

**STATEMENT BY THE REPUBLIC OF YEMEN AT THE SECOND SESSION OF THE
PREPARATORY COMMITTEE FOR THE FOURTH INTERNATIONAL
CONFERENCE ON FINANCING FOR DEVELOPMENT**

3 December 2024

Mr. Co-Chair,

At the outset, Yemen aligns itself with the statements delivered on behalf of the Group of 77 and China and the Group of Least Developed Countries.

As a country facing multiple, overlapping challenges, Yemen views The current global economic architecture is at a critical juncture where global crisis and debt service payments are crowding out vital social and reconstruction investments. This systemic challenge demands urgent transformation of our financing frameworks.

We would like to emphasize several priorities from our national perspective:

First: Our experience demonstrates that separate, siloed funding streams for often lead to ineffective and unsustainable outcomes. **We propose establishing coordinated funding mechanisms that can flexibly respond to evolving needs while maintaining long-term development objectives.**

Second, domestic resource mobilization must be viewed through the lens of state capacity building. While tax reforms are important, they must be accompanied by comprehensive international support for building effective financial management systems. Yemen's reform initiatives demonstrate both the potential and challenges of this approach.

Third, the debt crisis requires systemic solutions. Beyond transparency, we need a UN-led sovereign debt framework that explicitly recognizes reconstruction needs and enables automatic standstills during crises. This must be complemented by debt restructuring provisions aligned with peace and reconstruction milestones.

Fourth, private sector engagement requires transformation, not just expansion. We support the proposed international investment support center with specialized risk mitigation facilities for fragile states, but this must be part of a broader framework that prioritizes sustainable development over profit maximization.

Fifth, on climate finance, we emphasize that fragile states are often most vulnerable to climate impacts while having the least access to climate financing. We support the proposals for new and additional grant-based financing and call for simplified access procedures for fragile states.

sixth, regarding trade, we emphasize the need for enhanced Aid for Trade support focused on building productive capacities and trade infrastructure in conflict-affected countries. The proposed doubling of Aid for Trade to LDCs must prioritize countries facing acute fragility challenges.

Seventh, development effectiveness requires restoring trust in multilateral approaches through enhanced country ownership and leadership. This means moving beyond coordination to true national ownership of development strategies.

Mr. Co-Chair,

The success of FfD4 will be measured by its ability to deliver systemic transformation, not just incremental changes. We need concrete commitments that:

- Restore the UN's central role in economic governance**
- Establish legally binding frameworks for development cooperation**
- Create new financing mechanisms that prioritize people over profits**
- Enable predictable, sustainable financing for SDGs**

Yemen stands ready to engage constructively in this transformation. The time for incremental change has passed. We need bold, systemic reforms that truly ensure no one is left behind.

Thank you.