

Beyond Recovery, Towards 2030: Securing the Decade of Action Through SDG-anchored Digital Development Achim Steiner, Administrator, United Nations Development Programme (UNDP) [Broadband Commission Report 2020]

The COVID-19 pandemic has demonstrated the fundamental need for broadband connectivity and increased digital capacities for economies and societies *worldwide*. The question is no longer *why* digital technology should be prioritized, particularly in countries lagging behind -- but *how* to accelerate action in the face of unprecedented setbacks brought on by "a crisis unlike any" in the United Nations' 75-year history.ⁱ

Countering the Spectre of a "Lost Decade for Development"

The debt crisis of the 1980s led to a recession so severe in many countries that it took a decade for their economies to recover. It became known as "<u>the lost decade for</u> <u>development</u>".ⁱⁱ As we take stock of the impact of the COVID-19 pandemic around the world, the spectre of another "lost decade" hangs heavy. Rich and poor countries alike are facing <u>health</u>,ⁱⁱⁱ <u>humanitarian</u>^{iv} and <u>socio-economic</u>^v challenges that, combined, are reversing <u>decades of progress on poverty</u>, <u>healthcare</u>, <u>education</u>^{vi}, <u>gender equality and</u> <u>women's rights</u>.^{vii} An unprecedented <u>human development crisis</u>^{viii} is now unfolding -- sparing no country from its impact but affecting the vulnerable disproportionately. In some parts of the world, it is creating conditions matching levels of <u>deprivation not seen</u> <u>since the 1980s</u>.^{ix} Indeed, the global poverty rate is expected to rise to nine per cent -- pushing <u>70-100 million</u>^x more people to extreme poverty and exacerbating interlocking deprivations that the poor face such as hunger, food insecurity and inadequate shelter.

Now, decision-makers face difficult policy, fiscal and regulatory choices in the immediate term that may shift attention from long-term development goals. Those goals must be seen against the context of the major transformational changes occurring in economies

and societies that are linked with the <u>Fourth Industrial Revolution.^{xi}</u> Indeed, during the pandemic, governments and businesses accelerated their digital capacities to tackle the virus. This, "rapid migration to digital technologies driven by the pandemic is likely to <u>continue</u>."^{xii} However, as the OECD points out, "the current global context...risks a <u>significant reduction in the financing available to developing economies</u>."^{xiii} The expected reduction in domestic revenue and external investment flows that could support digital infrastructure and capacity-building may put developing countries at risk of falling further behind in this vital area. In particular, they risk losing out on a range of *new* opportunities in the digital sphere to fast-track progress on the Sustainable Development Goals (SDGs).

Securing the next Decade for Sustainable Development

The United Nations Development Programme's (UNDP) current COVID-19 crisis response plan (*Beyond Recovery, Towards 2030*) recognizes digital transformation as one of the seven *tipping points* that could transform our societies and our planet for the better. On the ground in 170 countries, UNDP is seeing a growing need for "best-fit" digital solutions; new ways to address digital inequality; and increased focus on the building of digital capacities.

When the pandemic hit, UNDP quickly utilise an array of digital technologies to allow us to <u>continue to function</u>^{xiv} with full business continuity. As a large organization, we needed to quickly find ways to work together wherever the moment found us -including in the global and national epicentres of the pandemic. Our government partners faced the same need. However, many countries in the Global South had such minimal digital capacities that we had to extend our own digital assets to governments, along with technical and funding support, so they could <u>continue their core functions</u> <u>and operations</u> during the crisis.^{xv}

We also relied on connectivity and digital technologies to <u>rapidly mount a strong</u> <u>defence against the pandemic and its impact</u>.^{xvi} Approximately 75 of our Country Offices launched nearly 200 digital solutions to help countries to address pressing needs. Our 60 <u>UNDP Accelerator Labs</u> serving 78 countries quickly developed and scaled-up innovative solutions. Utilizing the power of digital disruption, they included the use of <u>crowdsourcing in Ecuador</u> to connect the most vulnerable people with food, goods and service providers -- to helping <u>local governments in Nepal to monitor quarantine</u> <u>data</u>^{xvii}. In the Asia-Pacific region, we curated open source <u>digital solutions</u>^{xviii} for disease monitoring; prevention and containment; as well as diagnosis and recovery. In Africa, together with the European Investment Bank and Bearing Point, we identified the <u>most effective digital solutions to fight COVID-19 in the region</u>.^{xix} With the United Nations Capital Development Fund (UNCDF), we strengthened digital payment ecosystems and used mobile technologies to sustain the <u>flow of remittances</u> on which many communities and families rely.^{xx} In Uganda, we worked with the leading ecommerce platform to <u>support 1,200 local vendors</u> so they could continue their business during lockdown. UNDP also established a <u>Rapid Response Facility</u>^{xxi} to assist vulnerable countries on a range of innovative solutions.

