Statement by the Group of LDCs
at the Sixty-Eight Session of the Trade and Development Board

Item 2(b) – High-level segment: Extraordinary times call for extraordinary measures: Preparatory meeting on the road to UNCTAD 15 and LDC5

LDCs Priorities for the Road to LDC5

President of the Trade and Development Board Ambassador Maimuna Tarishi of Tanzania,
Acting Secretary-General of UNCTAD Madame Isabelle Durant,
Distinguished panelists,
Excellencies,
Ladies and Gentlemen,

1. The Group of LDCs would like to thank the distinguished panelists for their excellent contributions on this topic. It would also like to thank the information that has been provided concerning the preparations for UN-LDC 5. In this connection, the Group would like to draw the attention to the priorities for LDCs.

2. One and half years after the declaration of the pandemic, COVID-19 continues to rear its ugly head and the situation of LDCs is particularly dire. * (As witnessed right after the declaration of the Covid 19 last year, a few weeks of shutdown caused substantial reversal of the economic as well as of social life in the LDCs.

3. The new waves will, with no doubt have even more severe economic implications for people and businesses in the informal economy, with little cash reserves, no access to teleworking and nothing to fall back on. As UNCTAD’s Least Developed Countries Report 2020 has shown, the pandemic has likely pushed 32 million people back into absolute poverty and has raised the poverty rate to 35%.

4. The LDCs face a daunting task in vaccines. Much as the COVAX facility promised to deliver billions of doses, the situation on the ground as of today remains dire. The international community has failed to deliver to LDCs the vaccines it had promised. As of today, only an insignificant 0.8% of people in low-income countries have received at least one dose. Therefore, infection rates and the death toll are rising.

5. LDCs mostly lack the productive capacities to produce the necessary health equipment of the financial resources to obtain them. They need immediate support from the international community, in addition, to support for the long-term strengthening of the health sector.

6. Ladies and gentlemen, while there has been slight progress on different fronts during the period of implementation of the Istanbul Programme of Action, it has been at best patchy and it has failed to address the underlying vulnerabilities of the LDCs, as evidenced dramatically by the consequences of the pandemic.
7. We are working with our development partners to agree on a new programme of action for the LDCs for the 2022-2031 decade. It should build on the lessons learnt during the implementation of the previous programme of action, drawing lessons from its successes but also from its limitations and shortcomings. The LDC Graduation should be supported by practically impactful, focused and actionable programmes so that the graduation becomes sustainable.

8. As we progress towards LDC5 the Group is looking forward to a new programme that has actionable deliverables. The LDC Group gives particular weight to initiatives that tackle the low level of development of productive capacities. In order to reach our development goals, we need to achieve the structural transformation of our economies. To that end we need the active support of the international community. The LDCs need a new generation of international support measures, and also continue the same for a few years after their graduation to support their smooth transition, given that the existing ISMs have had a limited contribution to the structural transformation of our economies. Particularly pressing are new initiatives in two fields. The first one is financing for development, where the gaps between available resources and the needs of investment and spending for green growth and structural transformation are daunting. The second field the building of technological capabilities in the LDCs. The international community needs to formulate effective ways of technology transfer to our countries and to build the technological capabilities of our domestic entrepreneurial sector.

9. Furthermore, the LDC Group calls on the international community to take new initiatives to strengthen the institutional capabilities of the LDCs, especially our public institutions. We need capacity-building programmes to strengthen and upgrade our capacity to design and enact policies aiming at the development of productive capacities towards the structural transformation of our economies. While the national development priorities are set by ourselves, our technical means of tackling with the complexities of development in the present context need to be further developed.

10. We expected UNCTAD to actively contribute to this endeavour and to play a major role in the implementation of the new programme of action.

I thank you, Madame President.