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**REPORT ON
THE SECOND UNITED NATIONS CONFERENCE
ON THE LEAST DEVELOPED COUNTRIES**

(PARIS, 3 - 14 SEPTEMBER 1990)

United Nations

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INTRODUCTION

The Second United Nations Conference on the Least Developed Countries was held in Paris from 3 to 14 September 1990. The Conference was attended by delegations from 150 countries^{1/} and representatives from 14 intergovernmental organizations, 22 United Nations offices and bodies, 16 specialized and related agencies and 49 non-governmental organizations having status with the United Nations Conference on Trade and Development (UNCTAD) or the Economic and Social Council as well as a number of other non-governmental organizations.

I. BACKGROUND AND SUBSTANTIVE PREPARATIONS

The mandate of the Conference, as set out in General Assembly resolution 42/177 of 11 December 1987 was:

- (i) To review progress at the country level thus far in the decade;
- (ii) To review progress in international support measures and particularly in official development assistance;
- (iii) In the light of (i) and (ii) above, to consider, formulate and adopt appropriate national and international policies and measures for accelerating the development process in the least developed countries during the 1990s in accordance with their long-term national, social and economic objectives.

The Conference was intended to provide a unique opportunity for the international community to agree on a programme of action for the least developed countries (LDCs) for the 1990s that would lay the foundation for their accelerated development and at the same time to assist them in their efforts to alleviate poverty.

The preparatory process culminated with the meeting of the UNCTAD Intergovernmental Group on the Least Developed Countries which held its seventh session in Geneva from 26 March to 6 April 1990. The Group, which had been designated by the General Assembly to act as the Preparatory Committee for the Conference, formulated a draft programme of action for the least developed countries for the 1990s, which it transmitted to the Conference together with the provisional agenda. In addition a text on the assessment of the socio-economic situation of the least developed countries during the 1980s, prepared by the Chairman of the Group but not approved by the meeting, was also transmitted to the Conference along with comments made thereon by the Group of 77, members of Group B and China.

The Intergovernmental Group meeting was preceded, as decided by the General Assembly in its resolution 42/177, by a Meeting of Governmental Experts of Donor Countries and Bilateral Financial and Technical Assistance Institutions with Representatives of the Least Developed Countries (22-31 May 1989). The meeting was devoted to: assessing progress in the socio-economic

^{1/} Including from the ESCWA region: Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Qatar, Saudi Arabia, Syrian Arab Republic, United Arab Emirates and Republic of Yemen.

situation of the LDCs during the 1980s in the light of ongoing national and international measures; consideration of the requirements of the LDCs that are of particular relevance to their development and that call for strengthened efforts during the 1990s; and consideration and identification of appropriate national and international measures for accelerating the development process in the LDCs during the 1990s.

As part of the Conference preparations of a number of issue-oriented meetings were also convened. The Meeting of Eminent Persons on the Least Developed Countries (The Hague, 15-16 September 1989) focused on the identification of constraints and bottle-necks which had hindered the LDCs' development efforts during the 1980s and the national and international policy measures required to accelerate the LDCs' development process in the 1990s. The High-Level Experts' Meeting on the Role of the Enterprise Sector in the Development of the Least Developed Countries (Helsinki, 4-6 April 1990) focused on the contribution of the enterprise sector in the development of the LDCs and ways and means of strengthening enterprise development in these countries. The Meeting on the Role of Non-governmental Organizations in the Development of the Least Developed Countries (Katmandu, 8-10 November 1989) focused on the development objectives of the LDCs. The High-Level Experts' Meeting on the Role of Women in Development of the Least Developed Countries (Niamey, 29-31 January 1990) reviewed the contribution of women to the formal and informal sectors in the LDCs, the socio-economic constraints which they faced, and ways and means of strengthening their role in development in the LDCs. The Symposium on Trade, Technical and Economic Cooperation between Least Developed Countries and the Countries of Eastern Europe (Moscow, 28 February - 2 March 1990) reviewed and assessed trade and technical and economic cooperation between the LDCs and the countries of Eastern Europe during the 1980s and considered priority areas for action and international support measures in favour of the LDCs in the 1990s.

States Members of UNCTAD also participated actively in the preparatory meetings. Each least developed country submitted a country presentation describing its socio-economic situation during the 1980s and its aspirations, plans and strategies for the 1990s. The Ministers of the Least Developed Countries, having met in Dhaka, Bangladesh, from 10 to 12 February 1990, adopted the Declaration by the Ministers of the Least Developed Countries, which formed part of the documentation before the Preparatory Committee. The Ministerial Meeting decided that in order to sensitize the donor community at the highest level to the needs and problems of LDCs, a mission consisting of four Ministers of LDCs should visit donor capital countries. A mission of the Ministers of Foreign Affairs of Bangladesh, Somalia, Sudan and Togo to major donor countries was carried out in June-July 1990 in order to discuss the differences of views with regard to the draft programme of action and to explore how such differences could be overcome. Reportedly, the Mission which visited the capitals of France, Germany (Federal Republic of), Italy, Japan, Sweden, the United Kingdom and the United States, was highly successful in ensuring a better perception by LDCs and donors of each other's interests and concerns.

