Eminent Persons Shine Spotlight on UNLDC IV

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On 13 October, 2010, the Group of Eminent Persons for the Fourth UN Conference on Least Developed Countries (UNLDC IV) held their first meeting at UN Headquarters in New York to discuss challenges facing the world's most vulnerable countries and how they will impact the LDC agenda over the next 10 years.

During the meeting, the two co-chairs focused their messages on shared responsibility. Alpha Oumar Konaré, former president of Mali, stressed the need for a “political message of commitment that will be used as an advocacy tool to drum up support” for LDCs. He cautioned, however, that the LDCs themselves should shoulder the burden of their own national development.

James Wolfensohn, former World Bank president, echoed Konaré’s message, while also underscoring the need to address issues of governance in the LDCs. “It is very clear that we cannot deal with development unless we look at the question of governance and unless we look at shared responsibility,” he said.

Also in attendance was UN Secretary-General Ban Ki-moon, who noted that the stature and experience of the Group’s members positioned them as advocates for the cause of LDCs. “By raising public awareness and building strong political commitment, especially at a challenging time for global solidarity, you can reinvigorate the compact in support of the development and transformation of the LDCs over the next decade,” Ban said.

While some progress has been recorded over the last decade, nearly half of the LDC population — some 400 million — still face conditions of absolute poverty and misery, initiatives, Diarra said. But structural weaknesses, such as the lack of productive capacity, means that most LDCs are unable to benefit from these assistance packages.

“In the final analysis, I think it is safe to say that the implementation of the Brussels Programme of Action is unfinished business; much remains for us to do. What is required is a stronger and more meaningful partnership between LDCs and development partners.” Diarra told reporters, who asked whether progress had been made since the Third UN Conference in Brussels in 2001.

The nine-member Eminent Persons Group also includes Louis Michel, former European Commissioner for Development and Humanitarian Aid; Louis A. Kasekende, Deputy Governor of the Bank of Uganda; Sir Richard Jolly, Honorary Professor of the Institute of Development Studies at the University of Sussex; Hiromasa Yonekura, Chairman of Sumitomo Chemical Company Ltd.; Kemal Dervis, former head of the UN Development Programme; Sir Fazle Hasan Abed, Founder and Chairperson of the Bangladesh Rehabilitation Assistance Committee; and Nancy Birdsall, Founding President of the Center for Global Development.

The Group is expected to contribute to a final report of recommendations on new paradigms for transforming low-income economies.
Turkey prepares for UNLDC IV

In an exclusive interview, Permanent Representative of Turkey to the United Nations, Ambassador Ertugrul Apakan talks with Nosh Nalavala on the preparations for the LDC Event

Transcription by Kamma Thordarson

Developed countries have pledged 0.7 per cent of gross national income to developing countries. Very few have kept that pledge, how do you view this apathy among these wealthy member states?

This is related to the efficiency of the ODA system, its productivity. When we speak about LDCs, the issue is how to make the LDCs part of the solution. We have to create productive capacities in LDCs by investment, direct aid, and by providing them more access to the markets of developed countries. This is a package and while ODA is one of the major components of the system, the major donor countries and new emerging economies should continue to contribute to the revitalization of the development in LDCs. The Istanbul conference will give us the opportunity to review current practices and adopt new measures and I believe Istanbul will bring new values to the system and there will be a new Programme of Action in Istanbul.

How different will it be from the Brussels Programme of Action?

Of course, we will have to review the Brussels Programme of Action. This will be the first step. At the moment LDCs and major donor countries are reviewing the Brussels Programme of Action as we prepare for the Istanbul conference. Some important elements of the Brussels Programme of Action have been achieved, but it is incomplete. Most importantly, we need a high level political message to the international community at the Istanbul conference.

...to pressure them into a commitment? ...to draw the attention of the international community. We should not forget that the world is going through an economic and financial crisis. I believe Istanbul will be one of the major international economic events of the year, just after the Millennium Development Goals Summit. It will have a strong message both for the revitalization of the development process and also for addressing the problems of LDCs. I believe the parties are working in good faith in order to see what is achievable. In Istanbul we should have simple, plain, measurable and deliverable targets.

