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### Trade and Development Board

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**UNCTAD's contribution to the preparatory process of  
and to the Fourth United Nations Conference on the  
Least Developed Countries, 2011**

## **UNCTAD's contribution to the preparatory process of and to the Fourth United Nations Conference on the Least Developed Countries, 2011**

**Note by the UNCTAD secretariat**

### *Executive summary*

The Trade and Development Board, at its recent monthly consultations in March 2009, agreed to add a further sub-item (c) to standing item 4 on its provisional agenda. The new sub-item: "UNCTAD's contribution to the preparatory process of and to the Fourth United Nations Conference on LDCs" (UNLDC IV) is intended to provide policy guidance on how best the operational and substantive activities of UNCTAD on LDCs can be geared towards the preparatory processes, the Conference and its final outcome. The action of the Board is in consonance with the decision of the General Assembly to convene the Fourth United Nations Conference on the Least Developed Countries in 2011 (A/RES/63/227). In the same resolution, the General Assembly also requested "organizations of the United Nations system and other relevant international and regional organizations, within their respective mandates, to provide necessary support and actively contribute to the preparatory process and to the Conference itself." The present note is, therefore, prepared in order to assist the Board in its consideration of sub-item 4(c) of its provisional agenda.

## **I. Introduction**

1. The Third United Nations Conference on the Least Developed Countries (LDCs), held in Brussels in May 2001, “invited the General Assembly to consider holding a fourth United Nations conference on LDCs, in order to make a comprehensive appraisal of the implementation of the Brussels Programme of Action and to decide on subsequent action” (para. 114 of the Programme of Action). Accordingly, the General Assembly at its sixty-third session decided to convene the Conference at a high level in 2011, for the duration of not more than five working days (A/RES/63/227). In the same resolution, the General Assembly also requested “organizations of the United Nations system and other relevant international and regional organizations, within their respective mandates, to provide necessary support and actively contribute to the preparatory process and to the Conference itself”. The Trade and Development Board, at its recent monthly consultations in March 2009, agreed to add a further sub-item, namely 4(c) – “UNCTAD’s contribution to the preparatory process of and to the Fourth United Nations Conference on LDCs” (UNLDC IV) – to standing item 4 already on its provisional agenda. The present note is, therefore, prepared in order to assist the Board in its consideration of that particular sub-item.

## **II. National-, regional- and global-level arrangements for and mandates of the Conference**

### **A. National-level arrangements**

2. At the national level, each LDC should undertake a comprehensive assessment of its progress in the implementation of the present Programme of Action, identify gaps and remaining challenges, and define and articulate national priorities, policies and strategies. This empowers LDCs, and ensures ownership of their development policies and strategies, anchored on the individual country’s objective realities and initial conditions. The national-level reviews could also provide country-specific evidence of progress (or the lack of it) and assist in the search for country-specific solutions to specific development problems and challenges. This will serve as key input to the regional- and global-level preparatory processes for the Conference. In this context, it is important that the national reviews clearly indicate how the commitments and actions agreed at the third United Nations Conference on LDCs have been translated into national policies and strategies and that they assess the results achieved so far. This, in turn, will provide a solid foundation and essential ingredients for proposing further measures for action during and beyond the Conference. The measures are required to accelerate poverty reduction efforts and to achieve sustained economic growth and development in LDCs.

3. The policy measures to be proposed by the national review process should also clearly identify areas for action – through domestic opportunities and international support measures – that should be pursued in the next decade. Empirical evidence suggests that the “bottom up” approach envisaged in the context of the Conference is essential for building domestic policymaking capacities and for ensuring national ownership of development policies and strategies. It will also assist LDCs in assuming primary responsibilities when designing their development policies and strategies. Governments in LDCs are encouraged to use national review processes to mobilize national (public) institutions, civil society actors (including academic and research institutions) and the private sector, to engage with and actively contribute to the national review processes. Governments should also mobilize political support for and interest in public action against poverty, by creating institutional

mechanisms and a policy environment that is favourable for increasing the participation of poor people in the development process, including in national decision-making processes.

4. Existing national review processes and mechanisms – including the United Nations Development Assistance Framework, the United Nations Development Operations Coordination Office and the United Nations Development Group, as well as the resident coordinators of the United Nations – will have a pivotal role in coordinating and mobilizing the contributions of the agencies of the United Nations system at the national level, especially to support LDC governments in the national review process.

