



Second Committee Special Event

organized by UN-OHRLLS as part of the preparatory process for the Fourth United Nations Conference on the Least Developed Countries

Panel Discussion on:

“Fourth UN Conference on the LDCs: Enhanced International Support and Smooth Transition of LDCs towards Graduation”

15 October 2010

ECOSOC Chamber, NLB

10 am to 1pm

Concept Note

Background

The Least Developed Countries (LDCs) have been identified as those suffering most from profound structural impediments to growth and prevalence of acute poverty. The currently 49 LDCs comprise more than 800 million people (about 12 per cent of world population), but account for less than 2 percent of world GDP and about 1 percent of global trade in goods. This group of countries represents the poorest and most vulnerable segment of humanity, lying at the epicenter of developmental emergency.

The international community's efforts to reverse the LDCs' increasing marginalization from the global economy and put them on a path of sustained, accelerated, pro-poor growth and development date back to 1981 (the first United Nations Conference on the LDCs). However, despite three successive Programmes of Action and notwithstanding the positive developments recorded by LDCs in the recent past, most of these countries are far from meeting the internationally agreed goals and still face massive development challenges. Progress in economic growth has made little dent on poverty and social disparities in LDCs. Hunger and malnutrition are widespread with dire consequences for the large vulnerable populations. Unemployment is high and the burgeoning youth power is underutilized.

LDCs attach utmost importance to the Fourth United Nations Conference on the Least Developed Countries to be convened in Istanbul, Turkey on 30 May-3 June 2011. The Conference should undertake a comprehensive appraisal of the implementation of the Brussels Programme of Action for the Decade 2001-2010, and adopt an ambitious, comprehensive, forward-looking, targeted, and results-oriented programme of action for the LDCs for the next decade, together with the provision of additional international support measures in favour of LDCs based on the scaled-up partnership for development and the effective arrangements for follow-up, review and monitoring of the implementation of the new programme of action.

In the national and regional review of the implementation and preparatory meetings, LDCs have also indicated that the Istanbul Programme of Action should aim at fundamental structural transformation of

LDCs' economies by facilitating their beneficial integration into the global economy, building resilience against all kinds of internal and external shocks, enhancing long-term productive capacity, ensuring sustained economic growth, sustainable and inclusive development, and poverty eradication through such activities as creation of employment opportunities to secure full and productive employment and decent work for all, particularly youth, and by ensuring access of the poor and vulnerable to essential services including health, education, water and sanitation, energy, human settlement, and infrastructure development.

In terms of international support measures, the duty-free/quota-free market access for LDCs and targeted levels of ODA were key. After ten years of implementation, there is expectation that a new generation of international support measures would be considered and that they would not only strengthen these long standing measures but go beyond them to cover areas such as adoption by development partners of outward investment promotion strategies through incentives and guarantees extended to their enterprises to invest in infrastructure and productive capacity in LDCs; adoption of flexible rules of origin that can also contribute to unleash the full potential of direct investments in LDCs ; transferring and disseminating critical technologies, including those that have pro-poor, access to essential services and green development impact and supporting innovative sources for financing LDCs' development, among others.

A reflection of the limited progress made by LDCs so far can be found in the dismal number of LDCs - only two - that have graduated from the category since its establishment in 1971, while just a few are approaching that stage. Graduation is an important measure of progress recalled by the Brussels Programme of Action and certainly remains the ultimate objective of the global partnership for LDCs. It is therefore timely, as preparations are underway for the Fourth United Nations Conference on the LDCs, to take a more in-depth look at the reasons behind the slow progress towards graduation and what kind of strengthened international support can be expected from the Conference with a view to accelerating that progress and ensuring a smooth transition to post-LDC status.

It is indeed widely recognized that an adequate period of continued international support is desirable, and likely to be critical, to enable graduating LDCs to sustain their socio-economic progress. The need for a "smooth transition with a view to avoiding disruption to their development plans, programmes and projects" was identified by the General Assembly as early as 1991 (resolution 46/206). A detailed UN framework for facilitating "smooth transition" strategies for the benefit of graduating countries was put in place in 2004 (resolution 59/209).

During such 3-year pre-graduation period, the country should prepare an "exit strategy", in cooperation with its development partners and with UN support. For the graduating country, this essentially implies ensuring that the loss of LDC status at the end of the grace period, and the possible loss of LDC-specific concessions as a result of the loss of status, will not disrupt the country in its development efforts. Broad international support measures of smooth transition were identified by the General Assembly in resolution 59/209 with a view to enabling graduating countries to identify the scope of the phasing out.

Concerns and views have been heard, over the past decade, among graduating countries and other member States, over the issue of graduation and the importance of smooth transition. One aspect of the recent debate on this issue has been the question of the effectiveness of structural progress in small island LDCs, given the concomitance of relative prosperity and acute vulnerability to external shocks in these countries. Another issue relates to the loss of preferential market access for exports of special interest to graduating countries after the 3-year transition period. Graduating countries generally remain substantially dependent on concessionary financing and technical assistance.

Objectives:

With a view to contributing to the substantive debate in preparation for the Fourth UN Conference on the LDCs, this panel discussion aims to draw upon experts, development practitioners and policy makers to examine the slow progress made by LDCs towards achieving the internationally agreed goals and graduating from the category. Concerns surrounding graduation will also be explored with a focus on how to strengthen international measures in support of smooth transition. The discussion will aim at proposing concrete policy measures that could make the transition from LDC to post-LDC life a prospect to be looked forward to.

Key questions to be addressed:

- (1) Towards the Fourth UN Conference: why are LDCs “caught in a trap”?
- (2) What practical steps can be taken at national and international levels to bring the principle of smooth transition to fruition and make it beneficial?
- (3) A graduating country's views: how can skepticism evolve into confidence?
- (4) A development partner's views: how to soundly respond to the plea for smooth transition measures?

Moderator and panelists:

Moderator: Mr. Cheick Sidi Diarra, Under-Secretary-General, Special Advisor on Africa and High Representative for the LDCs, LLDCs and SIDS

- Prof. Patrick Guillaumont, CERDI, Université d'Auvergne (Clermont-Ferrand 1), France
- Mr. Pierre Encontre, UNCTAD Africa, Least Developed Countries and Special Programmes
- Mr. Ahmed Naseem, Minister of State for Foreign Affairs, Republic of Maldives
- Mr. Peter Thompson, Director for Development and Economic Partnership Agreements, Commission of the European Union, DG Trade

Format:

The moderator will deliver brief introductory remarks (5 min.) and introduce the four panelists. Each panelist will make a 10-15 minute presentation, after which the moderator will open the floor for an interactive debate with Member States. At the end, the moderator will summarize the key issues raised during the presentations and question period (5 min.), and will invite each panelist to offer 5-minute concluding remarks. The Chairperson of the Second Committee will preside over the proceedings.

Attendance: All are invited to attend.

For further information, please contact Margherita Musollino-Berg, Programme Officer, UN-OHRLS, at +1.212.963.4844 or musollino@un.org