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Agenda item 4

Sessional Committee I

DRAFT REPORT OF SESSIONAL COMMITTEE I

Agenda item 4 (continued)

Vice-Chairman-cum-Rapporteur: Mr. Ali Abderahman Mahmoud (Sudan)

<i>Speakers:</i> Chairman, Intergovernmental Preparatory Committee	Organization of African Unity
Chairman, WTO Sub-Committee on Least Developed Countries	European Commission
Executive Secretary of the Conference	Belgium
Bangladesh (on behalf of the Least Developed Countries)	Haïti
Sudan (on behalf of the African Group)	Switzerland
France (on behalf of the European Union)	Norway
United States of America	Canada
	Italy
	China
	Benin

Note for delegations

This draft report is a provisional text circulated for clearance by delegations. Request for amendments to statements of individual delegations should be communicated by **Wednesday, 25 October 2000** at the latest to:

UNCTAD Editorial Section, Room E.8104, (fax: 907 00 56; tel.: 907 5655/1066)

**REVIEW OF THE PROGRESS IN THE IMPLEMENTATION OF
THE PROGRAMME OF ACTION FOR LEAST DEVELOPED
COUNTRIES FOR THE 1990s**

Agenda item 4 (continued)

**(b) Review of the status of the preparatory process for the Third United Nations
Conference on the Least Developed Countries**

1. For its consideration of this item, the Sessional Committee had before it the following documentation :

State of preparations for the Third United Nations Conference on the Least Developed Countries - Report of the Secretary-General (A/55/222)

Report of the Intergovernmental Preparatory Committee for the Third United Nations Conference on the Least Developed Countries on its first session (A/CONF.191/2)

Draft annotated outline of the new programme of action for the least developed countries (TD/B/47/CRP.2)

Financial situation of the preparatory process for the Conference (TD/B/47/CRP.3)

Declaration adopted by the Tenth Annual Ministerial Meeting of the Least Developed Countries, held during the fifty-fifth session of the United Nations General Assembly (TD/B/47/CRP.4)

Preliminary report of the High-level Panel on the Review of progress in the implementation of the programme of action for the LDCs for the 1990s (TD/B/47/CRP.5)

2. The **Chairman of the Intergovernmental Preparatory Committee (IGPC)** for the Third United Nations Conference on LDCs opened the joint meeting of the members of the IGPC and the members of the WTO Sub-Committee on LDCs.

3. The **Chairman of the WTO Sub-Committee on Least Developed Countries** expressed his appreciation for the invitation to the first ever joint meeting of the IGPC and the WTO Sub-Committee on LDCs. This signified real progress in achieving closer cooperation between UNCTAD and WTO, two organizations that had much in common. It was also evidence of the constructive efforts made by the Secretary-General of UNCTAD and the Director-General of WTO to do what was the best, not only for their two organizations, but also for developing countries and the least developed amongst them. He expressed the hope that such cooperative endeavours would continue in the months leading to LDC-III. The Conference would provide a unique opportunity for a number of international organizations to combine their efforts, and come up with clear results-oriented solutions to the problems faced by LDCs. He pointed out that the Director-General of the WTO had taken a direct personal interest in LDC issues and was consulting with developed and developing countries on ways to improve market access for LDC exports. He was also actively engaged in the review process of the Integrated Framework. In conclusion, he expressed the hope that all actions taken by the international community — from debt relief to improved market access for LDCs — would assist and accelerate the integration of these countries into the multilateral trading system and the global economy, and hence contribute to reversing their marginalization.

