

Statement by Nepal on behalf of the Group of Least Developed Countries (LDCs) at the 75th Executive Session of the Trade and Development Board

12 February 2024

Item 3 – The Least Developed Countries Report 2023: Crisis-resilient Development Finance

Secretary General Madame Rebecca Grynspan,
President of the TDB Ambassador Febrian Ruddyard,
Excellencies and Distinguished delegates.

1. At the outset, on behalf of the group of LDCs, I would like to commend the UNCTAD secretariat for bringing out ‘The Least Developed Countries Report 2023: Crisis-resilient Development Finance’. We found the topic timely and analysis insightful. The report has succinctly elaborated the needs of the LDCs.

2. Pandemic, geo-economic fragmentation and climate change tend to reverse the LDCs’ hard-earned economic growth to achieving the SDGs. The combined GDP of LDCs in 2023 was 10% lesser than the pre-pandemic years. This pushed additional 15 million people in extreme poverty.

3. The LDCs need some \$100 Billion annual funding to meet their SDG target. The international financial mechanism must restore the LDCs’ resilience to the systemic shocks. The ODA flows are lower than the target (of 0.15-0.2% of GNI of developed countries). External debt sustainability is worsening. Current debt stress in LDCs has constrained the fiscal space. The 46 LDCs hold only 4% voting weightage in the World Bank and less than 2.5% of the Special Drawing Rights in the IMF.

4. Therefore, we call upon international community to address the fragmentation in the international financial architecture. The development and climate financing must be commensurate to LDCs’ needs.

We urge for rapid adoption of LDC specific climate finance targets as the LDCs have high vulnerability, low readiness and less able to leverage investments in adaptation. Development

Assistance needs to be aligned with the specific needs of LDCs to achieve greater structural transformation.

Financial flows need to be consistent with less GHG emissions and climate resilient development as outlined in the Paris Agreement. We emphasize the meaningful mobilization of Loss and Damage Fund with greater access to the LDCs.

5. We strongly believe in multilateral approach to global challenges and express gratitude to countries and organizations contributing to the development of LDCs.

We urge UNCTAD to play important role to the implementation of the Doha Programme of Action for the LDCs (2022-2031) and the Bridgetown Initiative for the transformation of global financial architecture. We also encourage donor countries to replenish the UNCTAD's Trust Fund for the LDCs.

The just green transition demands concerted efforts of all stakeholders.

Thank you