



STATEMENT

BY

**HONOURABLE JOHN A. BRICEÑO
PRIME MINISTER
MINISTER OF FINANCE, ECONOMIC DEVELOPMENT
AND INVESTMENT**

AT THE

**GENERAL DEBATE
OF THE
SEVENTY-SEVENTH SESSION OF
THE UNITED NATIONS GENERAL ASSEMBLY**

Mr President,

I take this podium with a heavy heart. More pessimistic than I was last year. More cynical and disappointed.

We have come to depend on the multilateral system that has at its centre the Charter of this our United Nations.

Where is the collective will to adequately address the challenges of our time? Where is our shared conviction to work together for the betterment of mankind? Where is the hope?

Today there are conflicts on several continents; geopolitical tensions are heightened.

The unjustified, unprovoked and illegal attack on Ukraine by the Russian Federation has shaken the foundations of the multilateral system.

This is wrong!

The consequential crises we face are not confined to the battlefield in Europe; they are global and affect us all.

Democratic norms and human rights, even where thought to be firmly rooted, are being rolled back. Poverty is on the increase. The planet is being destroyed by climate change. And international cooperation and solidarity have been supplanted by nationalism and unilateralism.

Global market prices for food and petroleum remain volatile, reaching historic highs earlier this year.

The lingering impacts of the COVID-19 pandemic and persistent supply chain disruptions have contributed to sky rocketing inflation.

These economic realities exacerbate an already acute social situation in Belize. Poverty is estimated to have risen by 10% between 2018 and 2021. 45.5% of Belizeans are estimated to be moderately to severely food insecure. And homicides are again on the rise.

The post pandemic recovery we anticipated is delayed. And the chorus of promises and commitments to pivot toward building back better, to getting the recovery right have yielded little. Instead, global action and inaction have only resulted in deepening the many crises that we are facing.

Global temperatures have already increased by 1.2 degrees Celsius above pre- industrial levels. Greenhouse gas emissions reached record highs in 2021 and continue to rise this year.

Fossil fuels are still dominant; while renewables account for an abysmal 15% of global energy sources.

The current energy crisis in Europe has triggered more fossil fuels as a panacea, rather than a doubling down on energy transition.

Biodiversity is declining at a faster rate than ever before with profound and unknown consequences for our environment, health, productivity and wellbeing.

These realities heighten climate risk, especially for vulnerable states. Belize is ranked 8th out of 183 on the Global Climate Risk Index. We are but one hurricane away from catastrophe.

Yet financing needed for climate adaptation remains woefully inadequate; only about a quarter of all climate finance goes to adaptation.

Global debt is at crisis levels.

The Secretary General's latest report on the Sustainable Development Goals paints a dismal and disturbing picture of the state of play of the achievement of Agenda 2030. The SDGs are at real risk of not being achieved.

Our current systems and institutions, conceived for World War II recovery, are straining under the weight of today's crises.

In truth, they are broken and stand impotent in the face of the 3Cs - covid, climate, and conflict. And, yes, our people and our planet are paying the price.

How do we fix this?

We need a full scale, bold reimagining of the global financial architecture. No more tinkering at the edges to conceive of additional programmes that are based on the same false logic. It just doesn't work!

Mr President,

Public sector expenditure on climate-caused "loss and damage" cannot continue to be classified according to fiscal orthodoxy. The IMF is largely devoid of ways to quantify consequential climate impacts on public debt and countries' capacity to pay.

The IFI's obstinate focus on primary balances and debt to GDP ratios ignores the empirical evidence that nature is in revolt. Incredibly, a recent analysis revealed that of the 80 IMF-funded Country Programs around the world, climate was central to the country assessment in only a single case – Samoa.

We need a new global financial architecture that has the willingness and capacity to identify systemic threats like debt, like climate risk and devise tools that are commensurate to the challenge.

We urgently need a new global financial architecture, dedicated to achieving the SDGs, net zero emissions and to build resilience.

