



**United Nations**

# **Committee for Development Policy**

**Report on the twelfth session  
(22-26 March 2010)**

**Economic and Social Council  
Official Records, 2010  
Supplement No. 13**

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*Note*

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

## *Summary*

The present report contains the main findings and recommendations of the twelfth session of the Committee for Development Policy, held at United Nations Headquarters from 22 to 26 March 2010. The Committee addressed the following themes: the impact of global crises on gender equality and the empowerment of women; the international support measures specifically available for least developed countries; the support by the United Nations system for small island developing States, and coherence of the climate change agenda in relation not only to its own financial architecture but also with respect to other development policies. The Committee also monitored the development progress of countries graduating from the least developed country category, namely, Equatorial Guinea, Maldives and Samoa.

Despite the progress made so far, women are likely to be disproportionately affected by crises because of their weaker position in the economic, legal, political and sociocultural spheres, which prevails owing to deeply ingrained structural inequalities. If not tackled immediately, the ongoing crises — the financial crisis, the crisis in food security under the looming shadow of climate change, and the crisis of human rights and security — threaten and may reverse some of the advances achieved since the Fourth Conference on Women in 1995.

With regard to the effectiveness of the international support measures under the Programmes of Action for the least developed countries, the Committee calls attention to the fact that those measures have achieved limited results. The Committee considers that there is a need to review the existing international support measures so as to indicate how they could be improved and possibly complemented by additional national and international measures.

The Committee reviewed the recent development progress of Equatorial Guinea, Maldives and Samoa. The current economic crisis does not appear to have derailed Maldives and Equatorial Guinea from the path of their smooth transition to non-least developed country status. Samoa, however, has suffered human and economic losses from the tsunami in September 2009, and its economic outlook will continue to be subject to considerable uncertainty, if not adequately supported by the international community.

In reviewing the support of the United Nations system for small island developing States, the Committee took note of shortcomings in the way the international strategy for the sustainable development of those countries had been designed, which made it more difficult to monitor and compromised its effectiveness. The Committee also noted that reporting on implementation needed to be enhanced and made more comprehensive and systematic.

Finally, the Committee considered issues of coherence in climate change policies in the post-Copenhagen context, in particular with respect to its financing architecture. It warns that the postponement of mitigation measures would result in costlier adaptation. It notes that funding for adaptation and mitigation is far from adequate, despite a proliferation of financing mechanisms. The Committee proposes that the regime of the financial architecture for climate change should come under the aegis of the United Nations Climate Change Conference, and that policies involving climate should facilitate economic development in a sustainable way.

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## Chapter I

### **Matters calling for action by the Economic and Social Council or brought to its attention**

#### **A. Matters calling for action by the Council**

##### **Recommendation 1: towards the implementation of the internationally agreed goals on the promotion of gender equality and the empowerment of women**

1. Since the recent global food and financial crises jeopardize and may reverse some of the advances made with regard to gender equality during the post-Beijing era, the Committee for Development Policy urges the Economic and Social Council to strengthen its monitoring activities on the progress of the implementation of the internationally agreed gender goals. In this regard, the Committee recommends to the Council that it request the United Nations Statistical Commission and other relevant United Nations agencies to submit a concrete proposal to the Council on the collection, treatment and dissemination of sex-disaggregated data on relevant socio-economic indicators in a timely manner, which would allow policymakers to make the necessary assessments and effectively implement the corresponding interventions.

##### **Recommendation 2: international support measures for the least developed countries**

2. The Committee for Development Policy proposes several concrete improvements to existing international support measures for the least developed countries so as to make them more effective and suggests the introduction of additional new measures for addressing the development challenges of the least developed countries. The Committee recommends that the Council, after considering the chapter on international support measures for least developed countries contained in the present report, forward it, together with its own views, as appropriate, to the Preparatory Committee of the Fourth United Nations Conference on the Least Developed Countries as an input to the preparations of that Conference.

##### **Recommendation 3: coherence in the financial architecture for addressing climate change**

3. Significant scaling up of levels of funding for addressing climate change is needed. Current available funding adds only about 10 per cent of the estimated long-term financing needs of developing countries for that purpose. Although climate change and development are closely linked, the Committee recommends that all official financing to support measures for climate change adaptation and mitigation in developing countries should be additional to existing internationally agreed official development assistance (ODA) commitments and should be accounted for separately. In this regard, the Committee advises the Council to invite the United Nations Statistical Commission, in consultation with the Development Assistance Committee of the Organization for Economic Cooperation and Development, to provide guidance on the development of the necessary accounting procedures that would allow for separate monitoring of resources and thereby make it easier to ensure additionality.

4. The financial architecture for climate change should be governed by the United Nations Framework Convention on Climate Change and designed in line with the principles of the Bali Action Plan and the stipulation of the Framework Convention (Art. 2) that climate action is to facilitate economic development in a sustainable and equitable way. In this regard, appropriate vulnerability indicators need to be developed to assist in prioritizing action and in allocating adaptation funding in an equitable and transparent fashion. The Committee recommends that the Council request that a working group of relevant parties (United Nations Framework Convention on Climate Change, United Nations Environment Programme, United Nations Trade and Development Conference, Department for Economic and Social Affairs of the United Nations Secretariat, among others) be established for the purpose of exploring how such an indicator could be constructed.

## **B. Matters brought to the attention of the Council**

### **1. Towards the implementation of the internationally agreed goals on the promotion of gender equality and the empowerment of women**

5. Governments should use the ongoing multiple crises as an occasion to mainstream gender-related objectives in policymaking. Greater focus on fiscal stimulus and other crises response measures on generation of employment for women, on incentives to keep girls in school and on ensuring adequate accessibility and availability of health and educational services, are needed. In addition, as part of monetary and financial policies, the provision of guarantees to enhance access by women to affordable credit supplies to support livelihoods and income smoothing is recommended.

6. Overcoming gendered constraints to enhancing food security requires increasing the productivity of women as farmers. The Committee further proposes that greater priority in national development policies be given to improvement of direct access by women to land and assets, either as individuals or in groups. This will require acting on three major forms of land acquisition: the family (via gift or inheritance laws), the State (via land transfers) and the market (via purchase or lease).

### **2. Views and perspectives of the Committee on United Nations support to small island developing States**

7. As requested by the Council, the Committee has considered the report of the Secretary-General on the follow-up to and implementation of the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States (A/64/278) and provided its views and perspectives on United Nations support to small island developing States. While the information available indicates a great deal of involvement by the United Nations system, it is too fragmented, incomplete and not sufficiently results-oriented. These information gaps are partly the result of the way in which the international strategy for the sustainable development of small island developing States was drafted, and partly the result of the limited capacity of the monitoring structures. To improve the relevance and content of that strategy, the Committee suggests: (a) concentrating on issues specific to small island developing States, including addressing the economic and environmental vulnerability of those



countries, while placing less emphasis on generic development issues; (b) setting targets and milestones to give the strategy a greater operational content; and (c) ensuring that commitments by development partners are more clearly defined, better focused and, as in the case of efforts of the small island developing States themselves, systematically monitored. Additional information on the Committee's consideration of this item can be found in the background report on United Nations support to small island developing States (available at [www.un.org/esa/policy/devplan](http://www.un.org/esa/policy/devplan)).