## **B. Regional-level arrangements**

5. The national-level reviews will be important inputs to the regional preparatory processes. While reviews at the national level provide opportunities to define and articulate priority areas for action in country-specific development policies and strategies, regional-level processes should identify binding regional constraints, challenges and gaps. They should also provide opportunities for cross-country comparisons. Furthermore, the regional reviews should propose practical measures for implementation at the regional level to support the development of LDCs. The pertinent questions include: What should be done to help LDCs to maximize benefits from the regional trading and investment opportunities? How should LDCs be treated in the regional and subregional economic groupings and trading arrangements? What should be the role of regional economic communities in accelerating the integration of LDCs into the global economy? These should be among the key issues to be deliberated at the two regional preparatory meetings to be held pursuant to the General Assembly resolution. The regional-level preparatory process, building on the national reviews, should also highlight successful cases and best practices in the region that could be replicated in other less successful countries within and across the regions. It is, therefore, important that country and regional-level preparations be supplemented by case studies in selected countries and on key sectors that are of trade and development interest to LDCs. UNCTAD stands ready to contribute effectively to such studies, provided that extrabudgetary resources are available to undertake such studies.

6. The national- and regional-level reviews should also be interconnected and mutually supportive. They should lead to the formulation of policy measures and actions that will, in turn, lead to concomitant benefits to countries of the region. Available evidence shows that in some cases, local actions alone could not bring about the intended changes and results without being complemented by parallel actions at the regional level. For instance, ensuring peace at the regional level, preventing inter-state wars and conflicts or resolving existing political instabilities may more often require regional approaches than national solutions. Furthermore, in the case of individual LDCs, attracting investments and creating trading opportunities requires efforts in order to enlarge regional markets that depend heavily on regional approaches and policies.

7. The United Nations regional economic commissions – notably the Economic Commission for Africa, the Economic and Social Commission for Asia and the Pacific and the Economic Commission for Latin America and the Caribbean, as well as other economic groupings – will have an important role to play in supporting regional-level preparations for the Conference and in creating favourable conditions for economic growth and development in the LDCs that belong to the respective regions.

### **C. Global-level arrangements**

8. The development problems and challenges facing LDCs are complex and daunting. Effectively addressing them and putting these countries on the path of sustained economic growth and development cannot be achieved without supportive international measures and actions. This is not only because LDCs depend heavily on external resource flows for their development, but also because their growth and development prospects are affected by forces originating from outside their countries' borders (e.g. the multiple global crises – such as the financial, energy and food crises). The development challenges facing LDCs also emanate from the adverse consequences of natural conditions, such as climate change, global warming and desertification, the resolution of which requires effective global actions. In this regard, the General Assembly requested the Secretary-General to ensure the active involvement of the organizations of the United Nations system in the preparatory process for the Conference, and in the Conference, in a coordinated and coherent manner. It also decided that the Office of the High Representative for Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (OHRLLS) would serve as focal point for the Conference, in accordance with its mandates (coordination, monitoring and advocacy), as set out in resolution establishing the Office (A/RES/56/227). The existing United Nations Interagency Consultative Group will continue to serve as a coordination mechanism for the engagement with and active contribution to the Conference by the United Nations system agencies and other international organizations, programmes and funds.

9. The national-, regional- and global-level processes and arrangements should be interlinked and interconnected with one another, and should provide a consolidated framework for collective global action in support of LDCs' development efforts. With this objective in mind, the General Assembly further decided that a maximum of two meetings of the Intergovernmental Preparatory Committee would be convened in New York, under its auspices, towards the end of 2010 and/or in early 2011. The Intergovernmental Preparatory Committee conducts negotiations on the possible outcome of the Conference, with substantive and technical support from relevant United Nations system-wide agencies. The Intergovernmental Preparatory Committee will, later in the process, transform itself into the Committee of the Whole. The Intergovernmental Preparatory Committee meetings will be preceded by two regional preparatory meetings, to be organized in collaboration with the Economic Commission for Africa for the African region plus Haiti, and the Economic and Social Commission for Asia and the Pacific for LDCs from the Asia-Pacific region plus Yemen. The sixty-fourth session of the General Assembly is expected to adopt further operational modalities for the Conference, including the dates and venue, as well as resource mobilization to assist the participation of LDC representatives both in the preparatory process and in the Conference.