We need a new global financial architecture that incorporates an effective global financial safety net with the capacity to respond to today's multiple, simultaneous and escalating crises.

We need a global financial architecture for today's challenges, that is responsive to the needs of states today, especially the vulnerable countries — many of which were not member states in 1940s.

Belize has within our limited fiscal space, tried to stimulate an economic recovery, while staying true to our social values.

The Belizean economy grew by 5.3% in the first quarter of this year; the highest level of production for any first quarter on record.

Through an innovative debt for nature swap, Belize reduced its debt to GDP ratio from 133% to 108% last year — resulting in over \$250 million in debt service savings.

My government has instituted an amnesty programme to enable those who qualify, up to 40,000 persons, to be regularized.

We anticipate that by the end of the amnesty we would have regularized more migrants, per capita, than any other country.

But forces at global level are determined to diminish our aspiration for our economic rebound, to underwrite our social and human development and resilience.

Three critical issues must be addressed by a new global financial architecture to achieve transformative and systemic solutions:

The financing needs of developing countries have increased significantly since we adopted Agenda 2030.

IFIs and MDBs have failed to meet the needs of developing countries. The figures don't lie. The truth is that the financing needs of developing countries is \$4.3 trillion — more than quadruple the lending capacity of the IMF; and well above the lending trends of the World Bank, which loaned only \$99 billion last year.

The availability of affordable, long term and dependable sources of financing is indispensable for the achievement of the SDGs and climate resilience.

We need IFIs that will urgently align their policies and practices with the achievement of the SDGs and climate goals and redistribute liquidity to developing countries. We need a long overdue expansion in quota allocations to expand the resources of the IMF.

We need MDBs and regional banks to provide considerably more longer-term financing, de-risk investment, support the development of capital markets, and integrate sustainability objectives to enable the use of innovative instruments.

Financing must be accessible and affordable for vulnerable countries.

Amazingly, in the last 7 years financial flows to SIDS have declined. Net ODA declined from \$6.2 billion in 2016 to \$4.1 billion in 2018.

The paradox is that the countries most vulnerable to climate change and natural disasters, and with the least fiscal capacity to adapt and recover, do not qualify for grant and concessionary financing.

And this paradox is magnified when you consider that since 2008, G20 nations have printed \$25 trillion in stimulus money.

We therefore, call on IFIs, MDBs and development partners to use the Multidimensional Vulnerability Index after its finalization later this year. This will unlock financing for vulnerable countries, supporting their efforts to achieve the SDGs, adapt to climate change and build resilience.

Public debt is at unprecedented levels globally. It has surpassed the 2008 financial crises levels. Commercial banks and private investors hold about \$54 trillion in global sovereign debts of emerging markets. This debt deluge is attributable to: inaccessibility of concessional financing, impact of the pandemic, costs of climate change and disaster recovery and other external shocks — and for SIDS, structural features related to small size.

The current tentative, reactionary and piecemeal approach to addressing the debt problem has proven hopelessly ineffective.

We must break the pernicious cycle between debt and climate and disaster risk. IFIs must incorporate climate risk into debt sustainability tools.

We need a two-prong response. One, debt relief is needed for all vulnerable countries. And two we need to rapidly mainstream innovative policies which tackle debt repayment capacity and avoid excessive indebtedness.

In the current circumstances, there is a compelling urgency to advance a multilateral sovereign debt restructuring mechanism.

Mr President,

History, a cruel history, is repeating itself. For centuries, colonialism transported trillions in plundered wealth to the oppressors. Reparations are overdue. And now I ask, how much longer will this new “climate colonialism” punish the victims and spare the victimizers?

Speaking of injustices, it is shameful that a unilateral, illegal and immoral commercial and financial embargo continues to be imposed on Cuba in defiance of the international community and UN resolutions.

