Statement

By

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at the

Ministerial Conference of the Least Developed Countries
preparatory to the
Mid-term comprehensive global review of the Brussels Programme
of Action for the Least Developed Countries
for the Decade 2001-2010

Cotonou, Benin

7 June 2006
Mr. President,
Madame Foreign Minister
Honourable Ministers,
My colleagues Under-Secretaries-General Abdoulie Janneh and Kim Hak-Su,
Distinguished participants,
Ladies and Gentlemen,

I would like to begin by expressing my heartiest felicitations to His Excellency President YAYI BONI on his assumption of office following a remarkable election victory. I also warmly congratulate Madame Mariam ALADJI BONI DIALLO as she takes up the leadership of the Ministry of Foreign Affairs. Benin is the global chair of the Group of the Least Developed Countries and I look forward to collaborating closely with the government in advancing the cause of these most impoverished countries of the world.

It is always a pleasure to come to beautiful Benin. I convey to you all the warm greetings of the United Nations Secretary-General Kofi Annan and his best wishes for the success of this Ministerial Conference. I would also like to thank our gracious hosts for their warm hospitality and the excellent arrangements made at this elegant conference venue.

It is with great pleasure that I welcome the participation of my dear colleagues, the Executive Secretaries of the UN ECA and UN ESCAP and thank them for their staunch support to the LDCs and their Programme of Action.

I would like to take this opportunity to commend our host country, Benin, for their leadership of the LDC group. At the United Nations, Chair of the LDC Coordination Bureau Edouard Aho-Glele has been undertaking the immense responsibility and workload on behalf of the fifty-member Group with absolute diligence and determination. As we worked together moving through the preparatory process for the midterm review of the Brussels Programme, in particular for this Ministerial Conference, I found his continuing zeal and initiative of tremendous support to the efforts of my Office and the rest of the United Nations system. We all owe him a special word of sincere thanks for our gathering here. I am confident that Benin will continue to provide its leadership to the LDC Group, particularly in achieving a successful conclusion of the midterm review.
The United Nations Development Programme (UNDP) has been of great support to the LDCs and my Office in the preparations for this meeting, as well as the two regional meetings of the LDCs held earlier this year. Without their generous funding, the participation of the LDC delegations would not have been possible at these three meetings. The UN Resident Coordinator in Benin Edith Gasana has also been closely involved in the preparations of this meeting and I thank her for all the help and cooperation that she and her team have provided.

As you know, mandated by the United Nations General Assembly, the midterm comprehensive global review of the Programme of Action for the Least Developed Countries for the Decade 2001 to 2010 would be undertaken at a High Level Meeting of the General Assembly on 18 and 19 September in New York to be chaired by the General Assembly President and addressed by the Secretary-General presenting his comprehensive report on the five-year review. It would be preceded by a three-day experts level meeting of the General Assembly on 5, 6 and 7 September to prepare the final outcome document, as well as a one-day informal interactive hearings of civil society and the private sector convened by the President of the General Assembly on 22 June also in New York.

The LDCs began their preparations in right earnest from December last year when my Office requested them for preparation of country level reviews undertaken through a broad-based and inclusive dialogue with all relevant stakeholders. I am delighted to inform that as of today we have received national reports of all 50 LDCs. In these reports that form the main basis of the midterm review, the LDCs have shared their experience in implementing the Brussels Programme and indicated the problems and obstacles that they confronted in the process. They have also proposed what now needs to be done in the coming years to achieve the goals and targets of the Programme. My Office undertook the task of preparing two synthesis reports of the national reviews, one for the African region and the other for Asia and the Pacific. These as well as the reports of the two regional commissions facilitated the outcome of the regional meetings in Addis Ababa and Bangkok.

To ensure greater engagement of the UN system entities in the preparatory process, my Office has been organizing, on a regular basis, inter-agency consultations and I must express deep appreciation for the collaborative support of all relevant UN partners and for their substantive contributions. We believe strongly that such consultations should continue to
enhance support to LDCs in the post-midterm review period. We have also circulated at this conference a calendar of the special events which would be organized in collaboration with various partner organizations leading upto the September review.

This LDC Ministerial Conference in Cotonou is a milestone event in our preparations for the UN General Assembly’s review of the Brussels Programme. The LDCs as a whole and individually have been very diligent in making a substantive contribution to this process. A considerable amount of work was also undertaken in New York by the LDC experts in preparation for this meeting.

As we analyse the implementation of the Brussels Programme during the last five years, we find that the progress has not been as we expected. The enthusiasm for strengthened global partnership in support of the LDCs that we expected has yet to fully emerge. The achievement or lack of it in the implementation process and the continuing and emerging challenges faced by LDCs present a mixed scenario.

