



**Address by the Rt. Hon. Jhala Nath Khanal, Prime
Minister of Nepal**

and

Chair of the Global Coordination Bureau of the LDCs

at

**the Fourth United Nations Conference on Least
Developed Countries (UNLDC IV)**

Istanbul, Turkey

May 9, 2011

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Address by the Rt. Hon. Prime Minister Jhala Nath Khanal
at the Opening of the
Fourth UNLDC Conference in Istanbul, Turkey
May 9, 2011

Mr. Chairman,

His Excellency the President of the Republic of Turkey and Chair
of the Conference,

Their Excellencies the Heads of State and Government of LDCs
and Partner Countries,

His Excellency Mr. Ban Ki-moon, Secretary General of the United
Nations,

Hon. Parliamentarians,

Distinguished Heads of Delegations,

Representatives from the Civil Society and the Private Sector,

Ladies and Gentlemen,

I bring with me greetings and best wishes from the people of
Nepal, a country situated on the lap of Mt Sagaramatha
(Mt. Everest) and widely known for being the sacred birthplace of
Lord Buddha, the Apostle of Peace to this august assembly and for
the success of this Conference.

On behalf of all the Least Developed Countries (LDCs), let me
begin by expressing our sincere appreciation to the Government

and people of the Republic of Turkey for so graciously hosting the fourth UN LDC Conference in Istanbul with enthusiasm, empathy and commitment. I would particularly like to put on record our grateful thanks to His Excellency President Abdullah Gul and His Excellency Prime Minister Recep Tayyip Erdogan of the Republic of Turkey both of whom have consistently supported the cause of the LDCs and taken a deep personal interest in the success of this historic event. This is indeed a fine reflection of the great tradition of Turkey, a country which not only distinguishes itself for its civilization, history and modernization but also for the great economic strides it has made in recent years. Furthermore, true to its character as a bridge connecting Asia, Africa and Europe, today it has demonstrated itself as a link between the LDCs and the rest of the world to create a new future for the LDCs. It is, therefore, so fitting that this Conference is being held in this beautiful and vibrant city of Istanbul in Turkey.

Let me also express our appreciation to the UN Secretary General Mr. Ban Ki-moon for your consistent leadership and strong stewardship of this Conference. Working together with all for a new vision and stronger promises, we would like to begin a new dawn of hope and confidence for the more than 800 million people living in the LDCs.

Mr. Chairman,

As we look forward to a new dawn of hope and expectations, we should also not be oblivious to the facts of past history which

bequeathed to us political and economic order of a certain kind which needs to be fundamentally transformed in order to properly address the lingering problems of poverty and least development. Timely restructuring and reform of some of the global institutions including the UN in order to make them more effective in meeting the present and future needs and expectations of the most needy and vulnerable segments of the international community is a must. The fact that the number of the LDCs has grown from 25 in 1971 to 48 at present clearly suggests that there are flaws somewhere in our development paradigm. This calls for a serious attention of the international community to address the inequities in the current global political and economic order and injudicious use of resources. Therefore, it is high time we considered these critical issues in all seriousness while we try to find solutions together to new and emerging problems confronting humanity as a whole today.

Mr. Chairman,

We live in an age of globalization. Our ways of life have been transformed. The speed and contours of these changes are unpredictable. Unprecedented opportunities abound in the world, if only we have the capability to reap due benefits from them. At the same time, it is also a source of great stress and challenge for those who are either marginalized or face huge structural impediments. For the first time in human history, we have the means and the requisite tools at our disposal to free the world from absolute poverty. That is entirely possible with our strong collective will and determination. Yet we still

have more than a billion people living below the poverty line and most of them in the LDCs. The challenge is how to match our expectations with genuine will and commitment. This Conference in my view is all about our collective will and a strong resolve to make that happen for the larger welfare and wellbeing of humanity as a whole.

A UN Conference of this kind dedicated entirely to the cause of the LDCs takes place only once in a decade. Therefore, it assumes special significance to us as well as the international community. It should chart out an ambitious yet realistic and forward looking vision with a result oriented program of action. It is not only important from a moral imperative, it is also in the enlightened self-interest of the international community to reduce volatility and ensure peace, equity and prosperity around the world through inclusive upliftment of us all.

