UN SYSTEM TASK TEAM ON THE POST-2015 UN DEVELOPMENT AGENDA

Countries with special needs

Thematic Think Piece

OHRLLS

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Following on the outcome of the 2010 High-level Plenary Meeting of the General Assembly on the Millennium Development Goals, the United Nations Secretary-General established the UN System Task Team in September 2011 to support UN system-wide preparations for the post-2015 UN development agenda, in consultation with all stakeholders. The Task Team is led by the Department of Economic and Social Affairs and the United Nations Development Programme and brings together senior experts from over 50 UN entities and international organizations to provide system-wide support to the post-2015 consultation process, including analytical input, expertise and outreach.

Countries with special needs

1. Introduction

Least developed countries (LDCs), landlocked developing countries (LLDCs) and small island developing states (SIDS) include the 90 most vulnerable member States of the UN. On average they experienced relatively high GDP growth rates over the past decade. They also made some progress towards achieving the MDGs, though less than other developing countries. In addition, much of this growth was jobless and their economic structure has been mostly stagnant over the last three decades. Thus their production and export structure is still highly concentrated, they are highly dependent on aid and their marginalization in the global economy is exacerbated by their geographical handicaps, including small size, remoteness and their isolation from major international markets and prohibitive trade transaction costs, especially for LLDCs and SIDS. Thus they are still the most vulnerable groups of countries and are disproportionally affected by the multiple crises, especially high and volatile food and energy prices and the effects of climate change to which they did not contribute.

LDCs, LLDCs and SIDS and their special needs and vulnerabilities are all specifically mentioned in the Millennium Declaration.[1] Special focus is given to market access, debt relief and development assistance for LDCs. For SIDS the development of a vulnerability index is called for and increased financial and technical assistance to help SIDS overcome the impediments of geography by improving their transit transport systems are highlighted. Consequently ODA to LDCs, LLDCs and SIDS as well as duty free market access for LDCs are included in MDG 8.

In addition, there are specific programmes for the three vulnerable groups of countries:

- The Istanbul Programme of Action (IPoA) for LDCs was adopted in 2011. It focuses on building productive capacities and achieving graduation through structural

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1 General Assembly Resolution A/RES/55/2, paras 15, 17 and 18.

transformation. It also aims at reducing vulnerabilities of LDCs and addresses new challenges to development, including the effects of the interlinked food, fuel and economic crises and climate change, with a strong focus on structural transformation through increasing productive capacity. It reconfirmed commitments to provide DFQF market access to LDCs and to allocate 0.15 – 0.2 % of GNI to LDCs.

- The Almaty Programme of Action (APoA) - Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries was adopted in 2003. The overarching goal of the Almaty Programme of Action is to forge partnerships to overcome the specific problems of the landlocked developing countries that result from their lack of territorial access to the sea and their remoteness and isolation from world markets.

- The Barbados Programme of Action (BPOA) for SIDS was adopted in 1994. This programme was reviewed and revamped in 2005 in the Mauritius Strategy for the Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States (MSI). The Strategy addresses all important elements covering the sustainable development of Small Island Developing States, as well as actions that should be taken in specific strategic sectors, namely natural resources and environmental threats; economic issues; social issues; governance; and issues relating to implementation.

Despite the special attention given to LDCs, LLDCs and SIDS, they are among the groups that recorded the slowest progress towards reaching the MDGs. This is partly due to the fact that the MDGs are biased against countries that started from low levels.[2] In addition, not all of the agreed support measures have been implemented. As the 2011 MDG gap report concludes, intensified efforts in bridging the gaps between expectations and delivery are needed to ensure these countries and regions are on track to achieve the MDGs by the target date.

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2 United Nations, "Beyond 2015: time for a transformative development agenda" in the Report on the fourteenth session of the Committee for Development Policy, E/2012/33 (New York, 2012)

2. The new global development agenda needs to focus on the most vulnerable groups of countries

While, since 2000, some progress, even though limited and uneven, towards sustainable development has been made by LDCs, LLDCs and SIDS, the recent triple crises and the increasing impact of climate change have painfully exposed the specific vulnerabilities of these three groups to global shocks and natural disasters. The new global partnership for development needs to prioritize these most vulnerable groups of countries with a view to support them in their efforts to leave their poverty traps. It also needs to focus on building resilience for long-term sustainable development in the broadest sense.

Another reason for focusing on LDCs, LLDCs and SIDS are the expected poverty dynamics in these groups of countries for the coming years. While a large number of the poor currently live in middle income countries, it is likely that within a few decades a much larger proportion of the poor will live in LDCs, LLDCs and SIDS. This is largely attributable to their slower progress towards poverty reduction and higher population growth. Whereas in 2010 less than 15% of the world population were living in LDCs, LLDCs and SIDS, this proportion will be approximately 21% by 2050. In addition, the share of LDC population living in extreme poverty is already the highest today with 53% and quite high in LLDCs with 43%. Both percentages are well above the average for all developing countries (26.9%). Related to this development, the gap between LDCs and emerging economies in terms of per capita income is also widening.[3] Reversing these trends requires scaling up international support in favour of these groups of countries and fully implementing the commitments already made.

