

Statement delivered by Ms. Sultana Afroze, Additional Secretary, Economic Relations Division, Ministry of Finance of Bangladesh on behalf of LDCs in the ECOSOC Forum for Financing for Development Forum Follow up Trusteeship Council, UNHQ, New York, 23 May 2017

Thank you, Mr. President

1. I deliver this statement on behalf of the 48 least developed countries. We align ourselves with the statement made by Ecuador on behalf of the G77 and China.
2. We sincerely appreciate your efforts to make the FFD Process effective and successful.
3. We express our sincere appreciation for the Excellencies Permanent Representatives of Belgium and South Africa for preparing the text of the draft conclusions and recommendations of this Forum and for facilitating the Consultations among the Member States leading to an intergovernmental consensus outcome of the Forum.
4. The Group welcomes the Inter-Agency Task Force (IATF) report on Financing for Development, which provides us a comprehensive picture of the follow-up of all action areas which are reflected also in the agreed conclusions and recommendations.
5. The Addis Ababa Action Agenda recognized that LDCs have enormous potential to further the global economic growth and prosperity while acknowledging that multiple structural challenges such as narrow production and export bases, stagnant trade and investment flows, diminishing productivity growth, weak land and natural resource governance as well as widespread poverty, hunger and malnutrition continue to obstruct their growth. They need to invest hugely in combating new and emerging challenges, such as climate change, increased incidences of natural disasters and public health emergencies, conflicts, declining commodity prices and rising capital outflows. It was encouraging to see that the Addis Agenda underlined the importance of strong synergy in the implementation of the recently adopted agendas and the Istanbul Programme of Action at all levels.

Mr. President,

6. While we welcome the Co-facilitator's text for the outcome of the Forum, we would like to underline that it does not reflect the level of commitment required for implementing action areas of the Addis Agenda as well as the 2030 Agenda. An effective FFD process is a precondition to accelerate development in the entire world particularly in the vulnerable countries like the LDCs. What we see in the text of FFD Forum outcome is the minimum of what the Addis Agenda asked us to do particularly with regard to climate finance, trade, technology transfer, international cooperation on tax matters, illicit financial flow and asset recovery. The language of the Outcome document should not be used as a reference point in our future actions with regard to commitments made to take the FFD process forward.
7. The LDCs could only make limited progress towards achieving the MDGs due to unmet official development assistance (ODA) commitments, limited productive capacity, growing debt burden, unfavourable market access conditions, and inadequate foreign direct investment (FDI) inflows, among others. The IATF Report has revealed that the current growth trajectory will not deliver the goal of eradicating extreme poverty by 2030 particularly for the LDCs who will fall short by large margins. We call upon development partners to ensure full and timely implementation of the Addis Ababa Action Agenda, in particular those aspects that relate to LDCs.
8. International trade is recognized as an engine for development in the 2030 Agenda. We must make serious efforts to resist inward-looking and protectionist measures which are inimical to developing countries particularly to the LDCs. The international community must work towards improving market access conditions for the exports of the LDCs by reducing the trade costs facing them and simplifying and harmonizing preferential rules of origin. The LDCs should get duty free quota free market access for all their products. Increasing Aid-for-Trade aimed at value addition and economic diversification can significant contribute to our development.
9. We reiterate that ODA continues to be the largest and a critical source of external financing for the development of the LDCs. We urge our development partners to consider setting the target of 0.20 per cent of ODA/gross national income to least

- developed countries within the time frame of the 2030 Agenda as stipulated in the Addis Agenda.
10. Domestic resource mobilization will require greater reliance on domestic savings and investment, higher export earnings, and improved private capital flows, including foreign direct investment. In order to achieve this, LDCs as well as their development partners must adopt a comprehensive approach in the spirit of the Addis Agenda that optimizes the synergies between domestic resource mobilization, aid, trade, private capital inflows and debt relief.
 11. FDI is critical for the development of the LDCs. We expected that this Forum would keep a dedicated session to discuss the adoption and the implementation of the investment promotion regime for the LDCs as decided by the ECOSOC last year in its resolution on the Programme of Action for LDCs, which was also reaffirmed by the General Assembly Resolution on LDCs. We are concerned that such a concrete decision has not been fulfilled. We therefore invite the ECOSOC to dedicate a full 3 hours session on this topic at its future work. We would also like to call upon Member States to undertake a decision at the 72nd session of the General Assembly to establish an international investment support centre for the LDCs under the auspices of the United Nations to provide a one-stop arrangement to help stimulate foreign direct investment in the LDCs. This is vitally important to realize the ambitious Addis decision on the investment promotion regime for LDCs.

Mr. President,

12. We view an effective FFD process critical for providing a concrete shape to international cooperation for supporting the LDCs in their efforts to eradicate poverty. We reiterate our commitment to take the FFD process forward.

Thank you.