### **3. Monitoring progress of graduating countries**

8. The Committee reviewed development progress taking place in Equatorial Guinea, Maldives and Samoa. It noted that there is a great deal of uncertainty on Samoa's near-term economic prospects in view of the negative impact of the tsunami that hit the country in September 2009. The Committee wishes to reiterate the importance it attaches to the implementation of General Assembly resolution 59/209, which calls for all development partners to support the smooth transition of countries graduating from the list of least developed countries. The Committee brings to the attention of the Council that the General Assembly has not yet acted upon its recommendation of the graduation of Equatorial Guinea from the list of least developed countries.

## Chapter II

### Global crises and their impact on gender

1. The Economic and Social Council decided that the 2010 annual ministerial review would focus on the implementation of the internationally agreed goals and commitments in regard to gender equality and the empowerment of women.
2. Gender inequality has been examined from a variety of dimensions by many institutions, both within and outside the United Nations. In recognition of this, the Committee for Development Policy decided that it could best add value to the current debate by focusing its analyses on the gender implications of ongoing and emergent crises. It recognized that today the world is facing not only a financial crisis but also several intersecting crises, some of which are immediate and others which are likely to emerge in the foreseeable future. These include the crisis of food security under the looming shadow of climate change and, over an extended time frame, the crisis of human rights and security.
3. These intersecting crises jeopardize and may reverse some of the advances made with regard to gender equality during the post-Beijing era. The Committee recommends interventions that treat crises as opportunities for change and reduce the threats to improved gender equality.
4. The global consensus on the necessity of pursuing gender equality and the value of women's empowerment as a strategy for redressing past exclusions and injustices has yielded significant advances. However, if not tackled immediately, the simultaneous crises could have cumulative negative impacts on development and exacerbate gender inequality, with deleterious consequences for women. The crises threaten not only the achievement of Millennium Development Goal 3, but also other related Goals, such as reducing poverty, hunger and maternal mortality and improving child health.
5. Each of these crises has differential effects on women and men, owing to pre-existing structural inequalities on several counts: the gender division of work within the home and in the labour market; gender inequalities in access to assets and resources; and gendered social norms, including those based on religion and culture. The structural inequalities constrain women in many ways, including their access to economic resources, decent work, markets and development of skills. The weaker position of women in the economic, legal, political and sociocultural spheres also renders them more vulnerable and less resilient to shocks.
6. The Committee noted the fact that the impact of the crises is particularly pronounced in conditions where peace and security do not prevail. Economic and food crises exacerbate women's vulnerability, as they undermine social protection, human rights and security and are accompanied by increased levels of violence against women. Contemporary conflicts have been characterized by high civilian casualties with considerable involvement of women and girls, who are often subjected to gender-based violence and sexual enslavement as well as to social and economic dislocation.

## A. Financial crisis

7. The 2008 financial crisis and the subsequent economic recession reverberated throughout the world; the world gross product contracted by 2.2 per cent in 2009, while the volume of trade shrank by 12.5 per cent — the largest annual decline since the Great Depression of the 1930s. The current financial and economic crisis brought an abrupt end to the surge in private capital flows and remittances to developing countries and, if action is not taken, will likely affect official flows of capital in 2010-2011.

8. The human costs are significant, borne unequally between and within countries, often in a regressive manner, although much of the human consequences and their distribution by gender and among other groupings are mostly not apparent in the available statistics. Women are often overrepresented in the informal sector or in vulnerable employment situations. Such workers are often not registered and lack formal work contracts. As a result, the job and income losses suffered by them go unnoticed. The World Bank estimates that 105 million more people have been added to the world's poor, largely in South Asia and sub-Saharan Africa, and the International Labour Organization predicted an increase in the number of unemployed persons by some 24 to 44 million between 2007 and 2009. Some notable impacts of the current economic crisis on gender equality are described in the paragraphs below.

9. First, women in developing countries have been hit hard in export-oriented industries, such as textiles, clothing and tourism. However, formal sector employment is only a small part of the economic reality of women and poor households, it is the rise of casual and vulnerable work that has most affected their lives. Poor people cannot afford to remain unemployed, so in economic recessions they take up lower paid (and sometimes more dangerous) work for longer hours in the informal sector, or they remain in agriculture. Available evidence shows a consistent pattern of longer working hours and more dangerous conditions. Women are particularly affected by these employment dynamics since, owing to cultural norms, not only are they often the first to be laid off from formal employment, but they also frequently have to undertake additional work in the informal sector to supplement family income. Second, cuts in public social spending and health services add to the burden of unpaid care work for women. Third, reduced remittances, already a reality for some countries, can undermine safety nets for poor households. Fourth, it has been shown that the incidence of gender-based violence is likely to increase during economic recessions. Finally, the crises affect the size and direction of migratory flows of women. Women in this vulnerable and mobile workforce often suffer greater hardships, and they are at risk of being drawn into the low-skilled entertainment industry, illicit sex services and the drug trade.

10. Many Governments of both developing and developed countries have responded quickly to the financial and economic crisis with rescue packages and countercyclical measures. These have included expansionary monetary policies, tax cuts, increased spending on infrastructure and services, consumer credit subsidies and support to specific sectors of the economy, although many low-income countries did not have adequate fiscal space to implement such packages or did not receive financial or policy support from the international community for countercyclical policies. In this regard, it is disappointing that only an additional \$50 billion was

earmarked for low-income countries in the commitments made by the Group of 20 in London in April 2009.

11. However, where these measures have been implemented, they show little attention to their distributional and gender consequences. Indeed, the lack of explicit reference to gender equality or empowering women in these stimulus packages indicates that gender does not yet constitute an important dimension of economic policy. Notwithstanding the notable progress that has been achieved on many fronts 15 years after Beijing, gender mainstreaming has not yet fully taken place.

## **B. Food crisis**

12. The crisis of food security and chronic worldwide hunger is one of long duration, but it acquired an added urgency with the dramatic rise in global food prices starting in 2007. While food prices did decline after they peaked in early 2008, by mid-2009 they were still some 50 per cent above pre-boom levels.<sup>1</sup> The adverse effects of the crisis fell on foodgrain importing countries and on the net buyers of foodgrains within countries, especially women and children in poor households in South Asia and sub-Saharan Africa. These are also the regions predicted to be worst affected by climate change in terms of production of major staples, such as rice, wheat and maize.

13. The rise in food prices, in turn, has called attention to underlying factors, such as shortfalls in food production, the shift in global cropping patterns from foodcrops to biofuels in major food exporting countries, such as the United States of America, speculative transactions and hoarding behaviours. It has also called attention to the long-term governmental neglect of investment in the agricultural infrastructure in many developing countries. At the same time, these developments provide an opportunity for change, since there is now a renewed global interest in agriculture as a means to improve food security and reduce constraints on economic growth. There is also a growing recognition of the need to tap the potential of small farmers, a vast number of whom are women.

