

Trade and Development Board, fifty-ninth session
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**Item 5: UNCTAD's contribution
to the implementation of the Istanbul
Programme of Action for LDCs:
First progress report**

**General statements by regional groups
Speaker: The Islamic Republic of Iran
on behalf the Asian Group**

Friday, 21 September 2012

*Not checked against delivery **

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STATEMENT BY THE DELEGATE OF ISLAMIC REPUBLIC OF IRAN
ON BEHALF OF THE ASIAN GROUP
AT THE 59TH SESSION OF THE TRADE AND DEVELOPMENT BOARD OF
UNCTAD

Agenda Item 5: UNCTAD's contribution to the implementation of the IPoA for LDCs

Mr. Chair,

The Asian Group would like to thank the panelists for their insightful and thought provoking remarks on today's agenda. We welcome UNCTAD's report on its contribution till date to the implementation of the Istanbul Programme of Action for the Least Developed Countries. We also commend its recent publication on the subject, titled "Enabling the Graduation of LDCs: Enhancing the Role of Commodities and Improving Agricultural Productivity".

The IPoA sets out the overarching quantitative target of reducing the number of LDCs from current 48 to 24 by the year 2020. This is clearly a mammoth task for the international community given that LDCs are the most vulnerable group of developing countries. They face a plethora of challenges including low productive capacity, structural weaknesses, pervasive poverty, fragile economic and legal frameworks and inadequate institutional capacity in the field of trade and development. As we have seen in UNCTAD's progress report, only three LDCs have graduated till date since 1994, whereas with the IPoA, it is envisaged that 24 LDCs will graduate in less than a decade. The road to graduation for LDCs has been made further steep by the triple F crises and a continued sluggish world economy.

It is obvious that the key to achieving the ambitious goals of the IPoA is implementation. While the IPoA clearly spells out that LDCs need to mobilize national actions to achieve the graduation targets, the critical role of international efforts in meeting these goals cannot be overemphasized. We would like to highlight a few important areas in this regard.

- LDCs share of global exports is close to mere 1 percent and the major share of this is commodities. These countries need continued support for their commodity sectors, enabling their greater participation in global value chains on an equitable basis so as to promote sustainable market-driven growth.
- Market access remains a major challenge for LDCs. Development partners should implement their commitments to grant duty-free, quota-free access for all products of LDCs and eliminate market entry barriers.
- ODA remains critical to support the efforts of LDCs in their development process. Agreed aid targets need to be met by the development partners as well as a lasting solution needs to be found for the debt burden of LDCs.
- Science, technology and innovation are key ingredients for building productive capacities in LDCs. Implementing effective trade-related technical assistance on a priority basis is critical for these countries. The share of assistance to these countries for Aid for Trade and for the Enhanced Integrated Framework needs to be enhanced.

In conclusion, we appreciate the work being done by UNCTAD to contribute to the implementation of the IPoA. We call upon UNCTAD to continue these efforts based on its three pillars, as mandated in its Thirteenth Conference. Within the LDCs, there are regional, sectoral and country variations. We would urge UNCTAD to highlight in its work as much of the variation as possible as that will help to better formulate targeted graduation strategies. While we strive to attain the objectives set out in the IPoA, UNCTAD's work in tandem with relevant system-wide agencies of the UN, other international organizations, regional economic groupings, the private sector and civil society should continue to focus on improving the overall well-being and aspirations of the population of this group of most vulnerable countries.

I thank you, Mr. Chair.