

## Statement by Ms. Dima Al-Khatib Director, United Nations Office for South-South Cooperation

African countries, Least Developed Countries and Landlocked Developing Countries: Turning the tide, regaining lost ground and embarking on the road to the SDGs

> Thursday, 13 July 2023, 4:15 PM - 6:00 PM Conference Room 4 at UNHQ

Your excellencies,

Distinguished delegates,

The United Nations Office for South-South Cooperation recently supported the convening of the 21st session of the High-level Committee on South-South cooperation. During this session we heard Member States and development partners reiterate the contribution and potential of South-South and triangular cooperation for accelerating recovery from the COVID-19 pandemic and for the achievement of the SDGs, particularly for least developed countries (LDCs), landlocked developing countries (LLDCs) and small island developing States (SIDS).

Over the past few years South-South cooperation evolved in the context of global crises resulting from the COVID-19 pandemic, climate change, and ongoing conflicts around the world. Those crises, in addition to increasing debt levels, caused a worldwide economic slowdown, which in turn disrupted South-South cooperation on trade and investment, infrastructure development, remittances and numerous other beneficial exchanges.

Despite these challenges we saw numerous South-South cooperation initiatives that followed the collaborative vision set out in the Buenos Aires Plan of Action. Developing countries and their partners continued to foster regional integration, self-reliance, capacity development and international cooperation, responding to the needs of LDCs and LLDCs and the interests of SIDS.

Most efforts were focused on improving health, food security, humanitarian assistance, education and the regulation of migration; advancing South-South trade and investment; including women in development processes; infrastructure



development; enhancing financial cooperation; protecting the environment; and expanding digitalization, industrialization and the use of science and technology for development.

Another notable trend is the reinvigoration of engagements in triangular cooperation by developed countries through the provision of financial resources and technical expertise to support a wide range of activities to achieve the SDGs.

And finally, there was a surge in the formation of interregional South-South cooperation alliances in recent years that have benefited from significant support from the United Nations Development System.

In this regard, we should look to South-South and triangular cooperation as an inspiration for vitality and innovation to support countries of the global South, especially LDCs and LLDCs, through immediate and long-term development challenges.

To accelerate the recovery from COVID-19 and ensure progress towards the SDGs, advance the Doha Programme of Action, Africa's Agenda 2063, and the Vienna Programme of Action through South-South cooperation, several transformative measures could be considered. Here are some key actions and recommendations:

1- Supporting Resilience and Sustainability through South-South and triangular cooperation: These development cooperation modalities could be leveraged to enhance resilience building and prepare countries against future shocks, eradication of poverty, address loss and damage in climate change, mobilize financial and in-kind resources and promote transfer and adaptation of technologies to address these crises that are affecting developing countries most adversely.

This could be achieved through enhancing the institutional capacities and human resources in LDCs and LLDCs to unleash structural transformation and address the overreliance on primary commodities. This can include training programmes, workshops, and technical assistance to enhance skills, for example, in trade policies, transport, logistics, customs administration, and infrastructure development. Building institutional capacity is essential to allow LDCs and LLDCs to effectively manage their transit trade and



implement trade facilitation measures. By enhancing the skills and capabilities of LDCs and LLDCs, South-South cooperation could help them effectively engage in regional, subregional and interregional trade agreements that would provide them with additional market access.

For example, the International Think Tank for Landlocked Developing Countries is working with UNITAR to help LLDCs to develop networking opportunities in areas related to trade and transport policy development, business and investment facilitation, digital finance and frontier technologies, entrepreneurship and private sector development.

2- Another vital area is **resource mobilization and access to innovative financing**. South-South and triangular cooperation can facilitate innovative resource mobilization and financing for recovery efforts. Developing countries with financial resources and expertise can support African countries, LDCs, and LLDCs in accessing funding for COVID-19 socio-economic recovery, and SDG implementation.

This could include greater participation in innovative funding mechanisms such as blended finance and support for the adoption of an investment promotion regime for LDCs as agreed in the Doha Programme of Action; access to a portion of the sovereign funds of developing countries available for investment abroad; including easier access to grants, concessional loans, and attracting private investments through joint projects and partnerships. This also includes providing debt relief measures, including debt restructuring and suspension of debt payments.

During the pandemic many southern countries provided resources and developed financing mechanisms to support countries in need, especially LDCs. For instance, the Saudi Fund for Development continued to provide soft loans to developing countries, in particular LDCs, for development projects in areas such as transport and communications networks, energy and education to help them to achieve their development goals and improve the quality of life for their people. However, more efforts are still needed.

3- **Promotion of Trade, investment and regional integration** are also critical areas for Africa, LDCs and LLDCs. South-South cooperation can facilitate



linkages for increased trade and investment opportunities among countries of the South. Encouraging regional integration, investment flows and supporting the implementation of the African Continental Free Trade Area (AfCFTA) agreement, can boost economic recovery, regional value chains, create jobs, and promote sustainable development. It is predicted that, by 2040, the implementation of the Agreement will help to raise intra-African trade by 15 to 25 per cent, or \$50 billion to \$70 billion and will help to lift 30 million people out of extreme poverty.

Sharing market information, promoting business linkages, and fostering entrepreneurship can unlock the potential for economic growth and diversification. This is especially crucial for LLDCs. This can create more opportunities for them to participate in regional markets and reduce their reliance on distant markets accessed through lengthy transit routes.

4- Climate action and environmental cooperation are critical to ensure environmental sustainability. Encouraging collaboration on renewable energy projects and climate resilience strategies through South-South and triangular cooperation can help in transitioning to more sustainable and climate-friendly development paths. Sharing experiences in climate change adaptation, mitigation, and sustainable natural resource management and engaging in environmental regional cooperation can support resilience. Joint initiatives in renewable energy, conservation, and ecosystem restoration can contribute to a greener and more sustainable future. However, this also requires access to innovative technologies to support such efforts.

My Office, through the India, Brazil and South Africa Facility for Poverty and Hunger Alleviation, supported nine African countries in the deployment of solar-operated systems of water pumps to expand access to clean, affordable energy and safe water for household and agricultural use.

5- Strengthening digital connectivity is another vital area for Africa, LDCs and LLDCs. Cooperation on digital infrastructure development, connectivity and digital skills training can enhance economic resilience, improve access to services, promote inclusive growth and bridge the digital divide. This will also



improve access to essential services, education, and economic opportunities, especially in remote and underserved areas.

The UN development system has been very active in supporting countries in the global south in implementing digital transformation projects. For example, the UNCTAD eTrade for Women initiative enabled women digital entrepreneurs across the Africa region to benefit from business and leadership skill-building workshops and enhanced access to policymakers through policy dialogues.

6- Last but not least, Africa has the youngest population in the world, with 70% of sub-Saharan Africa under the age of 30. Such a high number of young people is an opportunity for the continent's growth. South-South and triangular cooperation can facilitate **partnerships for education and skills development for the youth** whose opportunities were disrupted by the pandemic. This will ensure that young people in these regions have access to quality education, vocational training, and enhance their digital literacy that will provide decent work opportunities

By leveraging South-South and triangular cooperation in these ways, African countries, LDCs, and LLDCs can accelerate recovery from COVID-19, and foster inclusive, sustainable development and resilience towards achieving the SDGs.