

High Impact Initiative - Transforming4Trade

17 September 2023

11:45 – 13:15 (New York time)

17:45 – 19:15 (Geneva time)

Conference Room 1

United Nations Headquarters

New York

**Statement by Mr. Tapio Laakso, Head of Advocacy for international
development agency, Finn Church Aid**

Distinguished speakers, thank you!

It has been a great event, congratulations to the organisers.

Thank you for the UNCTAD.

We have heard excellent interventions by the speakers from LDCs, governments and UN agencies.

My name is Tapio Laakso, Head of Advocacy for international development agency, Finn Church Aid.

We believe everyone should rally behind UNCTAD's holistic development approach:

First, in FCA we are strong advocates of inclusivity – in education, in peace processes – also international trade needs to become more inclusive.

We need to focus on the most vulnerable contexts, often the LDCs.

Second, we think that development interventions need to be based on solid evidence. And it is here where UNCTAD excels. Including the process developing the holistic programme approach. Analysing all sectors – not a piecemeal approach.

Third, boosting productive capacities in developing countries and transforming the trade away from the raw material -driven exports towards value-added production, including in the SME-sector, is what is needed.

Holistic approach is very much what we need also with “SME-financing” – I hope many of you did listen yesterday professor Mazzucato on this topic!

The “missing middle”, the lack of sustainable and growth-oriented and job-creating SME's, needs to be addressed if sustainable, locally-owned development is to happen.

Lack of affordable, patient financing is a key obstacle to SME-sector.

Yet addressing financing in alone, does not work.

We call for an ecosystem approach or holistic approach if you will, where also regulatory frameworks need focus, as well as “essential services” which ensure that the SMEs are ready for investments.

Yesterday professor Mazzucato suggested that public procurement could become demand-side tool for catalysing SME ecosystems.

FCA's subsidiary, an impact investor FCA Investments has developed a model, which combine the services needed by the SMEs and the growth financing that they desire. In short, we think that SME-financing can be smarter and more impactful.

SMEs in LDCs are an opportunity.

Thank you!