Statement delivered by H.E. Ambassador and Permanent Representative of Bangladesh to the UN in New York Mr. Masud Bin Momen, on behalf of the LDCs at the joint consideration of item 18: macroeconomic policy questions & item 19: follow – up to and implementation of the outcomes of the international conferences on financing for development, at the second committee of the 72nd session of the UNGA

5 October 2017

Mr. President
Excellencies
Ladies and Gentlemen,

I have the honour to deliver this statement on behalf of the Group of LDCs. The Group aligns itself with the statement made by Ecuador on behalf of the G77 and China.

We commend the Secretary-General for his comprehensive reports under various sub-items of the macroeconomic policy questions and the follow-up of the financing for development conference.

International trade is vitally important for LDCs. It does not only generate revenue and foreign currency, but also drives changes in growth, employment and production, as well as the use of natural resources. The SDG target 17.11 is aimed at doubling the least developed countries' share in global exports by 2020. However, the share of LDCs in global trade continues to decline since 2011, which greatly hinders our efforts to achieve this target.

We are deeply concerned that in 2015, merchandise exports of the LDCs contracted by 25 per cent, and further declined by 6 per cent in 2016. With all these decline, LDCs' share of world merchandise exports stand at 0.94 per cent in 2016. LDCs also experienced a record merchandise trade deficit of $83 billion in 2016.

We, therefore, call upon the members of the WTO to address the marginalization of the LDCs in international trade and to improve their effective participation in the multilateral trading system.

We call on the developed country and the developing country WTO members, who are in a position to do so, to realize timely implementation of duty-free and quota-free market access on a lasting basis for all products originating from all LDCs. We call on them to facilitate market access by developing simple and transparent rules of origin. LDCs also need support to implement the WTO Trade Facilitation Agreement.

We underline the importance of delivering a development oriented outcome at the Eleventh WTO Ministerial Conference to be held in Buenos Aires, Argentina. We want to see some tangible progress coming out in the areas that are particularly relevant for LDCs, namely DFQF market access, simplified rules of origin and special priority in services' sector.

We are concerned that despite various international efforts such as Heavily Indebted Poor Countries (HIPC) Initiative and Multilateral Debt Relieve Initiative (MDRI), many LDCs are still struggling with a high debt burden. According to Secretary-General's report, debt stocks in LDCs registered an average yearly growth rate of 6.4 per cent in the period 2009-2016. The debt-to-exports ratio increased from 81 per cent in 2011 to 136 per cent in 2016. Debt service takes up a large part of our scarce budgetary resources, representing an obstacle for economic growth, poverty eradication and the achievement of the 2030 Agenda for Sustainable Development.

We, therefore, call upon the international community to undertake effective measures, to address the debt problems, especially through full cancelation of all multilateral and bilateral debt owed by LDCs to creditors, both public and private. We also invite the development partners to increase their ODA and other concessional lending to ensure debt sustainability of LDCs, while meeting their financial needs to realize the 2030 Agenda.

The activities that underlie illicit financial flows, such as corruption, tax evasion, transfer price, safe havens that create incentives for transfer of stolen assets abroad, money-laundering have serious impacts on domestic resource mobilization and on the sustainability of public finances. We emphasize the importance of increased international cooperation to recover stolen assets and return them to their countries of origin. The General Assembly resolution 71/213, on the promotion of international cooperation to combat illicit financial flows, is an important step in initiating intergovernmental discussions on illicit financial flows at the United Nations.

Mr. Chair,

We are deeply concerned by the lack of progress in the implementation of the Addis Ababa Action Agenda on financing for development.

Total ODA from OECD-DAC countries to LDCs declined from US$41 billion in 2014 to US$37.3 billion in 2015 and the preliminary data for 2016 shows that bilateral ODA to LDCs further decreased by 3.9 per cent. We call upon donor countries to fulfil their ODA commitment to LDCs and to provide at least 0.2 per cent of their GNI to LDCs from the current level of 0.09 per cent.

FDI flows to LDCs contracted by 13 per cent to $38 billion in 2016 compared to the previous year with continued concentration on extractive and related industries. Implementation of the investment promotion regimes for LDCs can accelerate FDI to LDCs to meet their growing needs to realize the 2030 Agenda.

We underline the need for giving special priority to LDCs in the follow-up and review of the implementation of the Addis Ababa Action Agenda.

Thank you.