

Statement of the Republic of India

Agenda 4 (g): Macroeconomic policy, poverty reduction and financing for development

Thank you, Madam Chair

Rising public debt and debt distress has emerged as a pressing issue in numerous economies. While the pandemic further exacerbated fiscal constraints, geopolitical uncertainties and rising prices have compounded fiscal pressures. Economies grappling with fiscal challenges require immediate attention from the global community.

Madam Chair,

The Public Finance Policy of Government of India is broadly governed by objectives of fiscal consolidation by gradual improvement in tax to GDP ratio, and expenditure rationalization, while ensuring efficient and optimum utilization of resources, debt management and transparency.

While fiscal consolidation is a priority, India has provided necessary support for critical sectors that address global challenges.

This is reflected in the fact that despite the adverse impacts of Covid-19 on the economy, India has enhanced its climate ambition and embarked on a Low Green-House-Gas (GHG) Emission Development Strategy through a multi-pronged approach.

Sovereign Green Bonds have been launched to garner additional finances from potential investors to fund public projects in the green economy.

Besides, India has laid focus on strengthening digital public infrastructure for financial inclusion. The Unified Payments Interface has enabled financial inclusion, and has incentivised small vendors to participate in the formal economy.

Several regulatory measures have been taken to align financial flows towards sustainability goals. Securities & Exchange Board of India has put up a framework for green debt securities and has introduced innovative measures such as blue bonds related to water management and marine sector, yellow bonds for solar energy, and transition bonds, as subcategories of Green Debt securities.

SEBI has also mandated the top 1000 listed companies to provide ESG disclosures.

India has also set up a Social Stock Exchange to enable non-profit organizations and for-profit social enterprises to raise funds towards projects that demonstrate social impact.

Effective poverty reduction policies must adopt a multidimensional perspective. India has deployed targeted schemes to address key indicators of National Multi-dimensional Poverty Index, and as a result 248 million people have escaped multidimensional poverty in India during the last decade.

As a trusted partner of Global South, India remains committed to strengthen regional cooperation as means to address shared challenges, to leave no one behind.

Thank you, Chair.