Preparations for the Conference at the regional level were undertaken notably by the Conference of Ministers of African Least Developed Countries, which devoted its ninth and tenth meetings in 1989 and 1990 to the preparations of the Conference, as well as the Intergovernmental Meeting on the ESCAP LDCs, held in Bangkok from 19 to 23 February 1990, and by regional commissions during the sessions preceding the Conference.

The LDC issue was also considered by the Houston Summit (G-7). In their Economic Declaration of 11 July 1990, the leaders of the seven major industrial states and the President of the EEC Commission stated that "the poorest of the developing nations must remain the focus of special attention" and added that it was their intention "to take a constructive part in the Paris Conference on the Least Developed Countries in September". They also reiterated that their "commitment to the developing world will not be weakened by the support for reforming countries in central and eastern Europe".

II. ORGANIZATIONAL MATTERS

The Second United Nations Conference on the Least Developed Countries was opened by the Secretary-General of the United Nations at the Headquarters of the United Nations Educational, Scientific and Cultural Organization (UNESCO), Paris, on 3 September 1990.

The Conference elected as President Mr. Roland Dumas, Minister of State and Minister of Foreign Affairs of France.

The President of the Conference made a statement.

The Secretary-General of UNCTAD made a statement.

The Conference adopted the following agenda:

1. Opening of the Conference.
2. Election of the President.
3. Adoption of the rules of procedure.
4. Adoption of the agenda and organization of work.
5. Establishment of sessional bodies.
6. Election of Officers other than the President.
7. Credentials of representatives participating in the Conference:
 - (a) Appointment of the members of the Credentials Committee;
 - (b) Report of the Credentials Committee.
8. Review of progress at the country level thus far in the decade.
9. Review of progress in international support measures, particularly in official development assistance.
10. National and international policies and measures for accelerating the development process in the least developed countries during the 1990s in accordance with their long-term national, social and economic objectives. Finalization and adoption of a programme of action for the least developed countries for the 1990s.
11. Other business.
12. Adoption of the report of the Conference.

The Conference established two sessional committees and elected the following officers, who -- in addition to the President -- constituted the General Committee:

Vice Presidents: Bhutan, China, Colombia, Cuba, Czechoslovakia, Haiti, Italy, Japan, Namibia, Netherlands, Niger, Philippines, Union of Soviet Socialist Republics, United States of America, Vanuatu.

Chairman of Committee I: Mr. Glen Bailey (Canada)

Chairman of Committee II: Mr. Awad Mohamed El Hassan (Sudan)

Rapporteur - General: Mr. Alexei N. Rybak
(Ukrainian Soviet Socialist Republic)

III. INAUGURAL ADDRESS AND OPENING STATEMENTS

In his inaugural address, Mr. Francois Mitterand, President of France, spoke about the following:

1. The fact that most of the objectives of the plan of action adopted in 1981 for the 1980s had not been achieved: economic growth lagged behind population growth in most LDCs; environmental degradation was a direct result of extreme poverty; the gap between rich countries and poor countries widened, above all because of the overwhelming debt burden; and only eight of the rich countries were devoting at least 0.15 per cent of their GNP to official development assistance (ODA).

2. Reasons for hope: some success stories; a better understanding by the international community of the main characteristics of the LDCs, mainly their extreme vulnerability; convergence of views on the policies to be followed, with the necessity for a free market being well understood, but also the need for a just State.

3. The need to define and implement a plan for the 1990s to counter underdevelopment, based on and providing for:

(a) A contract of solidarity between LDCs and donor countries. This implies the definition and implementation of appropriate economic policies and agreement on priority areas (education and training, health, the integration of agriculture in the market economy, the creation of an efficient productive sector, the reinforcement of regional integration, the encouragement of undertakings in the informal sector and the struggle against national disasters). NGOs would have an important role to play in such a contract;

(b) Adequate financial resources for the LDCs. The Conference should reaffirm the objective of 0.15 per cent of GNP for ODA, to be reached within a maximum period of five years, with the countries already reaching that target committing themselves to a target of 0.2 per cent;

(c) Improving the quality of development by offering more grants and fewer loans; reduction by the rich countries of LDCs' debt; guaranteeing the LDCs against fluctuations in export prices.

4. France is committed to: attaining the 0.2 per cent target during the 1990s; if parliament agrees, France would cancel the public debt of all non-African LDCs (28.6 billion francs in capital and interest) and extend to all LDCs the measures already approved for African LDCs, whereby the whole of French aid converted into grants; creating a special programme and a new organization to promote exports from LDCs to France; increasing France's contribution to the fight against natural disasters.

5. Development hand in hand with democracy. Development is rooted in respect for basic rights, freedom of movement and equality before the law, and must take into account the diversity of structures, culture, tradition and customs; democracy is a long process, especially under conditions of abject poverty.

6. The tragic events taking place in the Gulf. These should not be allowed to take the form of North/South conflict.

7. The need for an assessment of the Gulf crisis at the International Monetary Fund (IMF) and World Bank meetings on the basis of which the international community would draw up an emergency plan which would include appropriate compensatory mechanisms to counter the consequences of the crisis. The ending of the East-West conflict was releasing enormous energies and providing opportunities for expanding aid to developing countries.

