

Statement by Secretary Mr. Dinesh Bhattarai for LLDC Ministerial Meeting to be held on November 4, 2021

- Excellency, Mukhtar Tileuberdi, Deputy Prime Minister, Minister of Foreign Affairs of the Republic of Kazakhstan, Goble Chair of LLDCs,
- Excellency, Battsetseg Batmunkh, Minister for Foreign Affairs of Mongolia, Coordinator of the Group of LLDCs in Geneva,
- Honorable Ministers,
- Director General of the World Trade Organization
- Distinguished Delegates,
- Ladies and Gentlemen,
- Good morning!

1. First of all, on behalf of the Government of Nepal and my own, I would like to express my sincere thanks to the Government of Kazakhstan, Government of Mongolia and the WTO for organizing this LLDC Ministerial Meeting. This meeting is very crucial to prepare a common agenda of LLDC to present in the upcoming WTO 12th Ministerial Conference.
2. Covid-19 pandemic has negatively impacted entire world and all countries are struggling hard to revive their economies. However, LDCs and LLDCs are the hardest hit. This pandemic has reversed the hard-own development gains of LLDC and posed challenges to achieve the targets of SDGs and Vienna Program of Action.
3. There is no doubt that fast, effective, equitable and affordable vaccine would only be the ultimate tool to fight against this pandemic. Hence, we call on the international community for their collaboration in making the vaccine global public goods to overcome the challenges posed by this pandemic collectively. The support of international community in addressing the needs of critical health infrastructures would also develop resilient health system to tackle future pandemics.

Excellencies,

4. LLDCs have not been able to reap the benefits of WTO in many ways. They have been facing multiple challenges in the process of socio-economic

development. Supply side capacity constraints, low level of productive capacity, inadequate investment, insufficient trade infrastructures, non-tariff barrier among others have been posing serious challenges in getting benefits from the multi-lateral trading system.

5. Covid-19 pandemic has further ruined transit and transportation system, increased cost of production and trade, and reduced export of LLDCs. As a result, their economies have become vulnerable in terms of negative growth rate, growing trade deficit, increasing poverty, unemployment, income inequality and debt burden. In this context, it is incumbent upon development partners and multilateral development agencies to come up with substantive relief and rescue packages to combat with COVID pandemic and to support for achieving SDGs.
6. Few land-locked least developed countries including Nepal are in the process of graduation and will lose various trade-related exemptions and privileges after their graduation. Therefore, LDC-specific international support measures including Duty Free Quota Free market access, preferential rules of origin, flexibilities in implementation of multilateral trade rules and commitments, aid for trade, among others, should be continued for extended period of time even after their graduation. Similarly, we urge developed countries, UN, WTO and other multilateral development agencies to provide adequate transitional support to facilitate smooth and sustainable graduation and to compensate the losses on trade and economic performances of such land-locked least developed countries even after graduation.

Excellencies,

7. From our perspective, economic policies must be coherent and focused on driving structural reforms. It should aim at overcoming low productivity, supply bottlenecks and erosion in the productive base. Reforms should be more targeted to structure of production and trade in a way that enhances efficiency, distributional gain, fairness and productivity within and across sectors. A policy of broad production chain to develop internal markets and link with regional and global value chain through use of modern technology and e-commerce is another priority. Hence, strengthening trade

infrastructure including ICT, and building human and institutional capacity in e-commerce and digital economy are the dire needs of LLDCs.

8. We need adequate and quality infrastructures, trade facilitation and other institutional supports in order to address the major challenges of high transit and transportation cost facing by LLDCs which cause the low competitiveness in their export trade. In this context, more concerted efforts are required to enable uninterrupted, unconditional, and smooth transit rights, ensure trade facilitation, overcome non-tariff and other barriers at the borders, along trade routes and in the sea ports. Alternative transit routes and port facilities should be tapped to boost exports.
9. Nepal underlines that a rule-based, predictable, transparent multilateral trading system should be further strengthened through the upcoming twelfth Ministerial Conference. This requires delivering a balanced and inclusive outcome in resolving issues at hand, addressing emerging challenges of the global trading system, adequate response to the COVID-19 pandemic, concluding major mandated negotiations, and ensuring a full functioning WTO system. My delegation stands ready to engage constructively with the WTO members and the process in this regard.
10. I am confident that this meeting will be instrumental in articulating policy responses to trade and development issues of LLDCs for the upcoming WTO 12th Ministerial Conference.
11. I thank you.