

UN High-Level Political Forum on Sustainable Development
(13 July 2021)

Keynote Address by the Prime Minister of Pakistan

**Excellencies,
Distinguished Delegates,
Ladies and Gentlemen,**

This High Level Political Forum is being held at a critical moment in human history. The world is facing an unprecedented triple challenge: the COVID-19 pandemic; the reversal of economic progress; and the existential threat posed by climate change.

I commend the excellent role played by the UN Secretary-General and the entire UN system's relief and recovery efforts in the wake of the pandemic.

By the grace of Almighty Allah, Pakistan has been more fortunate than other countries. Through our policies of “smart lockdowns” and focus on the disadvantaged, we have been able to some how contain the virus. We managed to save precious lives and at the same time livelihoods. I appreciate the international recognition of our pandemic containment strategy and our *Ehsaas* social protection programme. We are now making all possible efforts to accelerate our vaccination campaign.

Unfortunately, the COVID-19 pandemic revealed and accentuated the endemic inequalities which exist within and among nations. The global economy will not recover fully until all countries – rich and poor – are enabled to accelerate and expand investment for achieving the SDGs and climate goals.

I believe that the following actions, at the national and international level, are indispensable to respond effectively to the triple crisis:

First, universal and affordable access to COVID-19 vaccine is essential to defeat the virus and to revive global trade, investment and growth. The world must ramp up vaccine production, including in the developing countries, and

ensure its rapid distribution. While the support offered by some major nations is commendable, more needs to be done. Of vital urgency is:

- The waiver of intellectual property rights, even if temporary;
- Vaccine production under license;
- Full funding of COVAX facility; and
- Provision of grants and concessional lending to enable developing countries to purchase vaccines at fair prices.

Second, adequate finance must be mobilized to enable the developing countries to meet the triple challenge of COVID recovery, SDG implementation and realization of environmental goals. There are synergies in these 3 challenges which should be utilized to “build back better.”

The high-income countries have been able to inject \$17 trillion to stimulate their economies. The developing countries on the other hand are estimated to need at least \$4.3 trillion to recover from the crises and implement the SDGs. They have so far unfortunately secured access to less than 5 percent of this amount.

Last September, I had proposed the creation of new IMF Special Drawing Rights as an effective way to generate development financing. I welcome the agreement to create \$650 billion in new SDRs. Yet, the additional reserves created for the poorest countries will not provide anywhere close to the magnitude of financial relief they require.

It is, therefore, essential that the proposal of the IMF Director-General, that the high-income countries voluntarily re-allocate a part of their unutilized IMF quotas, and this should be approved urgently.

I hope that at least \$150 billion will be re-allocated to finance sustainable development projects and programmes in developing countries through the IMF, World Bank and other development banks and institutions.

The restructuring of high-cost debt is another essential instrument to provide fiscal space and development finance for the affected developing countries.

Any “common framework” for debt restructuring should not involve protracted negotiations that would defeat the purpose of debt relief.

At this critical time, commitments made to provide concessional and grant finance to developing countries, including the 0.7 percent ODA commitment, and the advanced IDA-20 window of \$50 billion, must be fulfilled.

Similarly, fulfilment of the commitment made by developed countries to provide \$100 billion per year in climate finance is vital, including for the success of the COP-26 in Glasgow. The accumulated climate finance commitment now amounts to over \$ 1 trillion. The amounts offered for development cooperation, including ODA, cannot be double-counted as part of the climate finance commitment.

At least, 50 per cent of the climate finance should be allocated for adaptation. It would enable developing countries to implement their climate commitments in accordance with the principle of “common but differentiated responsibilities.” Pakistan’s landmark projects such as our “Recharge” initiative and 10 Billion Tree Tsunami project can benefit greatly from such support.

Third, national and international development strategies should target sectors that enable developing countries to respond to the triple challenge. And these include:

- COVID recovery;
- Human development;
- Social protection;
- Renewable energy;
- Sustainable agriculture;
- Climate change; and
- Digitalization.

Investment in sustainable infrastructure – which impacts 92% of the SDGs – must be a central part of development strategies. The UN – with its unique

convening power – should initiate a multi-stakeholder dialogue to mobilize the \$1 trillion investment required annually in sustainable infrastructure.

Moreover, the UN development system, including the SDG Investment Fair, can make a vital contribution in enabling developing countries to propose viable projects that can attract public and private investment.

Fourth, the structural and systemic deficiencies of the international financial and trade architecture need to be addressed comprehensively and urgently.

The international trade regime must provide all developing countries with equitable and preferential access to global markets. Protectionist measures erected by some major economies in violation of the WTO agreements must be rescinded.

The vast amounts of illicit finance which flow out of the developing countries must be halted. Their stolen assets should be returned unconditionally. The 14 recommendations of the FACTI Panel deserve to be endorsed and implemented. I welcome the U.S. proposal for a minimum global corporate tax to prevent profit shifting and tax evasion.

Excellencies,

The COVID-19 pandemic has once again revealed the essential unity of humanity and the close interdependence of nations. This crisis should crystallize awareness of the immutable importance of the principles and purposes of the UN Charter. We must focus on peaceful and just resolution of disputes and promote international cooperation for building a more equitable, stable and prosperous world.

I thank you!
