



**PERMANENT MISSION
OF THE PRINCIPALITY OF LIECHTENSTEIN
TO THE UNITED NATIONS
NEW YORK**

NEW YORK, 7 OCTOBER 2019

CHECK AGAINST DELIVERY

SECOND COMMITTEE

GENERAL DEBATE

STATEMENT BY MYRIAM OEHRI, SECOND SECRETARY

PERMANENT MISSION OF THE PRINCIPALITY OF LIECHTENSTEIN TO THE UNITED NATIONS

Mr. Chair,

The 2030 Agenda for Sustainable Development is one of the major achievements of multilateral diplomacy in recent years. But with almost one third of the implementation period behind us, our record on implementation is mixed at best. More engagement by States, the private sector and civil society is needed in order make the 2030 Agenda a success.

Liechtenstein has been actively engaged in the fight against illicit financial flows which deprive Governments and citizens from financial resources for sustainable development. Such flows also come at political costs and undermine the rule of law and public institutions. They stem from diverse illegal sources, which includes drugs and arms trafficking, human trafficking, as well as trade misinvoicing, transfer mispricing, or undeclared offshore wealth. And they are illegal in their use, such as terrorist financing. Different components of illicit financial flows thus call for separate and distinct analyses to inform the design of effective policy responses. Such responses need to go hand in hand with the promotion and protection of the rule of law as well as effective, accountable and inclusive institutions at all levels and increased efforts to reduce corruption, as reflected in SDG 16.

Liechtenstein places particular emphasis on tackling financial flows stemming from modern slavery and human trafficking. These are horrendous crimes which directly affect 40 million victims worldwide and generate 150 billion USD in revenue every year. Slavery and trafficking are multifaceted and complex phenomena which are reflected in three SDGs, SDG 8.7, 5.2 and 16.2. They require comprehensive and holistic responses, which again require cooperation among all relevant actors, including the global financial sector.

Liechtenstein's Government as well as its private sector have been strongly committed to this cause. Together with our partners from Australia and the Netherlands, we launched a public-private partnership, the "Liechtenstein Initiative" for a Financial Sector Commission on Modern Slavery and Human Trafficking in 2018. During this year's high level week we were able to present the final product of the FSC – ["A Blueprint for Mobilizing Finance Against Slavery and Trafficking"](#). It equips the global financial sector to prevent and combat these crimes by means of sustainable and innovative financing, responsible lending and investment, as well as compliance and regulation.

The General Assembly, and in particular its Second Committee and the High-level Political Forum for Sustainable Development, as well as the Security Council can play an important role in securing political backing and facilitating dissemination of the blueprint. Most importantly, we will be looking for partnerships with Governments and financial institutions themselves to implement the blueprint.

Mr. Chair,

Financial innovation and new technologies such as blockchain have the potential to address the illegal business of slavery and trafficking and help implement other SDGs as well. As documented in the Blueprint, blockchain technology can bring transparency to production chains and detect risks of modern slavery. Digital IDs can help and accelerate financial inclusion of potential victims and survivors. And blockchain-based mobile apps can reduce the cost of remittances.

This Committee is well positioned and equipped to deal with the rise of blockchain and other new technologies, to reflect on how best to use their immense potential for sustainable development, and to assess and address their risks. As one of the first countries worldwide, Liechtenstein has just adopted comprehensive legislation for blockchain and other trustworthy technologies in order to maximize their opportunities and minimize their risks. Our legislation creates legal certainty for business activity on blockchain systems and provides a sound framework for the evolution of the token economy. It regulates property rights for tokens, defines minimum requirements for business activity, including registration with the Financial Market Authority, and aims at preventing abuse. We will be hosting a side event on the 17th October at the UN during which the drafter of Liechtenstein's blockchain legislation will provide insights into its content and relevance. We hope that many of you will be able to join us.

Mr. Chair,

I would like to conclude by reaffirming Liechtenstein's commitment to a universal, rules-based, open, non-discriminatory and equitable multilateral trading system with the World Trade Organization at its center. Inclusive international trade is an engine for sustainable development and we deplore tendencies that undermine this system and favor isolationism and protectionism instead. Our staunch support for the WTO is complemented by an active free trade policy together with our partners of the European Free Trade Association. With this engagement we contribute not only to the economic, but also to the social and environmental pillars of sustainable development.

I thank you.