REPUBLIC OF MALAWI

STATEMENT BY

RIGHT HONOURABLE DR. SAULOS KLAUS CHILIMA,
VICE PRESIDENT OF THE REPUBLIC OF MALAWI

ON BEHALF OF THE LEAST DEVELOPED COUNTRIES

DURING THE 2022 UN ECOSOC FORUM ON FINANCING FOR DEVELOPMENT

25TH TO 28TH APRIL, 2022
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Mr. President of ECOSOC;
Excellencies;
Ladies and Gentlemen:

I have the honour to deliver this Statement on behalf of the Least Developed Countries Group (LDCs).

We are passing through a tumultuous time. We are fighting with three “C” monsters: the COVID-19 pandemic; conflicts; and climate change. The world economy has already undergone a radical and irreversible turbulence. There are other global menaces that are equally threatening. These include: inequality; high inflation; digital divide; food and renewable energy insecurity; global supply chain disruptions; and volatility in commodity and financial markets, just to name a few.

The COVID-19 pandemic alone had pushed 77 million more people into extreme poverty in 2021. The Financing for Sustainable Development Report projects that the Gross Domestic Product (GDP) per capita of one in 5 developing countries would not return to 2019 levels even by the end of 2023. This estimate does not take into account the crippling impacts of the war in Ukraine.

We are living in a world that has a lot of systemic inequality and injustice. Injustice prevails in access to vaccine, health
care services, education and concessional lending. For instance, the rich countries are paying 3.5 per cent of their public revenue towards interest on debt while developing countries are paying 14 per cent.

In the LDCs and other low-income countries, fewer than 10 percent of people have received at least one dose of a Covid-19 vaccine as compared to 80 percent in high-income countries.

In order to overcome the current challenges, the LDCs are offering the following proposals:

First: The emergence of the omicron and its other sub-variants underscores the high risk of unvaccinated people to everyone. Vaccine equity is a must for effective recovery, restoring economic growth and achieving the SDGs. Any delay in action will only expose the high vulnerability of the whole system;

Second: LDCs are hamstrung in an unsustainable debt burden. Debt relief, increased grants-based Official Development Assistance (ODA) and other financing support are needed now more than ever before. The Doha Programme of Action for LDCs encourages the re-setting of the ODA target to 0.2 per cent of the gross national income (GNI) or channeling half of the ODA to LDCs. Now is the time to do so if we are serious enough to avoid potential failure in the implementation of the SDGs;

Third: We urge developed country parties to deliver in full on the $100 billion goal of climate finance urgently. The Doha Programme of Action calls for doubling the adaptation
finance by 2025 and allocating 69 per cent of the adaptation financing for particularly vulnerable countries, including LDCs. These need to be delivered as early as possible;

**Fourth:** International trade offers extraordinary opportunities for LDCs. But it has been facing growing challenges due to COVID-19 and the war in Ukraine. Therefore, we call upon the World Trade Organization (WTO) members to fully and expeditiously implement all the decisions of its Ministerial Conferences taken in favour of LDCs with a view to doubling their share of exports by 2031. Doubling the aid for trade as set out in the DPoA can accelerate the diversification and trade capacity building of LDCs. Graduating and graduated countries require continued and enhanced international support;

**Fifth:** We welcome the Special Drawing Rights (SDR) allocation of $650 billion. Nevertheless, LDCs, who need this support the most, are entitled to receive only $15 billion. Countries with strong external positions should implement, in a timely manner, the voluntary channeling of SDRs to the countries in need. We call for at least $100 billion of the SDRs for the LDCs;

**Sixth:** LDCs are paying a high price due to their digital exclusion. Around 73 per cent of their population is still out of internet access. Only 13 per cent of the population in LDCs and other Low-Income Countries have the logistics to work from home. Millions of students in LDCs remained out
of education during COVID-19, primarily for being offline. They hardly could tap the potentials of e-commerce. We must close the digital divides. LDCs need access to technologies, internet, digital tools and know-how to speed and to scale; and

**Finally:** We are going through an extra-ordinary situation posed by multiple challenges and crises. LDCs are facing severe and disproportionate impacts. These necessitate strategic and tactical approach at all levels. The Doha Programme of Action, endorsed by the General Assembly last month, provides a set of comprehensive measures that will help LDCs overcome the ongoing challenges, build resilience against future shocks and accelerate the implementation of the SDGs. We call upon all stakeholders to support the full and timely implementation of the Doha Programme Action. I also urge all stakeholders to build synergy and coherence in the implementation of the Doha Programme of Action, the Addis Ababa Action Agenda and the 2030 Agenda.

**I thank you all.**