The cruel sanctions visited on the Cuban people were not eased as they suffered the wrath of the COVID-19 pandemic. Even now, as the effects of the fires in Matanzas cause hardship, there appears to be no possibility of easing. Belize repeats our call for the immediate lifting of the embargo and we salute the resilience and fortitude of the Cuban people.

Estamos con ustedes.

Belize continues to be gravely concerned about the spiraling deterioration of the situation in Haiti. We call on the international community to advance a robust and comprehensive programme of support for the Haitian people.

Mr. President, Taiwan, an exemplary nation in many respects, continues to be excluded from the international community, unable to participate and contribute to functional multilateral cooperation. The challenges confronting mankind today require the full participation of all countries and peoples in the struggle for development and prosperity. The outdated policy imposed on Taiwan to promote its exclusion must yield to the greater good. Belize calls for Taiwan to take its rightful place among the international community of nations.

I also reiterate Belize’s full support for the realisation of an independent Palestinian state, within its 1967 borders, with all attendant rights, including the recognition of East Jerusalem as its capital and the right of return. The people of Palestine continue to suffer the indignities of illegal occupation and apartheid. The disturbing prospect that the world’s sacred promise to deliver a two-state solution is slipping from their grasp.

Mr President,

Justice is the cornerstone of peace. And in that spirit, Belize and Guatemala have been pursuing the peaceful, just and final resolution of Guatemala’s Claim to Belizean territory before the International Court of Justice.

We continue to count on the support of the international community as the judicial process proceeds, and when it concludes, for the demarcation exercise to be carried out. In the meantime, we must redouble our efforts to manage the daily challenges which arise along the border areas in accordance with the 2005 Confidence Building Measures. Additionally, now more than ever we need to conclude a Sarstoon Protocol, a cooperation mechanism, to avoid unnecessary incidents in that area.

We had great expectations for COP26 in Glasgow. COP26 was considered a “make or break” moment for the world’s leaders to make more ambitious pledges to keep 1.5 degrees Celsius within reach.

We were wrong!

Rather than getting global commitments to keep 1.5 alive, we left Glasgow with commitments that will see global temperature increase by 2.7° Celsius by 2100. This is utterly unacceptable and morally unjust.

Our people will continue to suffer for something we did not cause.

Rather than meeting their commitments to deliver 100 billion dollars annually, we left Glasgow with a finance roadmap. Yet another paper promise.

Rather than delivering a Loss and Damage Facility to help our countries deal with the losses and damages caused by climate change, we left with mas palabras! In the meantime, Belize continues to suffer from climate-related damages equivalent to 4% of its GDP annually, among the highest in the world.

Let’s try this again. Less talk and more decisions at the next two COPs.

COP 15 in Montreal must agree an ambitious and effective post-2020 Global Biodiversity Framework, to take account of the economic costs of biodiversity and provide financial support to developing countries efforts to deter biodiversity loss.

At COP27 in Egypt, the G20 must bring new commitments to close the emissions gap; bring the financing for adaptation and establish a financing facility to substantively address loss and damage. We are extremely concerned that these expectations may be jeopardized by G20 dynamics. But we cannot allow backsliding.

Anything less is a failure.

For Belize and SIDS, failure is not an option.

The COVID-19 pandemic, and the climate emergency, are the most catastrophic events since World War II.

Then as now, new vision, frameworks, and instruments are required to achieve a sustainable and inclusive future which our people and future generations deserve.

The near term global economic outlook compels us to act with urgency to avert even worse humanitarian and development outcomes and to restore stability to the international system.

Mr President, Excellencies, ladies and gentlemen.

Our failure to act decisively and urgently on covid, conflicts and climate condemns humanity and our planet irreversibly to disaster. History will not absolve us if we fail. Our collective destiny and future inspire us to action.

The aspirations of our people must be fulfilled. We know what to do. We have the resources to meet the needs of mankind.

We must find the political will to act.

We must act now to avert disaster and to fulfill the promise of tomorrow. We ask for the guidance of our creator so that our work is not in vain.

I thank you.