Opening the Conference, the Secretary-General of the United Nations observed that:

1. All the positive moves which had occurred in the field of reducing conflicts would not be effective in terms of lasting peace if there were no parallel efforts to close the economic gap between the rich North and the South. Reducing the gap was an imperative ethical question. The same process that bridged ideological differences would help the LDCs break out of economic isolation, provided there was a strong political commitment.

2. The eradication of poverty is indispensable in assuring lasting social peace.

3. The dismal record of the 1980s was not due solely to the LDCs' structural weaknesses, but also had to be attributed to the fact that the responsibilities undertaken in 1981 had not been fully implemented, that support measures had been insufficient and that the international climate had been unfavourable.

4. The debt problem was one of the major obstacles to development and an additional increase in the price of petroleum would impose a great burden on many LDCs. The debt relief measures taken so far were insufficient.

5. It is essential to raise awareness of the degradation of the environment and for the Conference to adopt relevant measures to be implemented by individual countries. The question of human rights in relation to development is an important topic for discussion.

In the statement following his election, the President of the Conference noted that:

1. The task of the Conference was not simply to put together a set of recommendations, but rather to create a consensus on the measures and programmes that would enable the LDCs to make a fresh start.

2. The rigid order imposed by East-West confrontation was now at an end but at the same time many areas of tension - some of them dangerous - were reappearing. One prime cause of such tension lay in the economic and social inequalities that undermined whole societies and regions. If nothing were done, the LDCs would soon find themselves excluded from the international community, with all the risks of resentment, anger and violence implied by such exclusion.

3. There was no question in the minds of Europeans of abandoning the South in favour of East European countries.

4. It was essential to reaffirm the original 0.15 per cent target for ODA and to set a precise date for its achievement. To ensure the quality of aid, a partnership founded on a permanent dialogue between donor countries and beneficiary countries was indispensable in order to assess needs and potentialities and to furnish the corresponding aid.

5. The Conference might be the last chance to act in favour of the LDCs. It was inconceivable that the peoples of the LDCs should not have access to scientific, social and political progress at a time when the demand for democracy and recognition for human rights were spreading.

The Secretary-General of UNCTAD, who was Secretary-General of the Conference, observed that:

1. Nine years after the first Paris Conference, no significant improvement was discernible in the economic, social and human fabric of the large majority of LDCs. The objective of the Conference was to secure complementary commitments by the LDCs and their development partners which would provide the LDCs by the end of the 1990s with a basis for sustained and sustainable development.

2. A central objective of the LDCs should be the construction of well-functioning economies geared to the achievement of national development aims through the effective mobilization of domestic resources. Key issues for each LDC Government would be how to widen the opportunities for all citizens to participate fully in development and how best to use the market to attain economic efficiency. External solidarity could play a crucial role in supporting their efforts.

3. Official development assistance (ODA) must remain the principal source of external support in view of the uncertainty that global market forces would generate needed finance and technology. Donors should stand ready to double current ODA flows within five years and aim at providing 0.2 per cent of their GNP as ODA to LDCs by the end of the century, in order for the LDCs to achieve an annual per capita growth rate of 2 per cent in the second half of the 1990s.

4. Steps should be taken to cancel all ODA debt of LDCs, and to the greatest extent possible, their non-concessional debt, as well as to alleviate their debt-service obligations to multilateral financial institutions. As a result of the Gulf crisis, the financing needs of the LDCs were likely to increase and special arrangements might have to be made by international financial institutions for the LDCs and other seriously affected countries.

5. The growth-inducing potential of trade should be more fully exploited to complement financial assistance, including diversification and reduction of commodity dependence through: international cooperation to strengthen commodity markets; stronger support for technological development; and improved preferential access for LDCs' exports. Other developing countries should promote opportunities for LDCs to benefit from regional trade and cooperation.

6. The successful outcome of the Conference would depend, inter alia, on agreement on follow-up and monitoring mechanisms at the national, regional and global levels. The new programme of action would stand or fall on the effectiveness of these mechanisms in monitoring implementation, ensuring responsiveness to changing external conditions and providing for the sharing of national experiences. UNCTAD was ready to continue to lead this global process, relying on the full participation of the other organizations of the United Nations system.

IV. SUBSTANTIVE ISSUES BEFORE THE CONFERENCE

The substantive issues before the Conference were considered under agenda items 8-10. Work on these issues was distributed between the Plenary and the Main Committees as follows:

Plenary: General debate on agenda items 8-10.

Committee I: Programme of Action for the least developed countries for the 1990s (agenda item 10).

- (a) Basic principles;
- (b) Global framework;
- (c) Arrangements for implementation, follow-up, and monitoring and review.

Committee II: Agenda items 8, 9 and 10.

1. Review of progress at the country level.
2. Review of progress in international support measures.
3. Programme of action for the least developed countries for the 1990s:
 - (a) Mobilizing and developing human capacities in the LDCs;
 - (b) Development, particularly expansion and modernization of the economic base.

A. The general debate

The general debate heard 160 statements from heads of delegations, chief executive officers of intergovernmental bodies and other representatives and observers.

