

STATEMENT ON BEHALF OF THE GROUP OF LEAST DEVELOPED COUNTRIES

DELIVERED BY MALAWI AS LDC COORDINATOR AT UNCTAD

68TH EXECUTIVE SESSION OF THE TRADE AND DEVELOPMENT BOARD

**AGENDA ITEM 2 – INTERDEPENDENCE AND DEVELOPMENT STRATEGIES IN A
GLOBALIZED WORLD**

President of the Trade and Development Board

Excellencies,

Distinguished delegates,

Ladies and gentlemen,

Mr President, Malawi takes the floor on behalf of the LDCs. At the outset, the LDC Group would like to align itself with the statement delivered by the representative of Ecuador on behalf of the Group of 77 and China. The LDC Group would also like to congratulate the UNCTAD secretariat and particularly the Division on Globalization and Development Strategies for their work on the Trade and Development Report 2019: Financing a Global Green New Deal.

Addressing the during the Sustainable Development Goals (SDGs) Summit, which is also the first session of the UN High-level Political Forum on Sustainable Development (HLPF) SDG summit on behalf of the LDCs, President Peter Mutharika of the Republic of Malawi spoke about our common goals across challenges of finance, climate change and technology. In doing so, President Mutharika highlighted some of the most striking facts about LDCs:

- That growth in LDCs is projected to decline to 4.6 percent in 2019,
- that more than 35 percent of the population in LDCs are living under extreme poverty,
- that LDCs host 30 percent of all undernourished people of the world,
- that about 49 percent of the population in LDCs does not have access to electricity and only 17 percent have internet access.

At the same time, President Mutharika explained how despite our vulnerabilities and challenges, danger has a way of striking most vulnerable economies and societies and so LDCs suffer from climate change while contributing the least carbon emissions. While recognizing that our situation is our responsibility, he pointed to the serious challenges that constrain our domestic resources mobilization. Worryingly, he pointed to the fact that bilateral official development assistance to LDCs is falling and that in 2018, this assistance once again fell by 3 percent. He ended by calling on development partners to deliver on their commitments, including mobilizing US100 billion annually by 2020.

The same trend has also been noted in the recent published report by UNCTAD entitled SDG Investment Trends Monitor.

Mr President at the same time some of the LDCs do suffer from serious natural disasters emanating from Global Climate change effects, compounded by the fact of not having significant presence or connection to Global value chain. Their capacity to adapt to climate change impacts and respond to the damage it causes is severely limited. Yet they are among the countries that have contributed the least to its cause, given their negligible greenhouse gas emissions. For some time Mr President there have been trade in carbon credits, however most of the LDCs do not understand nor are capable of trading the credits, and remain on the margin, yet they have embarked enormous efforts in mitigating forests and other areas. Carbon markets have become a powerful policy instrument to leverage both public and private capital for green growth

Mr. President, Agenda 2030 was adopted for the betterment of the world. As we embark on the last decade for implementation, we find ourselves behind schedule in meeting the commitments less than 5 years ago, mainly due to lack of sufficient resources to fund the globally agreed commitments.

The Trade and Development Report 2019 discusses a way forward to tackle the interrelated challenges of development and decarbonization through a Global Green New Deal. We support the Report's proposal as an appropriate policy framework to make a clean break with years of austerity and insecurity following the global financial crisis, to help bring about a more equal distribution of income and reverse decades of environmental degradation.

The Trade and Development Report 2019 examines some of the proposals behind the private financing agenda, suggesting that the bias towards private financing is based on

limited empirical support and pays insufficient attention to the dangers of a world dominated by private credit creation and unregulated capital flows. We welcome and support that analysis.

Decarbonizing the global economy will require a significant rise in public investment especially in clean transport, energy and food systems. The global public investment drive is therefore the way forward to improve energy efficiency and shift to renewables which, combined with strong wage growth and progressive taxation, crowds in private investment, increases employment and reduces carbon emissions.

We support reform measures at the national and multilateral level such as those outlined in the Report, to enhance policy coordination around a Global Green New Deal and make debt, capital and banks work for development and better finance such a deal.

Thank you, Mr. President.