Much more is needed, however, to get life- and livelihood-saving digital solutions where they are needed most. Increased efforts are also needed to effectively address the *digital divide*. Most of the unconnected live in developing countries, where <u>seven of 10 workers likely make a living in informal sector</u> without the benefits available to formal workers to fall back on.^{xxii} In those settings, lost work hours are already estimated to be <u>equivalent to 400 million full-time jobs lost</u>.^{xxiii}

Indeed, as the world went into lockdown, many people were unable to leave their homes to receive critical state payments in person. Governments turned to the power of digital finance to transfer payments electronically – including via mobile phones. Those payments provided sometimes *lifesaving* support to millions of people around the world while protecting businesses, jobs and livelihoods. Complementing this clear shift, the final report of the UN Secretary-General's Task Force on the Digital Financing of the SDGs ^{xxiv} has come to the powerful conclusion that digital finance holds enormous potential to expand the boundaries of financial inclusion by empowering citizens -- as savers, investors, borrowers, lenders and tax-payers -- in a way that gives them full choice and power over their money. For instance, digitalization will play a fundamental role in ensuring that global capital markets worth \$185 trillion^{xxv} -- the *people's money* -- take greater account of social and environmental risks and outcomes. In sum, the Task Force argues that we now must seize this *historic opportunity* to accelerate and expand the transformative impact of digitalization in financing the SDGs.

We also need a collective will to mobilize the technology and financing needed to ensure that the *delivery systems* are in place to provide a safe COVID-19 vaccine to everyone who needs it, everywhere.

Beyond Recovery, Towards 2030

The post-pandemic <u>recovery trends</u>^{xxvi} point to a long period of global uncertainty on both the future pathway of COVID-19 as well as the pace of the economic recovery. Therefore, we need to provide sustained support to developing countries throughout the crisis -- ensuring that efforts not only help them to recover but to *build forward better* with the SDGs serving as a compass. As the technical lead for the <u>UN response</u> to the socio-economic impact of the pandemic,^{xxvii} UNDP sees the Broadband Commission's intensified efforts to expand connectivity in the coming decade as vital in helping to <u>avert the worst development crisis of this century.</u>^{xxviii} For the Broadband Commission and its development partners, a critical step forward will be to ensure that digital development is anchored in the SDGs. Connecting the unconnected needs to go hand-in-hand with poverty eradication, tackling inequalities and protecting the planet for future generations. As the UN Secretary-General's <u>Roadmap</u> <u>for Digital Cooperation</u>^{xxix} states -- all stakeholders need to now, "play a role in advancing a safer, more equitable digital world, one which will lead to a brighter and more prosperous future for all."

- Achim Steiner, Administrator, United Nations Development Programme (UNDP)

^{vii} <u>https://news.un.org/en/story/2020/08/1071372</u>

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ⁱ <u>https://www.un.org/en/un-coronavirus-communications-team/above-all-human-crisis-calls-solidarity</u>

ⁱⁱ <u>https://www.un.org/development/desa/dpad/publication/policy-brief-53-reflection-on-development-policy-in-the-1970s-and-1980s/</u>

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^{iv} <u>https://hum-insight.info/</u>

^v <u>https://www.un.org/en/coronavirus/UN-response</u>

vi https://unstats.un.org/sdgs/report/2020/The-Sustainable-Development-Goals-Report-2020.pdf

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^{* &}lt;u>https://www.worldbank.org/en/topic/poverty/brief/Profiles-of-the-new-poor-due-to-the-COVID-19-pandemic</u>

^{xi} <u>https://www.weforum.org/focus/fourth-industrial-revolution</u>

^{xii} <u>https://www.mckinsey.com/about-us/covid-response-center/leadership-</u>

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^{xiv} <u>https://www.devex.com/news/socio-economic-challenges-must-be-addressed-in-covid-19-response-undp-chief-says-96954</u>

^{**} https://www.undp.org/content/undp/en/home/news-centre/news/2020/COVID-

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^{xvi} <u>https://www.undp.org/content/undp/en/home/coronavirus.html</u>

^{xvii} <u>https://www.np.undp.org/content/nepal/en/home/blog/2020/Accelerating-for-a-NOVEL-cause.html</u>

^{xviii} <u>https://sgtechcentre.undp.org/content/sgtechcentre/en/home/digital-tools-for-covid-19.html</u>

^{xix} <u>https://www.eib.org/en/publications/african-digital-best-practice-to-tackle-covid-19</u>

**<u>https://www.undp.org/content/undp/en/home/presscenter/pressreleases/2020/UNCDF_UNDP_to_impro_ve_remittances_and_counter_impacts_COVID19.html</u>

^{xxi} <u>https://www.undp.org/content/undp/en/home/news-centre/news/2020/COVID-</u>

<u>19 30 million Rapid Response Facility launched for vulnerable countries.html#:~:text=%E2%80%9CAs%</u> <u>20part%20of%20the%20UN,effects%20of%20COVID%2D19%E2%80%9D.</u>

^{xxii} <u>https://www.undp.org/content/undp/en/home/librarypage/transitions-series/temporary-basic-income-</u> <u>-tbi--for-developing-countries.html</u>

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^{xxv} <u>https://www.project-syndicate.org/commentary/digital-finance-sustainable-development-five-opportunities-by-maria-ramos-2-and-achim-steiner-2020-08</u>

^{xxvi} <u>https://www.spglobal.com/ratings/en/research/articles/200204-coronavirus-impact-key-takeaways-</u> <u>from-our-articles-11337257</u>

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