The general debate reflected wide differences -- and convergence in some cases -- in the initial positions of different groups of countries, and within the groups themselves at times, with respect to the issues before the Conference. The policy statements echoed to a great extent the stance taken in the Preparatory Committee during the Seventh Meeting of the Intergovernmental Group on the Least Developed Countries which was held in Geneva from 26 March to 6 April 1990.

1. The least developed countries

The policy statements made by representatives of the least developed countries stressed the following issues and concerns:

(a) The 1980s were a lost decade for the LDCs; the gap between the rich and the poor nations widened; and the marginalization of the LDCs in the world economy deepened;

(b) The Substantial New Programme of Action for the 1980s for the Least Developed Countries (SNPA) failed to achieve any of its major goals, while standards of health, education and nutrition recorded sharp declines and the quality of the environment deteriorated sharply. The ODA target of 0.15 per cent of the GNP of donor countries remained unfulfilled at 0.09 per cent;

(c) LDCs' development was constrained by structural weaknesses, rigidities and economic marginalization (inadequate infrastructure, low savings, skill shortages, small but rapidly increasing populations, small domestic markets, lack of physical resources and commodity and geographic trade dependence); geographical handicaps in the case of land-locked and island countries; natural disasters (drought, desertification, floods, earthquakes) and internal disorders and regional conflicts; and, above all, a highly unfavourable international economic climate associated with a heavy and mounting debt burden, reduced market access and fluctuating prices for key commodities, higher interest rates, volatile exchange rates of major currencies, decline in net capital and ODA flows, and reverse transfer of resources;

(d) The urgent need to arrest further deterioration in the social and economic situation of LDCs and to set the basis for reactivating growth and sustained development, based on a shared responsibility and a strong commitment to mutually-reinforcing action by both LDCs and the international community;

(e) Although the LDCs themselves bear the primary responsibility for their own development, international support (in the form of a substantially increased flow of resources and improvement in the quality of aid, effective debt relief, trade support measures comprising improved market access and compensatory financing arrangements and technical assistance) is indispensable for the success of their endeavours;

(f) The need for achieving the 0.15 per cent target of donors' GNP with respect to ODA, or doubling the level of aid by 1995 and reaching the target 0.20 per cent by the end of the decade;

(g) A number of LDCs were of the view that peace and political and economic reforms were conditions for economic progress. Development is closely linked to a democratization of the political process and a rationalization and liberalization of economic activities that would allow for the participation of all segments of the population in the development process, especially women; ensure protection of and respect for human rights; put in place market-oriented economic systems that promote private initiatives and strengthen and improve the management of public enterprises;

(h) To avoid further increases in the debt burden, transfer of resources should be in the form of ODA grants and other non-debt creating flows such as foreign direct investment. LDCs' debt to multilateral agencies needs special attention; measures being adopted on bilateral debt should be extended to multilateral debt;

(i) The Programme of Action for the least developed countries for the 1990s should include the following elements/features:

- Specific/measurable and clearly defined/transparent commitments by donors to permit assessment/monitoring;
- Distinction between emergency situations and long-term development issues and constraints;

- A comprehensive debt strategy for the LDCs with a view to alleviating their external debt burden and increasing the net flow of resources through such measures as debt cancellation and a larger grant component in aid;
- A commitment by the international community to increase external flows on highly concessional terms with the aim of reaching a target of 0.20 per cent of donors' GNP;
- Trade-supporting measures including improved market access to LDCs' exports, more stable commodity markets and compensatory financing arrangements;
- Support for subregional and regional economic cooperation among developing countries;
- Support for land-locked and island developing countries;
- Priority issues: agricultural and industrial development, human resources development, eradication of illiteracy, health and education, food security, preservation of the environment, demographic pressures, struggle against natural disasters, institution building, full participation of women in economic activity and improved transfer of technology;
- Effective mechanisms for follow-up and monitoring progress in the implementation of agreed measures at the national, regional and global levels; this implies strengthening the institutions concerned and underscoring the importance of the role of UNCTAD and donor countries' meetings, the round tables organized by UNDP, and the consultative groups' meetings under the aegis of the World Bank.

2. Group of 77

The spokesman for the Group of 77 (Mexico):

(a) Stated that during the 1980s developing countries had experienced the collapse of the prices for many raw materials, deterioration in their terms of trade, and an increase in the debt-servicing burden and protectionism, which denied their products access to markets. They also witnessed a particularly alarming phenomenon in the reverse flow of resources. The LDCs had suffered most in these respects, despite the adoption of the SNPA;

(b) Underlined the importance of such development imperatives as the development of agriculture in the LDCs and an appropriate diversification of their economic base through industrialization, significant and wide-ranging improvement in the socio-economic infrastructure, and creation and strengthening of scientific, technological and human resources, including the integration of women in development. Urgent action was also needed to protect LDCs from environmental degradation, natural disasters and adverse external factors;

(c) Stressed that, while the majority of LDCs had already introduced programmes of economic stabilization and structural adjustment in cooperation with the IMF and the World Bank, the narrowly focused adjustment efforts to remedy monetary, fiscal and external imbalances would not ensure the much-needed transformation of LDCs' economies;

