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## **BANGLADESH**

### **Statement delivered by Mr. Tareq Md. Ariful Islam, Deputy Permanent Representative at the Annual Session of UNDP/UNFPA/UNOPS (UNCDF Segment) held on 06 June 2019**

Mr. President,

We thank Mrs. Judith Carl and her team for leading the impressive work of UNCDF. We deeply value the work of UNCDF in Bangladesh which by the way is their largest country operation among the LDCs. In Bangladesh, UNCDF has a long track record of pioneering initiatives that the Government and other development partners help scale up and we commend their thought leadership role in this regard.

While our government, under the dynamic leadership of Prime Minister Sheikh Hasina, has made significant strides in innovative financing for our development, there remains some bottlenecks and UNCDF is serving to address these. They are also working for financial inclusion and spread of digital financial services in Bangladesh by supporting government initiatives in building a resilient and comprehensive digital financial services (DFS) ecosystem in the country. We appreciate this complimentary role. With the UNDS reform now taking place on the ground, UNCDF can bring important value addition to issues of strategic financing based on their rich country experiences.

Micro-financing has been an important vehicle of our overall economic development. Yet, there have been some gaps particularly in providing access to micro-financing. UNCDF is effectively bridging this by realizing the potential of digitization and working with the government on regulatory issues. UNCDF has broadened the understanding of financial behaviors of low-income consumers in rural areas through a series of financial diaries.

In Bangladesh, UNCDF is strengthening capacity of local governments to develop inclusive local level planning and financing mechanisms for community-based climate change adaptation solutions. This is contributing to our home-grown disaster risk management efforts.

As it is happening in many of the LDCs, Bangladesh is also experiencing a surge in urbanization. So, having sustainable cities is one of our key focus areas in line with SDG 11. Yet, municipal investment financing has proved to be an issue. Here UNCDF played a pioneering role by doing credit rating of some of our municipalities. This credit worthiness is expected to mobilize alternative financing roping in the private sector and providing a market interface. This would make the municipalities self-sustaining and at the same time reduce burden on the government. This ‘proof of concept’ achieved through pilots in Bangladesh is a good model for replication which may lead to development of a global fund for SDG 11 eventually.

UNCDF’s report last year on blended finance is helping to drive an informed discussion of how best blended finance strategies can be made to work for LDCs.

Impact investment is another area where UNCDF’s work is worth mentioning. With the launching of impact shares in the New York Stock Exchange, it is expected to pool a fund for SDGs in series for LDCs.

Notwithstanding all the good works UNCDF is doing, we should not be oblivious of the modest resource base of UNCDF itself which often risks continuity of its operations. We would need greater support from development partners, other development entities of UN and international financial institutions to broaden the support base of UNCDF. We also need to frame a transition guideline of operation of UNCDF so that once countries graduate from LDC category, there is a continuity of their operation for some time before phasing out completely.

I thank you.

