

Draft remarks by the LDCs at the MVI briefing to all the Member States
28 April 2023
Webex Platform, 10 Am to 4 PM

At the outset, I would like to commend the High-level Panel for its strenuous work. A lot of time, energy, and expertise have gone into it.

I also thank UN-OHRLLS and UN-DESA for providing secretariat and technical support to the Panel.

We deeply appreciate the Panel for making the MVI universal that considers the Vulnerability-Resilience Country Profiles (VRCP) of all developing countries. This is a major exercise.

This process, Of course, has been under active consideration by the Member States for quite some time, including the LDCs.

As per SG's report A/76/211, the possible use of the MVI includes "to facilitate evidence-based, targeted and effective support and smarter resource allocations; and to act as a vehicle for providing exemptions or wider eligibility with regard to the rules governing access to development and concessional financing."

Thus, MVI is a very important tool that is likely to provide a framework for managing and channeling international assistance to ensure that countries can better manage their vulnerabilities and build resilience to sustain progress and achieve irreversible gains.

Considering its high importance and sensitivities, we must exhaust our expertise and capacity to make sure that what we finally agree with is acceptable to all of us.

It is pivotal that the MVI is technically robust, politically accepted, and logically convincing.

We need some time to carefully study, understand and digest the indicators and the composite Index that have been presented today.

We should not be bound by any artificial deadline that can compromise the robustness of this exercise.

Against this backdrop, let me highlight a few points:

The index is developed based on 27 indicators in the field of economic, social, and environmental spheres.

However, when we look at the Score table of the MVI, it gets very hard to comprehend the rationale and logic of the ranking of the countries. A number of high-income countries, - to be more precise, some of the richest countries of the world- are ranked more vulnerable than several LDCs. If this index is used as “the tool” or even “a tool” of resource allocation, those countries, with high MVI scores, will logically get priority over many LDCs in getting access to concessional finance. This is counterintuitive and does not serve the basic purpose of this whole exercise.

Few specific questions that need clarification. We have noted that the GNI or GNI per capita has not been considered in the proposed MVI. We must acknowledge that the level of income reflects the purchasing power of individuals and nations which provides a powerful resilience against shocks. Similarly, access to energy and ICT is vitally important. Furthermore, strong social protection provides a powerful cushion against vulnerabilities. These are major pillars and countries affluent in these fields can address many of the challenges to become resilient against shocks. The same goes with the level of poverty which is a root cause and fundamental determinant of vulnerability.

I would like to ask the question to Panel: How these elements are taken into account in the MVI calculation?

Finally, let me highlight that the Group of LDCs is historically recognized as the most vulnerable group of countries in the world that enjoys special and differential treatment. The latest QCPR resolution recognizes that ...the least developed countries, as the most vulnerable group of countries, need enhanced support to overcome structural challenges that they face in implementing the 2030 Agenda for Sustainable Development...”

We must ensure that the support going to LDCs, which is the poorest group of Countries, is maintained and enhanced. It should not be affected or compromised due to the application of any other process. The MVI should bolster this reality.

Thank you.