14. Food security requires both adequate supply and access. In both respects, the role of women, as both food producers and food managers within families and communities, is pivotal. In many parts of the world, women workers remain much more dependent on agriculture for survival than male workers, since men have been moving to non-farm jobs to a much greater extent than women. Most women farmers work on subsistence crops in household plots or on small farms. To revive and sustain agricultural growth, as well as to adapt to or mitigate climate change, the role of women farmers will be central.

15. Women farmers face a wide range of gendered constraints. First, they have little direct or secure access to land. Second, there are gender inequalities, and male bias is a factor in women farmers' access to information on new technology, training in new agricultural practices, formal credit, extension services, critical inputs, such as fertilizers and water, storage facilities and marketing opportunities. Membership in rural cooperatives is also predominantly male in most countries. Third, women face social restrictions in public participation in the Middle East, North Africa and

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<sup>1</sup> *World Economic Situation and Prospects 2010* (United Nations publication, Sales No. E.10.II.C.2).

in some regions in South Asia. This adversely affects their ability to procure inputs freely, sell their produce, or hire labour. Without steps to bridge those gaps, the growing proportion of women in farming will be trapped in low productivity agriculture. Given the existing and growing importance of women in food production systems, this will grossly undercut the potential for increasing agricultural output, thereby ensuring food security.

### C. Recommendations

16. The Committee for Development Policy recommends to the Council that it strengthen its monitoring activities on progress in the internationally agreed gender goals. The data are as fundamental to effective intervention to mitigate human costs in crises as financial statistics are for effective fiscal and monetary policy intervention and should also be made available on a timely basis so that policymakers can design and implement effective mitigating policies.

17. In addition, the Council should instruct its Statistical Commission to advise countries on the conduct of agricultural and other pertinent surveys on a regular basis to collect gender disaggregated data on the ownership and operation of agricultural land, access to water, credit, membership in service and marketing cooperatives on a regular basis, to both provide a baseline for and monitor the impact of policies.

18. The Committee made a number of recommendations in 2009 aimed at reducing the risks of the global financial crisis and to mitigate its often regressive economic and social effects. At this time, it is recommended that Governments use the ongoing multiple crises as an opportunity to make gender-related objectives an essential part of national policymaking by taking the following measures:

(a) Governments should recognize that strong social policy is critical for countries to weather crises with minimum human costs. Consequently, essential social spending should be undertaken as an integral part of countercyclical measures to reverse the deterioration in human indicators during crises. This includes ensuring universal access to health and education services, water, sanitation, the energy infrastructure, and social security provisions. Moreover, social expenditures, duly coordinated with development agendas, should be protected from cuts in the post-crises periods when budgets are rebalanced to reduce risks of inflation;

(b) Governments should ensure that fiscal stimulus measures are designed with explicit objectives to generate employment for low-skilled workers, support consumption of poor households, support women's incomes, keep girls in school, and maintain health services;

(c) Governments should ensure that monetary authorities guarantee women's access to low-cost credit for maintaining livelihoods and income smoothing for poor households, while removing legal obstacles to women applying for loans;

(d) Governments of host countries should protect migrant women, as they are more likely than their native counterparts to become unemployed and vulnerable to recruitment into prostitution and illicit activities during economic crises.

19. With respect to the food crisis and its gendered inequalities, the Committee recommends the following actions:

(a) Governments should increase women's direct access to agricultural land and productive assets. This will require acting on three major sources: the family (via gift or inheritance), the State (via land or asset transfers), and the market (via purchase or lease). This may require not only changes of inheritance laws (and their effective implementation), social norms and attitudes towards women's claims, but also spreading legal literacy, providing legal aid and gender-sensitizing land registration officials and the judiciary. Government transfers of agricultural land distributed under their anti-poverty, land reform or resettlement schemes should be in women's names. Governments can also facilitate women's market access to land through subsidized grant-cum-credit schemes;

(b) Governments should substantially improve women farmers' access to credit, production inputs, technical information and marketing. This would involve several steps, such as:

(i) Enhancing women's membership in credit and service cooperatives, or creating all-women service cooperatives that provide inputs and help with marketing;

(ii) Reorienting village-level technical information dissemination systems so that women farmers receive necessary information on production practices, new technologies, prices and marketing opportunities;

(iii) Providing training in new farm practices directly to women farmers;

(iv) Promoting a group approach in which women farmers are enabled to pool their labour resources to gain joint access to productive assets.

20. International cooperation needs to scale up its efforts in support of developing countries to implement the policies and programmes recommended above. In addition, it should:

(a) Identify and implement, together with the Governments of developing countries, research and development actions necessary to increase the production of staple crops, including those cultivated by women, and to provide systematic mechanisms for women to strengthen their knowledge of traditional and new seed varieties;

(b) Assist developing countries to set up food reserve banks at the national, regional and local levels in order to reduce fluctuations in food prices.

## Chapter III

### **International support measures for the least developed countries**

1. The United Nations adopted three Programmes of Action for the least developed countries, the first for the 1980s, the second for the 1990s, and the third for the 2000s. The United Nations Conference on the Least Developed Countries in 2011 will consider a fourth Programme of Action for the new decade. The present chapter provides an assessment of the effectiveness of the international support measures specific to least developed countries for promoting their development and eventual graduation. The Committee for Development Policy also proposes specific areas of support and new international support measures for possible inclusion in the fourth Programme of Action.

#### **A. Stock taking: have existing measures been effective?**

2. The Programmes of Action differ substantially in terms of the models of development from which they drew inspiration and the policy measures recommended. Yet, they are very similar in their approaches: broad, ambitious and untargeted to specific groups of least developed countries. All Programmes of Action relied on very few international support measures to achieve a long list of objectives. The Programmes have achieved limited results: only Botswana and Cape Verde have graduated from the least developed country category. Most least developed countries have remained trapped in negative cycles of slow growth and instability.

3. The Programmes of Action include two main categories of international support measures: (a) international trade; and (b) official development assistance (ODA), including development financing and technical cooperation. A comprehensive assessment of the international support measures, such as preferential market access, trade-related multilateral support and special and differential treatment in the provisions of the World Trade Organization, would be complex and difficult to carry out; but it is likely that the impact of those measures has been modest.

4. In fact, there has been a downward trend in the share of least developed countries in world trade, from 1.6 per cent in 1971 and 0.47 per cent in 1995 to 1.1 per cent in 2008. However, the most recent increase was owing almost entirely to the rise in oil exports of a few least developed countries. When excluding oil exporters, the share of the least developed countries in world trade stagnated at around 0.33 per cent. In addition, with the exception of the least developed countries in Asia, little progress was registered in terms of export diversification.

5. The granting of trade preferences to least developed countries did not generate the hoped-for results, possibly because of the introduction of “rules of origin”, technical barriers to trade, phyto-sanitary requirements, and other non-tariff barriers that restrict market access. In addition, the benefits of preferential market access have been eroded by trade liberalization, the multiplication of regional free trade agreements and waivers granting preferential treatment to competitors of least developed countries in major export markets. Moreover, supply constraints constitute a major obstacle affecting the exporting capacity of most least developed

countries owing to undeveloped trade infrastructure, a narrow production base and, often, weak institutional and governance structures.

