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**Statement to be delivered by Hon’ble Dr. Arzu Rana Deuba, Minister for Foreign Affairs and the LDC Chair, during the annual Ministerial Meeting of the Group of Least Developed Countries on the sidelines of the 79th UN General Assembly**

**26 September 2024**

**(10 am-1 pm)**

**(Words to Read:1081)**

**His Excellency Sheikh Mohammed bin Abdulrahman bin Jassim Al Thani, Prime Minister and Minister for Foreign Affairs of the State of Qatar**

**Hon’ble Ministers/Dear Colleagues**

**Your Excellency the Secretary General Mr. António Guterres,**

**Your Excellency Mr. Philemon Yang, President of the General Assembly**

**Your Excellency Mr. Robert Rae, President of the Economic and Social Council**

**Your Excellency Ms. Rabab Fatima, Under-Secretary-General and High Representative**

**Excellencies,**

**Distinguished Delegates.**

At the outset, I would like to extend a warm welcome to you all to this annual meeting.

I thank all members of the LDC for their continuous trust and confidence in Nepal.

I assure you that as the Chair of the Group, we will carry out the mandate with all sincerity, dedication, and diligence.

We are grateful to the Secretary-General, the Presidents of the General Assembly and the ECOSOC for your unwavering support to protect and promote the interests of the LDCs.

I wish to commend USG-OHRLLS and her able team for their hard work and contribution to promoting the interests of the LDCs.

I also appreciate and thank the friends of LDCs who are continuously supporting the cause of LDCs.

**Excellencies,**

We are at a critical juncture.

The global economic context is fraught with challenges.

Multiple intertwined global crises, from the lingering effects of the COVID-19 pandemic to the escalating geopolitical tensions and the worsening impacts of climate change, have exacerbated the extant vulnerabilities of LDCs.

Our countries have faced severe economic setbacks in recent years.

In 2023, LDCs lost 10% of their GDP compared to pre-pandemic growth trends.

Nearly 15 million more people are living in extreme poverty than in 2019, bringing the total to over 380 million.

In my own country Nepal, four percent of the total population was pushed back below the poverty line after the COVID-19 pandemic.

LDCs are lagging behind in their efforts of post-pandemic recovery due to limited fiscal capacity and high debt burdens.

The debt burdens of LDCs are growing rapidly, with six LDCs in debt distress and 15 at high risk of debt distress as of November 2023.

Official Development Assistance (ODA) to LDCs fell by more than 7% in 2022 to $45 billion, despite global ODA flows reaching an all-time high. The average share of GNI provided as ODA to LDCs from Development Assistance Committee donors declined to 0.08% in 2022.

Climate change continues to disproportionately affect LDCs.

Despite some reductions in greenhouse gas emissions in developed countries, global carbon dioxide levels have surged to 150% above pre-industrial levels.

In the given context, concerted global efforts are more needed now than ever if we want to bring the LDCs back on track to achieve the 2030 Agenda and the DPOA.

**Against this backdrop, let me highlight a few points:**

**First: Financing for Development**

LDCs face an annual spending gap of 40 percent of GDP to achieve the SDGs. I call upon all development partners to urgently realize the target of 0.2 percent of GNI as ODA to LDCs, implement the SDG Stimulus, combat illicit financial flows, support capacity building for domestic resource mobilization, and help increase private sector investment among others.

**Second: Ambitious Climate Action and Finance Targets**

LDCs are on the front lines of climate change.

We call for ambitious emission cuts under which developed countries must commit to more ambitious emission reduction targets to limit global warming to 1.5°C.

The Green Climate Fund and other mechanisms must double their financial support to LDCs, ensuring that at least 50% of climate finance is allocated to adaptation and resilience-building projects.

As of February 2024, total funding for LDCs under the Green Climate Fund had reached $4.1 billion, representing 30% of its global portfolio.

This needs to be significantly scaled up, including fully resourced loss and damage funds. These funds should be made more accessible to and affordable for LDCs. We want a concrete agreement at COP29 on all of the above points.

**Third: Robust Debt Relief Measures**

The debt crisis is stifling our development efforts.

External debt service of LDCs increased from $46 billion in 2021 to approximately $60 billion in 2023.

We urge a comprehensive debt relief mechanism and implementation of an improved multilateral debt relief initiative that includes debt reliefs, debt swaps, and rescheduling.

**Fourth: Accelerated Implementation of the DPOA**

With the Midterm Review (MTR) of the DPOA scheduled for 2026, it is imperative to boost implementation efforts. We need to accelerate the implementation of DPOA deliverables to ensure significant progress by 2026 along with enhanced monitoring and evaluation mechanisms to track progress and address gaps effectively.

We deeply appreciate the extraordinary support provided by the Government of Qatar for the implementation of the DPOA.

Its support to implement two key deliverables is truly inspiring and we encourage others to also support the implementation of other key deliverables.

**Fifth: Support for Graduating Countries**

Fifteen LDCs are now at different phases of graduation.

It is crucial to provide special support measures to graduating and graduated countries.

Our development partners need to put in place tailored support measures, including trade preferences and technical assistance, to ensure smooth transitions.

It is also urgent to develop incentive-based graduation facilities that reward graduating countries for sustained progress in development indicators.

**Sixth: Trade and Digital Connectivity**

LDCs need enhanced support and cooperation to increase their productive capacity, integrate their products into global value chains, and diversify their products and commodities as well as market destinations.

Aid for trade support to the LDCs is vital.

We also stress the need for supporting LDCs in digital service trade with increased access to reliable digital connectivity, robust digital infrastructure, lowering connectivity costs, and global digital networks.

**Seventh: Revitalized Global Financial Architecture**

We recommend massively reforming financial institutions so as to ensure that more concessional finance flows to LDCs.

Multilateral Development Banks should increase their capital bases and increase concessional finance for LDCs.

We also need private sector investment in LDCs through risk mitigation instruments and blended finance mechanisms.

**Finally**, the UN system must scale up its support to LDCs, especially as the Quadrennial Comprehensive Policy Review (QCPR) is being considered in 2024.

We need enhanced investment in capacity-building initiatives to implement the DPOA and achieve the SDGs.

**Excellencies,**

**Distinguished delegates,**

The challenges facing LDCs are immense, but so are the opportunities for transformative change.

I am confident that by working together, we can ensure that LDCs are not left behind.

Let’s strive to achieve our shared vision of a more just, equitable, inclusive, sustainable, and prosperous world.

**I thank you.**