4. The **Chairman of the IGPC** briefed the joint meeting on the outcome of the First Session of the IGPC held in New York from 24 to 28 July 2000. In that session, substantive and organizational aspects of the preparatory process for the Conference had been considered. In particular, the meeting had agreed to recommend to the Conference a draft provisional agenda and the provisional rules of procedure for the Conference. It had also proposed that the members of the Bureau of the IGPC, namely, Benin, Haiti, Japan, Norway, Lao People's Democratic Republic, Suriname, the United Republic of Tanzania and Belgium, be represented in the Bureau of the Conference and that the *ex officio* members of the Bureau — that is the European Union (EU), the President of the Trade and Development Board, and the Coordinator of the LDCs — be associated with the work of the Bureau of the Conference.

5. He stated that the drafting of the new Programme of Action would be completed under his authority by the end of November 2000 and would subsequently be circulated to all Member States. The first formal consideration of the draft Programme of Action would be undertaken at the end of January 2001. He also said that he would hold informal open-ended meetings in February and March with a view to advancing consensus on the text. The second session of the Preparatory Committee would further review the draft with a view to recommending the text to the Conference. He spoke of the need to proceed on two tracks. First of all, to continue to elaborate the draft Programme of Action under the direction of the Bureau of the IGPC. Second, to intensify consultations on concrete deliverables that could enrich and give tangible content to the Programme of Action. He also emphasized the participation of the non-governmental actors in the parallel events as part of the contributions they could make to the process.

6. The **Executive Secretary of the Conference**, made a comprehensive presentation on the progress in the preparations for the LDC-III Conference. He stressed the fact that, as it was a United Nations System-wide Conference, the System as a whole needed to find ways to provide LDCs with the resources and commitments necessary to reduce human suffering and deprivation. To this end, he presented a partnership approach to consolidate ongoing development efforts for strengthening the development objectives of LDCs and for attaining the international development targets set by various United Nations Conferences. He identified UNCTAD's role as one of shepherding the process through to the end with various agencies taking the lead in their respective LDC programmes. He outlined the main points concerning the status of the preparations:

- At the national level, all ongoing activities were being aggregated into one coherent whole by the National Preparatory Committees in conjunction with the United Nations Resident Coordinators. They were consolidating efforts of all the key players including civil society;
- The Agenda of the Conference and the different tracks had been completed. The importance of consistency between the global Programme of Action (PoA), the country programmes and the broad set of objectives set by various United Nations Conferences was stressed.
- The completion target for the preparatory process at country level had been set for 31 December 2000. This would permit analysis of the country programmes to determine

particular international actions needed before the start of the intergovernmental drafting process early next year.

- The draft Programme of Action would be completed on 30 November 2000 assuming that the national country programmes of action (CPA) as developed by the Governments and their development partners would be available. The draft would take account of the global goals already agreed through the various United Nations Conferences. Attention was drawn to the risk associated with working simultaneously, rather than sequentially, with the country programmes and the global Programme of Action.
- The thematic areas and examples of the relevant agencies taking the lead in their coverage were presented: Governance led by the United Nations Development Programme (UNDP); Agriculture by the Food and Agriculture Organization (FAO), Health by the World Health Organization (WHO), Trade by WTO and UNCTAD, and Aid and Debt by the Organisation for Economic Co-operation and Development (OECD) and the World Bank. The World Bank and the regional development banks would take the lead on Infrastructure, and the International Labour Organization (ILO) would spearhead the work on Human Resource Development and Employment. These partner organization would be expected to arrive at the Conference with a set of deliverables. In addition, the active engagement of Ministers from both North and South was expected to ensure deliverables to the Conference at the political level.
- There might also be deliverables in the form of unilateral or multilateral initiatives — involving one or several countries — or multilateral action; for example, EU market access schemes and China's writing off of debts were mentioned.

7. The NGO and Civil Society tracks at the Conference would provide direct inputs in the elaboration and preparation of programmes that strengthen LDCs' development efforts. The business sector, which drives economic activity and thus growth and development, would also be actively involved. The NGO Forum aimed to provide an opportunity for these vital actors to express their concerns about development policy issues. These would be fed directly into the LDC Conference process.