You are talking about deliverable targets, but are you going to call for an increase in financial commitment from developed countries? Several countries have not fulfilled their old commitments and as a result several LDCs have not been able to fulfill their MDGs.

In an environment of economic crisis, I don’t know to what extent it would be feasible to increase the current financial commitments of the major donor countries. I think that if 0.7 per cent is implemented, it will be a good step in the right direction. This target has to be achieved.

Do you plan to pull in civil society in the process? And also public-private partnerships?

Yes, and I can tell you that at the end of the day this will be a LDC-led process. And yes, partnerships as well. A new dimension, there will be 3 dimensions: a) private sector. I think private sector could play a more effective role in terms of investment in LDCs. b) parliaments c) NGOs and civil societies. In Istanbul, we are also expecting that women-related issues will be discussed.

What issues is Turkey bringing to the table for LDCs?

All problems are interrelated in terms of the LDC development process, but we need to do more in education and health in order to solve long term education and health problems in the LDCs. There are also food security and agricultural issues. We’ll be focusing on agricultural issues in Istanbul in a side event, and there will be discussions about the tourism capacities of the LDCs.

Two specific questions: There are several LLDCs and SIDS which are also LDCs. There is considerable concern about the state of the SIDS. 1) Is Turkey playing a prominent role in climate change negotiations to assist the SIDS? 2) Will Turkey bring up the issue of SIDS at the UNLDC IV conference, since some of them are very, very vulnerable and on the verge of collapse.

The Cancun conference on climate change has already produced a meaningful outcome document on which future efforts can be built. Turkey has been active in Cancun and I believe the parties are all happy with the results. In February the UN Forestry Conference is taking place and maybe the issues of SIDS will also be discussed.

Several LDCs are suffering from climate related issues, like deforestation, desertification ... Climate change and desertification, forestry and what can be done in order to overcome desertification. These are the questions on our agenda and we are also working with UN specialized agencies; FAO, World Bank, IMF, UNDP, WTO, ILO, UNIDO — they too are preparing themselves for this conference and their executives will attend.

Will you raise those issues at the UNLDC IV or is it only going to be for the 49 Least Developed Countries?

The UNLDC IV will be about the 49 least developed countries with some emphasis on the small island states and their acute problems, as also those of the landlocked developing countries.

Is Turkey going to make a commitment at this conference? Are you going to make a financial contribution/commitment?

We are looking at what we can do in terms of trade, development assistance, education, agriculture, forestry, science and technology. At the Istanbul conference, our intention is to declare our own long term programme. Turkey has a forward-looking approach to 2020. Turkey is already making a financial contribution, on a yearly basis direct and indirect, economic and humanitarian assistance amounts to more than one billion dollars to the developing countries, mostly to LDCs and sub-Saharan countries. ■
“We expect UNLDC IV to address the real challenges of LDCs”

Ambassador Jean-Francis Regis Zinsou, Permanent Representative of the Republic of Benin to the United Nations, in conversation with Nosh Nalavala and Kamma Thordarson

What kind of an outcome do you expect with UNLDC IV in Turkey different from what was ten years back with the Brussels Programme of action?

One might think that nothing has changed, and maybe we will come to the same conclusions, but the situation is not quite the same. We live in a globalized world. There is an economic crisis, a financial crisis, an energy crisis and a food crisis. We have an overall economic situation that is not very conducive to promoting development. Instead of promoting investment, the LDCs are obliged to promote consumption. In Benin the government is obliged to subsidize energy costs and food imports, so that the purchasing power of the population is not eroded.

Do you think Benin will fulfill the MDGs by 2015? The central theme of the Benin government is termed as a ‘people-centered framework’. What exactly would you mean by that?

We have so many challenges that we may not be in a position to fulfill all the MDGs. The government of Benin has made it a priority to promote education. In 2007 it took the decision to introduce free and compulsory primary education for all children of schooling age. A “people-centered framework” means that you have to understand that development is foremost when people are trained, have human capacities, building institutions and focusing on human resources. In regards to women, the government has taken the decision to promote microcredit to fight poverty.

Have these policies, like microcredit, made an impact on alleviation of poverty?

