

Joint Statement

Executive Board of UNDP/UNFPA/UNOPS

Annual Session 2021

Agenda Item 10: UNITED NATIONS CAPITAL DEVELOPMENT FUND, Annual Report of Results achieved in 2020

June 7 – 11, 2021

President,

I have the honor to deliver this statement on behalf of the following countries, Austria; France; Greece; Luxemburg; Malawi; Norway; Principality of Andorra; Republic of Korea; Rwanda; Turkey; Switzerland; Ukraine; United States, and my own country Sweden.

We would like to begin by extending our gratitude and appreciation to the Executive Secretary, Preeti Sinha, who has recently taken up her new position. We look forward to work closely with you to realize the full potential of UNCDF and to jointly accelerate our efforts to fulfil the promise of the 2030 Agenda.

We commend UNCDF's achievements that are presented in the annual report 2020 and the ambitious plans that are being developed for the new strategic framework 2022- 2025.

UNCDF has an important role to play within the wider UN system. UNCDF has the potential to become *the* entry point for the UN's work with financial instruments and innovations, both with public and private entities. Finding ways to leverage available resources has rarely been more important. UNCDF is an agile organization ready and able to scale up, and the UN Development System should take even more advantage of this flexibility and enhance its role. We strongly encourage other UN agencies to seek partnership with UNCDF and taking advantage and learn from its rich expertise in innovative finance instead of creating their own instruments.

President,

Mitigating the impacts of COVID-19, especially in the LDCs, requires global solidarity and multilateral collaboration. We therefore commend UNCDF for its consistent efforts

to cooperate with other UN agencies and establish joint programming, which reflects the spirit of the UNDS reform. This is not only crucial to ensure more consistency and effectiveness within the UN Development system at the country level, but also to build forward from the pandemic.

President,

As the only UN organization with an almost exclusive focus on the LDCs and with a particular commitment to innovative finance solutions, UNCDF's work is crucial. LDCs still face a significant financing gap and in light of the COVID-19 pandemic this urgency has become even more aggravated. To ensure that the progress of the last decades will not be reversed and that we can help economies recover in a sustainable and inclusive manner, leaving no one behind – we very much encourage UNCDF to continue working in “last mile” settings where other financing sources are scarce or unavailable.

Let me just highlight some elements that are of particular interest to our countries:

First, we acknowledge that one of the groundbreaking elements of UNCDF's investment finance work is the establishment of the LDC Investment Platform in 2017. UNCDF has now piloted and fully activated its capital mandate and established professional capacity to deploy loans and guarantees to last mile investments in LDCs. To address the financing gap faced by small enterprises and small-scale infrastructure projects, this investment platform is crucial.

In addition, we recognize UNCDF's pursuit of women's economic empowerment, including the index developed together with the UNDP and UN Women. The comprehensive approach deployed to advance gender equality, especially for women in the most disadvantaged circumstances and female-led businesses in the least developed countries of Africa, Asia, and the Pacific, is not only commendable but critical to achieve the 2030 Agenda.

UNCDF is currently also developing its Strategic Framework for 2022-2025 and it is very positive that climate and environment are taken onboard as cross-cutting and focus areas including synergies with a number of relevant agendas and conventions

including the Addis Ababa Action Agenda and the UNFCCC among others. We very much encourage UNCDF to elaborate in its new strategic framework on how it will collaborate with other UN agencies, both at strategic as well as operational levels. In order for the UNDS reform to succeed, there needs to be clarity on where synergies and trade-offs between the different SDGs and agencies lie and how they are leveraged at country level for an efficient UN Country Team to stand with the Resident Coordinators.

President,

To conclude, UNCDF has a strong comparative advantage in creating and deploying financial instruments that support the private and public sector to reach the people in poverty and tackle inequality and exclusion. It is crucial that UNCDF keeps their foot on the ground in LDCs – not only is it a fundamental element of their mandate together with the drive for innovations – it's also a strong element of UNCDF's added value.

An enabling condition for UNCDF to deliver effectively on its mandates is a predictable, flexible and adequate funding, even more so with the new strategic framework that aims at scaling. The COVID-19 pandemic has demonstrated the importance of core support for the ability to act quickly. We therefore continue to stress the importance of increasing the access to core funding and we warmly encourage countries to consider a possible support to UNCDF's core resources – even modest contributions make a significant impact on UNCDF's work at country level in LDCs.

Thank you for your attention.