3. How to reflect the special situation of the most vulnerable countries in the new global partnership

There is widespread agreement, which was also expressed at the Experts Group Meeting[4] to support the advancement of the Post-2015 UN Development Agenda in February 2012 that

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3 United Nations, "Beyond 2015: time for a transformative development agenda" in the Report on the fourteenth session of the Committee for Development Policy, E/2012/33 (New York, 2012)
4 The UN System Task Team organized an Expert Group Meeting on February 27-29 2012.

the new global partnership needs to take into account the vulnerabilities of LDCs, LLDCs and SIDS. Instead of confining reference to LDCs, LLDCs and SIDS to one goal as in the present MDG 8, their vulnerabilities should be made one of the priorities of a new framework and be treated as a cross-cutting issue, making specific reference to these groups in areas of high relevance to them.

A new global development agenda should be based on a broad consensus about a model for development. In this respect, structural transformation should be a cornerstone of the new framework as a way to eradicate poverty in a sustained manner. This is especially important for LDCs, LLDCs and SIDS, which are characterised by structural deficiencies and geographical handicaps as described above. The economic structure of LDCs has been largely stagnant over the past decades with several countries even experiencing deindustrialisation. LLDCs face prohibitive transaction costs for trade and SIDS are particularly vulnerable to climate change and sea level rise. As Deepak Nayyar points out in his background paper "The approach to poverty reduction needs to be reoriented away from compartmentalization in social sectors into integration with development strategies that seek to combine economic growth with employment creation and participatory development. This is not only about reformulating policies, but also about rethinking development in the LDCs."[5] This applies equally to LLDCs and SIDS. Therefore, the Post-2015 development agenda should include a strong commitment to address the special needs of LDCs, LLDCs and SIDS, giving them visible priority. Such a more comprehensive development agenda would also be conducive to increasing policy coherence.

In this context, reference should also be made to the full and effective implementation of the Istanbul Programme of Action, Almaty Programme of Action and Mauritius Strategy, which serve as the UN blueprints for global efforts to assist these vulnerable countries. These programmes provide important insights to what enabling factors for sustainable, equitable and inclusive growth and sustainable development have been agreed upon.

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5 Nayyar, D. (2012), "The MDGs after 2015: Some Reflections on the Possibilities", available at: http://www.un.org/millenniumgoals/pdf/Nayyar%20Background%20Paper.pdf

The development enablers need to give sufficient attention to productive capacity and employment creation, including in the agricultural sector. In addition, they should aim at enhancing resilience for long-term sustainable development. This should include the reduction of risk at the individual, local and country level, predictability of support and access to knowledge among others.

One of the common characteristics of LDCs, LLDCs and SIDS is the limited capacity with respect to institutional setups and the design and implementation of development programmes. Thus capacity building, including statistical capacity and the strengthening of appropriate technology transfer mechanisms, should be more explicitly included in a new framework as development enablers.

LDCs, LLDSs and SIDS are already among the countries most affected by climate change through a variety of effects, from reduced agricultural productivity to increasing natural disasters and higher costs for infrastructure building and increasing migration. In addition, climate change poses a security threat. Thus the new development agenda not only needs to ensure increasing resilience of these groups of countries but also focus on mitigating climate change.

In the new framework the link between objectives and targets and the means to achieve them should be more explicit. At the same time it needs to be based on country ownership, providing flexibility for country groupings and country specific approaches. Furthermore the interlinkages between the different components of the new partnership should be made more explicit to result in a more comprehensive approach.

Regional economic integration and cooperation has a great potential for LDCs, LLDCs and SIDS to create new opportunities for trade, investment, production, supply chains, and markets through improved infrastructure and connectivity. Transit countries play a crucial role for LLDCs and regional integration would allow SIDS to make use of economies of scale. Thus regional integration including through South-South and triangular cooperation should be considered as one of the key development enablers. The regional dimension will also link the national to the global level.

The new global partnership should include a broad range of stakeholders in addition to traditional development partners, namely South-South cooperation, parliaments, civil society including foundations and academia, as well as the private sector, similar to the Istanbul Programme of Action.

Mutual accountability should not only include accountability among countries but the accountability of each government to its own citizens to ensure that scarce funds are used most efficiently. Thus the monitoring should also include processes and the use of resources. This would enable greater accountability and policy coherence and would help identify bottlenecks during implementation of the development agenda. In addition, it would contribute to learning processes to increase the effectiveness of development strategies.

Specific goals, targets and indicators are crucial for monitoring and accountability and should be maintained. However, they should be complemented by qualitative assessments. Monitoring indicators entails some form of regional/national exercise, which could have the added advantage of presenting an opportunity for LDCs, LLDCs and SIDS to continue to strengthen their own monitoring capacities, including at the national level, which in turn leads to better feedback and data integrity.

