



**Statement of His Excellency Mr. Marcelo Cima
Ambassador and Permanent Representative of Argentina,
Chairman of the Group of 77 and China in Geneva
At the 63rd Session of the Trade and development Board**

Geneva, 5-9 December 2016

Item 5 - Contribution of UNCTAD to the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011-2020

Wednesday, 7 December 2016

Madame Chair, Ms. Julie Emond (Canada)

Mr. Patrick Nwokedi Osakew, Head, Trade and Poverty Branch, Division for Africa, Least Developed Countries and Special Programme (ALDC), Excellencies, Distinguished Colleagues,

Madame Chair,

1. I would like to thank the secretariat for its presentation and its report on UNCTAD's contribution to the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011-2020. The Istanbul Programme of Action (IPoA), now at its midpoint, is a vital part of the ongoing work of the international community to assist the LDCs in meeting their full development potential. UNCTAD's mandate on LDCs emanates from the decennial conferences on LDCs and the quadrennial UNCTAD, as well as high-level and ministerial meetings on SIDS and Landlocked Developing Countries, respectively. Their outcomes all guide UNCTAD's work on LDCs and this underscores the magnitude of UNCTAD's work in this regard.

Madame Chair,

2. The persistent structural and emerging development challenges faced by LDCs present significant barriers to their efforts to eradicate poverty, enhance environmental sustainability and achieve ongoing prosperity for their people. In light of this, we recognize the extraordinary efforts that are being made by the LDCs to structurally transform their economies in order to bring about lasting growth and development.

3. The goals of the IPoA include such targets as attaining growth rates of 7 per cent per annum in the LDCs, enabling half of the LDCs to meet the graduation criteria by 2020 and doubling the share of LDC exports in global exports. We fully agree that these goals are important and that all efforts must be made to achieve them. If these goals can be attained, the LDCs will rapidly exit the cycle of extreme poverty in which they are currently trapped, with substantial human benefits for their populations,

4. The G77 and China note that current progress towards these important goals is mixed at best or insufficient at worse. Despite the achievements of certain countries to date, many LDCs have not benefitted from integration into the global economy in the way we would hope. The G77 and China particularly note the progress of Samoa, which is the only country to have graduated during the implementation of the IPoA, and the other countries noted in the report on this agenda item which are slated for graduation, or have been found pre-eligible for graduation.

5. Additionally, the radical shift in development partnerships that would be necessary to achieve the goals in the IPoA, and indeed, to achieve the Sustainable Development Goals, has not yet occurred. Such a shift would require not just changes to the patterns of aid provided to LDCs, but real changes in the way trade opportunities are provided to, and indeed taken advantage of by, the LDCs. Should these changes come about, and coincide with beneficial change in the execution of domestic development policies in LDCs, more rapid progress towards these challenging development goals will eventuate.

6. Nevertheless, it is still essential to recognise that the LDCs themselves have the primary responsibility to their people and the international community in laying out their own development paths. The G77 and China ask that the LDCs renew their search for innovative and context-specific development ideas, aided by institutions such as UNCTAD that research creative paths towards sustainable development. The macroeconomic environment, domestic resource usage, investment policy, human capital development and approaches to international trade are all areas in which new techniques and solutions can be found. As outlined in the report from the secretariat, while existing methods will continue to assist the LDCs in growing their economies, they may not suffice to accelerate them beyond the 7 per cent growth necessary for rapid development.

7. In the near future, resources flowing from ODA will continue to be important to LDCs. Development partners that have not yet done so should endeavour to make additional efforts to meet the special ODA targets of 0.15% to 0.2% of their respective GNI to the LDCs as urgently as possible. While the volume of ODA is critical, it is also vital that aid flows do not come with conditions that restrict the policy space of LDCs. The ability to make context-specific policy choices are important not only for the ongoing development of the LDCs, but in ensuring that ownership of these countries' development path remains with them. ODA should also strike an appropriate balance between utilization in support of the social sector, and enhancement of production to promote balanced development.

8. UNCTAD's resources are continually in demand from many countries, not only the LDCs. Given the recent increases in demand from LDCs for interventions by UNCTAD, the organisation's lack of material resources presents difficulties for establishing ongoing, high-quality work. The hesitation of donors to replenish the UNCTAD LDCs Trust Fund will likely result in problems for the continuation of UNCTAD's work in LDCs in the future, with flow-on effects for the quality of research and technical cooperation dedicated to LDCs.

9. UNCTAD's record in advocating for the trade, investment and development interests of the LDCs is strong, and the report of the secretariat shows UNCTAD's continuation of this legacy. The continued advocacy of the necessity of building productive capacities in order to allow the LDCs to achieve sustainable structural transformation is an important part of the international development dialogue. As the international community strives to meet the SDGs, including by assisting the LDCs to meet these goals, UNCTAD's research and policy analysis, consensus building and technical cooperation will be of great assistance to all. In this regard, expert group meeting on ways and means for achieving the goals of Istanbul Programme of Actions for Least Developed Countries in productive capacity and trade will make useful contribution to our collective effort in reaching the goals by 2021.

Thank you Madame Chair.