



# MONGOLIA

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### STATEMENT BY

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**PERMANENT REPRESENTATIVE OF MONGOLIA TO  
THE UNITED NATIONS**

### AT THE

**CONFERENCE ON THE WORLD FINANCIAL AND ECONOMIC CRISIS  
AND ITS IMPACT ON DEVELOPMENT**

26 June 2009

Mr. President,

Let me begin by extending my delegation's high appreciation to you, Mr. President, for convening this important conference to discuss the causes of the crisis and develop an adequate global response to its multi-dimensional impact felt all too often acutely and intimately in our home countries. I also wish to strongly commend the skillful stewardship of our Co-facilitators – Permanent Representatives of Netherlands and Saint Vincent and Grenadines in producing the draft outcome document to be adopted at the end of our deliberations.

Mr. President,

The rapidly unfolding global financial and economic crisis has severely affected all the countries, and especially so the most vulnerable economies of LDCs, LLDCs and SIDS. Being one of the 31 LLDCs my delegation wishes to draw the attention of this august Assembly to the findings and conclusions identified in the report prepared for this conference by the UN Office of the High Representative for LDCs, LLDCs and SIDS on "The impact of the global financial and economic crisis on the development prospects of LLDCs". Conclusions are clear, LLDCs need "additional external resources...substantial enough to mitigate output contractions and welfare losses. Those countries that have not built up the necessary preconditions will have an even greater need for external assistance because only countercyclical policy, underpinned by an external resource injection, is likely to avoid the high price of further macroeconomic instability. In effect, most LLDCs can fully expect to be significantly affected by the crisis, but the degree to which the international community will support efforts at mitigation remains critical but frustratingly unclear." In this respect, my delegation remains hopeful that one of the practical outcomes of this conference would form a clearly articulated commitment and support to LLDCs and other vulnerable countries.

Despite the grim situation we are encouraged by a broadly shared recognition that the vulnerable countries and populations ought to be assisted to withstand harsh impact of the crisis as hundreds of millions are plunged into the iron grip of poverty, hunger, unemployment, illiteracy and ill-health. The light at the end of the tunnel is still dim, thus putting the MDGs and other internationally agreed development goals under serious threat.

Much has been said during the course of these three days on how the crisis is impacting our economies and societies, what actions have been taken and ought to be taken at national, regional and international levels. We believe that this sharing and learning from each other will help us develop a concerted global action based on a shared responsibility, solidarity and collective wisdom. And this action has to be taken urgently as the world faces an unprecedented development emergency.

Mr. President,

Allow me to share briefly our views on issues we deem important to take into consideration as we formulate our collective response to the current crisis.

**First**, my delegation believes that the **multiple nature of the crises** has to be taken into account in order to find an adequate response at the global level. Global financial and economic crisis need to be dealt with along with our coherent action against food, energy crisis and climate change challenges. This is in itself an unprecedented task. We need to raise above our national and group interests so that to be able to collectively survive in our one-global-human village.

**Second**, in all our policies and actions we need to **focus on people, on human costs** of overcoming the dire consequences of multiple crises. Because of the crisis between 73 and 103 million more people could fall into poverty (DESA), from 200,000 to 400,000 more infant deaths per year are expected (World Bank), the number of hungry and undernourished would rise to a staggering high of over one billion (FAO). Thus, provision of health, nutrition, jobs and education to the vulnerable and needy must be put on top of our agenda at national and global levels.

**Third**, in addressing the financing shortfalls the **special needs of low-income vulnerable countries** ought to be met. We welcome the reaffirmation by the G-20 leaders in London of their previous commitments to MDGs and their respective ODA pledges and their decision to provide \$50 billion to support social protection, boost trade and safeguard development in low-income countries. Timely delivery of sufficient and larger share of additional resources is instrumental in assisting the efforts of the vulnerable countries. In this regard, I wish to emphasize two important points. It is estimated by some organizations that a total of \$100 billion is urgently required to mitigate the crisis impacts in low-income countries. Thus, sufficiency of funds is crucial in addition to allowing fiscal policy space for recipient countries undertake counter-cyclical measures. In this respect, my delegation wishes to also commend many other countries that despite their budget restraints decided to honor their ODA commitments. Secondly, provision of funds should not entail another spiral of indebtedness for the low-income countries. Here, an idea of temporary moratorium on debt servicing could be further explored.

**Fourth**, to enhance the **role of the United Nations** in promoting a coordinated response by the international community to address the world financial and economic crisis, especially in assisting the vulnerable low-income countries. In this regard, my delegation fully endorses the recommendation to set up an ad hoc panel of experts on the world economic and financial crisis and its impact on development as envisaged in the draft outcome document. We also support further strengthening of the UN development system's crisis response at the country level and welcome the Secretary-General's initiative on UN Vulnerability Alert mechanism.

**Fifth**, we believe it is critical to have a **sustained follow-up** to this conference. In that respect, we request the Secretary-General of the United Nations to prepare a matrix of short-term and long-term policy initiatives, strategies and commitments put forward by Member States and other international stakeholders at this conference so that we could replicate the best practices and monitor the implementation of pledges. This work can greatly compliment the mandate of the open-ended working group of the General Assembly to be established to follow up on the issues contained in the outcome document of this conference. Here, my delegation would also like to emphasize the

importance of not losing sight of the importance of laying the groundwork for sound resilience to future shocks and crisis through long-term sustainable development while grappling with immediate multiple impacts of the current crisis.

Finally, let me reiterate my Government's strong resolve to follow through the implementation of its plan of action to overcome the current financial and economic hardships approved by the Parliament earlier this year. The plan envisages specific policy and fiscal actions designed, *inter alia*, to improve food supply and security, stimulate industrial development and employment, intensify the implementation of 100 thousand families housing project, ensure the safety and security of energy supply, raise export earnings through mining sector support, to stimulate the real economy through commercial banks, develop and streamline infrastructure in rural areas, especially in the Gobi region; protect the vulnerable and low-income families from the crisis impact. As a low-income, landlocked developing country Mongolia endeavors to implement its anti-crisis measures in close cooperation with our bilateral and multilateral development partners. We remain confident that this conference will give an important boost to our national efforts to overcome the crisis in the short-term possible and lay solid ground for sustainable development.

I thank you.