Statement by Nepal at the Second Committee of the Sixty-eighth Session of the United Nations General Assembly on Agenda Item 23 (a) and (b): Group of Countries in Special Situation, New York, 21 October 2013

Mr. Chairman,

Allow me to express my sincere appreciation to you for providing us the opportunity to deliberate on the critical matter. I associate with the statements made earlier by Fiji, Benin and Lao PDR on behalf of the Group of 77 and China, LDCs and LLDCs, respectively. I appreciate the Under Secretary General for LDCs, LLDCs and SIDS for the presentation of comprehensive reports under this agenda item.

Being a member of both the LDCs and LLDCs, Nepal attaches great importance to this agenda item. We fully concur with the findings and recommendations the Secretary General presents in his report on the implementation of IPOA, which clearly articulates that the LDCs will remain most off-track in meeting the MDGs by 2015 due mainly to their deep-rooted structural constraints and unique vulnerabilities. We are concerned that the development gains achieved thus far may be eroded by the ongoing and emerging multiple crises, declining ODA, falling FDI inflows, sluggish service sector growth, and huge energy shortfall, coupled with the negative and disproportionate impact of climate change. Therefore, we call for the effective implementation of the IPOA in addressing the complex development challenges faced by the LDCs.

The huge resource gap is the major constraint in LDCs’ development efforts, particularly the gradual reduction of bilateral ODA in recent years would add more difficulty in the IPOA implementation. We underline that the developed countries should fulfill the ODA commitment of 0.15-0.20 percent of their GNP to the LDCs, and align their aid allocation to LDCs’ priorities with a focus on building productive capacity. As agreed in IPOA, in 2015 they should review and enhance their resource commitments to the LDCs, given the enormity of their development challenges and limited capacity of the LDCs to ensure full and effective implementation of the IPOA.

Science, Technology and Innovation are the enablers for the development. The LDCs require access to the development, acquisition, transfer and diffusion of technologies and corresponding know-how to accelerate their development trajectory. My delegation calls for the early establishment of a Technology Bank and supporting mechanism dedicated to the LDCs for the effective implementation of the IPOA in order to graduate them from the status of LDC by 2020. We support North-South, South-South and triangular cooperation as measures complementary to each other and not as substitutes.
Mr. Chairman,

Despite the progress made in implementing the priorities of the Almaty Programme of Action, the LLDCs continue to face higher transport and trade transaction costs, high commodity dependence, limited productive capacities, declining value addition in agriculture and manufacturing sectors. These factors undermine their ability to achieve structural transformation and limit their effective and meaningful participation in global value chains and international trade.

Having mountainous terrain and emerging from a decade long conflict, development challenges of Nepal are numerous. Lack of connectivity to and from sea and access to modern technology, expensive development infrastructures, transportation and vehicle operating cost and delays on trade have cumulative negative effect on overall development. This is particularly so in the case of trade, which is the engine for the economic development. As a result, our trade is becoming more expensive and less competitive in the national as well as international market, resulting in increased trade deficit every year.

Our situation calls for the development and consolidation of multi-modal transport infrastructure to and from the sea. Strengthening bilateral, sub-regional and regional cooperation in the construction and improvement of transport network and concrete measures in trade facilitation would go a long way in overcoming our key development difficulty. Under the circumstances, without enhanced, predictable and continued international support in all possible areas, it would be a great challenge to realize our national ambition to graduate from the status of the LDC by 2022.

As we are currently under the preparatory phase of the 2014 review Conference of the Almaty Program of Action, the outcome of the conference should ensure both LLDCs’ integration into the global economy and its achievement of international development goals, including the MDGs.

We strongly emphasize the imperative for a stronger framework of international cooperation for the LLDCs for the next decade in order for them to substantially reduce transaction and transit costs, enhance productive capacities, diversify exports with improved competitiveness, and create enabling environment for achieving high and sustained economic growth and build resilience to multiple shocks arising as a result of financial crisis, disasters and climate change.

Before I conclude, I do underline that issues and concerns of LDCs and LLDCs deserve priority attention in all United Nations conferences and processes. Building on the MDGs, the intergovernmental processes on SDGs, financing options for sustainable development, facilitation mechanism for technology transfer, and post-2015 development framework should duly reflect special development needs and priorities of the most vulnerable and mountainous countries such as the LDCs and LLDCs. We cannot meet any international goal without taking LDCs and LLDCs fully on board and such global agendas would lose legitimacy in the absence of their inclusiveness, comprehensiveness and coherence.

I thank you, Mr. Chairman.