

64th Session of the Trade and Development Board

Item 5: Contribution of UNCTAD to the implementation of the Programme of Action for the Least Developed Countries

Opening Statement

Mr. Paul Akiwumi

Director, ALDC Division

Friday, 15 September 2017

Excellencies,

Ladies and Gentlemen,

It is a great pleasure for me to open the discussions of the Trade and Development Board under item five of the agenda, addressing UNCTAD's contribution to the implementation of the Programme of Action for the Least Developed Countries.

This recurring item on the agenda of the TDB is of great importance to UNCTAD, an organization that has a longstanding commitment to the LDCs. Ever since the creation of the category in 1971, UNCTAD has provided core analytical work on the development challenges of the LDCs.

But more importantly, supporting the development ambitions of the LDCs – as captured in the Istanbul Programme of Action - is crucial because they are a litmus test for the wider development agenda captured in the SDGs. Unless we can achieve meaningful improvements to the people in the poorest countries, the SDGs effort will be considered a failure. Even if we achieve significant progress towards in SDGs in several middle income countries, success will - and should - be measured first and foremost in the LDCs. For this reason, UNCTAD places high priority on the implementation of the IPoA.

In the past year, UNCTAD has continued to contribute to the implementation of all the aspects of the IPoA falling within its mandate and expertise. In doing so, we have leveraged all of our three pillars of work – research and analysis, technical assistance, and intergovernmental consensus-building. My colleague will provide you with a more detailed presentation of our report in a few minutes. Allow me to just flag three overarching issues that we have placed specific emphasis on.

The first of these is the goal of graduation, which encapsulates the development ambitions of many LDCs. The IPoA aims to enable half of the LDCs to meet the criteria for graduation by 2020. While it is now increasingly clear that this ambitious goal is unlikely to be met, UNCTAD has devoted its Least Developed Country Report 2016 to identifying the kind of policy measures that need to be taken at the national and international levels to improve the chances of LDCs to achieve this goal. The report emphasizes that graduation is not a goal

in itself, but should rather be a step in a broader development process. And it provides detailed, analytical recommendations on this can be achieved.

On the same theme, UNCTAD – in cooperation with other UN departments – has also brought this expertise to bear in technical assistance and capacity-building workshops on graduation for Equatorial Guinea and Angola, and in its regular work for the Committee on Development Policy.

The second key goal is that of building productive capacities, recognized as priority number one in the IPoA, and a key condition for the achievement of sustainable growth in LDCs. A number of UNCTAD technical assistance projects have aimed at supporting higher value-addition in core sectors of the economy. As part of a prize-winning Development Account Project, UNCTAD has focused on developing the capacities of several LDCs in the fisheries sector, where many of them have significant untapped potential. Other UNCTAD projects have supported the organic agriculture sector in Lao People's Democratic Republic and the Republic of Vanuatu, and on expanding the potential of the services sector in Bangladesh. UNCTAD has further carried out an Investment Policy Review of the Gambia, presenting recommendations on how to improve its legal framework for investment, as well as its investment-promotion efforts.

The third area of focus is the development of exports and fostering structural transformation. UNCTAD published a handbook on *Making Trade work for Least Developed Countries*, and held national and regional capacity-building workshops benefiting 6 LDCs. UNCTAD also supported LDCs in the implementation of the WTO's Agreement on Trade Facilitation, and continued its support to the group through the Enhanced Integrated Framework. Furthermore, UNCTAD implemented a project to strengthen sustainability in freight transport in the northern and central African transport corridors.

These are only some of the activities outlined in the report before you.

Looking into the future, we aim to further expand our analytical and operational activities in support of the LDCs as well as our coordination with beneficiary countries, development partners and other UN agencies. This will be particularly crucial in light of the upward trend in the demands for support by the UNCTAD secretariat in the implementation of the IPoA. Effectively meeting this demand will require concerted efforts by donors, beneficiary countries and the secretariat.

A key focus of our future efforts should be on strengthening the policy formulation and implementation capacities of the LDCs, as well as enhancing ownership capacities at the national level. Ultimately, this will serve to enhance the substantive developmental impact of any technical assistance or capacity-building activity.

A further focus on our work is likely to be on supporting LDCs in the transition to middle-income country. We have also ready received requests for support from 5 LDCs that have met the criteria for graduation and are moving closer to eligibility for graduation. UNCTAD can assist these countries in coping with the loss of preferences, and finding ways of maintaining the development momentum needed for graduation.

With these few introductory remarks, I will ask my colleague to provide you with a brief overview of the report.

I very much look forward to your observations on our work and your suggestions.