

**LDC5 side event: Holistic and multisectoral interventions to address systemic and structural vulnerabilities in LDCs: Lessons learned from Angola.**

**Date: 6 March 2023**

**Time: 12:15-13:45**

**Statement by H.E. Ms. Fitsum Assefa Adela, Minister of Planning and Development of Ethiopia, FDRE**

Thank you so much. Madame Secretary General, Excellencies, Ministers, and State Ministers here. Good afternoon.

So, I would like to first – you know - congratulate Angola and UNCTAD for successfully implementing this Programme, which we all could learn from especially in terms of, you know, it is a holistic and multisectoral approach, where governments are for such movements and such approach of implementing such programmes and always seeing the here and now to envisioning the long term aspects of development. Congratulations again.

And I would also like to commend the EU for supporting such an important programme which really addresses the structural challenges, as I have said here and now, and you know, running after the challenges that appear here every time. So, it's really important, and I would like to commend the EU on that as well.

Ethiopia has had an excellent relationship, of course now, we have an excellent partnership with UNCTAD, we really cherish that partnership so as a result of which – you know – after listening to the experience they had in Angola we requested to do the same in Ethiopia and they managed to do a study, you know, to launch a study and conclude on some of the issues, especially regarding the productive capacity.

You know, the magnitude might differ but hundreds of studies show that productive capacity in the Least Developed Countries, like Ethiopia, is very low and it has a structural challenge and structural bottlenecks, which should be addressed in a comprehensive and multisectoral approach and we are really glad that the results of those studies match with, you know, the assessment that we made after the new administration took office in April 2018. As you know, your study took data up to 2018, which is 5 years ago. So, because of the identified structural challenges the Government of Ethiopia has been implementing several reform works, which still need support from UNCTAD in terms of capacity building, policy consistency, and alignment issues are still pending.

So, we really would like UNCTAD's support in this regard. Of course, other development partners also to really invest in this thing; it is really important unless we address the structural challenges, we will always be busy on humanitarian things, and it will be non-stop and not ending. So, it is really important to finance such programmes of UNCTAD, which really address the structural challenges.

So, since 2018 the Government of Ethiopia has been doing reform, comprehensive economic reform. For instance, the main homegrown economic reform it has 3 pillars, the macro-financial component, the structural component, and sectoral component. So, we have been reforming on these areas in streamlining existing policies which have been there on the paper, but which have not been implemented well. Again, introducing new policies and removing outdated ones, and also doing business environment as well, removing logistical and other challenges. As well as, you know, we have changed our investment proclamation from the positive listing to a negative listing one, which really encourage a lot of Foreign Direct Investment. In effect, we have changed our commercial code which has been there for fifty (50) years since the Monarch's time.

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So, lots of other policies and proclamations have been issued to improve the green business environment as well.

Then, Madame Secretary-General mentioned it very well, stated it very well, it is having a common vision. So, it's really important when we think of a common vision there should be this plan, a long-term plan, reasonably a long-term plan. We had plans; since six (6) decades, seven (7) decades but we only had a 5-year and 3-year and 1-year plan, but the challenge that we have really required us to see beyond a government in office. So that, two years ago we launched a 10-year development plan which really aspires to make Ethiopia, you know, big enough and prosperous enough, and Africa big enough and with prosperity where we can tell the past that Ethiopia can be taken as an example by other countries as well. We benchmark other countries very far from Africa, so we really want to make that, you know, possible in Africa, in the poor corner of the world, there are success stories which can be taken up by other countries as well.

So, we have that vision that a 10-year development plan, so again to implement that plan we really need an operationalization of that plan. We are now crafting a 3-year public investment plan. And so, the Ministry of Planning and Development is coordinating that. It really helped us to avoid fragmentation of programmes and projects here and there, which could have been implemented together, which could have been crafted together and it also helped us to really do a wise investment. Finance is a resource that is scarce – a scarce resource – so bringing the programmes and projects together help us to optimize our investment and get, you know, best results out of it.

Another issue that we are working on in the thing that has been mentioned to the UNCTAD team last time that they visited Ethiopia was the policy-consistency and coherence work, that we embarked on very recently. Policies are crafted and developed here and there by different ministries, but the policy result area of one ministry usually goes against the result area of the other ministry. So, what we did was the establishment of the new Government after elections in the Executive Government in October 2021. A mandate was given to the Ministry of Planning and Development to make sure all the development policies are coherent and consistent before issuance by the Council of Ministers. So, what we are doing at the moment is that several ministries are loading their policies at the Ministry of Planning and Development; we do workshops; we bring together people, experts from different ministries, and other stakeholders as well. So, we sit, we do re-treat, we sit for more than a week for instance, on a single policy, which is a fully-fledged policy with a checklist making sure the results areas, the implementation methodologies, and other issues are consistent with other policy areas. And of course, we also identify programmes and projects which really help to implement the policies.

So, it was really an important experience for us. We are embarking on this; it is a new way of doing things. We really need support in terms of capacity in those regards.

And my final point which really listened to it as music to my ears was, you know, the issue of exiting. When a project exits, usually we know working with partners, so, it goes very well when the partners are with us, but once the partners exit and once that programme exits, nothing happens; it rests out there.

So, we really want to encourage, you know, our partners to prepare us to take up the projects and the programmes that are designed, you know, you rest five years and then leave, so nothing happens afterward. So, we really encourage to stay longer to have reasonably adequate time so that you see the impacts and you see the things through.

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So, thank you so much again. We look forward to meet again and discuss on the details of going forward. Yes, let me stop there and I will come back if more questions are addressed to me. Thank you so much.