

Sixtieth Session of the Trade and Development Board
20 September 2013

**Item 5: UNCTAD's contribution to the implementation of the Istanbul
Programme of Action for LDCs**

Statement by the Deputy Secretary-General of UNCTAD

AS PREPARED FOR DELIVERY

Mr. President,
Distinguished Panellists,
Excellencies,
Ladies and Gentlemen,

It is a great pleasure for me to welcome you today, on behalf of the Secretary-General, Dr. Mukhisa Kituyi, to this morning's session on item 5 of the agenda of our Trade and Development Board, which concerns the contribution of UNCTAD to the implementation of the Istanbul Programme of Action.

As you may recall, the Doha Mandate, in its paragraphs 18 (f) and (g), calls upon UNCTAD to "place specific attention on the special needs of developing countries, particularly LDCs" in its work; and furthermore, to "strengthen its special focus on the needs of the LDCs across all areas of its mandate in accordance with the Istanbul Programme of Action".

In this context, the regular item on the agenda of the Trade and Development Board provides an opportunity for member States to discuss the contributions that UNCTAD is making towards the achievement of the goals of the Istanbul Programme of Action.

As many of you may know, UNCTAD's annual Least Developed Countries Report offers a short analysis of how LDCs are progressing on various socio-economic indicators, in addition to formulating policy recommendations on a specific theme of relevance to LDCs. Back in 2006, UNCTAD's LDC Report centered on the issue of building productive capacities in LDCs. UNCTAD was among the first development institutions to draw the attention of LDCs to this particular aspect of the development debate. Consequently, we, at UNCTAD, are very pleased that our collective work on this critical issue of building productive capacities has been prominently reflected in the Istanbul Programme of Action. Indeed, the Istanbul Programme of Action refers to productive capacities as one of its eight main priority areas for action over the next decade. As you may recall, Priority A on building productive capacities calls on the development community to support LDCs in the sub-areas of infrastructure, energy, science, technology and innovation and private sector development. The development community, including UNCTAD, clearly has an important role to play in facilitating structural transformation through productive capacity building in LDCs.

In this context, I wish to remind our partners that last year, at the UNCTAD XIII Conference in Doha, UNCTAD was requested by its LDC member states to engage in analytical work on measuring and benchmarking productive capacities. Our LDC member states asked UNCTAD to develop a set of indicators that will allow LDCs to assess the state of their productive capacities and monitor the progress in building such productive capacities over time. At this juncture, I can announce that UNCTAD managed to heed this call for action in a prompt manner. Last year, we initiated a study entitled "Benchmarking productive capacities in LDCs" - a study that soon will be distributed as a Conference room paper to all of you and whose synopsis forms part of today's background paper available here.

Mr. Taffere Tesfachew, Director of the Division for Africa, Least Developed Countries and Special Programmes, that led this study, will present the substantive findings of the paper in a few minutes.

This study is central in UNCTAD's continuing efforts to assist LDC member states in working towards sustainable economic growth, structural economic transformation, and inclusive development. Achieving these goals will require a number of policy-measures on the part of national governments, but also the support of the international community.

Among these actions, the building of productive capacities is paramount. In this context, we hope that our work on benchmarking will assist least developed countries in assessing the state of their productive capacities and in formulating targeted policies to strengthen them. In addition, the indicators that are developed to measure productive capacities also allow LDCs to track the impact of their development policies over time and gage the success or otherwise of their development approach. This is no easy task as the paper points out. I hope that we will be able to count on our member states and our development partners to fine-tune this work tool further and spearhead research and analysis in this important field of measuring and benchmarking productive capacities.

Thank you.