Excellencies, Fellow Commissioners,

I speak today on behalf of the world's 92 most vulnerable countries – the 45 LDCs, 32 LLDCs, and 39 SIDS, which my Office supports.

Together, they are home to 1.4 billion people, nearly 60% of whom are under the age of 25 years. This young population holds immense untapped potential for driving digital growth and innovation, provided they are given the right opportunities.

This session focuses on designing the next era of digital innovation. Yet in many LDCs, LLDCs and SIDS, , the challenges remain very basic.

<u>Over 550 million people</u> in these countries are offline, with barriers such as:

- o Low Internet usage, particularly in rural areas.

 People I in urban areas are nearly two times more
 likely to use the Internet than in rural areas;
- o inadequate digital skills,

- o Unreliable or insufficient access to electricity,
- o high cost of the internet and devices and,
- a persistent gender digital divide., especially in LDCs and LLDCs.

To bridge these divides, our first priority must be to connect the unconnected. Beyond access, we must also equip them with necessary digital skills and literacy to fully leverage the benefits of AI and emerging technologies. This will require innovative, scalable solutions tailored to the specific needs of LDCs, LLDCs, and SIDS.

Earlier this week, I heard from Commissioner Deemah AlYahya, about their innovative initiatives. I was particularly impressed to learn about their Digital Economy Navigator, which could greatly benefit these countries. More such innovative approaches are needed.

I also recognize the invaluable contributions of the Broadband Commission and the Partner2Connect initiative to the digital transformation of vulnerable countries. While progress has been made, much more remains to be done to fully bridge the digital divide.

Innovation is tied to substantial investments in R&D. Yet, most LDCs, LLDCs, and SIDS invest less than 0.8% of their GDP in R&D, compared to over 2% in many advanced economies. Governments, financial institutions, and tech companies must their R&D support in these countries to