Of course, but we have to scale up the use of this tool in order to have the best impact out of it. One step that we have to take now is to bring the informal economy, meaning people selling things in the market without being registered as a company, and that comprises 60-70 per cent of the population, with the formal economy. The strategy for the future will be to find a way to bring each rural family or each urban poor family to register as a company and receive subsidies from the government and be able to pay back loans.

The government has also undertaken a very important project for the electoral process. We are preparing a permanent digitized electoral list, taking into account children from 8 years old upwards. This permanent list is supposed to last ten years and then they will reach voting age.

The government has also decided that the malaria pandemic will be a focus because it is debilitating the population. We need to expand bednet contributions and to do that, we need resources. One bednet costs $5, and we need 5 million bednets. The treatment of malaria is free for children below five and for feeding mothers. Now the government is considering the possibility of declaring free treatment for malaria for everybody.

Ambassador, going back to the question about the outcome of UNLDC IV, do you feel that the conference will help strengthen the issues that were established in the Brussels Programme of Action or are you viewing it as a brand new programme of action with new resolutions?

Many things in the Brussels Programme of Action were good which we need to continue with good governance. Of course, it was a general framework document from where we could really devise our national strategy for development, assess our developmental backlogs and really assess the best possible strategies to put in place.

So what does UNLDC IV promise?

The UNLDC IV promise is to tackle the bottlenecks that have impeded us from reaching the goals which were set by the BPoA. It is important to increase the productive capacity of LDCs because many facilities have been offered to the LDCs, especially to African countries, but they have not been able to take advantage of that. They have not been able to increase their exports and their market share because of the supply side constraints. It is important for LDCs to develop the assets that countries have and be able to create more added value.

Has South-South cooperation helped you?

South-South cooperation is very instrumental, we value so much the assistance we are getting from emerging economies from the South and precisely from Brazil, India and China; China being the most forward-looking partner fostering the development of infrastructure.

What are the Chinese getting in return? If they are putting in so much investment, what are they getting in return? Will export of goods to China from Africa be stepped up?

We are talking about solidarity here. Those are not only gifts, they are loans that are made to us at low interest. They are also interested in getting access to raw materials. They are there assisting us because we have a long-standing
Ministers meet to mobilize financial resources for Least Developed Countries

To develop a new Programme of Action for LDCs for the next decade it is important to undertake a comprehensive assessment of short, as well as long-term financing needs in LDCs. It is also key to assess implementation gaps in the Brussels Programme of Action for resource mobilization, an essential precondition for all other priorities.

Ministers and senior officials from around the world met in October to underscore the role of mobilizing resources in eradicating poverty and achieving inclusive economic growth, sustainable development and gender equity in the least developed countries (LDC).

Stakeholders at the meeting sought to address related issues, including official development assistance (ODA), foreign direct investment (FDI), debt relief, debt sustainability, global stimulus and crisis mitigation package, domestic resources, and innovative sources of finance including migrants’ remittances.

The Ministerial Meeting took place in Lisbon, Portugal, on October 2-3, 2010. It was co-organized by the Government of Portugal and the United Nations Office of the High Representative for the Least Developed Countries (UN-OHRLLS). The meeting involved the majority of LDCs and several development partners. Some 140 stakeholders of the Brussels Programme of Action attended, including member states, UN agencies, regional organizations, and civil society representatives.

Investment resources in most LDCs predominantly come from abroad, including ODA, FDI and diaspora remittances. Despite significant efforts to mobilize domestic resources and attract more private capital inflows, a huge savings-investment gap still exists in most LDCs. Their domestic savings stagnated around 13 percent of their GDP. Thus, the development needs of LDCs far exceed the availability of resources. While serious domestic reforms have been implemented, LDCs still face a major resource gap of $150 billion to $300 billion. This is exacerbated by a negative flow of resources from LDCs through trade deficits, FDI profit transfers and debt repayment.

The dependence that LDCs have on external resources limits their policy space and further reinforces dependency, as has become evident during the economic and financial crisis. Their economic vulnerability is increased by indebtedness, which remains a challenge despite major write-offs in the past, especially since global interest rates are expected to increase in upcoming years. In a similar vein, many LDCs run large deficits in the current and trade accounts, financed by official grants and loans. Even a small reversal in external capital flows may, therefore, cause domestic contraction.