8. Finally, the Executive Secretary of the Conference, stressed that since his appointment in September he had dedicated almost all his time to the preparatory process for the Conference

and would continue to do so. He also informed the meeting of the persons who would be responsible for the national preparatory process and the process of the preparation of the global Programme of Action.

9. The representative of **Bangladesh, speaking on behalf of LDCs**, briefed the Board on the Declaration of the Tenth Annual Ministerial meeting of the LDCs in New York in September. He pointed out that the two most important substantive items on the agenda of the Ministerial Meeting had been the review of the implementation of the Programme of Action for the LDCs for the 1990s and the Third United Nations Conference on LDCs 2001. The outcome was reflected in the adopted declaration, contained in document TD/B/47/CRP.4. He stressed the importance of the meeting since it was the last of its kind to take place at the ministerial level before the Brussels Conference.

10. The Secretary-General of the United Nations, who had attended the meeting, had called upon Governments, regional organizations, private corporations and civil society to work together in support of LDCs. He had pledged that the United Nations would spare no efforts in this endeavour. Ministers and senior representatives from the LDCs had focused on the preparations for, and expected outcome of, LDC-III. The Bangladesh representative said he believed their Declaration, as the voice of LDCs, would provide major guidance to the preparatory process of the Conference, particularly its central mission, the Programme of Action for the current decade.

11. The representative of **Sudan**, on behalf of the **African group**, expressed concern regarding the problem of certain African countries in obtaining EU funding which had been offered for country level preparations. He called upon the Conference secretariat to facilitate the expeditious transfer of these funds with a view to facilitating an early completion by these countries of their programmes of action. He noted with satisfaction the two expert-level regional meetings held for African LDCs in Addis Ababa and Niamey in the first quarter of this year and the upcoming meeting to be organized by the Economic Commission for Africa (ECA) in Addis Ababa in November. These meetings were an effective means of acquainting Ministers and senior officials with the status of preparations for LDC-III and provided a unique opportunity for African countries to exchange views and share ideas on the expected outcomes of the Conference. He

called upon the Secretary-General of the Organization for African Unity (OAU), in consultation and cooperation with all the regional economic commissions, UNCTAD and other United Nations bodies, to assist LDCs in their preparation for the Conference. He recollected how the first meeting of the Intergovernmental Preparatory Committee, held last year in New York had advanced the preparatory process in terms of organizational and substantive matters. As a preliminary feedback from the African Group on the New Programme of Action for the Least Developed Countries it was felt that the objectives, measures and implementation mechanism in the outline were not specific to the problems of LDCs. He cautioned against replicating the two previous plans of action without due consideration to the changing global socio-economic realities and expressed concern regarding the absence of quantifiable, measurable, tangible and implementable targets that would be needed for LDC-III to become a conference of deliverables. While good governance was essential at the national level, it also required a supportive international environment. He expressed the African Group's apprehensions that the promises of partnership and solidarity might absolve development partners from concrete actions that the poor people living in LDCs desperately needed. It was important to take stock of what went wrong in the previous two conferences, he said and called on the international community to seriously consider innovative and results-oriented approaches to help LDCs break out of the vicious and miserable cycle of poverty, exclusion and marginalization. Finally, on behalf of the African Group, he expressed deep appreciation to the outgoing Special Coordinator for LDCs and Executive Secretary of the Conference, Madam Anna Tibaijuka. He urged the Secretary-General of UNCTAD to ensure her rapid replacement on a full-time basis, and given that Africa was host to many LDCs, to consider including an African in the top management team of the LDC-III secretariat.

12. The representative of **France on behalf of the EU**, requested a written document outlining and clarifying the organizational and substantial aspects of the Conference. She expressed concern that the important issue of environment had not been addressed explicitly in the planned Interactive Thematic Sessions. The representative requested additional information on the nature of the Regional Thematic Round Tables, which were to be held in conjunction with selected Interactive Thematic Sessions. She also requested clarification as to whether the logo "A Global New Deal" had been formally agreed upon. She pointed out that the health issue had a broader

function than the way it was represented in the outline, as the enhancement of productive capacities.