(d) Emphasized the importance of a substantial increase in external resources flows to the LDCs, and appealed to donors to double their current aid levels to LDCs by 1995, aiming at a target of 0.20 per cent of donors' GNP by the end of the decade, which, however, should be ensured through additional resources in real terms and significantly improved aid modalities -- including the provision of ODA as grants, increased concessionality of loans, more local cost financing, and substantially expanded technical assistance;

(e) Called for decisive action for cancellation of all LDCs' debts, coupled with an increased flow of non-debt creating investment resources and full implementation of existing debt-relief measures;

(f) Called for the dismantling of all tariff and non-tariff barriers, use of simplified and flexible rules of origin, stabilization of commodity prices, and compensation for shortfalls in export earnings of the LDCs;

(g) Stressed that economic cooperation among developing countries would strengthen the LDCs' capacities in various fields;

(h) Stated that effective follow-up and monitoring mechanisms were crucial to the successful implementation of the Programme of Action. To this end, UNCTAD should continue to be the main focal point for action at the global level, and the capacity of its special programme for the LDCs should be strengthened. All United Nations organs, specialized agencies and multilateral financial institutions should contribute effectively to the implementation of the new programme.

3. Developed countries

The developed countries concentrated on the following themes:

(a) Development partnership

- Reversal of present trends and accelerating growth and development requires collective efforts, political commitment and a sharing of responsibility between LDCs and their development partners;
- Primary responsibility for development lies with the LDCs themselves, which should -- by devising and implementing sound policies in the context of well-defined national priorities -- create favourable internal conditions conducive to development and effective use of external resources;

- The international community has a vital supportive role to play by: promoting a global economic environment conducive to sustainable non-inflationary growth; providing adequate external resources and appropriate technical assistance; assisting LDCs in dealing with the problems of external indebtedness; and monitoring an open multilateral trading system that ensures market access for LDCs' products.

(b) Development setting

Market-based economic systems provide the vital link between open and democratic political systems and effective and equitable economic systems. In this context, special importance was attached to the need to ensure: broad participation in the decision-making process at all levels and hence, involvement of the people in the development process; respect for human rights; and the right environment for entrepreneurship and private initiative through the implementation of policies conducive to the stimulation of market forces and the creation of opportunities for the private sector.

(c) Development policy issues in the 1990s

To achieve their objectives, the LDCs' economic policies should focus on:

- Development, mobilization and proper utilization of human resources through the: extension of basic social services (education, health care, etc., with special attention to vulnerable groups, in particular children and the poor), control of population growth, and integration of women in the development process;
- Strategies that promote social progress and well-being of all people by satisfying basic needs for food, nutrition, primary health care and basic education;
- Effective economic management, mobilization of domestic resources and attraction of private foreign capital;
- Encouraging shift of resources from military expenditure to poverty reduction and supporting poverty-oriented programmes;
- Developing infrastructure and institution-building;
- Promoting agricultural and rural development;
- Protecting the environment and preserving the resource base;
- Promoting and strengthening regional cooperation and integration;
- Preventing natural disasters;
- Promoting small-scale and medium-sized private enterprises;

- The complex relationship between population, poverty and the environment;
- Establishing the principle of sustainable development as a priority in managing physical resources.

(d) External resources for development

- Need for adequate external resources to support LDCs that pursue prudent policies;
- Markedly different positions with respect to the ODA targets: The United States declared its continued opposition to the concept of GNP-related targets because such arbitrary concepts bore little or no analytical relationship to actual development needs of individual countries, and because they lacked a credible chance of being met. Japan was silent on the issue. The United Kingdom was non-committal, while Germany made additional efforts towards the 0.15 per cent target conditional on LDCs' improving internal conditions to allow the successful deployment of increased aid. Belgium and Canada affirmed their commitment to the target of 0.15 per cent of GNP for ODA, and Italy, on behalf of the European Community, called for reaffirming donors' commitment to that target. The Nordic countries, whose ODA already surpasses the internationally agreed target, called on all donors to attain that target and/or supported revising it to 0.2 per cent. The Netherlands, which already devotes 0.3 per cent of its GNP to LDCs, supported the increase in ODA flows to 0.2 per cent of donors' GNP. Italy and France were also prepared to achieve the 0.2 per cent target;
- Support to countries of central and eastern Europe not to be at the expense of LDCs;
- Mitigate the adverse effects of the Gulf crisis for the world economy and the poorest countries in particular.

(e) The debt problem

Need for further debt-relief initiatives; extension of such initiatives to multilateral debt based on examination of individual debtor's situation and not across-the-board initiatives.

(f) International trade

- More favourable treatment for LDCs and improved access for their exports from trade negotiations within GATT (Uruguay Round);
- Improvement and revitalization of existing commodity agreements which reflected and were consistent with market trends.

(g) Follow-up and monitoring

- Importance of effective follow-up and monitoring;
- A strengthened review mechanism, at different levels, should constitute one fundamental means of policy dialogue and coordination between the LDCs and their development partners;
- Follow-up and monitoring at the global level was the responsibility of UNCTAD. At the regional level, the regional commissions, assisted by UNCTAD, would assume responsibility;
- As to aid coordination and follow-up, it was important to continue/strengthen the system of UNDP-country round tables and World Bank Consultative Group Meetings, and to widen follow-up measures;
- Periodic but infrequent (a mid-term review) evaluation;
- Need for review (by the Committee for Development Planning) of the criteria applied for the determination of LDC status.