### **D. Mandates of the Conference**

10. The Fourth United Nations Conference on the Least Developed Countries is mandated to undertake a comprehensive assessment of the implementation of the Brussels Programme of Action, identify remaining gaps and challenges encountered in the process, and decide on further actions for implementation at the national, regional and international levels. The Conference will provide a renewed momentum and opportunity for LDCs and their development partners to reaffirm their commitment to significantly improve the human condition of people living in LDCs and to help them achieve their overall development objectives. It will also provide a framework for global partnership and will articulate and mobilize new and additional international support measures in favour of the

least developed countries. This will require greater focus but also more pragmatism, in order to achieve maximum efficiency in implementation by all stakeholders.

### **E. The participation of LDCs**

11. In order for LDCs to ensure ownership of the outcome of the Conference and to assume shared responsibility for its full and effective implementation, factors impeding their participation in major conferences and summits – including in UNLDC IV – must be urgently addressed. For instance, some of the countries have no representation in some headquarters, such as Geneva, where substantive preparations for global conferences take place. Some other LDCs have very minimal presence, and hence little or no influence on the process and the final outcomes of global events. Their effective participation in UNLDC IV requires – among other things – substantive backstopping from their respective capitals, and their active involvement in the national-, regional- and global-level preparatory processes for and at UNLDC IV. Their participation should also be backed up by adequate and substantive assessments of their needs and clear identification of their common interests, both during the preparatory process and at the Conference itself. This requires an adequate level of financial resources both from the regular budget and from extrabudgetary resources. It is crucial that regular budget resources – especially through the United Nations Development Account (fifth tranche) – be made available to UNCTAD to assist the participation of LDCs in the Conference and in its preparatory processes. Donors, and those that are in a position to do so, should also make voluntary contributions to the UNCTAD LDC Trust Fund, in order to support the substantive and technical UNCTAD contribution to the Conference and to assist the full and effective participation of LDC representatives at the Conference.

## **III. The UNCTAD contribution to the Conference**

12. As a long-time development partner of LDCs, UNCTAD has consistently advocated for special and differential treatment in favour of these countries since its early days. It was an earlier work of UNCTAD on *The Differing Characteristics and Stages of Development of Developing Countries* that led to the establishment of the group of LDCs by the General Assembly in 1971. Since then, UNCTAD has been at the forefront of advancing the trade and development interests of LDCs through its research, policy analysis, technical cooperation and consensus-building functions. It has successfully galvanized the support of the international community in assisting LDCs and contributed to global consensus-building on policies and specific measures required to address the developmental challenges and problems facing LDCs. For instance, UNCTAD served as focal point for the last three United Nations Conferences on LDCs, leading to the adoption of the Substantial New Programme of Action (SNPA) for LDCs for the 1980s, the Paris Programme of Action for the 1990s and the Brussels Programme of Action for the decade 2001–2010. It had also coordinated United Nations system-wide implementation activities and successfully assisted mid-term reviews of progress in the implementation of successive past programmes of action and of their final appraisal by the General Assembly.

13. The above-mentioned three programmes of action were time-bound collective responses by LDCs and their development partners. The central objectives were to arrest and reverse the declining socio-economic conditions in the poorest countries of the world, improve their human conditions, accelerate sustained economic growth and development and beneficially integrate their economies into the global economy. Measured against these broad goals and objectives, the progress, so far, has fallen far short of expectations. Empirical and historical evidence points to the fact that despite major policy reforms

initiated by LDCs to carry out a structural transformation of their economies, and despite international support measures taken in their favour, especially in the areas of aid, debt and trade, the economic situation of these countries remains fragile. For instance, according to the latest studies by the World Bank, out of some 40 per cent of developing countries identified as “highly vulnerable” to the effects of the current global economic crisis, over 95 per cent belong to the LDCs group.<sup>1</sup>

14. UNCTAD will continue to support LDCs through its research and policy analysis, technical cooperation and capacity-building, as well as through its deliberative functions. In this regard, the *Least Developed Countries Report* series and other thematic and sectoral studies of the secretariat will be made available as background documents for the intergovernmental preparatory processes, the regional preparatory meetings and for the Conference. The key findings and policy conclusions of the research and policy analysis work will greatly assist the process of consensus-building on key trade and development challenges facing LDCs and in reshaping the successor programme of action.