13. The **Chairman** informed the meeting that there would be a briefing meeting on the parallel events by the assigned task managers the following day. Concerning the apparent omission of environment as a theme, he explained that this was considered a cross-cutting issue and would therefore be discussed in all relevant debates.

14. The Executive Secretary of the Conference provided further explanations regarding the round tables, their linkage with the interactive debates, and the addressing of regional and national dimensions with the aim of producing deliverables. He said that quantifiable, measurable concrete outputs would need to be identified jointly with the countries.

15. The representative of the **United States of America** urged the UNCTAD secretariat to consult on a regular basis with member States throughout the preparatory process in order to ensure a productive and fruitful Conference. It was important for UNCTAD to contribute to building consensus on a results-oriented agenda. He indicated that the United States placed great importance on sustainable development of the LDCs, and on bringing the benefits of the global economy of the twenty-first century to all peoples. A principal focus of the Conference should be on determining viable, concrete LDC strategies to enable them to successfully seize opportunities and cope with the multiple challenges they face. He noted that the Paris Declaration 10 years earlier still rang true today, namely, that development “will rest on the effectiveness of national policies, a favourable international economic climate, and a strengthened partnership based on mutual commitment”. He warned that neglecting to improve governance through institutional, political and structural reforms could and would slow economic progress. Past experience had shown that developing countries which pursued policies encouraging private investment, trade, and entrepreneurship, along with appropriate social investment, had achieved remarkable economic growth in a short span of time. Past experience had also shown that foreign assistance was most effective in countries that adopted sound economic and political policies and institutions. Therefore he stressed that the Conference preparatory process and the Conference itself should focus on options to assist LDCs in implementing appropriate policies to achieve sustainable development. It should also consider

how the international community could complement LDCs' national efforts. He encouraged the PrepCom to make appropriate arrangements to interact with the private sector and NGOs, and to make them effective partners. He said the United States considered it essential for private sector energy to contribute to LDC development efforts.

16. The **representative of the OAU** confirmed the Group's support to the concerns raised by the representative of Sudan. He pointed out that a large proportion of LDCs were in Africa and that they should have full participation in the conference preparations. The OAU was determined to support the preparatory process and to work closely with the EU.

17. In response to a concern expressed by the OAU and other representatives, the Executive Secretary of the Conference, said that he expected no major changes in the personnel structure of the Office of the Special Coordinator for LDCs before the Conference.

18. A spokesperson for the **European Commission** (EC) emphasized the close link between its development agencies and member States with the African, Caribbean and Pacific (ACP) Group of States — most of which are LDCs — and other developing countries. The EC had provided substantial development aid in the past and was willing to do so in the future. He also welcomed close cooperation with United Nations agencies. He emphasized the importance of the thematic session on governance, peace and social stability and indicated that the European Parliament had agreed to coordinate this session during the Conference in Brussels. European cities were looking forward to active participation in the Conference and to cooperating with cities of LDCs to achieve tangible results during their meetings.

19. The representative of **Belgium** noted that it would be the first time ever that a conference of an international organization, was to be hosted by another international body rather than a State. This introduced some logistical challenges which were being dealt with. Since Belgium was the location of the European Commission, which would be hosting the Conference, his country would assume full responsibility for the security, privileges, and immunities of the delegates. In addition, Belgium would make appropriate arrangements to ensure that the Conference got maximum visibility.

20. The representative of **Haiti** asked for clarifications concerning the thematic session on governance, peace and social stability. He wondered whether this topic also concerned the provision of social services. He also encouraged the forthcoming Conference to review recent discussions at a substantive session of the ECOSOC on sustainable energy use. He asked whether other agencies such as International Telecommunications Union (ITU), the International Trade Centre of UNCTAD/WTO (ITC) and the World Intellectual Property Organization (WIPO) would also be actively participating in the Conference.