6. Not all least developed countries can take advantage of the potential benefits available to them in the World Trade Organization agreements. For the 32 least developed countries who are members of the organization, the lack of understanding and effectiveness of many special and differential treatment provisions remain a cause for underutilization. Furthermore, the accession negotiations are extremely complex and lengthy, and in the case of Nepal and Cambodia, accession offered less favourable treatment than that granted to the least developed countries who joined the World Trade Organization in 1995.

7. As for aid flows, the target allocation to least developed countries of 0.15 per cent of the gross national income, which was reaffirmed in Brussels, was not achieved by the members of the Development Assistance Committee of the Organization for Economic Cooperation and Development as a group. Moreover, during the 1990s, ODA flows to least developed countries experienced a sharper contraction than flows directed to non-least developed countries. This suggests that belonging to the group of least developed countries is no guarantee that greater amounts of bilateral aid will be received. This being said, ODA allocation within the least developed countries tends to favour those countries that are poorer and with lower levels of human assets. However, allocation of ODA does not appear to take into account the greater vulnerability to shocks reflected in the economic vulnerability index.

8. Overall, evidence shows that the success of aid depends on specific country conditions, donor policies and aid modalities. Aid is found to reduce volatility in vulnerable countries and to be more effective in structurally vulnerable least developed countries, thus suggesting that a shift of aid in favour of the least developed countries would improve its overall efficiency.

9. There are several explanations why the existing international support measures generated limited results. First, the goals set by the strategies were ambitious in relation to the measures introduced to reach them. Second, even in the case of reasonable goals, there were difficulties in implementing the strategies owing to inadequate external support, misguided domestic policies, poor governance, and random shocks. Thirdly, the international support measures turned out to be inadequate because the Programmes of Action overemphasized international measures whose impact on growth, poverty alleviation and graduation is not convincingly demonstrated. Lastly, the international support measures may be necessary but not sufficient to address the structural handicaps affecting the least developed countries, as many important (domestic and international) obstacles to development were neglected.

10. The Committee for Development Policy is of the view that there is a need to review the international support measures and least developed country strategy to assess whether those measures can be improved and complemented by other interventions.



## **B. Improvements in existing support measures**

### *Aid allocations to the least developed countries*

11. The ODA target of 0.15 per cent of the gross national income of countries that are members of the Development Assistance Committee should be reiterated, aid targets should also be set for countries and institutions which are acquiring a position of greater prominence and responsibility on the world scene. Moreover, aid allocations need to be rebalanced sector-wise and “budget support” should be prioritized so as to reduce aid absorption problems and increase aid efficiency.

12. Low investment in human capital and female education remains a major problem in least developed countries. It is suggested that donors maintain a given share of ODA and that Governments of least developed countries be encouraged to sustain the allocation of domestic resources to the development of human resources. Governments are also encouraged to improve their domestic governance and administrative efforts in this area, in partnership with civil society organizations.

### *Improving trade prospects*

13. Implementation of duty-free, quota-free access pledges for least developed countries agreed upon at the World Trade Organization Ministerial Conference in Hong Kong, China, in 2005, should be speeded up. The remaining 3 per cent of tariff lines of goods exported by least developed countries not covered by duty-free, quota-free treatment should also be quickly phased in.<sup>1</sup> There is also a need for harmonization and simplification of rules of origin and the removal of other non-tariff barriers and for compensating for the preferential tariff erosion owing to increasing trade liberalization. Accession by least developed countries to the World Trade Organization should be further facilitated: the process should be speeded up and acceding least developed countries should be offered the same least developed country-specific special and differential treatment provisions as existing least developed countries that are members of the World Trade Organization.

14. While useful, improved market access will not be enough owing to the existence of supply-side constraints in least developed countries. Therefore, there is a need for trade-related assistance to include support to enhancing productive capacities, infrastructure and logistics. The Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries is a promising initiative in this regard and should be expanded. Moreover, trade between least developed and developing countries needs to be promoted, as such markets are often more closed off to exports from least developed countries than those of developed countries.

## **C. Additional national and international measures**

15. The Committee for Development Policy is of the view that the fourth Programme of Action should not only strengthen existing support measures but also introduce new measures that are better tailored to the chosen objectives, country specificities and new challenges. All international development strategies, including

<sup>1</sup> The 3 per cent of goods excluded from duty-free, quota-free often represent a considerable share of the exports of least developed countries.

those initiated by the International Monetary Fund and the World Bank, should be encouraged to align themselves with this new Programme of Action, in whose formulation the whole international community will have participated. It is also recommended that the fourth Programme of Action, while continuing to be based on the principle of national ownership, should have a balance between the number of international and domestic targets, on the one hand, and the resources and support measures that may realistically become available, on the other.

16. New players have emerged on the world scene, including large and influential developing countries and sizeable foundations and non-governmental organizations. While the traditional donors are still very relevant to the development of the least developed countries, the fourth Programme of Action should also include support measures that can be put into place by the new actors.

*Identifying different clusters of the least developed countries*

17. The least developed countries share many common features which characterize them as such. After nearly four decades of existence, the least developed country category has been enjoying wide recognition in the United Nations, the World Trade Organization and the European Union. As such, it should be considered the only category of countries meriting special attention, and attempts to create new categories of countries should be avoided. Yet, there is a need to articulate tailor-made national and international responses for each least developed country in order to achieve greater effectiveness of support measures. This requires identifying different clusters of countries with similar characteristics within the least developed country group in order to facilitate the design of specific policy measures to more effectively address the particular problems faced by those countries.

18. For example, one cluster could include least developed countries with economies whose main constraint to growth is low land productivity. While those countries' agriculture sector employs 50-70 per cent of the labour force, they are often unable to feed their own population. Recommended measures would include the subsidized provision of improved seeds and modern inputs in a broadly egalitarian agriculture and, whenever needed, price support. Also, indigenous capacities to develop, spread and adapt new farming technologies should be strengthened. Other measures include increased public expenditures in agriculture accompanied by domestic fiscal and administrative efforts and greater aid to agriculture. Also, the Consultative Group on International Agricultural Research should increase research on crops grown in Africa and support research and development in (often weak) national or regional institutions. Lastly, agricultural subsidies would need to be phased out in developed countries.

19. Another cluster could be of those countries which have a relatively high income but are highly vulnerable to environmental and economic shocks. For those countries, there is a need to encourage strategies of gradual diversification of the productive structure and for establishing formal insurance mechanisms against catastrophic events (as in the case of the Caribbean Catastrophic Risk Insurance Fund). Among the new approaches that should be explored are insurance-based instruments, such as catastrophe bonds, weather derivatives and commodity indexed bonds.