(h) Structural adjustment policies and programmes

There is a need to introduce adjustment policies and implement structural adjustment programmes that have full political backing and that are based on a realistic assessment of the situation. They should also be designed so as to safeguard the interests of the poorest and most vulnerable groups. Considerable support is required by the international community to enable the LDCs to bring about desired reforms and structural transformation.

4. China

The representative of China stressed:

(a) LDCs' sovereign rights to choose a development model and strategy;

(b) Support for the 0.15 per cent ODA target as well as for setting a time limit for its attainment; the need to alleviate the debt burden of LDCs, and to promote the diversification of their exports and improve access to markets.

5. Countries of central and eastern Europe

In the policy statements made by representatives of countries of central and eastern Europe, the following points may be noted:

(a) While the responsibility for their own development -- through mobilization of internal resources and adoption of sound economic policies -- resides with the LDCs themselves, external support is indispensable and requires a strengthened partnership for development;

(b) Inefficient economic structures inherited by LDCs from the past, and which rendered their economies vulnerable and weak, were a major factor behind the poor performance observed in the 1980s;

(c) To halt the deterioration in the situation of LDCs and to revitalize and accelerate their development, the new programme of action for the 1990s should contain a strategy of structural modernization of LDCs to facilitate their integration in the world economy. This strategy should focus on the formulation of an efficient macro-economic policy and on the creation of external and internal conditions for its implementation, including improved social and physical infrastructure. Measures are needed that go beyond the provision of supplementary resources; rather, they must include the transfer of appropriate technologies, human resources development, cooperative arrangements with other developing countries, improved market access, more extensive implementation of measures to ease the debt burden, early attainment of internationally agreed ODA targets, enhancement of compensatory financing arrangements and increased support for demographic and environmental programmes;

(d) There needs to be support for: stabilizing international markets for commodities, and activating commodity agreements and operations of the Common Fund for Commodities; and developing new forms and modalities of trade and economic cooperation with the LDCs, such as production cooperation, counter-trade and joint ventures (USSR);

(e) A democratic system fully respecting human rights and political freedoms is an essential condition for development (Czechoslovakia and Poland);

(f) The process of economic and political reform now under way could create opportunities for increasing cooperation with the LDCs and expanding assistance to them (Czechoslovakia, Romania, Ukrainian Soviet Socialist Republic);

(g) A special facility could be established to channel part of the so-called "peace dividends" resulting from the relaxation of East-West tension to assist the development efforts of LDCs (Yugoslavia);

(h) Increased international community support to LDCs should be made within the context of increasing global aid to all developing countries (Romania).

B. Sessional Committees: major unresolved issues

The two sessional Committees were entrusted with the task of finalizing, for adoption by the Conference, the draft Programme of Action for the Least Developed Countries for the 1990s (A/CONF.147/4).

The draft programme of action contained a number of important issues on which the Intergovernmental Group, acting as the Preparatory Committee for the Conference, could not come up with agreed formulations. Chief among the issues that remained to be resolved were:

(a) Volume of official external assistance;

- (b) External indebtedness;
- (c) External trade (access to markets and some issues relating to compensatory financing and commodities);
- (d) Environment (particularly external support for environmental management);
- (e) Reference to certain political issues (e.g., human rights, democratic principles);
- (f) Follow-up at the global level.

1. Volume of official external assistance

Although it was recognized that for the LDCs to reach a modest per capita growth they would need a considerable increase in development assistance, there was no agreement on an aid target.

The Intergovernmental Group (IGG) came up with two alternative formulations for the aid target:

(a) Doubling of ODA to LDCs in the next five years as compared to current levels, aiming to reach 0.2 per cent of donor GNP by the end of the 1990s;

(b) Reaffirming the 0.15 per cent target (set out in the SNPA), with a five-year time frame to achieve it, and seeking to exceed this measure (French proposal).

Quantitative targets, notably in terms of donors' GNP, are difficult to accept for some countries (United States and Japan). Other donors which have not yet reached in a sustained fashion the 0.15 per cent target (major EEC donors) may find it difficult to agree on an even higher target. Agreeing on a time frame could be another problem for some donors.

Another question that remained unresolved related to allocation of a higher proportion of indicative planning figures (IPF) to LDCs during the fifth UNDP Cycle, as well as increasing the resources of the United Nations Capital Development Fund. However, at the thirty-seventh session of the UNDP Governing Council, it was decided to allocate to LDCs 55 per cent of the IPF resources during the fifth cycle.

2. External indebtedness

The entire subsection of the draft Programme of Action on external indebtedness of LDCs was in square brackets, i.e., not agreed upon. One reason was the position taken by the United States, which felt that UNCTAD was not the appropriate forum to devise measures regarding debt.

