



**United  
Nations**

Committee for  
Development  
Policy

**Statement by Sakiko Fukuda-Parr, Chair of the Committee for Development Policy  
2023 ECOSOC High-Level Segment  
July 20, 10:00-10:30am**

Mr. Vice-President,

Excellencies,

Distinguished delegates,

The Committee for Development Policy met from 20 to 24 February. In the fulfillment of its mandate to examine and make recommendations on ECOSOC's annual theme, the Committee addressed the issues of **just transition** and **external debt**, and took stock of the lessons from its analysis of the voluntary national reviews, or VNRs. It also addressed several issues related to the **least developed country, or LDC**, category.

Before I report on this year's session, I would like to take advantage of the significance of this halfway point in the 2030 Agenda implementation period to stress the central message stemming from the work of the CDP over the years, which is as urgent as ever: **fulfilling the potential of the SDGs requires transformative action in the form of coherent, integrated and inclusive strategies and policies that address the root causes of inequality, poverty and environmental degradation.**

The COVID-19 pandemic and the war in Ukraine have had a dramatic effect on the prospects of achieving the SDGs. But we cannot forget that, even before 2020, the world was not on track. Inequality and climate change were threatening the already insufficient advances. So it is not enough to aim to recover or build back from the recent crises. Our analysis of the VNRs over the years unfortunately showed little evidence of transformative action. But, as this year's Global Sustainable Development Report opening lines affirm, "Transformations are possible, and inevitable". The CDP has made a number of recommendations over the years for transformation towards sustainable, inclusive development.

Excellencies,

This transformation must advance us toward low-carbon and environmentally sustainable economies while also fulfilling the pledge to leave no one behind, an essential component of the 2030 Agenda. As we have stressed repeatedly, leaving no one behind also implies **pushing no one – neither people nor countries - behind**. This is why the concept of **just transition** is of central importance at this time, and why it is not enough to think of just transition only within national borders. The global consequences of national policies and historical responsibilities must also be addressed. Moreover, although compensation for loss of income and livelihoods is at the origin of the concept of just transition, our current context demands greater ambition. The transformation toward a low-carbon future should be used to fundamentally change inequities that are no longer tolerable, such as the confinement of developing countries to only the primary stages of global value chains, and the severe under-representation of women in certain sectors of the economy, including the energy sector.

Among our recommendations for a just transition, we stressed the following elements: 1) the need for inclusive processes of social and political dialogue; 2) financing, technological and intellectual property rights frameworks that work for developing countries; 3) policy space for developing countries to pursue industrial policy as a means of developing productive capacities and upgrading their economies in the context of their just transitions; and 4) the need to avoid measures that effectively shift the burden of the transition onto poorer countries, and instead formulate mitigation strategies in ways that promote the participation of developing countries in emerging value chains.

The second theme addressed by the CDP this year was the **escalating external debt distress and financial constraints currently faced by many developing countries**. The impacts of the COVID-19 pandemic, the war in Ukraine, high food and energy prices, rising international interest rates and currency depreciation have all contributed to the fact that the number of LDCs and low-income countries in debt distress or at high risk of debt distress is now higher than at the aftermath of the 2008 financial crisis, and more than double that of 2013. The debt situation in many middle-income countries is following a similar and highly worrying trend. This situation severely impacts the capacity of governments to address critical and urgent situations of poverty

and hunger, as well as their capacity to act towards meeting the SDGs and to invest in climate resilience.

The CDP recommended that the Council call upon Member States and the international community to urgently improve the method, process and speed of debt relief to developing countries. Countries should take the necessary actions to avoid future debt crises and should be incentivized to increase their debt management capacity, have full legal and financial details of all their debt, including those of State-owned entities, and regularly interact with their creditors. We also call for an efficient allocation of different financing sources, including compensation for losses and damages and provision of concessional financing for both climate adaptation and mitigation, in addition to a mechanism for developed countries to transfer resources as payment for historical carbon debt.

Excellencies,

The Committee analyzed the **voluntary national reviews** annually from 2018 to 2022. This year we took stock of the lessons learned from this effort. As noted in the Secretary-General's report on Progress towards the Sustainable Development Goals: Towards a Rescue Plan for People and Planet, with the SDGs so far off track, "it is time to take the SDG follow-up to the next level", including a fundamental rethink of the VNR process. In that respect, the Committee recommended launching a new generation of VNRs that would reflect improvements in four main directions: 1) refocusing the reports towards evidence-based analysis of progress, policy successes and failures; 2) assessing the core transformative elements of the 2030 Agenda; and 3) reviewing lessons learned and including feedback mechanisms to ensure these inform future policy action; and 4) ensuring greater space for the contributions of civil society, both in national processes and for the presentation of shadow reports at the high-level political forum. All of this constitutes much more of an action plan that contributes to the rescue plan that the Secretary-General has called for. We also recommended more systematic and comprehensive voluntary peer review arrangements with partner countries.

Finally,

Regarding the LDCs, the CDP has started its preparations for the 2024 triennial review of the list LDCs. We adopted refinements to the composition of the LDC criteria and their application

procedure, while confirming their structure and principles. These changes will enable CDP to make possible recommendations for graduation from the LDC category based on the best available information.

Current and possible upcoming graduations are happening amidst a deteriorating global environment. We have continued our work on the **enhanced monitoring mechanism for graduating and graduated countries**, in accordance with the Doha Programme of Action. We found all eight countries we monitored have been affected by the multiple and cascading crises, and have limited, albeit varying, policy space to address both short-term challenges from these shocks and long-term development objectives. Two countries have seen significant setbacks on their graduation pathway. We are reassured by the recently adopted ECOSOC resolution that endorses the recommendation for an extension of the preparatory period for the Solomon Islands and recommends the deferral of the graduation of Angola. The resolution demonstrates the effectiveness of the enhanced monitoring mechanism.

In our recommendations, we highlighted the need for the international community to provide targeted and innovative support to graduating and recently graduated countries. This includes increased financing for development to enable the expansion of productive capacities and building resilience to future pandemics. It also includes extending, for an appropriate time beyond graduation, trade-related international support measures. This applies to LDC-specific trade preferences as well as to special and differential treatment in the World Trade Organization agreements, especially in trade-related intellectual property rights.

The CDP looks forward to continued interaction with the Council and its members.

Thank you.