"I would like to underscore the importance of investing in prevention while addressing fragility and conflict.

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Thank you, Ambassador Wolff. I am very pleased to be here.

At UNDP we are fully invested in supporting countries’ implementation of the 2030 Agenda and SDGs. The agenda is universal and applies to all states. We know however, that fragility and the weakened ability to withstand shocks, is an impediment to realizing the aspirations of this Agenda, in particular as experienced by countries affected by conflict-related crises.

To underscore this point: 1.6 billion people live in fragile contexts, including 50% of the world’s poor.¹ The number living in fragile settings is furthermore expected to increase, to 62% by 2030, unless we can change that trajectory.

Over the past ten years, the interplay of simultaneous shocks arising from conflicts, weather-related hazards, pandemics, unstable markets, population dynamics, etc. have led to increasingly complex and drawn out crises. The length and volume of humanitarian assistance has significantly increased and 80% of the cost of such assistance now goes to crises generated by conflict.²

50% of those affected by natural disasters furthermore live in countries affected by conflict.³ This trend will continue as climate-related vulnerability is expected to be more acute in fragile settings.⁴

¹ OECD (2016).
² UNDP (2016).
³ ODI (2013).
⁴ Intergovernmental Panel on Climate Change (2014).
We can think of fragility as a condition along a continuum, with countries facing multifaceted risks at different degrees of intensity. Countries’ ability to manage those risks and avoid crisis, however, varies significantly. Where capacities are weak, the international community can lend support and work with national partners in addressing both immediate and underlying causes.

The importance of international cooperation in fragile settings is widely recognized including by the New Deal principles for engagement in fragile situations, to which partners and the g7+ countries—as those represented in this panel, committed to in 2011.

While the specific pathways out of fragility are context specific, we can with confidence say that investing in inclusive and sustainable development is the best way to build resilience, for everyone. Addressing inequality and exclusion, supporting responsive institutions, putting in place risk-informed strategies, are all important components of this process, as is putting in place its economic foundations to allow sustained and inclusive growth to take hold.

And although there are trade-offs between the SDGs, one cannot off-balance these without losing the sustainability of development efforts, e.g. SDG 8 on decent work and economic growth against SDG 10 on reducing inequalities and SDG 16 on Peace, Justice and Strong Institutions.

Violent conflict takes a high toll in human suffering. It also causes significant disruption of economic activities, shy away foreign investments, destroying assets, infrastructure, human capital and hard-won development gains.

Conflict and insecurity usually disrupt transport of both local and import and export goods through frequent closures of key roads and river traffic and destruction or seizure of key infrastructure such as ports and airports. Other forms of access restrictions, informal levies and seizures of goods frequently seen in these situations, also impeded trade.

Production – notably agriculture – is undermined with loss of farmland and livestock and destruction of agriculture infrastructure, irrigation and warehousing facilitates.

In turn, this reduces the availability of goods and the functioning of key markets, including food leading in many cases, to food insecurity.5

Conflict and insecurity forces people out of their homes, creating displaced populations internally or scores of refugees in neighbouring countries. Displacement most often results in loss of property and assets, of income and access to basic services, undermining the populations ability to cope, making households poorer and less resilient.

The immediate causes of the conflict then interplay with other structural drivers of fragility; weak state capacity; historical inequality, divisions and grievances; widespread poverty; low economic growth and volatility, only to further exacerbate conflict and vulnerability.

Humanitarian response to protracted crisis therefore needs to be combined with investments in long-term development to protect livelihoods and facilitate economic recovery, (i.e. SDG 8) and address structural constraints and vulnerabilities, such as measures to improve economic diversification and productivity, inclusive governance frameworks and state institutions, security, (SDG 16) economic and social infrastructure, (SDG 10) etc.

Trade and a stable rules-based system are part of the battery of resources and tools that can enable this transition. And with the same logic, to be most effective, trade policy and reforms need to be embedded in broader national sustainable development strategies that acknowledge and address the specific constraints facing the poor and vulnerable groups, to take advantage of trade opportunities, especially so in fragile and post conflict contexts.

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5 UNDP (2017)
In closing I would like to underscore the importance of investing in prevention while addressing fragility and conflict and the need for such investments to be sustained over time.

As a development organization, in fragile settings, UNDP sees its work on private sector development and trade through this lens, and values partnerships such as Aid for Trade and the Enhanced Integrated Framework (EIF) for the LDCs because they provide a spotlight on the importance of mainstreaming trade at national level and galvanize support towards more effective institutional and trade capacity development. The complex and comprehensive reform efforts brought about by accession to the WTO represent an opportunity to build a policy and regulatory framework that advances inclusive growth and sustainable development.

We see these as valuable investments by the international community in prevention and thus, in the SDGs.