20. Countries that had been involved in, or are exiting from, a conflict, which face a high risk of the resurgence of conflict and the consequent disruption of economic

activity and lower levels of human well-being, may also be grouped in a separate cluster. Measures aimed at preventing the recurrence of violent conflicts would include investments in human development and addressing the structural causes of conflict (e.g., horizontal inequality, weak employment, stagnation of income). Policies should be directed at promoting locally adjusted inclusive democracy and participation of civil society, which would contribute to improved governance. Allocations of aid to support the reconstruction and development of war-torn countries should be expedited and increased. Furthermore, new international support measures should also focus on technical assistance to domestic tax efforts aimed at the mobilization of domestic resources and the reconstruction of the social/fiscal contract. These examples of country clusters could be refined and other clusters identified.

#### *Climate change*

21. The new Programme of Action should take into consideration the impact of climate change on least developed countries in terms of food security, water stress, disease, disaster risk, ecological degradation, and migration. In line with the findings of the Committee, referred to in chapter VI of the present report, measures directly targeted at adaptation by the least developed countries to climatic change need to be designed. New global arrangements for climate financing, especially adaptation financing, should respond to the particular needs and constraints of least developed countries. In addition, least developed countries should be given special treatment within the allocation of any global adaptation funds. Allocation of funds could be done by means of an index of vulnerability to climate change which measures threats to livelihood. Furthermore, least developed countries need preferential access to clean technology, and there is a strong case for assisting them in technological leapfrogging towards clean technologies. In this regard, there is a need to explore whether access to clean technologies could be introduced in the provisions on special and differential treatment under the agreements on trade-related intellectual property rights (TRIPS).

## Chapter IV

### **Monitoring of countries graduating from the category of least developed countries**

1. By its resolution E/2009/35, the Economic and Social Council requested the Committee for Development Policy to monitor the recent progress of countries earmarked for graduation from the least developed country category, and to include its findings in its annual report to the Council. Samoa and the Maldives are earmarked for graduation. The present report also includes Equatorial Guinea in anticipation of action on that country by the General Assembly, whose recommendation for graduation was endorsed by the Council in July 2009.

2. The current global crisis adversely affected all three countries in 2008 and 2009. The impacts of the crisis, however, do not appear to be large enough to derail Equatorial Guinea and Maldives from their smooth transition to non-least developed country status. Samoa, on the other hand, suffered human and economic losses from a tsunami that hit the country in September 2009, which is further evidence of the country's vulnerability to natural disasters. The effects of the tsunami seem to have disrupted economic activities, at least for the short term. With the recovery of the global economy, Equatorial Guinea and Maldives are expected to register positive growth rates, while the economic outlook of Samoa is uncertain.

3. The outlook for Equatorial Guinea is favourable. After contracting in 2009, gross domestic product is expected to grow in 2010 and 2011, as a result of higher oil revenues. High per capita income can be maintained as the Government continues to adopt prudent economic policies and promotes the diversification of the economy and the development of human resources and social welfare.

4. Maldives remains economically vulnerable. This fact underscores the importance of continued support from the international community to assist the country in implementing the strategy that it is formulating with its development partners to ensure a smooth transition from the least developed country category by maintaining and/or increasing market access and facilitating financing and development assistance. While the outlook is cautiously positive, it is contingent on the revitalization of the world economy and the successful implementation of the new economic policy measures of the Government of Maldives.

5. About 150 people lost their lives in Samoa, and a large portion of the population became homeless as a result of the tsunami in 2009. Yet, the country's gross national income per capita will likely remain above the threshold level for graduation from the least developed country category. Economic activity, however, will suffer from the disruption, with the tourism sector being the most affected. Economic growth is expected to recover strongly as reconstruction takes place with international assistance, but the outlook is subject to much uncertainty and depends on reconstruction efforts. In this regard, the Committee draws attention to paragraph 4 of resolution 59/209, in which the General Assembly invites graduating countries, in cooperation with bilateral and multilateral development and trading partners and with the support of the United Nations system, to prepare a transition strategy.

## Chapter V

### **Views and perspectives of the Committee for Development Policy on United Nations support for small island developing States<sup>1</sup>**

1. In its resolution E/2009/17 on the review of United Nations support for small island developing States, the Economic and Social Council invited the Committee for Development Policy to consider the findings contained in the report of the Secretary-General on the follow-up to and implementation of the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States (A/64/278), and to submit its independent views and perspectives on United Nations support for small island developing States to the Council.

2. The Committee reviewed the specific development challenges faced by small island developing States as a result of their small size, location, geographical characteristics, environmental and economic vulnerabilities, and external dependency, many of which being time-invariant. Climate change, including rising sea levels, has serious implications for most small island developing States, and some low-lying island States face existential threats. At the same time, the Committee noted with satisfaction that on the whole, small island developing States had consistently maintained good levels of social, economic and infrastructural development, above the average of other developing countries. Yet, it is clear that the small island developing States are not a homogeneous group. For instance, some have small populations, are archipelagic, low-lying, have no permanent streams or rivers and are particularly remote. Many others do not share these extreme features. Ten small island developing States lag behind and are classified as least developed countries.

#### **A. Assessing United Nations support**

3. Current support for small island developing States is framed by the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States (Mauritius Strategy);<sup>2</sup> therefore the nature of United Nations support has to be considered in the light of the contents and formulation of the Mauritius Strategy.

##### **1. Mauritius Strategy addressing too many generic problems not specific to small island developing States**

4. While the Mauritius Strategy contains a comprehensive list of problems affecting small island developing States, these are not always related specifically to their small size and insularity. As a result, it is not always possible to identify the disadvantages that are peculiar to them as small island developing States rather than

<sup>1</sup> Additional information can be found in the background report on United Nations support to small island developing States, available from [www.un.org/esa/policy/devplan](http://www.un.org/esa/policy/devplan).

<sup>2</sup> *Report of the International Meeting to Review the Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States, Port Louis, Mauritius, 10-14 January 2005* (United Nations publication, Sales No. E.05.II.A.4 and corrigendum), chap. I, resolution 1, annex II.

generic ones that are applicable to developing countries in general. Examples of this are references to the role of youth, gender equality, education and health, especially HIV/AIDS. This generic quality risks the diversion of focus from issues related to small island developing States; and it can undermine the credibility of the programme and makes monitoring more elusive. The strategy to promote the sustainable development of small island developing States should focus on sustainability issues related to small size and insularity, in particular vulnerability to environmental, climatic and external economic shocks, with measures to increase resilience to prevent small island developing States from interrupting their progress because of stresses.

## **2. Absence of targets that allow monitoring of the Mauritius Strategy and of United Nations support for the Strategy**

5. While the Mauritius Strategy contains a large number of policy recommendations, it lacks concrete targets or milestones. Many recommendations are of a general nature and without operational content. This makes it virtually impossible to monitor implementation and United Nations support and to measure fulfilment. Concrete recommendations, such as the creation of an insurance fund along the lines of the Caribbean Catastrophe Risk Insurance Facility, would make international support, including that from the United Nations, easier to monitor.

## **3. Imprecision in the definition of small island developing States and membership of the group**

6. There is no accepted definition of a small island developing State and, in practice, membership in that group is by self-selection. This may have understandable political reasons but, as a result, it makes the group highly heterogeneous and complicates the task of monitoring United Nations support. Unofficial lists of small island developing States appear on several websites, including those of the Department of Economic and Social Affairs of the United Nations Secretariat and of the United Nations Conference on Trade and Development. Proper focus and effective monitoring would require the establishment of an agreed list. Yet, the question of specifying a category and agreed list of small island developing States has not so far been placed on the agenda of relevant forums and consultations.