15. UNCTAD fully mainstreamed the current Programme of Action across its divisions and within the work of the intergovernmental machineries as per paragraph 113 of the Programme of Action. Accordingly, the Trade and Development Board has been undertaking extensive reviews of progress in the implementation of the Programme of Action in areas within the mandates of UNCTAD since 2001. The outcomes of the reviews by the Board, in the form of agreed conclusions including the synthesis of lessons learned and best practices continued to be important inputs to other mandated reviews by the General Assembly and the Economic and Social Council. Previous review outcomes together with relevant background documents submitted to the Board will be of critical importance in identifying successful experiences and best practices as well as in outlining remaining gaps and challenges for action during and beyond UNLDC IV.

16. In collaboration with the OHRLLS and other relevant agencies, UNCTAD will undertake the following further activities as a contribution to the preparatory process and to the Conference.

(a) UNCTAD, in collaboration with the Common Fund for Commodities (CFC) and with the financial support of the Government of Sweden, is planning to convene a meeting of LDC experts as soon as possible. The expert meeting will deliberate on progress so far in the implementation of the Programme of Action; it will identify key trade and development opportunities, gaps and remaining challenges facing LDCs as well as provide policy recommendations. The recommendations will serve as crucial input to the regional- and global-level preparatory processes as well as to the Conference. Experts are expected to bring their respective countries’ experiences with a focus on individual countries’ comparative and competitive advantages in international trade. Sectors such as commodities (notably horticulture), fishery, tourism, textile and clothing and information technology-related services will be given adequate emphasis during the meeting. The secretariat has already launched national and sector-specific case studies in selected LDCs, which will serve as background documentation for the expert meeting;

(b) The secretariat, as part of its contribution to the Conference, also intends to sponsor at least one pre-conference and/or side event, depending on the availability of extrabudgetary resources, which it is actively seeking;

(c) Drawing from its research and policy analysis work, UNCTAD will provide substantive input into the brainstorming meeting envisaged to be held during the forthcoming session of the General Assembly. The brainstorming meeting, involving key

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<sup>1</sup> World Bank (2009). *Policy Note*.

United Nations-system and other international organizations as well as LDCs and their development partners, is expected to provide an opportunity to exchange views on important trade and development challenges facing LDCs;

(d) The secretariat will participate in and contribute to the outcome of the next Interagency Consultative Group Meeting, which will be held in Geneva in September 2009. It will also provide substantive input into an informal meeting of the agencies that could also be held in Geneva during the 2009 substantive session of the Economic and Social Council;

(e) In negotiating the Host Country Agreement UNCTAD will support OHRLLS by sharing its rich experience in this area and it will be part of the assessment team to review the logistics and organizational aspect of the Conference once a host country is designated;

(f) UNCTAD and OHRLLS will join efforts in mobilizing extrabudgetary resources to support the participation of LDC representatives and their civil society actors in the preparatory processes and at the Conference. Following past practice, donors are called upon to make earmarked financial contributions to the UNCTAD LDC Trust Fund to improve the effective participation of LDC representatives and relevant national civil society entities. Donors and others in a position to do so are urged to increase their unearmarked contributions so as to enable the secretariat to enhance its substantive and technical contributions to the preparatory process and to the Conference.

#### **IV. The way forward: some preliminary views**

17. The following elements constitute preliminary thoughts on key issues of interest to LDCs from the perspective of UNCTAD, in no particular order of importance. The identification of priority issues to be addressed by the Conference and its preparatory processes is the prerogative of member States. Hence, the following indicative (but not exhaustive) list of issues is prepared solely for discussions and exchange of views during the consideration of item 4(c) by the Board.

##### **A. Rebuilding developmental states in LDCs**

18. Building on the comprehensive assessment of the Brussels Programme of Action, UNLDC IV should lead to consensus on policy options required to rebuild developmental states in LDCs. As indicated in the previous sections, the attainment of the broad goals and objectives contained in the last three programmes of action appears illusive, although the recent economic performance of LDCs as a group has shown some improvements (for more details, see TD/B/56/2). The Fourth United Nations Conference on LDCs will be convened against this mixed assessment of progress in implementation of commitments and actions agreed at the Third United Nations Conference on LDCs held in Brussels in May 2001. The challenges are many and complex. Not only the sustainability of recent economic performance remains daunting, but also the quality and form of growth in LDCs continue to be a source of concern. There is strong evidence suggesting that for economic growth to have a substantial impact on poverty reduction, it must be robust, sound, inclusive and broad-based. It should also be accompanied by a growth of productive and supply capacities, diversification and an increase in value addition. This calls for new approaches to development policies and strategies in LDCs as well as concrete measures at the national, regional and international levels. At the national level, the importance of rebuilding developmental states aimed at effectively addressing the challenges and concerns of LDCs should be given adequate emphasis.

