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**African Regional Meeting on the Mid-term Review of Progress
in the Implementation of the Programme of Action
for the Least Developed Countries for the Decade 2001-2010
Addis Ababa**

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Mr. Chairman, distinguished participants, ladies and gentlemen,

Let me take this opportunity to express our sincere appreciation to the UN Economic Commission for Africa and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States for organising this important regional meeting. It is an honour for me to address you on behalf of UNCTAD, the institution which has, for 35 years, been at the heart of collective efforts to advance the cause of the LDCs, and remains today at the forefront of research and analysis, and capacity-building for the benefit of these countries.

I would like to share with you some of our views on the implementation of the Brussels Programme of Action, including some lessons based on our analysis of the main development challenges faced by the LDCs.

development commitments, which are more or less quantifiable and time-specific. Progress toward fulfilling the development goals that are intrinsic to the Programme of Action and convergent with the Millennium Development Goals remains a key challenge for LDCs and their development partners for the years to come.

The mid-term review, to which this meeting is contributing, provides a precious opportunity to reiterate the key development challenges that are faced by LDCs, and to renew the momentum toward appropriate policy responses at national, regional and international levels.

A number of positive signs have been perceived since the Brussels Conference in 2001. The growth performance of LDCs as a group improved in the first half of the current decade, and reached an average 5.2% per annum in 2002-2004. Particularly interesting is the fact that the growth performance of African LDCs was higher than that of Asian LDCs during the 2000-2004 period. A closer look at individual country situations however reveals sharp contrasts among LDCs, according to the economic specialization of these countries: growth has been high among oil-exporting LDCs, more than among manufacture and/or service exporters, while LDCs living on agricultural exports continued to suffer in their efforts to escape marginalization.

Our estimates in real per capita terms show that, among 46 LDCs for which data are available, 8 countries had regressing economies during the 2002-2004 period, while 12 experienced slow growth, 9 moderate growth, and 17 high growth.

LDC economies than on their specialization. Trade liberalization is grossly insufficient to help these countries improve their integration in international trade. Many LDCs underwent extensive trade reforms in the 1980s and the 1990s, yet very few demonstrated sustainable improvement in their trade performance as a result of liberalization. As much as certain economic reforms were necessary in LDCs, it is now essential that renewed efforts be made by the international community, particularly through "aid for trade" initiatives, to help these countries enhance their productive capacities, not only through appropriate economic specialization, but also through human resource development, infrastructural development, and technological upgrading.

Thirdly, we see that most of the Poverty Reduction Strategy Papers that were prepared in LDCs have emphasized the following four development goals: (i) achieve strong and sustainable economic growth; (ii) develop human resources; (iii) improve the living conditions of the poor and vulnerable (through food security and social protection); and (iv) improve governance. The implicit development strategy behind these goals has been one of export-led growth with a human face. In this strategy, one tends to expect that growth will spontaneously result from trade liberalization, while aid is preferably channelled toward social services than toward productive capacities.

We take the view that these strategies are not conducive to structural economic progress, and ultimately to MDG fulfilment. In particular, commodity-dependent LDCs with narrow commodity specialization and slow --if any-- export market growth will probably fail to achieve the growth performance poverty reduction implies. In LDCs that have already diversified into manufacturing or tourism, continuation

2004 sur les PMA ont traité, respectivement, du piège de la pauvreté et du lien complexe entre le commerce international et l'objectif de réduction de la pauvreté. Le rapport 2006 se situera dans le prolongement de cet angle analytique, en se concentrant sur le développement des capacités productives comme condition essentielle du progrès socio-économique des PMA.

Nos activités de coopération technique ont naturellement pour but de renforcer les capacités institutionnelles et humaines des PMA dans les domaines de politique économique qui sont de la compétence de la CNUCED (notamment la politique commerciale, la politique de l'investissement, et la facilitation du commerce, y compris dans le domaine douanier). Je rappelle le rôle central que nous avons joué en 2005 pour aider les PMA à élaborer une position commune en vue de la 6^{ème} Conférence Ministérielle de l'OMC. Je voudrais aussi, pour illustrer la diversité de nos interventions, souligner que notre action multiple n'est pas seulement aux niveaux dits "systémiques", mais se situe aussi à des niveaux microéconomiques ou sectoriels d'importance bien comprise. J'en veux pour preuve notre nouveau projet d'assistance technique pour la compétitivité des exportations de fruits tropicaux des PMA africains.

Enfin, Monsieur le Président, dans le contexte de cet examen à mi-parcours, qu'il me soit permis d'évoquer nos efforts, soutenus par le Gouvernement autrichien avec un appui complémentaire du Gouvernement norvégien, pour évaluer l'impact que la mise en œuvre du Programme d'Action de Bruxelles a pu avoir sur les PMA. L'accent sera mis sur l'évaluation des progrès socio-économiques au plan national dans les PMA ainsi que des mesures de soutien international dont ces pays ont bénéficié depuis 2001. Nous tirerons bien entendu les enseignements

ceux-ci ont été particulièrement concentrés dans les 4 pays producteurs de pétrole (Angola, Guinée-Equatoriale, Soudan et Yémen) qui ont absorbé plus de 53% du total. Les travaux de la CNUCED dans ce domaine, proposent que les PMA mettent l'accent sur 3 éléments: renforcement des liens avec l'économie locale; raffermir la gouvernance d'entreprise et la gouvernance publique; et la diversification de la production locale à travers les investissements directs étrangers.

Soyez assuré, Monsieur le Président, de la détermination de la CNUCED à rendre l'existence de la dénomination PMA plus pertinente que jamais. Pour ce faire l'esprit de solidarité internationale et de partenariat qui sous-tend le Programme d'Action de Bruxelles doit désormais être traduit en engagements plus audacieux notamment en matière de mesures internationales de soutien aux PMA. A cette étape de notre engagement collectif en faveur des PMA nous devons redoubler d'effort et de créativité en vue de procéder à ce que le Président Roosevelt a appelé " l'expérimentation audacieuse ".