



LDC FUTURE FORUM

5–6 March 2024
Helsinki / Finland

INNOVATION FOR STRUCTURAL TRANSFORMATION IN LDCS

CONCEPT NOTE



Background

The world is far off track in achieving the Sustainable Development Goals. Least developed countries are in danger of being left even further behind. With eight years left to 2030, we must urgently develop new ways to accelerate the needed transformations. Making better use of science, technology and innovations is key in this task. This is also acknowledged by the [Doha Programme of Action \(DPoA\)](#) for the Least Developed Countries for the Decade 2022-2031 endorsed by the United Nations General Assembly in April of 2022. By the end of its implementation, additional 15 LDC should have met the graduation criteria.

To support least developing countries to reach these goals, the UN-OHRLS and Finland are organizing a series of LDC Future Forums to gather different actors together annually. The future-oriented and strategic approach of the Forums will explore policies to set LDCs in a development pathway that brings prosperity and sustainable development.

Building on the [First LDC Future Forum in Helsinki, Finland in 2021](#) and its session on ‘Deploying Digital: Leveraging STI and emerging digital technologies for sustainable development’, the second Forum will focus on the role of innovation for structural transformation.

Innovation for structural transformation in LDCs

Science, technology and innovation (STI), environmentally sound technologies and ICT are essential for sustainable development. They support increased economic diversification and structural transformation of economies as well as improve productivity and competitiveness in a way that maximizes benefits for people, planet and prosperity. STI can also enable a fuller participation of LDCs in the global economy.

Leveraging the power of STI to fight against multidimensional vulnerabilities and to achieve the SDGs is one of the six priorities of the DPoA, which commits to expanding the LDCs’ access to new technologies by building stronger partnerships with academies of science, universities, labs, innovation incubators and private sector entities at the forefront of technological change, including those in developed countries.

Technologies and innovation that lead towards cleaner, more productive and competitive industrial processes can catalyze economic growth and structural transformation whilst simultaneously address the existential threat posed by climate change. This was recently addressed at the Eighth annual Multi-Stakeholder Forum on Science, Technology and Innovation for the SDGs in 2023. Furthermore, national policies are vital to prepare for and create green windows of opportunity.

Objectives

The Second LDC Future Forum will explore how to harness innovation, digitalization and technology to foster structural transformation and sustainable development in LDCs. The panels will cover key sectors, including education, job creation, agro-processing and e-commerce. The objective is to share ideas and lessons learned, and draw evidence-based policy recommendations. The Forums will strengthen the science-policy interface by bringing together both researchers and policymakers, among others.

The objective of the multi-year LDC Future Forum series is to support the implementation of the Doha Programme of Action. The themes of each Forum are based on the DPoA priority areas.

The Forums will also contribute to other UN processes to foster the achievement of SDGs in LDCs.

The LDC Future Forum will focus on three specific themes –

1. Building innovation capacity through investments in education and skills development

Education at all levels is lagging behind in LDCs. School closures due to COVID-19 exacerbated the situation. The Forum will explore examples of enhancing access to education and training through online tools for enhanced learning, including through digital inclusion. It will discuss how improved STEM education can enhance productivity and structural transformation, including through supporting school to work transitions. It will also discuss how to support LDCs in developing the ability to absorb new technologies and skills to close the digital divide.

2. Innovative entrepreneurship to drive structural transformation and job creation

The bulk of the formal private sector in LDCs consists of SMEs. Many of them face impediments to adopt innovations and grow. The Forum will explore how we can stimulate innovative entrepreneurship to overcome these obstacles, including policy reforms. It will also examine the opportunities of digitalization in enhancing productivity and creating decent jobs, as well as of e-commerce as an enabler for a resilient and inclusive integration of LDCs in regional and global value chains.

3. Diversifying LDC economies into sectors with potential for structural transformation

Most LDCs, including those that are landlocked, still produce and export mostly raw materials with limited value addition. The Forum will explore what it will take for LDCs to develop innovative sectors that are crucial for development. For this, the Forum will build on the experience of graduating countries. These will include innovative sectors with potential for long-term profitability and growing demand with positive spillovers to the rest of the economy, such as production of vaccines and protective equipment, sustainable energy solutions, and agro-processing of nutritious foods.

Approach and participants

The LDC Future Forum provides a platform for policy makers and researchers from LDCs and their development partners, permanent representatives to the UN of the LDCs, as well as for civil society and the private sector, to come together to discuss and share innovative solutions to the themes discussed above. The panels will be based on robust research and lead to policy recommendations. Country case studies, including from landlocked and graduating LDCs, will provide an opportunity for peer learning.

Partners

The Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (OHRLLS) and Finland are the co-organizers of the Forum. Supporting partners include United Nations University World Institute for Development Economics Research (UNU-WIDER), OECD Development Center, Ferdi, UNICEF Innocenti and the UN Technology Bank for LDCs.

Outcomes

A report with key findings as well as policy briefs with policy recommendations will be published on the LDC Future Forum website. The Forum will also feed into the [2024 UN Summit of the Future](#) as well as the [Third UN Conference on Landlocked Developing Countries \(LLDC3\)](#), making recommendations for the Pact for the Future and the new program of action for the LLDCs, with half of the LLDCs being also LDCs.