A new Programme of Action backed by a strong global partnership for resource mobilization can catalyze success and bring about economic prosperity in the LDCs if accompanied by good governance at the national and international level.

The meeting also examined the economic governance issues from the perspective of LDCs, including international macroeconomic, monetary and financial systems.

The following recommendations emerged from the discussions at the ministerial meeting:

- LDCs must strengthen their domestic institutions, policy processes and systems for managing financial resources, including external resources. LDCs and their development partners should build capacity to mobilize resources, including collecting revenue, managing debt, and using ODA and remittances for development purposes. The development capacity of LDCs needs to be enhanced by building necessary institutional and human capacities.
- With support from development partners, LDCs should increase the resources for and capacity to collect timely data to improve policy analysis.
- With the support of their development partners, LDCs should strengthen macroeconomic policy buffers and enhance shock absorbers to prepare against future shocks and volatility.
- As stated in the Monterrey Consensus, LDCs should enhance the coherence and consistency of the international monetary, financial, and trading systems to ensure that they support the internationally agreed upon development goals, including social and environmental sustainability.
- LDCs should build on positive developments in the last decade and explore the role of developing country partners for resource mobilization. As emerging economies often use a combined approach for FDI, trade and financial support, there is room for mutual learning, for example, through triangular cooperation.

In conclusion, the meeting participants suggested that these recommendations be incorporated into policy proposals and deliverables for the Fourth UN Conference on Least Developed Countries in May 2011. As aid is the strongest manifestation of global solidarity, a new generation of international support measures is needed. “Business as usual” is not an option.
The impact of Climate Change is a challenge to all humanity

Dr. Anthony Mothae Maruping, Ambassador of the Kingdom of Lesotho to the Swiss Confederation shares his thoughts on the impact of climate change on LDCs and the trade access and imbalances faced by developing countries

Interview with MediaGlobal’s Nosh Nalavala

Nosh Nalavala: Climate change is the major, overriding global issue of our time and the single greatest challenge we face. It is a growing crisis with not only environmental concerns but economic, health and safety, food production, security and, of course, trade dimensions. The Least Developed Countries (LDCs) are faced with challenges posed by climate change and the business opportunities that exist for entrepreneurial vision and innovation in tackling them. What course should LDCs take towards creating businesses that implement renewable energy practices and new technologies and reduce CO2 emissions, while creating jobs and further trade?

Ambassador Maruping: Indeed evidence of climate change is already abundant. It is also universally established and accepted that rapid climate change is man-made. This poses numerous challenges for developing countries especially for the LDCs. It manifests itself in the areas of environmental deterioration, health and safety, food production and food security, economic growth and trade, all of which are adversely affected in LDCs. LDCs hardly contribute anything to the factors leading to climate change. Yet LDCs are the most adversely affected by this phenomenon. LDCs have no resources or economic muscle to mitigate the adverse effects of climate change. The decision to create a Fund to help LDCs to cope with emerging challenges due to the Climate Change is a good one. One can only hope that the international community will contribute generously to it in order to make it meaningful.

Q: Africa, particularly sub-Saharan Africa, has traditionally not been a favourite of foreign direct investors. The reasons include its small markets, its weak infrastructure and an image problem: in much of the world, Africa’s image is dominated by pictures of civil war, sickness and famine. In spite of all sorts of limitations, the climate for FDI in Africa, as well as its regulatory framework and institutional infrastructure, today are better than they have ever been. What do the LDCs need to do to encourage foreign investments, especially in manufacturing and services?

A: Positive efforts and achievements in Africa go unreported or are downplayed. Negative developments are blown out of proportion. Commendable efforts such as the NEPAD’s African Peer Review Mechanism (APRM) on good governance, go unnoticed. African Union (AU) has been making considerable efforts to ensure peace and good governance as well as participatory democracy on the continent. Regional groupings such as SADC, ECOWAS and others, have also being playing a constructive role. Africa should emphasize South-South co-operation to supplement fatigued North-South co-operation. Regional integration should be deepened and accelerated. Increased intra-Africa trade would serve as an attraction to FDI.