The new global development agenda should also include some reference to processes. Whereas the achievement of the final outcome is usually a result of many actions, some monitoring of key processes could increase accountability as they can be better linked to specific actors. In addition, the monitoring of processes and outcomes could provide valuable insights for policy makers on the efficiency of different actions, which is especially crucial for the poorest and most vulnerable countries. Furthermore such a comprehensive monitoring approach would also have the potential to strengthen mutual accountability, in which the Development Cooperation Forum should play a key role.

With respect to international support measures it is important to note that most LDCs, LLDCs and SIDS are still highly aid dependent both with respect of the share of ODA in government expenditure and in terms of access to foreign exchange. The share of ODA in recipient country GNI was 6.9 % for LDCs; this share was 4.6% for LLDCs and 2.8% for SIDS

in 2009. The level of debt has also recently increased for several countries and thus they will need access to ODA and debt relief for the foreseeable future. In the area of trade the focus of target 8B on duty free quota free market access needs to be revisited as preference erosion is likely to continue. Instead more focus should be put on non-tariff barriers (including simplification of rules of origin requirements), trade facilitation measures, including efficient transit systems, as well as Aid for Trade. Furthermore access to technology and energy are definitely two priority areas for LDCs, LLDCs and SIDS, which should be reflected in a new partnership.

Finally it would be useful to have a set of principles included in the new framework such as country ownership and leadership and equity at all levels, which are also part of the Istanbul Programme of Action. This set of principles should also ensure policy coherence of financial, economic and trading systems.

4. Related inter-governmental processes

The Istanbul Programme of Action, Almaty Programme of Action and Barbados Programme of Action and negotiations for their successors or Mid-Term Reviews as well as lessons from the monitoring of their implementation are closely interlinked with the process of defining a post-2015 development agenda. There is a need to coordinate the preparations of such conferences and their outcomes, in order to allow for the relevant inter-governmental processes to produce maximum synergies with the post-2015 development agenda process.

Specifically in the Istanbul Programme of Action donor countries agreed to review their ODA commitments in 2015 and consider further enhancing the resources for LDCs for that reason. Thus the mid-term review of the Istanbul Programme of Action should be closely linked to the discussion about the post-2015 development agenda, with which it coincides.

UN System Task Team on the Post-2015 UN Development Agenda

Membership

Department of Economic and Social Affairs (DESA), Co-Chair

United Nations Development Programme (UNDP), Co-Chair

Convention on Biological Diversity (CBD)

Department of Public Information (DPI)

Economic Commission for Africa (ECA)

Economic Commission for Europe (ECE)

Economic Commission for Latin America and the Caribbean (ECLAC)

Economic and Social Commission for Asia and the Pacific (ESCAP)

Economic and Social Commission for Western Asia (ESCWA)

Executive Office of the Secretary-General (EOSG)

Food and Agricultural Organization of the United Nations (FAO)

Global Environment Facility (GEF)

International Atomic Energy Agency (IAEA)

International Civil Aviation Organization (ICAO)

International Fund for Agricultural Development (IFAD)

International Labour Organization (ILO)

International Maritime Organization (IMO)

International Monetary Fund (IMF)

International Organization for Migration (IOM)

International Telecommunication Union (ITU)

Joint United Nations Programme on HIV/AIDS (UNAIDS)

Non-Governmental Liaison Service (NGLS)

Office of the Deputy Secretary-General (ODSG)

Office of the High Commission for Human Rights (OHCHR)

Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (OHRLLS)

Office of the Special Advisor on Africa (OSAA)

Peace building Support Office (PBSO)

United Nations Children's Fund (UNICEF)

United Nations Conference on Trade and Development (UNCTAD)

United Nations Convention to Combat Desertification (UNCCD)

United Nations Educational, Scientific and Cultural Organization (UNESCO)

United Nations Entity for Gender Equality and Empowerment of Women (UN Women)

United Nations Environment Programme (UNEP)

United Nations Framework Convention on Climate Change (UNFCCC)

United Nations Fund for International Partnerships (UNFIP)

United Nations Global Compact Office

United Nations High Commissioner for Refugees (UNHCR)

United Nations Human Settlements Programme (UN-HABITAT)

United Nations Industrial Development Organization (UNIDO)

United Nations International Strategy for Disaster Reduction (UNISDR)

United Nations Institute for Training and Research (UNITAR)

United Nations Millennium Campaign

United Nations Office for Outer Space Affairs (UNOOSA)

United Nations Office for Project Services (UNOPS)

United Nations Office on Drugs and Crime (UNODC)

United Nations Population Fund (UNFPA)

United Nations Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA)

United Nations Research Institute for Social Development (UNRISD)

United Nations System Chief Executives Board for Coordination Secretariat (CEB)

United Nations University (UNU)

United Nations Volunteers (UNV)

United Nations World Tourism Organization (UNWTO)

Universal Postal Union (UPU)

World Bank

World Food Programme (WFP)

World Health Organization (WHO)

World Intellectual Property Organization (WIPO)

World Meteorological Organization (WMO)

World Trade Organization (WTO)