Key unresolved areas were: (a) measures for debt reduction through cancellation of official bilateral debt, both concessional and non-concessional and including debt in respect of official and officially-guaranteed export credits (and as a first step, full implementation and improvement of the scope

and coverage of existing debt, relief measures and mechanisms including Trade and Development Board resolution 165 (S-IV) and the Toronto options); (b) measures to alleviate LDCs' debt-service obligations to multilateral institutions; (c) measures to cope with commercial debt (e.g., through buy-back and debt-conversion schemes); (d) ensuring that the resources provided for debt reduction and debt relief are additional budgets, and to enable debt-distressed LDCs to be eligible to benefit from such measures according to their individual needs; and (e) conditions attached to the provision of debt reduction and debt-service reduction should be limited and carefully tailored to respond appropriately to the real policy requirements of the debtor country in question.

3. External trade

(a) Access to markets

Agreement could not be reached on the following broad issues:

- Special consideration for LDCs within the framework of multilateral trade negotiations in a number of areas, including the reduction of tariffs and non-tariff barriers and other special measures for LDCs;
- Specific measures relating to greater utilization and improvement of generalized system of preferences (GSP) schemes.

In this context, special consideration of a number of measures was needed; elimination of all tariffs and non-tariff barriers to products of actual and/or potential export interest to LDCs (e.g., textiles and clothing); advanced implementation in favour of LDCs of all most-favoured nation (MFN) concessions made by GATT Contracting Parties; special flexibility in applying rules of origin in the case of LDCs; and special treatment for LDCs in the case of tropical and other products of interest to them.

The improvement of GSP schemes was also recognized as an imperative need. Such improvements could be secured by: enlarging the coverage to include all LDCs, expanding the range of products or tariff concessions, exemption from quotas or ceilings and long-term guaranteed maintenance of GSP commitments, simplifying procedures and assisting LDCs to take full advantage of GSP opportunities.

(b) Compensatory financing

- The Preparatory Committee (IGG) recognized the importance of compensatory financing but difficulties remained as regards access of LDCs to existing compensatory schemes and mobilizing additional resources to provide greater automatic compensation;
- In this context, the following measures may be stressed: (a) facilitating access of LDCs to IMF's Compensatory and Contingency Financing Facility (CCFF), through simplification of procedures and conditions, including higher concessionality; (b) increasing availability of additional resources to provide more automatic compensation for LDCs' export earnings shortfalls, with non-EEC developed countries considering setting up for LDCs a scheme(s) similar to STABEX.

(c) Commodities

Principal unresolved questions relate to commodity agreements and arrangements, including measures to help LDCs, such as exemption from quota restrictions and obligations to share financial cost; and efforts to revitalize existing commodity agreements.

4. Environment

The section of the draft Programme of Action containing national and international measures to cope with environmental concerns and problems of LDCs could not be agreed upon. An important area of disagreement concerned external support for environment management. In particular, the following measures needed highlighting: the provision of adequate external support to facilitate transfer of environmentally sound technologies to LDCs, and ensuring that assistance provided to LDCs for environmental protection is, as much as possible, additional to aid allocation.

5. Political issues

A number of issues of a largely political nature, raised by certain Group B countries (in particular the United States) and strongly opposed by China, remained unresolved. These include reference to respect for and promotion of human rights, building institutions on democratic principles, and democratization within the decision-making system in LDCs.

6. Mechanism for follow-up and monitoring

(a) The major unresolved issues in this regard include: the frequency of the intergovernmental review process; strengthening the capacity and resources of the UNCTAD secretariat's Special Programme on the Least Developed Countries to collect and analyse information and prepare substantive documentation; and UNCTAD participation in World Bank consultative groups;

(b) The two sessional committees engaged in intensive discussions, meeting as informal drafting/working groups, in an effort to reconcile the differences carried over from the Geneva preparatory meeting in the positions of various country groups and to agree on the text to be presented to the Conference for adoption;

(c) The two committees succeeded in reaching agreement on the respective texts entrusted to them with the following exceptions:

- In the case of Committee I, agreement could not be reached on parts of the text concerning the volume of official flows, and external indebtedness of the LDCs (paragraphs 19 and 34 respectively of the draft Programme of Action); and paragraph 116, concerning the criteria for designating the least developed among the developing countries;

- In the case of Committee II, disagreement continued with respect to paragraphs 53 and 56 of Chapter IV of the draft Programme of Action, dealing with mobilizing and developing human capacities in LDCs and more specifically with the involvement of the actors in the development process and improving institutional capabilities.

The issues regarding the volume of official flows and external indebtedness of LDCs were ultimately resolved through texts submitted to the General Committee on the basis of discussions held by the Minister for Development Cooperation of the Netherlands and by the Minister of Planning and Economic Development of Uganda, respectively. The issue of the criteria for classifying LDCs was resolved on the basis of a text submitted by the Chairman of Committee I.

Similarly, the issues relating to the mobilization and development of human capacities in LDCs were agreed on the basis of texts submitted to the General Committee by the Minister of Finance of Nepal.

However, the United States declared its reservation regarding the last two sentences of paragraph 37 under the subsection on debt and the multilateral institutions and development funds, as agreed by Committee I, which read as follows: "Bearing in mind the need to preserve the sound financial basis and credit rating of these multilateral institutions and development funds and the revolving nature of their resources, all the institutions concerned, particularly those providing non-concessional credits, are invited to give serious attention to measures to alleviate the burden of the debt LDCs owe to them. In this process, particular attention should be paid to the conditions to be attached to such measures, to the provision of additional concessional resources and to the needs of individual LDCs."