7. The Committee for Development Policy emphasizes that it views the least developed country category as the most important for international support measures. The desirability, or otherwise, of creating, in addition to this, a formal United Nations category of small island developing States based on objective criteria is essentially a matter for intergovernmental consideration since it goes beyond the mandate of the Committee as given by the Economic and Social Council.<sup>3</sup>

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<sup>3</sup> The emergence of the least developed country category in 1971 was made possible through intense intergovernmental consultation; the Committee's contribution consisted in advising on criteria for identification of the category.

#### **4. Inadequacy of data and absence of an effective tool for monitoring United Nations support**

8. In assessing support to the Mauritius Strategy, the Committee has been constrained by the limited and fragmented information available. The series of in-depth reviews<sup>4</sup> being prepared in the course of 2010 in preparation for the two-day review of the implementation of the Mauritius Strategy, to be held in September 2010, will likely contain additional material which may enable a more comprehensive assessment than the Committee was able to make.

9. The information contained in the Secretary-General's report, which was reviewed by the Committee and which discusses the support of the United Nations system, is, however, incomplete, as it does not report either on the activities of several United Nations organs and bodies or those of the World Bank, which operates a "small island exception" policy in its lending operations and has spearheaded the Caribbean Catastrophe Risk Insurance Facility.

10. The Small Island Developing States Unit in the Department of Economic and Social Affairs provided further information to the Committee for Development Policy. There is evidence of involvement by the United Nations Secretariat and many United Nations agencies, funds and programmes in favour of small island developing States in their respective area of competence, but it is not possible to determine how much of this is related to the Mauritius Strategy. The dearth of timely information and lack of hard data (as opposed to information on "mandates", objectives and intentions) did not allow the Committee to give the kind of comprehensive review required by its mandate.

11. It is recommended that the monitoring and reporting on support for small island developing States from the United Nations system be improved and made more systematic, with special attention given to results obtained and quantification of impacts. As a monitoring tool, a matrix could be developed under the guidance of the inter-agency consultative group on small island developing States (see para. 12 below).

#### **5. Underresourcing of United Nations bodies that support small island developing States and diffusion of responsibility**

12. Within the Division for Sustainable Development of the Department of Economic and Social Affairs, the Small Island Developing States Unit is responsible for coordinating system-wide implementation of the Mauritius Strategy. However, the Unit does not presently have the resources necessary to deliver on its mission statement. It has taken a number of positive initiatives, such as the creation of the inter-agency consultative group, and is carrying out the complex task of organizing the monitoring of the Mauritius Strategy in widely dispersed groups of islands.

13. The Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, for its part, is mandated, *inter alia*, to support the coordinated follow-up of the small island developing States Programme of Action, to undertake advocacy in their favour, and

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<sup>4</sup> These include national assessment reports, regional synthesis reports and reports by donors. A new report by the Secretary-General on the global assessment of the implementation of the Mauritius Strategy, as well as a trends report on small island developing States, and a portfolio of Mauritius Strategy implementation initiatives, are under preparation.

to assist in mobilizing international support and resources. The report of the Secretary-General contains no information on what the Office has been able to do to support the small island developing States Programme of Action and exercise its mandate, and the Committee found little evidence of concrete advocacy activities by that Office.

14. The Committee had difficulty understanding clearly the respective mandates of the two main central bodies (Department of Economic and Social Affairs and Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States) with respect to small island developing States, and how in practice they interacted with each other. Their mandates should be reviewed with the objective of allowing more effective monitoring and proactive advocacy. Adequate resources should be provided for their activities.

15. Support for the implementation of the Mauritius Strategy should also continue to be provided at both the regional and subregional levels to complement the central role of the Department of Economic and Social Affairs and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, and that of United Nations agencies. The role of the regional commissions, including the Economic Commission for Africa, as well as regional development banks and of the subregional intergovernmental organizations consisting (mostly) of islands, could be clarified and made more precise.

## **B. Support from the international community**

16. Support from the international community is crucial and many efforts by the United Nations system are partly directed to the mobilization of such support. Commitments by the international community have not been spelled out in operational terms. Therefore, they cannot be monitored effectively. In the Mauritius Strategy,<sup>2</sup> the international community reaffirmed its commitment to support the sustainable development of small island developing States. In his report on the follow-up to and implementation of the Mauritius Strategy, the Secretary-General stated that for the five-year review of the Strategy, the emphasis would remain the same: the mobilization of support to assist the small island developing States (A/64/278, para. 50). In the same report, the Secretary-General also recalled that during the general debate during the Intergovernmental Preparatory Committee for the seventeenth session of the Commission on Sustainable Development, delegates had vigorously urged all development partners to honour the commitments made to help advance the Barbados Programme of Action/Mauritius Strategy implementation process (*ibid.*, para. 23). Clear definition and more precise focusing of international commitments would allow for an operational mechanism to be put in place to monitor systematically the international support to the small island developing States.

17. In his report, he calls for a scaling up of support from the international community (A/64/278, para. 82). The data show that small island developing States tend to receive more aid per capita than the average for developing countries and



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that ODA flows have been increasing.<sup>5</sup> However, the extent to which this support is focused on the specific vulnerabilities of small island developing States or to the implementation of the Bali Plan of Action/Mauritius Strategy is not known. To ensure such focus appears more important than a general scaling up of assistance.

### **C. Efforts of the small island developing States**

18. Documenting the efforts of the small island developing States could help to elicit more focused support from the international community and from the United Nations itself. Information available as of March 2010 on the efforts of the small island developing States themselves to implement the Mauritius Strategy is illustrative rather than systematic. Moreover, it is not always clear whether the efforts reported on refer to those made since or before the Mauritius Strategy and/or the Bali Plan of Action. It is in the interest of small island developing States themselves that their own efforts are widely publicized and these efforts should be documented systematically.

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<sup>5</sup> Data from the Development Assistance Committee of the Organization for Economic Cooperation and Development covering 30 small island developing States indicate that ODA from bilateral donors to this group doubled from 2002 to 2007, reaching \$2 billion. However, this is an average greatly influenced by large grants of assistance to one or two recipients.

## Chapter VI

### Policy coherence and the climate change agenda

1. The United Nations Millennium Declaration<sup>1</sup> and the Monterrey Consensus<sup>2</sup> emphasize finance-related aspects of development and the need to enhance the coherence and consistency of international development cooperation. With climate change firmly on the international agenda, coherence between climate and development policies is an issue of concern. The Committee for Development Policy has considered the current policy context in terms of coherence both in relation to the broader objective of sustainable development and to the emerging financial architecture for mitigation and adaptation, and other existing development financing mechanisms.

2. While climate change may present a threat to livelihoods and the sustained achievement of development objectives, it also offers immense prospects for innovative social and economic practices. Carbon-poor lifestyles and associated changes in patterns of production and consumption will provide businesses with new opportunities whereas enhancing adaptive capacity in countries and communities will stimulate economic diversification and the application of management practices of natural resources based on local knowledge, experience and community-based agency. New sustainable growth paths are emerging and need to be supported.

