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Statement by H.E. Mr. Masud Bin Momen, Ambassador & Permanent Representative of Bangladesh to UN, on behalf of the Group of Least Developed Countries at preparatory meeting of experts for the Comprehensive High-level Midterm Review of the Implementation of the Istanbul Programme of Action (IPoA) for the Least Developed Countries Trusteeship Council Chamber, UNHQ, 28 March 2016

Thank you, Co-Facilitators, for your efforts.

I have the honour of delivering this statement on behalf of the 48 least developed countries. The Group of LDCs aligns itself with the statement by the representative of Thailand on behalf of the Group of 77 & China.

2. First of all, the LDCs would like to thank you, the Co-Facilitators, for issuing the zero draft of the outcome document of the Comprehensive High-level Midterm Review of the Istanbul Programme of Action in due time. This will indeed help us in our efforts to have a very substantive political declaration in Antalya in a timely manner.

Mr./Madam Co-Facilitator,

3. The aim of all LDCs is of course to graduate from this category. IPoA is focused on this target. However, as has been very clearly mentioned in the report of the Secretary-General, graduation has to be realized not as a cut-off point, but as a resolute move towards better and sustained economic development and virtuous structural transformation. Therefore it is important that international cooperation is continued in a sustainable manner to ensure that LDCs do not fall back in the group of most vulnerable countries even after graduation.

4. As already highlighted by the Chair of G77 in his statement, international cooperation is crucial for ensuring long term development in LDCs to help them graduate in a sustainable manner. Official Development Assistance, or ODA, is one of the major components of international cooperation. As pointed out in the zero draft, supported by intergovernmental documents, flow of ODA to LDCs have been decreasing for the past few years. This alarming trend needs to be stopped immediately, and reversed. Without predictable and incremental ODA, many LDCs would not be able to continue on the journey of sustainable development. We have clear guidance from the Addis Ababa Action Agenda on this issue, which you also referred to in your zero draft. LDCs call upon the development partners to fulfill their ODA related commitments, and to implement the Addis Ababa Action Agenda in this regard.

5. International trade is another area that has rightly been flagged in the zero draft, and needs to be strengthened. Even after four and half decades of the establishment of the LDC Group in UN system, their share in the global trade is still hovering around 1.1 per cent, almost at the same level of 1971. The IPoA targets to double the share of LDCs, i.e. 2 per cent of global share, by 2020. We need significant, tangible LDC friendly actions by their trading partners to allow us to reach that goal. LDCs would like to engage substantively in this area in the coming days.

6. This has been universally acknowledged that LDCs, without being polluters, are the major victims of climate change. There are SIDS LDCs, coastal LDCs, and also LLDC LDCs that have already been suffering from severe cyclones, sea level rise, draughts, deforestation and soil erosion, salination, and glacial lake outburst floods (GLOF) etc. In addition to these natural hazards, the LDCs are frequently affected by major health crises, other natural calamities, price fluctuations of commodities, and external financial shocks. Istanbul Programme of Action stressed on the importance of building resilience of the least developed countries to ensure structural transformation. However, although LDCs have been struggling to cope with the different natural and man-made shocks, there has not been any significant and coherent support to help LDCs build resilience. The Midterm Review presents us with the opportunity to work together, including LDCs and their partners both from the developed and developing countries, to work on resilience building mechanism to help the LDCs address and overcome the multiple crises they face.

7. LDCs are also lagging behind in the area of foreign direct investment. For sustainable development supported by productive economy, FDI including technology transfer plays an important catalytic role. The UN Members had a very productive discussion on this issue in Addis Ababa, which has been reflected in the Addis Ababa Action Agenda. Now the Member States need to build on that platform for creating an investment support centre for LDCs that will provide support to investors and to LDCs to draw FDI through various instruments, including through use of insurance and investment guarantees. We also need to put more attention on the issue of illicit transfer of money from the LDCs, an issue that is severely draining the already small LDC economies.

Dear Co-Facilitators,

8. An institution that will help LDCs to have a strong technological base to overcome many challenges is the Technology Bank for LDCs and the Science, Technology and Innovation Mechanism. Let me remind all of us that the Technology Bank needs to be fully operationalized by 2017, as stipulated in the 2030 Agenda, keeping intact the scope and ambition decided by the UN Member States together .

9. LDCs, as the most vulnerable group of countries, must get the differential and preferential treatment that they deserve. They need to be able to participate in the global economic activities, including international trade not only without any obstruction, but also in more favourable terms. That is why in 2030 Agenda for Sustainable Development, there was

the unanimous call for not imposing unilateral economic measures that impede social and economic development. No LDC should be subject to any unilateral measure that adversely affect their development efforts.

10. Another reason why LDCs are not being able to get out of the poverty trap is the high ratio of external debt many LDCs are facing. The difficult situations faced by many least developed countries in terms of external debt need to be urgently addressed by ensuring debt sustainability, including through cancellation of multilateral and bilateral debts owed by LDCs, and through provision of concessional funding, including grants. This important issue needs to be discussed in our deliberations of the Midterm Review.

Distinguished Co-Facilitators,

11. It is now globally acknowledged that the income based categorization of countries is becoming less relevant, as this fails to take into account the pockets of poverty, malnutrition and specific vulnerabilities including fragility and other structural constraints that are pervasive in many LDCs. Since LDCs represent the most homogenous group of countries with very minor variations, we therefore reiterate that the LDC category should be recognized universally to facilitate a coherent and coordinated follow-up and monitoring of the implementation of IPOA and other programmes in LDCs by all UN and other international entities.

12. The last point that the LDCs would like to flag is the issue of underrepresentation of LDCs in the decision making process of the global financial architecture. 48 least developed countries, where 12 per cent of the global population live, have only 3.33 per cent of voting power in IMF, and 3.84 per cent in the IBRD. These figures starkly flag the marginalized situation of the LDCs in the global financial system. This needs to be rectified urgently. Both these points on global recognition of the LDC Group, and more meaningful participation of LDCs in the global financial architecture are in the position paper that was submitted to you, Co-Facilitators, by the Group of LDCs. We would request you to duly reflect these issues that are of key importance for the LDCs in your next version of the draft political declaration.

13. Finally, the least developed countries would like to reassure you of their support in your endeavours, and to engage substantively in the process to make the Midterm Review a meaningful and forward looking event.

Thank you.
