



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

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NEW YORK, 6 OCTOBER 2020

CHECK AGAINST DELIVERY

SECOND COMMITTEE

**GENERAL DEBATE**

**STATEMENT BY GEORG SPARBER, DEPUTY PERMANENT REPRESENTATIVE**

PERMANENT MISSION OF THE PRINCIPALITY OF LIECHTENSTEIN TO THE UNITED NATIONS

Chairperson,

The 2030 Agenda for Sustainable Development encompasses the most ambitious commitments of the international community for this and future generations. The Sustainable Development Goals – our shared vision to end poverty, rescue the planet and build a peaceful world – are gaining global momentum. While we have made progress, together with our private sectors, civil societies and other relevant stakeholders, with only one decade available to deliver on our commitments, we need to be honest with ourselves and urgently advance the speed and scale of the SDGs implementation to succeed by 2030.

The COVID-19 pandemic has drastically exacerbated already significant implementation gaps. It has further accentuated profound inequalities and discrimination within our societies and among countries. An estimated 71 million people are expected to be pushed back into extreme poverty in 2020. Underemployment, unemployment and food insecurity are on the rise. Health and education systems are at the brink of collapse. Estimates suggest that world trade will drop by more than 30 per cent this year. The climate crisis continues unabated as the global community shies away from the full commitment required for its reversal. And biodiversity is declining at an

alarming rate.<sup>1</sup>

There is no doubt that our insufficient progress on implementation of the SDGs is catching up with us in the current pandemic. Had we invested more in effective, accountable and transparent institutions, functioning health and social systems and the environment, we could find ourselves in a much better position to deal with the pandemic's impacts, but also with future health, social and environmental threats. It is clear that the principles governing the SDGs – inclusion, equity, growth and sustainability – are key to building back better in the post-COVID-19 recovery. In particular SDG 16 on the rule of law and strong institutions is crucial for an effective and sustainable response but also for the prevention of future crises. We support the Secretary-General's call to stop the erosion of trust in institutions as key enabler of achieving the SDGs – the role of responsible political leadership can hardly be overstated in this respect. The continued pursuit of the 2030 Agenda as well as the Paris Agreement and the Addis Ababa Action Agenda need to remain our priority for the next ten years and beyond. The UN continues to be the central and universal platform to coordinate the implementation of these agendas. We are convinced of the value of cooperation, for example with the G20, under UN leadership.

Chairperson,

Even prior to the pandemic, human trafficking and modern slavery have been major challenges worldwide. They are one of the world's most profitable criminal activities, generating 150 billion USD in revenue every year. They persist because they are high-reward and low-risk crimes owing to the impunity enjoyed by perpetrators. Slavery and trafficking are multifaceted and complex phenomena which are reflected in three SDGs, SDG 8.7, 5.2 and 16.2.

The current COVID-19 pandemic and its deep and widespread social and economic effects is increasing the vulnerability to exploitation, abuse, trafficking and slavery. As more families fall into extreme poverty, children in poor and disadvantaged communities are at much greater risk

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<sup>1</sup> <https://unstats.un.org/sdgs/report/2020/The-Sustainable-Development-Goals-Report-2020.pdf>

of child labor, child marriage and child trafficking. In fact, the global gains in reducing child labor are likely to be reversed for the first time in 20 years.<sup>2</sup>

Liechtenstein places particular emphasis on tackling financial flows stemming from modern slavery and human trafficking. Our Government as well as the Liechtenstein private sector have been strongly committed to this cause with a public-private partnership initiative “Finance Against Slavery and Trafficking” (FAST) and its blueprint for financial actors to help eradicate slavery, such as through the promotion 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, but also the G20 and other relevant actors can play an important role in securing political backing and facilitating dissemination of the blueprint. We are grateful for the continuous support of our partners from Australia and the Netherlands in this regard, and are looking for partnerships with other Governments and financial institutions themselves to implement the blueprint.

Chairperson,

Financial flows stemming from criminal activity not only deprive Governments and citizens from financial resources for sustainable development. But they also come at political costs and undermine the rule of law and public institutions. Their diverse sources include drugs and arms trafficking, human trafficking, and financial crimes. And they are illegal in their use, such as terrorist financing or money laundering. Different components of these financial flows thus call for separate and distinct analyses to inform the design of effective policy responses. Amalgamating them with other forms of financial flows under the concept of “Illicit Financial Flows”, however, risks to reduce clarity and impede understanding, and thus to undermine policy responses. Such responses need to go hand in hand with the promotion and protection of the

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<sup>2</sup> <https://unstats.un.org/sdgs/report/2020/The-Sustainable-Development-Goals-Report-2020.pdf>

rule of law as well as effective, accountable and inclusive institutions at all levels. Increased efforts to reduce corruption, as reflected in SDG 16, can make an important contribution to that agenda and Liechtenstein is fully committed to achieving a substantial outcome of the Special Session of the General Assembly on Corruption. While such intergovernmental processes provide a much needed framework to advance our collective ambition in this area, initiatives that are not mandated by the General Assembly and do not live up to the basic standards of inclusivity and transparency constitute a serious risk to deviate our discussions and undermine the political consensus built over years, including by the Second Committee.

Chairperson,

Not least with the COVID-19 pandemic we have been experiencing a transition to the digital world. Financial innovation and new technologies such as Distributed Ledger Technologies (DLTs) have the potential to address the illegal business of slavery and trafficking and help implement other SDGs as well. As documented in the Blueprint, such technologies 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 DLT-based mobile apps can reduce the direct cost of remittances.

This Committee is well positioned and equipped to deal with the rise of DLT and other new technologies. They have the potential to fight corruption and increase transparency of financial transactions and ownership in technical terms, while the challenges associated with the potential abuse of such technologies should not be neglected.

As one of the first countries worldwide, Liechtenstein has adopted a comprehensive legislation for DLT in order to maximize their opportunities and minimize their risks. Our legislation creates legal certainty for business activity on DLT-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.

Chairperson,

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 particularly needed in times of global instability. We deplore attempts to undermine this system in favor of nationalism and protectionism. 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.