few specific thoughts in this regard:**

**First**, we must find ways to increase productivity at scale in the LDCs' key economic and export sectors, such as agricultural exports, mining, and other niche sectors, such as the garments industry. Value addition coupled with diversification remain core to their economic progress.

LDCs must tap into emerging sectors. Agro-business, ICT, renewable energy, and local input-intensive manufacturing are areas of opportunity. LDCs need enhanced support to increase access to the necessary skills to attract investment in these areas.

**Second**, LDCs must have reliable sources of energy to address basic needs of their populations and to accelerate their economic growth.

Currently, two-thirds of the global population without access to electricity live in LDCs – roughly 481 million people. This must be addressed urgently. LDCs need enhanced investment in the energy sector and access to modern technologies to harness the potentials of their renewable energy sources.

**Third,** access to technology, specifically ICT, will be critical to driving structural change. A staggering 720 million people living in LDCs are not online.

By closing the digital divide, technology can play a greater role in driving innovation, productivity, economic growth, and supporting trade facilitation.

**Finally,** the Doha POA offers keys to unlocking the potential of the LDCs, namely through its 5 deliverables: an Online University; a Sustainable Graduation Support Facility or iGrad; an International Investment Support Centre; a Food Stockholding Mechanism; and a Resilience Building Mechanism for LDCs.

An Online University can expand access to quality education and job training for the growing numbers of youth in LDCs. This will unlock untapped potential for business and innovation, and building human capital, such as managerial and technical skills.

The Sustainable Graduation Support Facility or iGrad will support LDCs in the graduation pipeline to prepare smooth transition strategies and tackle post-graduation challenges.

**The International Investment Support Centre would engage all stakeholders - including the private sector - to enhance foreign and domestic investment, focusing on expanding domestic industrial and entrepreneurial base to accelerate inclusive development.**

**A Food Stockholding Mechanism can have transformative impact in ensuring agricultural and food security in LDCs.**

**The Resilience Building Mechanism for LDCs will safeguard progress on development and structural transformation by supporting national adaptation plans, financial risk management, and early warning systems.**

**My Office is using all available tools to mobilize resources for the implementation of all DPOA deliverables. The feasibility studies for the deliverables are being conducted and shall be presented to the UNGA.**

**Excellencies,**

**Let me bring to your kind attention to two important conferences coming up next year.**

**In June 2024, we will have the Third UN Conference on LLDCs to be held in Kigali, Rwanda.**

**This is a once-in-a-decade opportunity to explore innovative solutions and build meaningful partnerships to unlock the potential of the 32 LLDCs, 17 of which are LDCs. There will be a briefing session on the Conference later this afternoon.**

**The Fourth International Conference on Small Island Developing States (SIDS4), hosted by Antigua and Barbuda, will take place in May next year.**

**8 SIDS are classified as LDCs. The SIDS4 Conference will be a crucial opportunity to advocate on the world stage for the common challenges of LDCs and SIDS, especially their vulnerability to the effects of climate change.**

**Excellencies,**

**It is time to change the trajectory for industrialization and structural transformation in the LDCs.**

**If we harness this potential by removing the barriers that stand in their way – from access to finance, education, and food, to trade barriers, and other structural constraints – the LDCs will chart a prosperous future for themselves.**

**The Doha POA put renewed emphasis on scaling up industrialization and investment in LDCs to achieve the SDGs.**

**Our success depends on national ownership, as well as the localization and mainstreaming of the DPOA with national development strategies. We need strong multi-stakeholder support from development partners, IFIs, MDBs, civil society and the private sector.**

**I look forward to working with all of you all to further harness the potentials of industrialization and structural transformation to bring about real changes in the lives of 1.1 billion people in the 46 LDCs.**

**I thank you.**