

THE DEPUTY SECRETARY-GENERAL

REMARKS AT LDC5 CONFERENCE

Keynote statement at the

**High-level Thematic Round Table 8
“Supporting Sustainable and Irreversible Graduation
from the Least Developed Country Category”**

Thursday, 9 March 2023, 9.00am – 12.00 pm

Roundtable Hall, QNCC, Doha

H.E. Ms. Mariam Chabi Talata Zime Yerima, Vice President of Benin,

H.E. Ms. Heidy Rombouts, Vice-Minister for Development Cooperation and Humanitarian Aid, Belgium

Excellencies,

Ladies and Gentlemen,

When the Least Developed Countries category was created more than 50 years ago – no one thought that it would still be needed today.

In 1971, the number of countries falling under the LDC category was 25. Today, the LDC category accounts for 46 countries.

Only four countries have graduated since 2011.

16 are on path to graduation and the Doha Programme of Action sets the aspirational goal of 15 additional countries – many of them African countries yet to reach graduation criteria.

To ensure a growing number of countries succeed in their efforts towards achieving the Sustainable Development Goals (SDGs), we must urgently strengthen the graduation process and overcome the multidimensional challenges and

external shocks suffered by this group of 46 countries – home to 1.1 billion on this planet.

The World has changed significantly since the previous Programme of Action moved LDC graduation to the center of the development discourse.

Today, graduations are happening in more challenging conditions.

Global crises are also increasing in frequency and intensity.

As a result, we now face the second year in a row where no progress has been made on the SDGs – at precisely the half-way point to 2030.

The last two years have demonstrated, like never before how vulnerabilities are intertwined and can cascade exponentially.

That is why we must take a closer look at how we are assessing vulnerabilities. We must also assess the weight that such vulnerabilities have in how the international community grants support and access to development finance. Such an endeavor must be aligned with the recommendations of the Common Agenda Report of the

Secretary-General, calling for a Beyond GDP era and the work underway to develop a Multi- dimensional Vulnerability Index.

Ladies and Gentlemen,

Most LDCs have limited fiscal space, high external debt, macroeconomic imbalances, widespread poverty and underdeveloped or no social protection systems.

The SDG performance of most LDCs remains below the global average, despite progress over the long-term.

Just over half of the population of LDCs have access to electricity.

The percentage of population in LDCs using the internet is at 23.5 per cent – less than one in four people.

For many, the COVID-19 pandemic is far from over.

The cost-of-living crisis and disruptions in food, energy and finance markets, the ever more present climate crisis, and rising inflation – which we know means hyper-inflation in the developing world – make for a perfect storm.

None of this is caused by LDCs.

But of all these crises affect LDCs the most.

In fact, the multidimensional risk outlook has increased across 21 LDCs – led by deteriorating macroeconomic, security, and labour risks.

This calls for greater consensus-building to renew and reinvigorate partnerships and ensure that LDCs are supported in their efforts to:

Invest in people; leverage the power of science, technology and innovation for sustainable development;

Fast track structural transformation;

Enhance participation in international trade and regional integration;

Address climate change and care for the environment; and boost resilience.

LDCs need additional support from the international community to mobilize resources at scale – while providing an even playing field for LDCs on the international market.

For example, as the World is embarking on a transition towards low-carbon economies, we must ensure that this transition is just – not only at the national level but also at the global level.

It must enable LDCs, including graduating countries, to participate in and benefit from the opportunities that a global low-carbon economy provides, while avoiding the age-old resource curse.

It must avoid creating new barriers to trade and push firms and small producers in LDCs behind.

It must give particular attention to Africa, where most LDCs are concentrated.

Ladies and gentlemen,

We know, as it happens with any graduation, it is both the end of one phase and the beginning of the next.

We must work together to ensure that graduation does not mean less support, but opens up new possibilities for support to address new challenges.

You have our promise that the United Nation will keep pushing for immediate – and longer-term – transformations of the international financial architecture to ensure it is equitable, resilient, and accessible to all.

The Secretary-General’s call for an SDG Stimulus includes a three-pronged call to action, all of which remain highly relevant for LDCs.

First, developing countries need debt relief commensurate with their vulnerabilities– alongside efforts to ensure they can access debt at lower interest rates, with enhanced transparency.

And they need debt relief now, not at some point in the future when a better international framework is hopefully in place.

Thirteen LDCs are at high risk of debt distress, with four being already in debt distress.

And LDCs make up 11 of the 25 developing countries that currently spend over 20 percent of their government revenue on servicing their debts – instead of servicing their people.

Second, LDCs should be supported through efforts to massively scale-up long-term and affordable financing for development.

This also includes ensuring that Official Development Assistance commitments are met – and that the quality of that aid is improved.

Third, LDCs should benefit from expanded contingency financing – including through the systematic application of disaster and pandemic clauses in all debt contracts.

While a country-specific approach is needed, we should also acknowledge that that transition measures provided by development and trading partners are insufficient to ensure a smooth transition.

More trading partners should extend trade preferences for a number of years beyond graduation, like the “Everything but Arms” initiative of the EU announced at the Third LDC Conference in Brussels.

These resources must be invested where they matter most – in long-term sustainable development outcomes, with the SDGs as our guide.

Achieving the SDGs in the LDCs is a litmus test for achieving the 2030 Agenda writ large, including by ensuring that no one – and no LDC – is left behind. That is why, the DOHA Plan of Action must be seen as a vehicle for SDG Acceleration, not as a different platform or parallel agenda.

This means also providing targeted support to women and vulnerable populations on the ground, including persons with disabilities and youth, who need reinvigorated support to reach their full potential.

Nowhere was this made more evident than during my recent trip to Afghanistan a few weeks ago.

Without good governance and the meaningful engagement of women and girls in decision-making, hard won gains in universal access to quality education, skills and lifelong learning, and gender equality could be easily reversed.

While we know the solutions – the path to get there will not be easy.

In the coming years, the graduation pathway will be riddled with added crises, increasing global economic uncertainties, escalating climate and disaster risks and vulnerabilities.

Given these challenges, the need for dedicated capacity development support on graduation that is country-led and tailored to country context is more urgent than ever.

Such support should help graduating and graduated countries build resilience to effectively recover from current and future shocks and sustain progress – so that countries move out of the LDC category without any disruptions to their overall sustainable development –and in fact with more tools at their disposal to achieve the SDGs

Going forward, I count on all of you – including the United Nations System – to ensure these recommendations are translated to the ground in an efficient and meaningful manner.

UN Resident Coordinators in graduating countries, many of whom participated in this conference, will play a crucial role in identifying the needs and coordinating support and ensuring, together with UN country teams they are well captured in the Common Country Assessments and Cooperation’s Frameworks of all 46 LDCs.

The role of the iGRAD – the Sustainable Graduation Support Facility will be critical in ensuring that RCs and UNCTs have

**access to the support they need as they design the
Cooperation Frameworks and for implementation.**

**I look forward to a fruitful discussion on how we can work
together to ensure that one day, the LDC category will be a
relic of the past.**

I count on each and every one of you to speed up this date.

Thank you.