Q: Contrary to conventional wisdom, market access barriers faced by developing country exporters are not decreasing for some of their most important export sectors. LDCs are especially at risk. Is market access a deepening problem?

A: In the current Doha Development Round of Trade Negotiations (DDA), developed countries are insisting on a significantly enhanced market access into developing countries, especially in the emerging market economies. Likewise developing countries feel that developed countries are not willing to open their markets to a desirable degree. This is the core of the negotiations. Developing countries also insist that the development dimension of the Doha Round of Trade Negotiations ought to be preserved and should be meaningful.

Q: There is very little awareness in the developing world about environmental trade opportunities and solutions to “green” export challenges. Institutional weaknesses and limited coordination among national standards institutes, environmental protection agencies and other advisory and certifying bodies leave gaps. The result is shortfalls in analyzing export markets, providing export support services and conducting advocacy for the environmental sector. In view of the marginal gains at the Cancun Climate Change Conference by the developing countries, specially the establishment of a Fund, do you see a silver lining?

A: There is no question that limited capacity always poses challenges to developing countries on various fronts. Even on this front it is a challenge. Hence advice to intensify the collective approach so as to pool capacity to cope in the international arena. Institutions of the South (universities, research institutes, think tanks, free lance experts) should collaborate for the benefit of all. There is no choice but to face up to the reality on the ground. The South should try hard to rise up to the level of the task at hand.

The menace of Climate Change is a challenge to all humanity. Focus should not be on trying hard to outsmart one another but rather on contributing towards the solutions proportionately and fairly taking into account partaking in the damage inflicted over history. Those who contributed most to climate change in the past and those that are doing so now should contribute proportionately to the solution. LDCs have not contributed in any significant way and are still not contributing in a noteworthy manner to the Climate Change. Yet they stand to suffer most from the effects of Climate Change. This is already happening. They lack resources needed to mitigate those adverse effects. Climate Change negotiations are a process not an event. The process should not take forever. Time is of consequence. Finding a solution in time is imperative.
friendship with China. They are there in the medical sector, assisting us in treating our people. They are building roads and bridges and flyovers, and we are also discussing with them building a new seaport and a new power-dam. Its part of development work. We are increasing our capital stock and our infrastructure to ease development. This is beneficial, because when you raise the purchasing power of your population, you make a good market for your product. Right now, we must increase our productive capacities, and we need to diversify our economy. Benin has a lot of raw materials, a lot of minerals that are not yet developed. We can offer ornamental stones for covering floors and walls, we have gold that is being exploited by freelancers. We need to put all that on an industrial basis and we need partners for that. Those are contracts that will be signed, negotiated in a businesslike manner.

LDCs, LLDCs and SIDS have issues of climate change. Are these issues likely to be brought up at UNLDC IV?

Of course, for some its droughts, for others its floods, desertification, or coastal erosion. My own country faces tremendous challenges with floods and coastal erosion. The landscape is being changed totally by the sea. These issues will be brought up at the UNLDC IV conference because we think that you cannot have such targets as MDGs and experience floods that cover 75 per cent of your territory each year. You can’t imagine how disruptive these floods are to the progress of our achievements in reaching the MDGs. When there are floods, all wells are below water and classrooms are also underwater or being used as shelter for the population which has been displaced by the floods. You really have to take seriously the challenge of climate change.

What are you expecting in the outcome document?

The Istanbul Programme of Action should adopt an approach of specific response of specific needs. It should be comprehensive enough to encompass the specific needs of each group while setting the general framework for promoting LDCs and for halving, at least, in the next ten years, the number of LDCs. We are expecting that outcome document to address our real challenges.

Representatives of the developed countries will be at the conference, their presidents will be at UNLDC IV. What are you asking them and the international community? Are you asking them to raise the ODA?

We are asking the international community to consider our problems from the point of view of traditional cooperation. We think that we cannot do what we have to do without additional funding. We need not only ODA, we need additional sources of investment. We need to consider this issue from the perspective of moral obligation of the international community to solve the problems of the LDCs, to alleviate poverty in the LDCs and to raise the LDCs to the level of revenue that will help eradicate extreme poverty.