In 2005, the population of the 50 LDCs was estimated to be 750 million, nearly 12 percent of the world’s population. By 2015, in ten years time when the Millennium Development Goals are to be reached, 200 million more people would be added to these already vulnerable countries, straining their resources and capacity to move forward. But, at the same time it is heartening that during last few years, due mainly to their determined efforts, LDCs have been averaging more than 6 per cent per annum growth in GDP - the fastest average rate of growth they have had for decades.

We should, however, be fully aware that the overall economic and social picture in most of the LDCs unfortunately continues to cause concern. Fifty per cent of the population of LDCs are living on less than $1/day and 80 per cent on less than $2/day -- extreme poverty remains a stark reality in these countries. Life expectancy is declining especially due to malnutrition, HIV/AIDS and other diseases like malaria and tuberculosis. Geographical handicaps, conflicts and natural disasters continue to be major obstacles to development in many of these countries. LDCs are yet to have the capacity to seize the many opportunities offered by an increasingly globalized world.

Trade is yet to become a more effective engine for development in most LDCs. The main constraint is the lack of capacity to produce exportable products of sufficient quantity, stable quality, and required standards that can be traded internationally. As a result, LDCs have
not been able to fully benefit from the duty- and quota-free market access offered by industrialized countries. Rules of origin and non-tariff barriers minimizes market access further and need immediate corrective action to facilitate LDCs trade. Here I would like to emphasize again that LDCs could benefit tremendously from ever-expanding South-South trade and, therefore, the fellow developing countries should bring down their trade barriers for LDCs on a non-reciprocal basis.

We all know that due to the limited scope of most LDCs to raise domestic resources or attract foreign investments or raise money on commercial terms, ODA remains a critical resource for achieving objectives, goals and targets of the Brussels Programme. In that context, we welcome the recent trend in the increased level of ODA for the LDCs. The total OECD/DAC ODA to LDCs has reached US $23.5 billion in 2004 – a sizeable increase from US $ 15 billion in 2003. Out of 22 DAC members, seven have met the 0.20 per cent target of the Brussels Programme (Denmark, Ireland, Luxembourg, Netherlands, Norway, Portugal, Sweden) and three others (Belgium, France, UK) are on track to meet it by 2010 or earlier. The commitment by the European Union and other major donors to double their assistance to Africa with its 34 LDCs should be redeemed without fail. Of course, improvement in the quality of aid and aid effectiveness would make this increase in ODA more meaningful for the LDCs.

The Brussels Programme emphasizes that “external debt overhang in the majority of LDCs constitutes a serious obstacle to their development efforts and economic growth”. The recent cancellation of the multilateral debt for 13 LDCs and the prospect of 9 more getting it are welcome developments. But, for most LDCs all their debts have become unsustainable and, therefore, need to be written off to make the desired impact. A worthwhile action would be to cancel all debts for all LDCs.

From the side of the United Nations system, there has been a renewed focus on the LDCs and as many as 20 multilateral entities have adopted resolutions in their respective governing bodies to mainstream the implementation of the Brussels Programme in their work programme. Almost all of these entities have presented their sectoral reports for the midterm review. The resource allocation to LDCs by these entities has been increasing, with the major UN Funds and Programmes devoting more than 55 per cent to these countries.
The LDCs must be fully committed to placing the Brussels Programme at the heart of their national development plans and strategies. It is absolutely essential that the PRSPs include the Brussels Programme as a reference point. The LDCs should continue to fulfil their commitments made in the Programme. The mechanism of National Focal Point should be fully equipped to effectively monitor implementation at the national level and the National Forum as envisaged in the Brussels Programme should be set up in all LDCs. The LDCs must also fully involve the private sector and civil society as development partners. On the other hand, their development partners, including the Bretton Woods institutions and other international financial organizations need also to meet their commitments to support the LDCs in their development efforts.

From the insights gained through the national and regional reviews as well as the inter-agency consultative process in preparation for the midterm review, it is clear that during next five years of the implementation of the Brussels Programme, we need to provide added thrust in the areas of:

- Rural development and agriculture
- Infrastructure, including Information and Communications Technology (ICT)
- Good governance, including at the local levels where the actual implementation of development projects and programmes take place
- Gender mainstreaming, and empowerment of women
- Energy as one of the main driving forces for economic development and social well-being, and
- Conflict resolution.

Special attention to all these areas, of course, would bear good results through the leadership and capacity development in the LDCs, with particular focus on women and the young people. We need to clearly demonstrate our determination to take up the primary responsibility of our own development.

Let us therefore give this exercise here in Cotonou our best, as there can be no better time to re-energize global partnership for the LDCs. The midterm review is not an opportunity to be missed.