

Activities carried out in the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011–2020 (The Istanbul Programme of Action) – 2020 report

Trade and Development Board

Talking Points

Mr. President,
Excellencies,
Ladies and Gentlemen,

1. It is a great pleasure to be with you this afternoon on behalf of the UNCTAD Division for Africa and LDCs to present the *Activities carried out in the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011–2020* report.

2. This periodic report has traditionally been used to provide a brief narrative of activities carried out by UNCTAD in support of the Least Developed Countries (LDCs). The focus is on results and impacts of the work as it relates to trade and development in LDCs.

3. The current reporting period April 2019-June 2020 is the most challenging in recent memory, because of the COVID-19 crisis which has heightened the risk of reversal of the progress that LDCs have made during the Istanbul Programme of Action. LDCs have not been spared from the heavy social and economic losses that COVID-19 has inflicted on countries. UNCTAD's initial assessments show that the impact extends to those countries whose graduation had been foreseen for the 2020-2024 period, which may derail their graduation or seriously disrupt their post-LDC outlook.

4. UNCTAD continued to organize its work around three pillars (research and analysis, consensus building, and technical cooperation) that provide effective responses to the development challenges of developing countries including LDCs.

A. Research and analysis

5. During April 2019-June 2020, UNCTAD finalized several knowledge products and flagship publications of relevance to the LDCs. The thematic topics ranged from the changing dynamics of external development finance; rules of origin; productive capacities; to international production and investment in the face of the COVID-19 pandemic.

6. In accordance with General Assembly resolution 59/209, UNCTAD prepared vulnerability profiles of three countries: Bangladesh, Lao People's Democratic Republic and Myanmar. The on-going work on vulnerability profiles is timely in the current environment of evolving impacts of COVID-19, weak global economic outlook, rising geopolitical tensions and general structural challenges that characterize the LDCs. The vulnerability profiles that are currently under preparation have incorporated an impact assessment of COVID-19 on the concerned countries.

B. Consensus building

7. UNCTAD continued to forge strategic partnerships and engage stakeholders within and beyond the United Nations system in support of the Least Developed Countries. In this regard, UNCTAD remained committed to the processes of the Committee for Development Policy, including participating in the annual plenary sessions of the Committee. Through this engagement, UNCTAD highlighted its groundbreaking work on productive capacities, their measurement and implications for structural transformation of the LDCs.

8. UNCTAD further recognizes the need for greater political visibility of its work on LDCs here in Geneva and in New York, as well as in the Regional Commissions. The Ambassadorial-level retreat of the LDC Group held in February 2020 in the context of the preparations for the Fifth Conference on the Least Developed Countries is an example of the closer engagement between UNCTAD and the constituency it serves.

9. UNCTAD also continued to support LDCs in various negotiating fora including WTO sessions; Africa Continental Free Trade Area negotiations on rules of origin; and at the World Customs Organization on the International Convention on the Simplification and Harmonization of Customs.

C. Technical cooperation

10. In an environment of high demand for tailored technical support on various work streams of UNCTAD, the COVID-19 pandemic has further raised demand for closer cooperation and support.

11. During the reporting period, UNCTAD's technical assistance to the Least Developed Countries continued to focus on policy and capacity gaps in various areas including substantively supporting countries in the graduation frame with smooth transition strategies as they prepare for post-LDC status; building productive capacities; trade capacity and trade facilitation; investment and enterprise development; debt sustainability; and statistics and analytical capacity.

12. Productive capacities are a thematic focus of transition strategies and are a key objective of the Istanbul Programme of Action. In this regard, UNCTAD has developed an index that not only allows benchmarking LDCs' progress but also supports evidence-based policy making, thereby improving coherence among policies.

13. The relevance of UNCTAD's tools and diagnostic support during the critical moments of the present COVID-19 crisis continues to deliver benefits for member states. UNCTAD is now monitoring and evaluating the impact of COVID-19 on e-commerce and digital economy ecosystems. These activities are critical in the follow-up to UNCTAD's Rapid eTrade readiness assessments that have helped 10 LDCs to take stock of their e-commerce development. Further responses await a survey assessment of e-commerce businesses and electronic marketplaces in LDCs.

14. The UNCTAD Entrepreneurship Policy Framework continued to be leveraged for the development of national entrepreneurship strategies. Offshoots of this work led to a dialogue among 6 LDCs and an action plan for harnessing economic and entrepreneurship opportunities arising from new or increased migrant populations.

15. External debt was a major concern throughout the Istanbul Programme of Action and was the subject of analysis in the Least Developed Countries Report 2019. In the context of COVID-19 pandemic, LDCs face significant challenges in mobilizing resources and the associated increase in debt distress cannot be overemphasized.

Lessons learned

16. The extraordinary challenges and shocks to the global system brought about by the COVID-19 pandemic have in many ways exacerbated the development challenges facing LDCs and has wiped off some gains achieved during the Istanbul Programme of Action. This brings into sharp focus the challenges that LDCs and the international community face in accelerating the implementation of the final decade of the Sustainable Development Goals. This threatens to undermine the credibility of the global pledge that no one will be left behind.

17. LDCs currently face worse development prospects than when the Istanbul Programme of Action was adopted. The significant impact of the pandemic on LDCs has highlighted their structural vulnerabilities and the need to build resilience, based on domestic initiatives, with the concrete and active backing of the international community. Against this background, urgent efforts are required by both LDCs and development partners to strengthen implementation of the Istanbul Programme of Action and begin preparations for the programme to be adopted at the Fifth United Nations Conference on the Least Developed Countries.

18. The upsurge in demand for technical assistance from LDCs including in the areas of graduation, diagnostic trade integration studies, trade policymaking, investment policy reviews and statistical capacities have been a consistent theme in several iterations of this report. However, capacity to meet demand is extremely limited by dwindling financial resources. We reiterate the need for the replenishment of the UNCTAD trust fund for the LDCs. Through the trust fund, UNCTAD will be able to positively respond to LDC demands for targeted technical assistance.

19. To ensure optimal project outcomes and impact, capacity development and involvement of local expertise and knowledge is needed for good cooperation and sustainable impact. For this reason, close collaboration with partner organizations in countries is crucial, to ensure efficient output, particularly in coordinating various programme activities and to guarantee a close match between participants of workshops and seminars and the content delivered. UNCTAD has also increased its engagement with staff from ministries, central banks, agencies and other stakeholders who are expected to support project activities, to have a more complete overview, but also to include all actors that will be involved in the activities.

The way forward

20. To conclude, I now invite you to kindly consider the policy recommendations put forward in the document TD/B/67/4 and adopt them as part of your recommendations for this session of the Trade and Development Board. I thank you for your kind attention.