#### A. Policy coherence: climate policies and sustainable development

3. The climate negotiations in Copenhagen have not generated a new, fair and climate-safe international agreement as envisaged in the Bali Action Plan. While there was acceptance of the need to keep global warming below 2° C, there was no agreement on emissions reductions in line with the cap. Recent plans on emission targets and other mitigative action fall short in keeping warming below 2° C. Moreover, the 2° cap may not be sufficient to protect the most vulnerable countries and communities. The Committee notes that a revision of the level of this cap is envisaged for 2015 and considers this of crucial importance.

##### 1. Climate policies: mitigation and adaptation

4. A far-reaching agreement is needed at the next Conference of the Parties in Mexico in November 2010. Otherwise, a coherence gap will emerge in terms of reduced prospects for sustainable development owing to mitigation that is too little and/or too late. Postponed mitigation will result in further global warming with catastrophic effects, especially in some island States. Development achievements will be compromised, and the sustained realization of the Millennium Development Goals will be jeopardized. Insufficient mitigation implies greater efforts to adapt, with relatively more international support going to affected and vulnerable least developed countries, low-income small island developing States and African countries.

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<sup>1</sup> See resolution 55/2.

<sup>2</sup> *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7), chap. I, resolution 1, annex.

5. An adequate and coherent response to climate change calls for an energy transition and for climate-resilient development paths allowing economic growth and improved livelihoods in developing countries, furthering the development and replication of clean technology and sustainable consumption patterns worldwide. This transition will require a profound, longer term international commitment in investment, innovation and dissemination of cleaner technologies and practices.

6. Developed countries should come forward with stronger commitments in the negotiations at the United Nations Framework Convention on Climate Change, if developing countries are also to develop plans for appropriate, technologically and financially supported mitigation. Developing countries can contribute to mitigation in various sectors including forest management, land use and energy use. In this respect, the Programme for Reducing Emissions from Deforestation and Forest Degradation in Developing Countries is an interesting approach that should be further explored as a contribution to long-term solutions for social development.

## **2. Climate policies and other policies**

7. Climate policies and trade policies have several interfaces. Suggestions for climate-related border adjustment measures are emerging in countries and blocs that may move ahead with mitigation in the absence of an international climate agreement. While the objective of climate-related trade policy must eventually be the internalization of the environmental costs of greenhouse gas emissions, those policies should be considered at the multilateral level so as to avoid retaliatory responses and the disruption of international trade.

8. TRIPS is another area of concern in the trade-climate coherence nexus, as it may imply the under-utilization of climate-relevant knowledge and know-how, and may slow down the diffusion of the results of innovation. Currently, built-in flexibilities are not enough and need to be revisited in order to facilitate developing countries' access to clean technologies and processes.

9. Turning to energy policies, climate and energy considerations have led to increased production of biofuels. Large-scale biofuel production may crowd out food crop production with negative consequences for food security or food prices (see chapter II). Yet, there is the need to consider biofuel options that are compatible with development, do not impede food production and allow for the use of cleaner energy. The development of hydropower is another carbon-free energy option, but its environmental and social impacts need to be taken into account as well.

## **B. Climate finance coherence**

### **1. Financial flows**

10. Mitigation and adaptation will require additional resources currently estimated in the order of 1 to 2 per cent of the world gross product (\$600 billion to \$1.2 trillion) by 2030, roughly half of which is to be used in developing countries. Currently, some \$21 billion is available,<sup>3</sup> while Copenhagen envisages \$100 billion

<sup>3</sup> *World Economic and Social Survey 2009* (United Nations publication, sales No. E/2009/50/Rev.1), chapter VI.

by 2020, which is still less than what is needed. Considerable scaling up and front-loading investment in new energy schemes are necessary.

11. Market-based approaches have a role to play in raising financing for climate but will need to be complemented to a significant degree by public funding. Taxes and subsidies need to be used in a way that promotes the necessary shifts towards cleaner energy use. Such innovative financing mechanisms as international levies and taxes on fossil fuels or emissions, on air travel and cross-border financial flows should be considered. Issuance of additional special drawing rights could be allocated for this purpose, in line with the needs of international liquidity.

12. Adaptation also demands targeted measures, including climate-proofing of existing infrastructure and a shift to climate-resilient development trajectories. While successful development leads to greater climate resilience, developing countries need additional support for the new climate change-related threats to livelihoods and development, as compensation for damage done (or to be expected) owing to processes beyond their control. Channelling adaptation funding should be additional to the agreed 0.7 per cent ODA target. Channelling it through ODA would entail the risk of crowding out of development-oriented spending.

## **2. Financial architecture**

13. Possible financial mechanisms for climate-related funding differ significantly in terms of their internal consistency and external coherence. The United Nations Framework Convention on Climate Change established a financial mechanism operating under the Convention (which is yet to be elaborated), with one or more entities (such as the Global Environmental Facility) as operational agents. The United Nations Framework Convention on Climate Change allowed developed countries to provide funding related to the Convention through other channels. At Poznan, and in the Kyoto Protocol setting, an adaptation fund has been created in line with United Nations Framework Convention on Climate Change stipulations about balanced representation and transparency in governance, among others. In Copenhagen, a green climate fund was proposed as an operating agency, also under the Convention, to support mitigation and adaptation in developing countries.

14. Meanwhile, the World Bank has established a series of climate investment funds so as to bring together finance for adaptation and mitigation from a number of donors channelled through multilateral development banks. Those funds include a sunset clause that would allow them to be aligned with the structure that may emerge from the United Nations Framework Convention on Climate Change negotiations.

15. The emergence of financing structures parallel to the United Nations Framework Convention on Climate Change-related mechanisms may draw resources from what otherwise would become available as finance related to United Nations Framework Convention on Climate Change obligations. Architectures involving entities beyond or outside the authority of the Conference of the Parties have involved too little money spread over many initiatives, with resulting coordination and coherence costs. Moreover, concerns have been raised in relation to conditionalities and access, among others. Conditionalities bring in requirements that developing countries feel they were exempted from under the principle of “differentiated responsibilities and capacities”. Disbursing funds as loans may be

seen as ignoring the “polluter pays” logic, adds to countries’ debt burden, and can affect their capacity to borrow for other development purposes.