Since our last conference in Brussels a decade ago, LDCs have made progress in some of the areas of human and social development, in particular, in gender empowerment, education and health. We are glad to note that the institutionalization of democracy and good governance has made good headway. LDC governments have formulated pro-poor development strategies with appropriate focus on macroeconomic stability and equity. We express our sincere appreciation to all our development partners and the international community for their consistent support and cooperation in the last one decade. This has made a lot of difference in the lives of the people in the LDCs.

While we have covered some grounds in the last one decade, we have a long way to go. The Brussels Program of Action still remains an unfinished agenda. The incidences of poverty, scale of deprivation, lack of essential services, deep structural constraints and paucity of energy and infrastructure have significantly hindered our development prospects. More than half the people in the LDCs still live below the poverty line and two thirds of them live with less than 2 dollars a day. LDCs are most off-track in meeting the Millennium Goals. Basic services that many take for granted in different parts of the world are simply unavailable to the people in the LDCs. Women have to walk hours to fetch water every day. Children have to trek long to attend school. The availability and access to basic health services are also acutely limited. While LDCs represent about 12 percent of the global population, their share of global merchandise trade and global GDP remains around 1 percent.

Mr. Chairman,

The compound impacts of the series of global crises from economic and financial to fuel and food have made the life of the poor people in LDCs untenable. Many LDCs are net food importers. The consistent rise in the food prices is already making food insecurity a major concern for us all. So is the spiraling price of fuel with its widespread effects on the general price level. Global economic and financial crises are still having delayed impacts on us as they are affecting resource flow into the LDCs including investment, tourism and remittances. Impacts of climate change is disproportionately affecting the livelihood of our

people, because of our over dependence on natural resources and the least adaptive capacity. Melting of glaciers in the Himalayas in Nepal, recurrent and ravaging floods in the coastal plains of Bangladesh, salinization of water and sea-level rise in the Pacific Island LDCs, growing desertification and water stress in sub Saharan African LDCs, new and virulent strains of diseases, impacts on agriculture and livelihoods due to changing weather patterns are the hard realities of life of our people. They are a chilling reminder to us that climate change impacts are real and happening now.

Let me narrate one example from Nepal. In the last one decade, we have made progress in rural energy and infrastructure, considering our low development base. Micro-hydro, solar energy and biogas have transformed the lives of many of our people having access to them now. So is the case of rural connectivity with roads and communications. Resources, right policy framework and a multi-stakeholder approach have made all the difference. Since its coverage is still very limited, our challenge now is to scale them up substantially and sustain them. Yet, resources are key constraints to replicate and expand them more widely and rapidly.

Mr. Chairman,

We have the highest level of inequality at the global level today than at any time in history. This level of inequality and vulnerability is unsustainable as it only breeds instability and conflict. In other words, we face a kind of developmental emergency in the LDCs. Therefore

we call for urgent and comprehensive action to build resilience and vulnerabilities. From our point of view this conference offers us an opportunity to focus our minds on these complex issues in a coherent manner.

We have diversity among us also. Many of us are landlocked, small island states, coastal states, arid or semi-arid countries and countries in or emerging from conflict. But what brings us together is our low level of income, low human development and extreme vulnerability. Combined effects of these factors together with locational or situational disadvantage make our conditions extremely precarious. As such the support measures have to be coherent, comprehensive and sustained. Feeble and disjointed efforts will hardly bring the desired result. Therefore, our vision and pathways are very clear.

We are aiming high to graduate half of the LDCs from this status in the next decade. The goals that we have set for ourselves therefore must receive stronger and enhanced level of support from the international community in an equal measure. Our vision is to create inclusive and sustained economic growth, eradicate poverty and build strong and resilient society. That is possible only with a strong productive capacity and economic infrastructure to fuel a rapid and inclusive growth in LDCs. Productive capacity development requires sustained and coherent national and international efforts. More resources for investment in productive sectors through targeted measures, development of the private sector, an enhanced level of official development assistance, meaningful market access to all LDC

products, removal of tariff and non-tariff barriers, trade capacity enhancement, support for the transfer of technology to LDCs, supportive measures to promote investment through aid for investment, and dedicated measure to LDCs to mitigate multiple crises are critical to promote sustainable development in LDCs and build their resilience. In all these areas, private sector has to play an important role as they are at the center of the productive capacity building efforts. In this context, trade fair and other networking events that have been organized during the conference are worth of our full support. Furthermore, the international community and global architecture should be responsive to the constraints of and opportunities for LDCs. The voice and representation of LDCs should be ensured in all international forums for their effective mainstreaming into the global governance processes.

