

Thank you Madam Co-Chair,

Excellences, Co-chairs, Ambassadors from Bangladesh and Canada and the Key-note Presenters, other panelist and participants,

It is an honor and pleasure for me to participate in this very important discussion where we have been preparing to go to Doha for obtaining more resources for the LDCs and to attain their agendas which have been unmet yet. Due to Covid-19, the unmet list has further expanded.

We had committed for annual growth of 7% in IPOA. However, last year our growth has dropped down to merely 1.3%. That means, we have to put an extra effort to go beyond what we had committed in IPOA or we need to think beyond what we had agreed during the Addis Abbaba action agenda and the follow up action agendas. There are some parts of the world that are better places but we all talk about making the whole world a better place. When we talk about the LDCs, they are the countries which are more vulnerable to pandemics, vulnerable to disasters, vulnerable to poverty and vulnerable to climate change. We need to have better instruments or enhanced financing to LDCs so that we can make the world a better place and attain global peace and order. When there is conflict based on poverty, destitution and vulnerability in one place, we cannot sleep soundly in the other place no matter how rich and peaceful the other countries are. Let's take this into account.

When we talk about Building Back Better, let's also find out how we can build better in the LDCs or LLDCs, what are the conditions that the LDC and LLDCs can work on to build back better given the pandemic as well as given their already vulnerable economic conditions.

It is also necessary to identify the core areas because the economy is not fully formalized. There are large scales of informal sectors too. Our penetration in the informal sectors is not enough. Suppose that, we provide to the people that is captured by top level or limited group of people we need to go down to the bottom section of the people in those countries. Our focus should be on how we can create opportunities for employment and self-employment. For this, we need to focus on investing or creating more jobs through SME's in providing opportunities for investment and market access of their products as well. We cannot have the reciprocity in the market access, maybe we need some reservation.

Large segments of people are still dependent on agriculture sectors and this is the same sector where most of the poor people rely on. Agriculture sector should also be focused so that we can build back better in LDCs and LLDCs or other countries.

On the Fiscal policies, due to the pandemic situation, we have to set aside extra money for health expenditure; to buy vaccines and medical equipment. The LDCs have been confronted with added fiscal pressure as we need extra money to buy vaccines otherwise that money could have gone to build better infrastructures, better schools or to other needy areas of the economy. But because of the pandemic we are in too much pressure and we are very much in resource constraint stage because we are in need to prepare for Covid health facilities.

The investment gap in the LDCs has been expanding and let's realize this fact. We want some assurance and while we prepare to go Doha, we need to prepare ourselves for the fact that we need resilient health infrastructure for the future and also save the lives of the people and build back better of the economy.

These are the three agendas regarding the fiscal policy side to push in Doha.

Nepal, as you know it's a beautiful country and we have a large sector of our country dependent in tourism sector. As the pandemic have had a larger impact on this sector the economic vulnerability has further expanded. Our people have been further losing their jobs and their economic condition is getting worse. So we need to think not only what is happening globally but also think locally. So without generalizing every condition, let's take country specific cases into account and in bring measures to make country's conditions better. On the education sector, our children are out of school as the pandemic has led the children to undertake their classes virtually through digital means. Though in the developed country or urban areas children are obtaining their education digitally but there is a huge digital divide in the rural areas where they are lacking the schooling due to the absence of physical classes. Regarding the SDG financing in Nepal, under fiscal policy, we have categorized our budget undertaking the sustainable development goals. We measure this with respect to the budget we have allocated on eliminating poverty, on zero hunger and on climate action. We have codified the SDGs in our budget which depicts that our investment is huge but the resource is insufficient.

We do not want to be heavily dependent on ODA each year, we want that type of ODA that teaches us not only how to catch the fish but also grow the fish. We want to be sustainable, we want to have sustainability in our revenue base. We don't always want to seek more percentage of aid from the developed countries or multilateral agencies instead we want the aid that supports us to create sustainable revenue base. We should make our development inclusive and have our own development plans otherwise the never ending aid dependency will make our conditions further vulnerable. This is my request; we need to take this also in to account.

The FDI share is not fairly coming to LDCs because of the pandemic and also due to the conditions before the pandemic. Certainly, the private investments may seek the conditions where they can generate more benefit or profit but we need to push this barrier because of the possibility of comparative advantage and the possibility of connecting LDCs into global value chains. Despite opportunities, the investors are discouraged to come to the countries categorized under LDC. We should revert this and we should create conditions that can attract the FDI and more FDI opportunities will be provided in the LDCs. And because of the Covid pandemic, the FDI which was not sufficient enough has further degraded in the LDCs. Therefore, we have to convince the global community to think or to keep aside some percentage of FDI for the LDCs. The local currency bond is a wonderful idea but the countries lack technique, technology and sufficient scale of knowledge to issue the local bonds and go to the market. So if we prepare for Doha, I request the international community to provide us the technique and the right way to issue local currency bonds and other thematic area of bonds that will be really wonderful.

On the blended financing, it is not well practiced in the LDCs, including Nepal. Blended financing is new area or new instrument.. So I urge that the multilateral agencies, development partners will also support us in the sector of blended finance or to use this instrument and to invite the means of blended finance. We do have to explore the possibility of having more funds through global climate funds. There are huge amounts now coming to the climate fund here in Nepal. We are talking with Development partners on GRID initiatives green resilient, inclusive initiative. So, if we could also include this GRID initiative in Doha agenda would be very helpful.

Lastly, with these few words, I once again would like to thank, for this opportunity. I would like to thank the UN agencies, UNDP for considering Nepal and also hosting this very pertinent conference. We are preparing for Doha that focuses particularly on Financing for Development for the LDCs and Nepal has targeted to graduate from LDCs by 2026 and there are some concerns as well regarding what happens after 2026 as our commitment to graduate was before the pandemic. Due to the pandemic our conditions has gone further vulnerable so we may need to reconsider continued supporting for Nepal taking into account the Covid created conditions as well.

Thank you once again, thank you chairs for this opportunity.