

# **70<sup>th</sup> Session of UNESCAP**

## **Country Statement of Nepal**

**Delivered by**

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**of the Nepalese Delegation to the 70th session of UNESCAP**

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**Hon'ble Chairperson,  
Hon'ble Ministers,  
Madam Executive Secretary of UNESCAP  
Excellencies, Distinguished Delegates  
Ladies and Gentlemen,**

At the outset, on behalf of Nepalese Delegation and on my own, I would like to extend congratulation to you, Mr. Chairperson and other members of the Bureau on elections to the respective chairs in this 70<sup>th</sup> Session of UNESCAP. I would also like to express my sincere gratitude to the people and Royal Thai Government for their warm hospitality extended to us. Let me also take this opportunity to express our deep appreciation to the Executive Secretary of ESCAP and her team in the Secretariat for the excellent arrangements.

**Hon'ble Chair**

The global economy is reviving gradually in recent years and we expect that the economy of the developing countries in the Asia-Pacific region will also move towards recovery and betterment.

Almost all the least developed and landlocked countries in the region are facing the problems of poverty, unemployment, inequality and social inclusion. The increase in food and petroleum products prices have created additional problems sustaining the growth and macroeconomic management. The efforts made by these countries to overcome the problems have not been enough. Moreover, climate change has become a global risk and it has made a serious impact on development efforts. As a result, glaciers in the Himalayas have become prone to melt down posing a serious threat to the livelihood and ecology of entire Himalayas and surrounding region. Therefore, we strongly advocate that there is an urgent need for collective action to mitigate the impact of this common risk and wish to urge that the entire ESCAP region must stand together to tackle this common threat and provide special attention to the mountain countries to address the vulnerability of climate changes.

The LLDCs are facing constant challenges in trade, transit and socio-economic development due to lack of territorial access to the sea, remoteness and isolation from the world markets and high transit costs. Nepal also being a LLDC has been facing the additional challenges. Landlocked situation and mountain terrains have made transportation cost very high. It is necessary that LLDCs should be provided with greater market access for their products, support for the transfer of appropriate technology to enhance their productive capacity and competitiveness as well as structural transformation.

The regional inclusiveness for sustainable development is vital to address these problems. Therefore, the theme topic for this session on regional connectivity and shared prosperity is highly relevant.

### **Hon'ble Chairperson and Distinguished Delegates**

The Government of Nepal has successfully conducted the second Constituent Assembly election and formed a coalition government. The main challenge of the new government is to promulgate a new constitution within this year and pave for sustainable peace in the country.

Nepal is currently implementing 13<sup>th</sup> Periodic Plan with the ambitious vision of graduating Nepal from LDC status by 2022. It has set goals for reducing people living below the poverty line from the current 23.8 percent to 18 percent, increasing the annual average economic growth rate to 6.0 percent, maintaining the population growth rate at 1.35 percent and raising the life expectancy to 71 years. In meeting these goals, the current plan would also ensure the achievements of MDGs and addresses the issues of sustainable development, human rights, climate change and other internationally agreed goals.

Nepal has adopted inclusive and sustainable development approaches focusing on development of physical infrastructure, increasing access to social services, the utility and quality of those services, enhancing good governance, people's empowerment and climate change resilience development approaches.

### **Hon'ble Chairperson**

Nepalese economy has been growing gradually in recent year despite several challenges in many fronts. The Nepalese economy is estimated to grow by 5.2 percent in fiscal year 2013/14 compare to 3.5 percent in the previous year. The major contributing sectors are agriculture, social sectors and tourism. The structure of Nepalese economy has also been changing with gradual decrease in the share of agriculture sector compare to non-agriculture sector.

Nepal has made significant progress in achieving its MDGs and has been appreciated internationally. The majorities of health-related MDGs has already been achieved, or are on track to being achieved. The targets related to poverty and hunger, universal primary education, gender equality and women's empowerment, are also likely to be achieved by 2015, and though the targets concerning environmental sustainability and global partnership are unlikely to be achieved in totality. Hence, Nepal should focus on sustainability on MDGs achievement and continuation of its unfinished agenda in the years to come.

Nepal is actively involved in the WTO, BISMTEC and SAFTA to increase its international trade. However, on the one hand, increase in domestic demand and increase in food and oil prices has increased the import share and on the other hand, the exports has been declining after the abolition of the Multi Fiber Agreement regime and attaining membership of WTO. These developments have led to increase in merchandise trade deficit and negatively impacted on the current account. Therefore, it indicates a need for augmenting production base and widening and expanding unrestricted access to the world markets.

### **Hon'ble Chair**

It is necessary to achieve higher and sustainable economic growth for upgrading the country from LDC status. Agriculture production has been playing vital role in Nepal's economic growth. Agriculture sector is affected by climatic conditions, resulting in the fluctuation of GDP thereby affecting overall economic growth.

Further investment in industrial sectors require more conducive investment environment by developing necessary social, economic and physical infrastructure.

Nepal needs to create more employment opportunities to utilize growing youth force in the labor market and take benefit of population dividend. It would help to reduce the poverty intensity and ultimately the income gap. It is also necessary to provide access to social development to all marginalized group in the country.

**Hon'ble Chair and Distinguished Delegates,**

It is a matter of appreciation that UNESCAP has been contributing significantly in socio-economic progress of this region. It had organized a number of high-level policy dialogues in Nepal over the past years, specially on inclusive development, graduation strategy from LDC status and MDGs consistent macroeconomic modeling. Nepal would like the UNESCAP to continue these activities and request for technical supports on statistical reforms, productive capacity analysis and second generation economic reform.

We are confident that the UNESCAP will play more active and effective role in years ahead in reducing poverty, achieving internationally agreed goals and promoting regional co-operation in this region.

Finally, on behalf of my delegation and on my own, I would like to thank UNESCAP Secretariat, for inviting us to attend this 70<sup>th</sup> session of the Commission.

**Thank you for your kind attention**