

I have the honor to speak on behalf of the Group of 77 and China.

We thank the board and UNDP for this opportunity to engage in this dialogue on such important issues for developing countries.

The Group shares some of the elements outlined in the concept note prepared for this dialogue, particularly on the diagnosis of the current situation pertaining the constraints and challenges our countries face to finance development in the long-run and make progress towards the achievement of the Sustainable Development Goals. We also appreciate the emphasis given by the Administrator to the necessary reforms to be undertaken at the global level to generate an international environment that helps the global South to advance its development agenda.

However, even if the financing gaps are well identified, the problem, in our view, goes beyond the sustainability of finance. It has to do with the lack of availability of sufficient resources for developing countries, as a result of serious shortcomings in the delivery of the commitments made by developed countries in many areas, including in the long standing goal of 0.7% of their GDP as Official Development Assistance, established 53 years ago.

To amplify this challenge, the COVID-19 pandemic has deflected the attention of governments away from long-term sustainability objectives by imposing unparalleled injections of resources to rescue national economies, which contributed to sidelining the SDGs and reduced core contributions to UNDP and the UN Development System as a whole. The accomplishment of that agenda demands a profound rethinking of financial instruments, practices, metrics and tools in use, which evidently failed in their ability to mobilize sufficient public and private capital to that end.

At the same time, the achievement of the SDGs requires significant changes in our global financial architecture. In that context, the international community should work for repurposing the Multilateral Development Banks' system to catalyze a new generation of public and private investments in global public goods; strengthening the global financial safety net to offer greater and more equitable access to international funding during times of crisis, including through regular issuances of Special Drawing Rights; pursuing major governance changes at the World Bank and the International Monetary Fund to improve representation and legitimacy, particularly through the enhancement of the voice and participation of developing countries in those instances; strengthening of the global debt architecture, including through a platform for debt treatment, improvements to debt transparency and better safeguards on credit rating agencies; and strengthening regulatory frameworks for financial flows and for global taxation reforms.

On the other hand, global digital transformation can bring about important advancements for our collective well-being, but also poses some major challenges for developing countries. To talk about the digital divide, we should mention that, even when since 2010 more than a billion people have gained access to electricity, yet 675 million people live without electricity & 2.3 billion rely on harmful cooking fuels. Despite the progress made in recent years, the

SDG target of universal access to electricity by 2030 appears unlikely to be met, especially if the COVID-19 pandemic seriously disrupts electrification efforts. Regional disparities continue to persist and the access deficit is particularly concentrated in Sub-Saharan Africa, where electricity is available for less than half of the population.

As you rightly mentioned, the use of digital technologies can generate many development benefits. In that sense, transfer of technology and capacity building for developing countries are crucial. Given the importance of these issues, the Group will celebrate a Summit in Havana next month on science, technology and innovation and their role to face current development challenges.

We would like to thank you for the numerous examples you have mentioned about the work of UNDP at the country level to assist developing countries' efforts to pursue sustainable development and the achievement of the SDGs. We encourage UNDP to strengthen its support through the Integrated National Financing Frameworks to further assist governments in financing the SDGs and NDCs, and mobilize innovative finance, capitalizing on digital innovations. We believe it remains critically important for the UN funds and programs, especially UNDP, to remain focus on those objectives and to contribute to the necessary transformation toward the development we want, as stated in your closing remarks.

To this end, we strongly reiterate the need to significantly increase flexible and sustainable core funding, including multi-year contributions, to enable the United Nations Development System to respond to the increasing demands and challenges caused by the multiple crises that are disproportionately impacting the Global South.