Madam President,
Members of the Executive Board,

I have the honour to deliver this statement on behalf of the G77 and China.

In order to progress towards a sustainable, inclusive and resilient recovery from the COVID-19 pandemic and to achieve the 2030 Agenda within the remaining decade of action, we must accelerate our efforts to reach the furthest behind first.

In the Least Developed Countries, low vaccination rates, combined with mounting debt challenges, accelerating inflation, and rising food insecurity suggest a long and arduous path towards recovery. Some estimates posit that $1 trillion would be needed annually to achieve the Sustainable Development Goals in the 46 LDCs. The annual estimated financing gap in achieving the 2030 Agenda is at least $400 billion.

The Group takes note of the UNCDF’s report on results for 2021 and appreciates the progress made, including reaching the highest ever level of delivery and revenues for the organization.

We appreciate the role UNCDF plays in providing financing solutions that benefit last mile populations in the LDCs. UNCDF’s support for financial inclusion in developing countries is important and the organization’s transition towards a greater focus on expanding digital financial services is a welcome step. Equipping LDCs to seize opportunities from digital finance and the broader digital transformation will be critical to allow their economies to grow and increase their productivity.

We encourage UNCDF to continue efforts to support mobilization of SDG financing for local governments and other local actors as a UN hub for local government financing. In particular, we note the progress with the Local Climate Adaptive Living Facility initiative, LoCAL, which continues to increase the number of
countries it supports and which also enjoys strong ownership from the participating countries.

We also note the expansion in 2021 of UNCDF’s loan and guarantee portfolio, focusing especially on small and medium-sized enterprises in LDCs. When strategically used and targeted, this type of financing is critical to help mobilize larger amounts of financing for SDG positive SMEs.

UNCDF’s balance sheet investment vehicle, the BRIDGE Facility, is also an important support mechanism for the implementation of the Doha Programme of Action, delivering catalytic investment capital for MSMEs and small investment projects in LDCs and graduated countries. We encourage supporting UNCDF in scaling up this facility.