Mr. Chairman,

A true measure of the success of the international order is how well it looks after the interests and concerns of the weakest and most vulnerable members of the global community. Business as usual is not an option. This conference should give a strong political direction and strategic focus to the concerns and aspirations of LDCs. And our approach to development has to be multi stakeholder within and outside. The civil society and parliaments have to play their due and respective roles in order to make sure that we have inclusive and accountable development process. I would like to appreciate the role played by the civil society track to highlight the cause of the LDCs and for organizing many events during the Conference.

Mr. Chairman,

Let me reiterate that the Istanbul Conference should be a watershed event for the development of LDCs. We have three decades of experience working together as partners in this specific LDC forum. This Conference should come out with an outcome that ensures renewed and robust global solidarity and partnership to uplift the status of the people in the LDCs. There should be a mutual compact. We are willing to do our part more vigorously, as development is our primary responsibility. But we call upon the international community at large to come forward with equal vigour and commitment. We look forward to a targeted and enhanced level of support and cooperation from all, traditional development partners as well as from the more capable developing countries within the framework of South-South Cooperation. We call for bold initiatives and undertakings of the highest order. We are aware that the economic and financial crises of the recent years have called for many economic reforms and cuts in the partner countries. But we believe that this is not the time to reduce support for the LDCs. Ours is an existential challenge as large numbers of people in our countries are struggling even for the basic necessities of life to sustain themselves.

It is with this call for a renewed and strengthened global partnership of a higher order that I wish the Istanbul Conference a real success. And we must make sure that what we agree here is fully implemented with strong monitoring and follow up mechanisms. By 2021, at the least, we would like to see the number of LDCs reduced by half and most of the people in LDCs out of grinding poverty. This is certainly not an

unreasonable expectation. Working together, we can do it; we should do it and we should start doing it right from here. The people in the LDCs deserve it, as they have waited long for a real and sustainable change in their lives.

Before concluding, Mr. Chairman, I would like to take this opportunity to brief this august gathering about the political transformations of far reaching importance that Nepal has been undergoing since the success of the peaceful People's Revolution of April 2006. The decade-long conflict came to an end with the signing of a Comprehensive Peace Accord in November 2006. We successfully held the election to the Constituent Assembly in April 2008 after which the last phase of transition is currently underway. In the last five years, we have made determined efforts to institutionalize democracy in the country in an atmosphere of peace, harmony and social justice within the new framework of Federal Democratic Republic of Nepal.

While we are engaging ourselves currently in the task of concluding the peace process through political dialogue, consensus and accommodation, the democratically elected Constituent Assembly consisting of 601 members representing all segments of the Nepalese society, and one third of which is women members, has been fully occupied with an equally important and historic task of writing a new democratic constitution for the country. In view of the very comprehensive nature of the task at hand including the need for restructuring the state along federal lines, while adequately accommodating the wishes and expectations of our people, my

Government has been making every effort to build national consensus on issues of peace and constitution in a fully democratic spirit of inclusiveness and participation. Once we have completed these twin tasks of the peace process and writing a new constitution, we will be focusing our undivided attention on economic development and growth with a human face.

We are grateful to our development partners for their understanding and consistent support to us in our national endeavour for consolidating peace, democracy and development. I would like to take this opportunity to express our grateful thanks to all our friends and well-wishers in the international community who have extended their understanding and support to us in this historic transition.

We are indeed keen to cross the LDC threshold within the shortest possible time. And in the same vein, we also wish that LDC as a typical mark of identity should vanish for good from the global political and economic vocabulary as soon as possible. I am sure with the strong political will and renewed commitments from both the LDCs and the development partners in the international community, this Conference will go a long way in bringing substantial positive change in the conditions of the more than 800 million people living in the LDCs in the coming decade.

Thank you.