21. The **Chairman** responded that the discussion on social stability would not be included in the issues related to social services. He confirmed that all the United Nations agencies had been invited to participate and contribute to the Conference, including those mentioned by the representative of Haiti.

22. The representative of **Switzerland** raised three questions concerning, first, the commitments expected to emerging from the civil society track, in particular NGOs; second concerning the lack of coverage of issues related to the informal sector ; and finally, the follow-up mechanisms and how they would be organized.

23. The Executive Secretary of the Conference, expressed the hope that the informal sector would be covered on the fifth day during the session on Enhancing Productive Capacities: the Role of Investment and Enterprise Development.

24. The representative of **Norway** fully supported the view expressed by the Executive Secretary of the Conference that the organization of the Third United Nations Conference on LDCs was a United Nations System-wide activity. Therefore, the preparatory process should involve all United Nations agencies and other relevant international organizations. In particular, the WTO should play a lead role on issues related to international trade — both market access and trade-related technical assistance. Her Government planned to organize a pre-conference meeting on Investment, Enterprise Development and Technology: The Role of the Private Sector in the Development of LDCs, in Oslo in January 2001. The meeting was designed to contribute to the preparatory process of the Conference.

25. The representative of **Canada** emphasized the importance of participation of civil society in the preparatory process and in the framework of the Conference. In this connection, she sought clarifications as to how civil society participation would be linked with the Conference and its parallel events. She also emphasized the role of the digital economy in the development of LDCs.

26. The representative of **Italy** requested clarification about the NGO forum and wished to know how many mayors would be invited to attend the City-City event of the Conference aimed at helping LDCs.

27. Regarding NGO participation, **the Executive Secretary of the Conference** said that the NGOs were actively involved in the preparation process and he hoped that, through this process, NGOs' concerns would be addressed and their positions reflected in the most constructive manner at the Conference. He added that, following the General Assembly resolution to involve civil society, the secretariat had built on its successful experience at UNCTAD X and was aiming to ensure maximum participation of civil society representatives at the Conference. In addition to the NGO forum, NGOs would be able to participate and contribute to all the debates.

28. The representative of **China** expressed his appreciation for high quality of the *Least Developed Countries 2000 Report*. He expressed concern at the limited high-level participation of LDC delegations at the preparatory committee meetings. In addition he called upon the international community to intensify its efforts in mobilizing and sensitizing the public at large about the plight of the LDCs. He also urged the secretariat and the donors to make the most effective use of resources and to make a true difference in the lives of the poorest.

29. At the end of the meeting, the representative of **Benin** pointed out that all the LDCs had been represented at the first PrepCom and recommended that the second PrepCom be held in New York. As for the Ministerial Meeting, he recalled that 12 ministerial delegations participated on that occasion.

30. The **Chairman of the WTO Sub-Committee on Least Developed Countries** expressed appreciation for being invited to participate in the joint session and reiterated his Organization's commitment to fully participate and contribute to the Conference and beyond.

Report of the High-level Panel (TD/B/47/CRP.5)

31. The **Chairman** requested the High-level Panel to finalize its report as soon as possible and in any case by the end of October.

Financial situation of the preparatory process for the Conference (TD/B/47/CRP.3)

32. The **Head of the Resources Management Service** briefed the member States on the financial situation regarding the preparatory process of the Conference, and invited delegates to refer to document TD/B/47/CRP.3. He described the regular and extra-budgetary resources available, and thanked the various bilateral and multilateral donors and organizations involved in financing the preparations for the event. He confirmed that sufficient resources were presently available to enable the secretariat to cover all costs, with the exception of those relevant to activities relating to gender issues and to travel expenses for delegates to a possible third Intergovernmental Preparatory Committee meeting. He also said that a Host Country Agreement with the European Union was in the making.