19. The current global economic crisis is already undermining the modest gains seen during the last several years and is likely to impose very serious damage to LDCs' economies, implying that "business as usual" is no longer possible and that an urgent re-examination of current approaches to development policies is required. The *Least Developed Countries 2009 Report* offers new policy orientations that are viable and argues that the role of the state is crucially important in promoting development in LDCs. The report further argues that it is now necessary to adopt more active state policies to promote structural transformation and the development of productive capacities. This will require the development of both industrial and agricultural policies embedded within a framework of growth-oriented macroeconomic policies. UNLDC IV and its preparatory processes should carefully examine the findings and policy recommendations emanating from the *Least Developed Countries Report* series.

## **B. Building the productive and supply capacities of LDCs to ensure diversification and economy-wide value addition**

20. UNLDC IV should assist in forging a new form of partnership between LDCs and the international community. Such an approach should also take into account the initial conditions, diversity and heterogeneity of LDCs. In this regard, on the basis of the findings of its research and policy analysis work, UNCTAD has been advocating a rethinking of the development model that the LDCs have been pursuing for several decades now. It has been proposing a paradigm shift in development policies and strategies as well as in the nature of development partnerships. This entails in particular the reorientation of national and international policies towards building productive capacities. For instance, there has been a consistent and dramatic decline in investment in productive sectors, notably agriculture, since the 1980s. The consequence of such a gap is that there is a lack of economy-wide improvement in terms of productivity, value added by domestic producers and long-term structural change in LDC economies. This, in turn led to a form of economic growth that does not stimulate productive investment nor create sufficient jobs. The Fourth Conference and the successor programme of action should attempt to identify policies and measures that can remedy such inconsistencies.

21. One of the apparent limitations inherent in past national and international policies pertaining to LDCs was also their preoccupation with averting growth collapse, social exclusion and vulnerability without addressing key issues of building resilience against shocks. While preventing economic, social and environmental crises or disasters is essential, building resilience and capacities to weather away the crises should be given adequate attention in the outcome document of UNLDC IV.

## **C. Agriculture and food security**

22. Agriculture remains the mainstay of the LDCs' economies in terms of employment, contribution to GDP and exports. However, most of these countries are not only net food importers but they are also chronically food insecure. The recurrent food price rises and related crises are the causes and effects of the low productivity of the agriculture sector of LDCs. Furthermore, the share of investment in productive sectors, notably agriculture in total investment remained low and has declined over the years. Banks in LDCs are also reluctant to provide loans to agriculture-based investment projects. For instance, banks in African LDCs provided only 14 per cent of their loans to agriculture, even though agriculture in these countries accounted for more than 36 per cent of total value added and



employed, on average, 86 per cent of the total labour force.<sup>2</sup> The Conference should agree on a set of national and international policy measures to enhance the socio-economic benefit of the sector for LDCs.

#### **D. Scaling up development aid and improving its quality, including its effectiveness**

23. Resources mobilization for development remains among the key challenges, undermining the full and effective implementation of the outcomes of previous United Nations Conferences on LDCs. Given the current global economic meltdown, this aspect needs to be given a central place and immediate attention in the process leading up to the Conference. Linked to this is the future of official development assistance (ODA), which requires new approaches. While the success of the Programme of Action will depend on the scaling up of development resource flows to LDCs, ensuring that these resources are used effectively towards reaching the MDGs and the goals of the Programme of Action is vital.

24. There is a growing concern now that the current multiple crises will affect the magnitude of development aid and the way it should be channelled to the poorest countries. The global economic situation has dramatically changed since the third United Nations Conference in 2001. A new approach to development aid policies is highly desirable if LDCs are to achieve greater ownership of public expenditures. This should be closely examined and consensus should be reached during the Conference with some more innovative operational modalities specifically tailored to the needs of LDCs. For instance, in spite of some progress on the quantity of development aid, improving its quality as well as its effectiveness remains a challenge. The real economy, especially the productive sectors such as agriculture, should be given utmost emphasis during the preparatory processes and at the Conference. The sectoral composition of ODA has also changed markedly since the 1990s with a significant increase in the proportion devoted to social sectors and an equivalent reduction for economic and productive sectors, especially agriculture. This calls for a rebalancing of development aid with a focus on the productive sectors of LDCs.

