



High Level Political Forum Session on Africa, LDCs and LLDCs

Mobilising international solidarity, accelerating action and embarking on new pathways to realise the 2030 agenda and respond to COVID-19

9 July, 2020

Introduction

Excellencies, ladies and gentlemen.

When the Sustainable Development Goals were agreed in September 2015, there was hope that the world will increasingly become a better place in our journey towards 2030.

Governments, civil society, private sector, development partners and other stakeholders made firm commitments to advance *The World We Want*. Mechanisms such as this High Level Political Forum (HLPF) were rightfully built to ensure we would come through on these commitments.

We have been making progress, but the reality is that we are not on track to achieve all of the goals. In some areas we are moving in the wrong direction. The stark impact of the COVID-19 pandemic on the world will make this even worse, and we are likely to backslide on overall progress for the first time in many years.

Those who will be impacted most are the most marginal and vulnerable among us, and that is our focus today. The impact on less developed countries (LDCs), landlocked countries, and African countries will be greater than most parts of the world, as they are largely the least resilient countries in the world.

As we look to help these countries mitigate the impacts of the crisis and “build back better”, we must ensure we are thinking about strategies and structural changes that will help in both the short-term and the medium-term so that we are developing stronger and more resilient countries for the future. **We must go back to the call made last year in the SDG Summit by Heads of State and Government to treat this decade we just entered as the Decade of Action, the decade we get back on track to deliver on SDGs. Now though, we have to do that in the face a global pandemic that threatens to erase a lot of the gains we had already made.**

Today’s Shocks Uncover Longstanding Weaknesses

LDCs were already challenged before COVID-19. This health crisis of our generation, and its ancillary shocks, are now only highlighting what have been long-standing weaknesses in the systems of these countries.

- **First, the impact of Covid-19 has revealed fundamental weakness in our health systems,** leaving governments wondering what became of the huge investments in health systems strengthening following the Ebola crisis. It is very unclear if we have learnt from the Ebola crisis. **In each case, the human cost has been tragic especially for the most vulnerable among us and for the LDCs.**

- **Second, the economic fallout from the Covid-19 shock shows the fragility of many of these economies, which are overly dependent on the informal economy and industries like tourism and or single value chains.** While half of the worlds employed people live in the informal sector, a disproportionate proportion of these people live in LDCs and LLDCs. In some countries, 50% of these people lost jobs overnight when lock downs were instituted. The ILO estimates that almost 1.6 billion informal economy workers are struggling with their capacity to earn a living and support livelihoods of themselves and their families. Even with unprecedented stimulus packages in developed countries, there are clear indications that things will get much worse for developing economies before they get better. In late June, the IMF released the latest growth forecast which downgraded global growth in developing and emerging economies from 2.4% in April to -3.0%, raising concerns of a possible global recession that has not been seen in the last 30 years. **These countries will also be hit the most by reduced aid flows and huge reductions in remittances.**
- **Third, market and trade shocks as a result of restrictive policies has led to price hikes for imports and disrupted supply chains between and even within countries leading to further economic challenges and food insecurity.** Food producers and workers have struggled to produce or to get goods to market, increasing the number of vulnerable people in need for social safety net programmes. **In low- and middle-income countries, 265 million people go to bed hungry** as a result of the pandemic and the World Bank estimates that global poverty will increase to 8.6% from 7.8%. Data presented to this meeting early in the week shows that 71 million people will be added into extreme poverty by 2020. Women and children will be worse off.
- **Fourth, new vulnerabilities have emerged that are likely to hold back growth.** Emerging economies, in particular, have seen a rapid build-up of private debt in reserve currencies. Yet, due to COVID-19, countries are faced with additional spending needs to finance the immediate health response, provide support to households and firms, and invest in the recovery. At the same time, revenues are collapsing, particularly for commodity exporters and tourism and other services-dependent countries. These issues will make it more difficult for LDCs and LLDCs to repay their debt.

The crisis has not only highlighted the fragility of our systems in these areas, but also their interconnectedness. These problems can only be managed through collective action that builds resilient systems long before they become full-blown crises. They must be acted upon not only as singular threats with emergency response, but as a series of shocks with a long-term approach for more resilient societies.

Priorities to Consider as We “Build Back Better”

Urgent and decisive action is needed now more than ever in the face of this crisis. Clearly, where action is needed the most is not where resources to act are found. We need to approach action with this mind-set, a mind-set of solidarity for mankind, a mind-set to minimize reversal of our gains towards SDGs and a mind-set that recognizes that we must look at underlying root challenges and address the structural transformations required, in the short term but also in the medium to long term.

As we think through what that might mean, we may want to consider the centrality of **Agriculture and Food Security**: Many LDCs, LLCs and African states risk becoming food insecure as a consequence of both the climate and now the covid19 crisis. It is important to prioritize agriculture by declaring it a critical sector that should not be interrupted by COVID-19 related measures or by reductions in funding. Food corridors need to be secured, and producers supported, to ensure uninterrupted supplies and food security. Similarly, focus should be on regions and communities where risks are most acute, strengthening social protection systems and safeguarding access to food and nutrition for the most vulnerable groups, especially young children, pregnant and breastfeeding women, older people and other at-risk groups. LDCs, LLCs and Africa must be supported to avoid hunger and major reversal of SDG2 as a result of these crises.

Trade: There is need to rethink trade given its centrality to access of affordable food, employment and livelihood improvement among the LDCs, LLCs and in Africa. This is especially now with the discussion on shorter versus longer value chains and their implication on regional and international trade.

Technology: Even when lockdown measures are fully relaxed, economic activity is not likely to return to full capacity, due to changes in individual behaviours and measures put in place to maintain physical distancing and contagion. Technology presents an opportunity to rebound economies, drive growth and improve services to the poorest and most vulnerable. The COVID-19 pandemic could be a game changer for **digital services**. Low income households and small firms can benefit greatly from advances in mobile money, fintech services and online banking in a move towards **financial inclusion** that can also boost economic growth. While the pandemic is set to increase use of these services, it has also posed challenges for the growth of the industry’s smaller players and highlighted unequal access to digital infrastructure. Several actions will need to be taken to ensure maximum inclusion going forward.

Food Systems Summit: Finally, the 2021 Food Systems Summit launched last year by the UN Secretary-General as part of the Decade of Action provides a huge opportunity for the world to come together and commit to a different path to achieving the SDGs. The Food Systems Summit recognizes that at the current pace we will not achieve most of the SDGs. But it also recognises that how we produce and use food while a major problem, does have built in solutions and opportunities that we can harness. Therefore, as we prepare for the Summit, we will be looking to draw out actions and commitments from all levels of society that can get us firmly back on track to deliver our goals for people, planet, and our shared prosperity.

Closing

Finally, as we seek to answer the key question on how we mobilise international solidarity, we should consider mobilizing available public resources to augment what private citizens are doing to help the poor and vulnerable. We should be working on some of the national macro-economic levers to sustain businesses, and discussing with international creditors about cancelling – or rescheduling – repayments, of some of their debts.

Tackling COVID-19 and its impacts will require partners who can work across systems and sectors and in contexts that are both complex and uncertain. Mobilising international solidarity will offer us the opportunity of avoiding a reversal of the gains our economies have made in people, their rights, opportunities and dignity.

I look forward to this discussion and to working with all of you on moving forward with action.

Thank you.

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