1. I would like to sincerely thank the Under Secretary General of the United Nations for inviting me to this Mid-Term Review as a panelist in this high level roundtable discussion today.

2. We have gathered here to share our experiences at the midpoint of decade long IPoA. Among the priority areas of IPoA, we are discussing on the priority area F and G in this session.

3. I would like to particularly focus on the unprecedented crises that the LDCs might face, especially the economic ones. The preparedness for such shocks is mostly not at hand and this always pose a great challenge.

4. LDCs are entangled in many crises and also face many challenges that emerge from climate change, shortage of fuel, energy crises, food crises and many others. These unprecedented crises and challenges hold the national economy for a longer time and thus reduce the previous GDP growth harmony. Let me give you an example from Nepal. In April 2015, the devastating earthquake followed by the supply disturbance affected the economy of Nepal and the GDP growth rate reduced to 0.8% last year. And this is going to take at least couple of years now to regain the growth momentum.

5. The development initiatives in LDCs are based more on the extraction of natural resources. We experience that the lack of policy implementation to check these activities have posed a great challenge. The activities themselves are inviting further natural disasters. The preparations are less systematic and post-disaster measures are also unmanaged.

6. Similarly, the post-disaster economic activities are accelerated with the higher amount of borrowing that limits the revenue generation and increase spending.

7. Therefore, it is imperative that the capacity of LDCs to withstand the natural disaster is developed. Since the experiences are important to develop the
capacity, each country needs to prepare in advance the possible measures of resilience.

8. In terms of the resource mobilization, it seems more practical to use the country specific approaches. Since the economy of each LDCs is unique though there are many common things, the approach to financial resource mobilization can be different. For example, in Nepal remittance investment can prove one of the best ways. Remittance flows to Nepal amount nearly one third of the national GDP and remittance investment is significantly low. Additionally, Nepal can also benefit a lot from hydropower generation because of the great potentiality. However, they need a larger investment and FDI can bridge this investment gap.

9. The mobilization of resources in LDCs should also focus on employment generations for the reduction of poverty. Along with the megaprojects, LDCs need to focus on Small and Medium Enterprises (SMEs). We all are aware of the importance of SMEs in creating jobs and generating revenues in LDCs. They are also useful to use the local resources while connecting the entrepreneurs to the markets. Banks and financial institutions can fund these enterprises. The World Bank and development partners can also use the networks of local banks and financial institutions to fund these projects.

Another area of resource mobilization is agriculture since most of the LDC are agro-based economies. The resource mobilization to commercialize the agriculture sector through SMEs is vital for us.

10. Remittances act as resistant to the economic shock resulted from the natural disasters. Apart from the hard currencies we receive from remittances, the social remittances in terms of skills and knowledge are of great use. They are the great resources for SMEs.

11. Most of the LDCs have set up one window policy to facilitate the Foreign Direct Investments. However, the bureaucratic hassles in the LDCs still continue to discourage the investment. These hassles need to be timely addressed and the government should take necessary initiatives to put this mechanism at work.

12. Let me again stress on the role of SMEs in creating sustainable jobs to reduce the poverty in the LDCs. Since I have banking experience for past one and a half decade, I am aware that investing in SMEs is significantly important in addressing the problem of unemployment. I also stress on the need of joint collaboration between aid agencies and the local banks and financial institutions to come
forward with packages that have the components of vocational training for the locals.

13. I thank you for your kind attention.