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Agreed conclusions*

UNCTAD's contribution to the implementation of the Istanbul Programme of Action for LDCs: First progress report

(Agenda item 5)

The Trade and Development Board,

1. *Welcomes* the efforts of the UNCTAD secretariat in contributing to the implementation of the relevant commitments and actions of the Istanbul Programme of Action as detailed in the background report TD/B/59/3;

2. *Notes* with interest the evidence-based analysis of the impact of the recent multiple crises (food, fuel and financial) on the socioeconomic performance of least developed countries (LDCs) and their prospects for meeting graduation criteria by 2020 as well as the challenges facing them in ensuring food security as contained in the document UNCTAD/ALDC/2012/1;

3. *Recognizes* the challenges relating to poverty reduction in LDCs and in achieving the target of enabling half of the LDCs to meet the graduation criteria by 2020, largely, due to their economic vulnerability and heavy dependence on a narrow range of low-skill, low value-added exports;

4. *Acknowledges* that climate change disproportionately affects the socioeconomic development of LDCs, considering that they have contributed least to the problem, as outlined in Istanbul Programme of Action, and that LDCs also face challenges in environmental degradation;

5. While considering that the LDCs have the ownership and the primary responsibility for their own development, *urges* them and their development partners to take concrete actions to implement agreed priority areas of the Istanbul Programme of Action with a view to attaining the goals and targets therein – most of which can only be achieved by creating the right economic and social environment to develop comparative

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advantages in different productive sectors and through fostering investment in building productive capacities, promoting structural economic transformation, including commodity and economic diversification, as well as enhanced social and human development and defining economic and social policies to reduce poverty, create jobs, improve standards of living and promote inclusive and sustainable development and economic growth in a perspective of gender equality;

6. *Underlines* the continued need for international trade and development related support for LDCs, including official development assistance, foreign direct investment (FDI) and technology;

7. *Expresses* concerns that the progress towards graduation thresholds remains exceptionally slow, with only one fifth of the LDCs currently meeting the income threshold to date – with little improvement in the remaining two criteria, namely the human asset index and economic vulnerability index. If the current trend continues, the likelihood of the majority of LDCs meeting one or two graduation criteria remains very low;

8. *Encourages* the governments of LDCs to continue efforts to realize the potential of their commodities sector to spur development and structural transformation, including by leveraging commodities gains for economic development, integrating commodity policies into their domestic development policies and strategies and unlocking domestic potential for sustainable development, inclusive growth and promoting competition and eradicating poverty;

9. *Encourages* also development partners of LDCs in a position to do so to provide continued assistance needed to improve agricultural productivity in LDCs through research, innovation and technological upgrading;

10. *Recognizes* that further efforts are needed to mitigate the impact of commodity price volatility on LDCs' economies through increased transparency in the commodity industry, reduced dependence on the exports of a few primary commodities, enhanced FDI for building productive capacities and by taking measures to effectively deal with the long-standing problems of food security in these countries and investing in infrastructures, human resources and institutional capacity-building;

11. *Welcomes* the offer of the Government of Turkey of scholarships for graduate students from LDCs in various fields, including natural sciences, engineering and technological sciences, medical sciences, agriculture and social sciences in Turkish universities;

12. *Encourages* UNCTAD to continue monitoring the progress of LDCs towards the agreed goals and targets of the Istanbul Programme of Action to identify successful policy experiences and best practices as well as remaining challenges for action at the national, regional and international levels;

13. *Calls upon* UNCTAD, in collaboration with other relevant United Nations system agencies, to implement paragraphs 41(o) and (p) of the Doha Mandate;

14. *Recalls* the recent decisions¹ regarding the UNCTAD Trust Fund for LDCs; *encourages* countries in a position to do so to contribute towards the revitalization of the UNCTAD Trust Fund for LDCs.

¹ See para. 10 of TD/B/56/SC.I/L.2 and para. 11 of TD/B/58/SC.I/L.2.