**U N I T E D N A T I O N S N A T I O N S U N I E S**

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**Remarks at**
**HIGH LEVEL EXCHANGE PANEL: Global economic recovery – where are we at?**

**<u>Kawotice, Poland, 6 December 2021, 11.00 - 12.00 CET</u>**

Excellencies,
Distinguished Participants,
Ladies and Gentlemen,

I am pleased to join you at this "HIGH LEVEL EXCHANGE PANEL: Global economic recovery – where are we at?".

Global economic growth was uneven even before the pandemic, as was progress on the UN Sustainable Development Goals.

In our mid-year update of the 2021 World Economic Situation and Prospects, the UN Department of Economic and Social Affairs, UN DESA, reported that global growth prospects have improved. Growth is projected to expand by 5.4 percent in 2021, following a contraction of 3.6 percent in 2020. This rebound is occurring against the backdrop of rapid vaccination rollouts in some advanced economies.

As you know, developed countries are growing and vaccinating at rates that are multiples of those in developing regions. If developing countries do not receive help with the vaccine rollout, the gap between the developed and developing countries will grow, and the economic recovery will be uneven, leaving many more people behind.

The new variants discovered recently, can further exacerbate these challenges.

Developing countries are also facing immense difficulties, with rising energy costs, and problems in the global supply chain.

So, what can we do?

There is a strong linkage between economic growth, infrastructure, and inclusive development. We need to equally invest in each of these areas.

We must provide meaningful and affordable access to technologies. For half of the world, technologies have played a profound role in:

- keeping them connected,
- keeping governments running, and
- helping children continue their educations.

But many other families and communities remained offline, unconnected, and left further behind.

Digital technologies are major drivers in accelerating the pace of economic diversification and transformation. A modern and inclusive technology infrastructure will promote the digitalization of services, and enable building productive capacities.

Small businesses have an important role in economic recovery. Recovery policies should address the adverse impact of the pandemic on small businesses, and especially in rural areas, including farmers. They need financial and liquidity support. Some of these small companies need subsidies for their technological infrastructure and internet access.

We need to invest in digital skills, especially for women and youth. I am very much impressed with the host country's efforts in including youth in this IGF. We should build on this initiative. Our youth, with their technological prowess and energy, are crucial in adopting new ideas,.

Excellencies,
Distinguished Participants,

Another element I wish to highlight, is an emerging debt crisis in developing countries.

Forty-four percent of least developed and other low-income countries, already face, or are at risk, of debt distress. This percentage is set to rise in response to the adverse effects of the pandemic.

The richest countries must accelerate the implementation of measures, such as the planned 'sizable' increase in the IMF's special drawing rights, to support recovery in developing countries.

The recent allocation of $650 billion US dollars in Special Drawing Rights, was an important step towards addressing the urgent liquidity needs.

Debt service suspension, as encouraged by the G20, and grants for debt relief, also allow vulnerable countries to maintain essential spending. The international community must come together in solidarity to make these happen, and ensure a more resilient economic recovery.

Policy makers need to make sure that beneficiaries receiving support, invest in sectors critical to achieve the SDGs. We should also strive for providing an enabling environment to attract more private investments in sectors – such as renewable energy and digital connectivity – that directly contribute to the SDGs.

To conclude, let me emphasize the role of partnerships in all this.

We need further collaboration, including south-south, north-south and triangular cooperation, to expand access to knowledge, good practices and capacity-building opportunities.

I thank you for your attention.

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