

NEPAL
Country Statement

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&
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Mr. President,

Excellencies and Distinguished Delegates,

On behalf of the Nepali Delegation, I express my sincere gratitude to the people and the Government of the Federal Democratic Republic of Ethiopia for their warm hospitality. I also thank the United Nations for the proficient arrangements made for this conference.

Mr. President,

Just over two and a half months ago, Nepal was shaken by a powerful earthquake that claimed nearly 9,000 lives and imposed an economic cost worth about one third of the national income. We had not faced a natural disaster of this magnitude for over 80 years. Precious cultural monuments that marked the glory of the Nepali civilization are ruined. The frequent aftershocks have strained an already fragile mountain ecology. I wish to begin by referring to this calamity to illustrate the relevance of themes being discussed here in Addis.

In the aftermath of the disaster, no Nepali was known to have died as a result of lack of food, and thousands of those injured were treated for free. This was possible because the state mustered all resources at its disposal, funded by a robust base of internal revenue. We received generous help from our immediate neighbors and development partners, and witnessed an emerging mode of South-South cooperation that was agile and compassionate. Remittances sent by Nepalis abroad continue to bolster the livelihoods of millions. The spirit of volunteerism among our youth, the spontaneous outpouring of support from our expanding diaspora, and the breadth of contributions from the private sector, NGOs and philanthropic entities showed that we are living in a new age of possibilities.

I am convinced that the time has come not just to finance our way out of distress, but also to renew coalitions among diverse actors to marshal each of our strengths to aspire to a higher cause of lifting all our people.

Mr. President,

The Himalayan slopes and foothills we inhabit are as beautiful as they are terrifying in their exposure to multiple hazards. We strongly call for the international community to commit to creating a global fund aimed at mitigating crisis and building resilience. The Nepal earthquake of April 2015 is the first major disaster after the Sendai conference, and represents a test of credibility for the international community. As we have seen across disasters, unaddressed risks easily wipe off development gains accrued over decades.

After years of political instability, Nepal is now gearing up for a higher trajectory of economic growth. For the first time, we met this year the required criteria for graduation from our status as an LDC, possibly by 2022, as envisioned by the Istanbul Program of Action. We are also adamant that our graduation will not be meaningful if it does not rest on the bedrock of much higher income per capita. By 2030, therefore, we aspire to become a vibrant middle-income nation peopled by an enterprise-friendly majority. We will pursue this path within the balanced three-pillar framework of the SDGs even in the face of adversities such as those posed by the recent earthquake.

At our stage of development it is capital formation that propels growth. We want to attract large volumes of private investment, domestic and foreign, to fund infrastructure and productive capacity. This past year, we made a transformative leap in FDI by securing huge commitments to invest in clean energy. We urge that foreign investors be given incentives to go to LDCs not just to extract buried treasure, but to create durable value, facilitated by a technology bank.

As a landlocked country, we accept our handicap in trading shipping-dependent bulk produce, and want to leap-frog into new modes of production of the 21st century. Nepal needs integrated support to tie preferential access to world markets with the building of supply-side competencies. We want to be able to join regional and global value chains in the manufacture of parts and components, as well as modern services, and to latch on to modern methods of industrial upgrading.

We realize that for countries to sustain prosperity, they need a strong base of domestically mobilized resources. We will, therefore, widen the tax base, formalize the informal sector, and unleash the vastly untapped potential of women's participation in the modern economy. This way we can create decent jobs in large numbers in a young nation where the median age is just 21.

We in Nepal seek a new kind of ODA that fills critical gaps in knowledge, skills and finance. We believe that the traditional model of aid needs an overhaul. For too long, countries like ours have been grounds for costly experiments of burdening a stretched bureaucracy to coordinate fragmented aid that does not percolate. Going forward, official assistance must pass the scrutiny of cost effectiveness, relevance, and the value of debt. On our part, we will adopt Open Data, and ensure accountability through an aid management system that is nationally executed. We will also improve budget practices so that outcomes are particularly responsive to gender disparity.

In recent years, Nepal has emerged as a recipient of substantial remittance inflows which have complemented public efforts to reduce household deprivation. However, we feel that remittance cannot substitute for organized capital inflow as we see it as a distinct resource stream aimed at individual households. Their value, however, needs to be augmented by lowering the cost of cross-border transfers, expanding financial literacy for their optimal use, and reducing the heavy social consequences of temporary migration such as growing burden on women and the lack of care for the elderly.

Mr. President,

We Nepalis are an innately resilient people. But let there be no doubt about the list of challenges we confront, from sluggish growth and joblessness to social inequities and environmental vulnerability. Climate change complicates the context further with Himalayan glaciers melting and weather patterns becoming erratic. In this regard, high altitude settlements and low lying island states share a common fate. Furthermore, a visible aspect of the post-earthquake recovery will be the demands made on forest resources and new lands. We call on the international community to take note of the fact that while Nepal is committed to conservation, there is little recognition or monetization so far of the vast ecological services it provides to the world.

In closing, we support efforts aimed at reforming international institutions to accommodate voices from the South, and enhancing systemic coherence across financial, monetary and trading regimes to serve the post-2015 development agenda.

We align ourselves with the statements of G-77 and China as well as the LDCs.

I express our appreciation again for the opportunity to contribute to this timely conference. We expect it to set the stage for several global development milestones over the next 15 years.

Thank you and Namaste.