25. UNLDC IV should also provide opportunities to reach consensus on new and innovative forms of resource mobilization for financing development in LDCs. This requires looking at broad policies and strategies aimed at improving domestic resources mobilization in LDCs. Such policies to be discussed could, for example, include diverting a fixed proportion from the “aviation tax” to support poverty reduction efforts in poor countries, or a specially designed “marginal tax” on corporate profits generated by multinational corporations or global business networks. Moreover, reducing transaction costs on remittances to LDCs and taxation on money exchanges could also be considered as further measures required to mobilize new resources for development in the least developed countries. On their part, LDCs should also make efforts to mobilize non-debt-creating domestic resources and efficiently utilize them to achieve their overall development objectives.

#### **E. Remittances**

26. In many LDCs remittances from migrant workers account for a sizable proportion of external resource flows to several LDCs. In 2007, the top five remittances-receiving LDCs were Bangladesh (\$6.4 billion), Nepal (\$1.6 billion), Yemen (\$1.3 billion), and Haiti and

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<sup>2</sup> UNCTAD (2008).

Sudan (\$1.2 billion each).<sup>3</sup> When compared with the relative weight of remittances in GDP, Lesotho (with 24 per cent), Nepal (18 per cent), Gambia (12.5 per cent), Kiribati (9.9 per cent), Bangladesh (8.8 per cent) and Uganda and Togo (with 8.7 per cent each) top the LDCs group. The World Bank also revised its global remittances flow to developing countries forecast for 2008 and 2009 due to the economic crisis. UNLDC IV should provide policy guidance on how to sustain the flow of remittances to poor countries and how such resources could be best used to advance the trade and development interests of LDCs.

## **F. A new generation of international support measures**

27. Building entrepreneurship and enhancing the role of the private sectors is key to strengthening the competitiveness of LDC economies, including through the transfer of technology and know-how as well as by building technological capabilities and innovation in these countries. This calls for targeted and sustained assistance by, for example, establishing funds for infrastructure development (an “Infrastructure Fund”) and for technological upgrading and innovation (a “Technology Fund”) for LDCs. The concept of infrastructure and technology funds could be further developed and made available to member States for their consideration.

28. A new generation of international support measures should also include ways and means of making operational the Aid for Trade Initiative in the LDCs. The Aid for Trade Initiative addresses constraints impeding supply capacities, including weak trade-related infrastructure. It should also include trade-related technical assistance to build capacities to formulate a locally owned trade policy, participate in trade negotiations and implement trade agreements.

## **G. Strategy for public awareness and an information campaign**

29. An appropriate strategy for public awareness and for an information campaign needs to be developed in consultation with LDCs, their development partners and United Nations system agencies at the national, regional and global levels. Such a strategy should focus primarily on the Conference and its objectives as well as the ways and means of attaining them. Developing a well thought-out strategy for public awareness and an information campaign should also involve national and regional institutions, government agencies and civil society and private sector stakeholders in the preparatory processes, the Conference and during the implementation phase of the outcome document. This will not only enhance awareness of the complex development problems and challenges of LDCs but it will also help mobilize stakeholders and secure necessary resources for the cause of development.

## **H. Monitoring progress**

30. Continued efforts should also be made to put in place a mechanism for systematic and result-oriented monitoring and evaluation and to track progress of the implementation of actions and commitment. The monitoring and evaluation of impact at the national level is critical to draw practical lessons and best practices of the implementation of the Conference’s outcome. This encourages the participation of national institutions and actors in the development process while ensuring ownership of the development process. For this, it is essential to build statistical and research capacities in LDCs. Our work in this area

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<sup>3</sup> World Bank (2008). *Remittances Factbook*.

shows that inadequacy of statistical data has seriously undermined efforts to undertake result-oriented monitoring of progress with the current Programme of Action.

31. Finally, as clearly indicated in the above section, ensuring the broad and inclusive participation in the Conference of LDC representatives, their domestic civil society and private sector actors is of paramount importance for the successful outcome of the Conference. The UNCTAD LDC Trust Fund remains an important vehicle for assisting their effective participation. Therefore, the need to diversify the sources of contributions to the UNCTAD LDC Trust Fund should be given urgent priority, as only a few donors have recently made contributions to it. Moreover, continued efforts should also be made to allocate regular budget resources, especially through the United Nations Development Account, to support the participation of LDCs in the Conference and its preparatory process.

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