

**STATEMENT BY H.E. SUKHBOLD SUKHEE, AMBASSADOR AND
PERMANENT REPRESENTATIVE OF MONGOLIA TO THE UNITED
NATIONS AT THE 2017 ECOSOC FORUM ON FINANCING FOR
DEVELOPMENT FOLLOW-UP**

New York, 23 May, 2017

Mr. President,

First of all, I wish to thank you for convening the Second ECOSOC Forum on Financing for Development follow-up.

My delegation associates itself with the statements made by the distinguished representatives of Ecuador on behalf of the Group of 77 and China as well as of Zambia on behalf of the Group of LLDCs.

Mr. President,

At the national level, Mongolia is committed to implementing the goals and targets set forth in the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda. They are reflected in our national development strategy, including Mongolia's 2030 Sustainable Development Vision and the Government's Action Program for 2016-2020.

The domestic resource mobilization is important to Mongolia as it strives to widen revenue base, improve tax collection, transparency and impose financial discipline. For instance, the introduction of 20% return of VAT payment to consumers introduced in Mongolia in 2016 resulted in the overall tax collection increase of 15,1 % against 2015.

Another key financing mechanism is public-private partnership, especially for financing long-term infrastructure projects. Mongolia had its share of successes and failures in PPPs. The law on Concessions provides a strong, flexible basis for PPP project creation at the central and local government level, and across a range of PPP models and sectors. As of 2016, the government of Mongolia has a pipeline of 39 PPP projects including projects in the energy, transport, and education sectors.

However, many developing countries with special needs, including my own – Mongolia, face considerable economic and financial difficulties. Mongolia remains vulnerable to global economic shocks as its main

exporting products lack diversity, are often limited to only a few commodities, and its trade partners are often insufficient in number.

According to the recent report of the UN ESCAP¹, the total financing needs for infrastructure development are close to 10.5 per cent of GDP per annum on average in countries with special needs. This, far exceeds the current levels of infrastructure funding available in these countries at the best of time.

Furthermore, all the ODA, PPP and domestic resource mobilization at Mongolia's disposal is not nearly enough to satisfy its infrastructure needs. Mongolia has the lowest road density and the lowest of paved roads among countries in special situation. Therefore, additional public and private investment and financing will be required to meet the large investment needs in infrastructure in my country. There is a need for enhancing capacity building to develop bankable and implementable infrastructure projects.

There is also a need for effective and sustainable technical assistance and capacity-building support tailored to our specific needs and constraints to address technology infrastructure gaps as well as capacity constraints.

Mr. President,

In conclusion, Mr. President, my delegation affirms its strong commitment to fully implement the Addis Ababa Action Agenda.

I thank you.

¹ Asia-Pacific Countries with Special Needs Development Report 2017