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**Norway and Belgium donate to the LDC Trust Fund**

Secretary-General of the Fourth UN Conference on the Least Developed Countries (UNLDC IV), Cheick Sidi Diarra expressed his appreciation to the Government of Norway for its generous contribution to the successful staging of the UNLDC IV Conference scheduled for 9-13 May, 2011, in Istanbul, Turkey.

Norway donated $500,000 USD towards the participation of representatives from LDCs to the Conference, which is expected to draw over 6,000 participants, including Heads of State and Government, parliamentarians, key private sector players and civil society. The five-day global gathering is a major undertaking of the United Nations and a significant event on the international organization’s calendar in 2011.

High Representative Diarra lauded Norway’s generous contribution, particularly during these tough economic times. “The donation from the Government of Norway is indeed encouraging. It also serves as a strong signal of Norway’s commitment to support the LDCs’ development agenda,” he said.

In the lead up to the Fourth UN Conference on the Least Developed Countries (UNLDC IV), the Government of Belgium has contributed US $400,000 USD towards the LDC Trust Fund.

“The generous contribution from the Government of Belgium indicates a high-level of commitment from one of the LDCs’ development partners,” Diarra said.

Belgium hosted UNLDC III in 2001 and is expected to host the Second Meeting of the Group of Eminent Persons for the UNLDC IV Conference on 19 January 2011.

Harvesting the positive contribution of South-South Cooperation for LDCs’ Development, UN-OHRLLS, Government of India, New Dehli, India, 18-19 February, 2011

Climate Change, Climate Variability and Extremes, Land Degradation and Biodiversity Loss: Challenges and Opportunities, UNFCCC, World Bank, New York, USA, February 2011,


MDGs and Universal Access to Essential Services, UN-OHRLLS, March 2011, New York, USA
Private Sector Steering Committee debates priorities for UNLDC IV

On October 20, the Private Sector Steering Committee met in New York to define its priorities in shaping the programme of action for Least Developed Countries (LDC) over the next 10 years. The discussions created the foundation for the Committee’s preparatory work for the Fourth UN Conference on the Least Developed Countries (UNLDC IV), scheduled to take place in May, 2011.

The Committee drew input from 19 private sector representatives from Africa, the Asia-Pacific and North America; three Turkish Private Sector Networks; as well as UN Global Compact, the UN Development Programme, UN Office for Partnerships and the UN Conference on Trade and Development. The event was chaired by Cheick Sidi Diarra, Secretary-General of UNLDC IV and moderated by Lakshmi Puri, Director of UN-OHRLLS, and Gavin Powers, Deputy Director of UN Global Compact.

During the deliberations, Committee members debated whether a more cohesive, group-based policy approach would be more effective in advancing the development agenda of LDCs. Adam Greene, Vice President of U.S. Council for International Business, noted that having a defined policy framework for LDCs may be beneficial for their development, as such frameworks have benefited other groups of countries facing similar challenges, including post-conflict countries or countries looking to improve good governance.

Several participants noted the importance of enterprise development. Armen Orujyan, Chairperson of Athgo International, stressed that young people are paramount in this regard and embody great potential. An Information and Communications Technology (ICT) platform should be provided for mobile entrepreneurship, with active support from the ICT industry.

Some participants noted that energy supply was key for the developmental progress of LDCs. Golam Mainuddin, Director of the Federation of Bangladesh Chamber of Commerce and Industry, underscored the prospects for solar energy in many LDCs, given their relatively long daily hours of sunlight. Solar energy could benefit rural populations by reducing energy costs. Development assistance from other countries could help with costs of solar energy as well as the distribution of grid infrastructure.

Other issues highlighted by participants included improving access to financial resources, including microfinance; strengthening productive capacities; increasing female participation and equity; enhancing regional cooperation and communication between the LDCs; increasing technology transfer from investments and private-sector engagement; assessing the progress of the last decade; analyzing successes and failures; and providing for strong follow-up mechanisms for the upcoming conference.

Chaired by Cheick Sidi Diarra, Secretary-General of UNLDC IV and moderated by Lakshmi Puri, Director of UN-OHRLLS, and Gavin Powers, Deputy Director of UN Global Compact, members of the Private Sector Steering Committee photographed in New York.