### C. Recommendations

16. The Committee for Development Policy proposes that the Economic and Social Council consider that:

(a) While the desirability of coherence is evident, its realization requires that relevant authorities and other agents at all levels align policies and interventions with the overriding goal of sustainable development;

(b) Progress in mitigation negotiations is urgently needed. At the same time, enhancing action on adaptation in the perspective of sustainable development is crucial:

(i) Vulnerable countries should develop long-term adaptation plans for sustainable, climate-resilient development, to be supported by the international community with technical and financial resources;

(ii) Funding needs to be scaled up significantly;

(iii) Appropriate vulnerability indicators need to be developed to assist in prioritizing action and in allocating adaptation funding. The Economic and Social Council should request that a working group of relevant parties (for example, United Nations Framework Convention on Climate Change, UNEP, UNCTAD, Division of Sustainable Development of the Department of Economic and Social Affairs) explore how such an indicator could be constructed;

(iv) Climate policies need to be integrated in development planning and budgeting. National plans should take into account the experiences and knowledge of local communities. Trade-offs and competing policy objectives need to be reconciled at both the international and national levels;

(c) Agreements on mitigation should include considerations of poverty reduction and fair access to energy resources, while developing appropriate alternative development paths;

(d) Official funds for supporting adaptation and mitigation in developing countries should be additional to agreed official development assistance targets and accounted for separately. The Economic and Social Council is advised to invite the United Nations Statistical Commission, in consultation with the Development Assistance Committee of the Organization for Economic Cooperation and Development, to provide guidance on the development of the necessary accounting guidelines that would allow for separate monitoring and assess the extent of additionality of resources;

(e) Innovative financing mechanisms for climate change need to be considered. Fiscal constraints in donor countries add to the urgency of introducing alternative sources of finance. At the same time, their effectiveness and potential development impact need to be taken into account;

(f) The regime in the financial architecture should be with the United Nations Framework Convention on Climate Change, in line with the Bali Plan of Action and the stipulation of the Convention (art. 2) that climate action is to enable economic development in a sustainable way.

## Chapter VII

### **Future work of the Committee for Development Policy**

1. As expressed previously, the Committee for Development Policy will continue to align its work programme to the needs and priorities established by the Council with a view to effectively contribute to the Council's deliberations and assist it in the performance of its functions.
2. For its forthcoming thirteenth session, the Committee will undertake work on the theme of the 2011 annual ministerial review, "implementing the internationally agreed goals and commitments in regard to education for all". The Committee will likely centre its focus of analysis on the interplay among education, labour markets and the promotion of structural change.
3. With a view to contributing to the debate on defining the international development strategy for beyond 2015, the Committee will establish a research programme on patterns of development for achieving the internationally agreed development goals.
4. The Committee also proposes to analyse issues related to migratory labour flows and development. Those issues, which have been highlighted by the current economic crises, have not received sufficient attention from the international community. They include the role of remittances, their volatility and impact on the recipient country; circular migration modalities, problems of return migrants and their insertion in labour markets in home countries; and the role of migration in structural transformation (brain gain and brain drain).
5. As a follow-up to its work on the international support measures for the least developed countries, the Committee will assess whether climate change and conflict constitute emerging structural impediments for the development of the least developed countries. It will also evaluate the suitability of existing indicators in capturing those constraints.

## Chapter VIII

### Organization of the session

1. The Committee for Development Policy held its twelfth session at United Nations Headquarters from 22 to 26 March 2010. Twenty members of the Committee, as well as observers from several organizations within the United Nations system, attended the session. The list of participants is contained in annex I.
2. The Department of Economic and Social Affairs of the United Nations Secretariat provided substantive services for the session. The departing Chairperson of the Committee, Ricardo Ffrench-Davis, opened the session and welcomed participants. Subsequently, the Vice-President of the Economic and Social Council, Ambassador Somduth Soborun, Permanent Representative of Mauritius to the United Nations, addressed the Committee. He was followed by the Under-Secretary-General for Economic and Social Affairs, Sha Zukang. Their statements are available from [www.un.org/esa/policy/devplan](http://www.un.org/esa/policy/devplan). Subsequently, the Committee held elections on its bureau for the term 2010-2012. Frances Stewart was elected Chairperson, while Mulu Ketsela and Philippe Hein were elected Vice-Chairperson and rapporteur, respectively.
3. The agenda for the twelfth session and the list of documents before the Committee are contained in annexes II and III, respectively.

## Annex I

### List of participants

1. The following members of the Committee attended the session:

Bina Agarwal  
Mary Helena Allegretti  
José Antonio Alonso  
Alice H. Amsden  
Lourdes Arizpe  
Kwesi Botchwey  
Giovanni Andrea Cornia  
Ricardo Ffrench-Davis  
Sakiko Fukuda-Parr  
Norman Girvan  
Philippe Hein (*Rapporteur*)  
Mulu Ketsela (*Vice-Chairperson*)  
Wahiduddin Mahmud  
Caroline Amina Mama  
Hans Opschoor  
Patrick Plane  
Fatima Sadiqi  
Frances Stewart (*Chairperson*)  
Milica Uvalic  
Yu Yongding

2. The following entities of the United Nations system were represented at the session:

Department of Economic and Social Affairs  
Economic Commission for Africa  
Economic and Social Commission for Asia and the Pacific  
Office of the High Representative for the Least Developed Countries,  
Landlocked Developing Countries and Small Island Developing States  
United Nations Conference on Trade and Development  
United Nations Development Programme  
United Nations Educational, Scientific and Cultural Organization  
United Nations Population Fund  
World Bank  
World Food Programme  
World Health Organization  
World Trade Organization



## Annex II

### Agenda

1. Inaugural session.
2. Adoption of the agenda and organization of work.
3. Gender and global crises: input to the 2010 annual ministerial review.
4. Fourth United Nations Conference on the Least Developed Countries and related support measures.
5. Strengthening international support measures in favour of least developed countries.
6. Policy coherence and the financial architecture for climate change.
7. Economic and Social Council resolution E/2009/17: review of the United Nations support for small island developing States.
8. Economic and Social Council resolution E/2009/35: monitoring of graduating countries.
9. Future work of the Committee for Development Policy.

## Annex III

### List of documents before the Committee at its twelfth session

<i>Title or description</i>	<i>Document symbol</i>
1. Agenda	CDP2010/PLEN/1
2. List of documents	CDP2010/PLEN/2
3. Gender and global crises (background report by the Expert Group Meeting for the 2010 annual ministerial review)	CDP2010/PLEN/3
4. Food crises and gender inequality	CDP2010/PLEN/4
5. International support measures in favour of least developed countries (background report by the Expert Group Meeting on least developed countries/small island developing States)	CDP2010/PLEN/5
6. Assessing the impact of international support measures	CDP2010/PLEN/6
7. Policy coherence and the financial architecture for climate change	CDP2010/PLEN/7
8. Economic and Social Council resolution E/2009/17: review of United Nations support for small island developing States	CDP2010/PLEN/8
9. United Nations support for small island developing States (background report by the Expert Group Meeting on least developed countries/small island developing States)	CDP2010/PLEN/9
10. Report of the Secretary-General on the Follow-up to and Implementation of the Mauritius Strategy for Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States (A/64/278)	CDP2010/PLEN/10
11. Letter of the Maldives dated 7 December 2009 on behalf of the co-sponsors of Economic and Social Council resolution E/2010/35 and response by the Chair of the Committee for Development Policy	CDP2010/PLEN/11
12. Monitoring of graduating countries, note by the secretariat	CDP2010/PLEN/12
13. Note by the secretariat	CDP2010/PLEN/13A
14. United Nations institutional framework and support for small island developing States (background report by the Small Island Developing States Unit, Division for Sustainable Development, Department of Economic and Social Affairs)	CDP2010/PLEN/13

