

Statement delivered by Mr. Madhu Kumar Marasini, Joint Secretary, Ministry of Finance, Government of Nepal at the 2nd drafting session of the Outcome Document for the Third International Conference on Financing for Development UN Head quarters, New York, 13 April 2015

Distinguished Co-facilitators,

Thank you for providing excellent leadership to shape the Outcome Document in present form. The document is comprehensive and encompassing, with rich contents in it. However, there is room to make it more lively, and dynamic.

My delegation aligns with the statements made on behalf of the G77 and China, LDCs and LLDCs, respectively. We believe that a good attention will be paid on the issues raised by these statements. In addition to this, I would like to register additional comments in my national capacity.

A global framework for financing sustainable development

1. Generally the Outcome Document is comprehensive. However, we would like to see the zero draft itself as a transformative document i. e. a smart document ; slim, succinct, clear and focused. That will also help us track its proper implementation. Needless to reiterate that implementation of on-going commitments in general, is real a challenge that we are confronting today.
2. We would appreciate if the Outcome Document makes a clear acknowledgement on what was promised in Monterrey and Doha? What was delivered? What is still left unmet and why? We better start from this lesson learned approach for Addis Ababa. Let us not hesitate to conduct a self reflection on our parts.
3. Systemic issues with regard to global economic and financial governance that ensures inclusiveness and greater representation of developing countries specially of LDCs and LLDCs needs to be well reflected in the global framework for financing part.
4. Needless to reiterate that ODA plays an important role to meet the financing gaps of LDCs. Let commitment be made that ODA will be fully aligned with the national priorities and programs, and it will be demand driven.
5. The issues of gender equality and empowerment be supported through the programs that help creating employment and income generating opportunity to women, which empowers them in true sense, rather than merely spending on advocacy.

6. Let international trade also compliment and contribute to the sustainable development , with special preferences given to augment the share of LDCs and LLDCs, in export promotion and let the trade revenue stay as a sustainable source for development financing, and poverty eradication.
7. Countries that have emerged from conflict also deserve special attention in the zero draft. Assurances be made that the hard earned peace and stability on those countries would not be reverted and people would receive the dividend of stability.
8. Many LDCs including my own country Nepal, have set an ambitious target of graduation from LDC category as envisioned by IPOA. This reminds us that these countries need more support from the international community. We would like to urge this commitment be included in the zero draft.

Afternoon Session: On Part II: Domestic Public Finance

Thank you, Co-facilitator for giving me the floor. Apart from the comments made by G77 and China, LDCs and, LLDCs I would like to make the following specific comments in my national capacity in section 2.

1. Given that the general definition of the tax is that it is a compulsory contribution. However, in paragraph 18 providing incentives to the and something like maintaining gender equality in taxation, is inconsistent and weak commitment. So we request to revisit the para 18 and rephrase it.
2. On the paragraph 20, the proposal of integrating the informal sector into the formal economy is a welcome step. However, the following sentence that this will be achieved 'as appropriate in line with country circumstances' is a very weak assertion. It needs to be strongly and firmly written that efforts would be made at the optimum level to integrate the informal sector in to the formal sector so that will help broaden the tax base.
3. Though the zero draft has slightly touched upon the double taxation treaties in para 28 , however, this is not sufficient in order to incentivize and invite Investment .. Therefore, we urge to clearly mention that countries will be supported to forge a double taxation avoidance agreements (DTAAs) with their major partner countries, so that it will enable to bring the foreign businesses and henceforth contribute for augmenting domestic resource mobilization as well.
4. We welcome the agreement towards putting a price on carbon as mentioned in paragraph 34. At the same time we would like to

emphasize that the LDCs, which are still at the nascent stage of development, should get benefits from such pricing. As such these are the countries that have been already vulnerable to climate change without causing much harm from their part.

Thank you.