V. PARIS DECLARATION

Under agenda item 11 (other business), the Conference at its 16th plenary meeting adopted the Paris Declaration, the draft text of which was submitted by France.

Participants expressed their solemn commitment to implement the Programme and their belief that the deterioration in the economic, social and ecological situation of most of the least developed countries during the 1980s can be reversed if these countries and all their partners combine their efforts in a spirit of genuine solidarity.

The success of the Programme rests on the effectiveness of national policies, a favourable international economic climate and a strengthened partnership based on mutual commitments by: the Governments of the LDCs, which have primary responsibility for their development, to define and implement appropriate policies ensuring the involvement of populations in the decisions taken, the efforts called for and the results obtained; and by their partners, to make available adequate resources in support of these policies and efforts, and improve the quality of this assistance and to match it more closely to needs.

The Paris Declaration defines five priority areas to inspire national action by the LDCs:

(a) To conduct a macro-economic policy that takes account of market signals and shows concern for the situation of the most vulnerable groups of the population;

(b) To develop human resources by making both men and women actors and beneficiaries of development, by respecting human rights and social justice, and by applying effective population, health, education, training and employment policies;

(c) To reverse the trend towards environmental degradation, to manage the environment with a view to the effective and durable utilization of natural resources and to reinforce action to deal with disasters;

(d) To promote an integral policy of rural development aimed at increasing food production, enhancing rural income and expanding the non-agricultural sector;

(e) To develop a diversified productive sector based on private initiative, efficient public enterprise, regional cooperation, increased access to the international market and international action in the field of commodities;

In order to achieve these priorities, participants agreed on the need to reinforce the efforts of the LDCs with external support measures and recognize the essential role of official development assistance, whose amount should be substantially increased and the bulk of which should be provided in the form of grants.

Participants also expressed their determination to pursue efforts to adopt and implement measures in the context of the debt-relief strategy, and to contribute to the improvement of the international economic climate and to the integration of the LDCs into the international trading system.

Participants call upon the competent non-governmental organizations to combine their efforts with those of the Governments of the LDCs and the international community so as to contribute to the success of the Programme of Action.

Participants, in order to monitor the effective implementation of their commitments, agreed on a system of national, regional and global follow-up with the intention to associate with it all Governments, international institutions -- primarily UNCTAD -- regional development organizations and non-governmental organizations.

Refusal to accept the marginalization of the LDCs is an ethical imperative. It also corresponds to the long-term interests of the international community. In an increasingly interdependent world, the maintenance or deepening of the gap between the rich and poor nations contains serious seeds of tension. The world will not enjoy lasting peace without respect for the United Nations Charter, international commitments and shared development. These are the objectives of the Programme of Action.

VI. PROGRAMME OF ACTION FOR THE LEAST DEVELOPED COUNTRIES FOR THE 1990s

The Conference, at its 16th plenary meeting, adopted the Programme of Action for the Least Developed Countries for the 1990s with the following structure:

ASSESSMENT OF THE SOCIO-ECONOMIC SITUATION IN THE 1980s

THE PROGRAMME OF ACTION

- INTRODUCTION
- BASIC PRINCIPLES
- GLOBAL FRAMEWORK
- MOBILIZING AND DEVELOPING HUMAN CAPACITIES IN THE LEAST DEVELOPED COUNTRIES
- DEVELOPMENT, PARTICULARLY EXPANSION AND MODERNIZATION OF THE ECONOMIC BASE
- ARRANGEMENTS FOR IMPLEMENTATION, FOLLOW-UP AND MONITORING AND REVIEW

The salient features of the Programme of Action are outlined below.

A. Assessment of the socio-economic situation in the 1980s

This section of the Programme of Action provides an assessment of the overall performance of the economies of LDCs, as well as policies and measures undertaken by them at the national level in key areas (structural adjustment programmes, agriculture, human resources, role of women, environment, natural disasters, institutional and physical infrastructure and the enterprise sector) and the external environment facing LDCs, particularly in trade, resource flows and debt.

1. Overall performance

Despite national and international efforts, the social and economic situation of the LDCs as a whole worsened during the 1980s. The SNPA had set an annual GDP growth rate of 7.2 per cent: the actual average rate was 2.2 per cent, with negative growth in some LDCs. It had set an annual growth rate of 4 per cent for agriculture and called for manufacturing output to grow at an annual rate of at least 9 per cent: the actual rate was 2 per cent. The SNPA had also called for ODA to LDCs to reach 0.15 per cent of donors' GNP: while some donors achieved this target, or doubled their ODA, the average contribution represented only 0.09 per cent of their total GNP. At the same time, this marginalization of the LDCs in the world economy became more accentuated -- with their share in world exports standing at 0.3 per cent in 1988, compared to 1.4 per cent in 1960. Particularly worrying was the rapid deterioration in social conditions.

2. National policies and measures

Fundamental to the problems faced by LDCs were rigidities in their economies, fiscal imbalances, monetary (and in some cases political) instability and pricing policies. And, while much weight was put on the role of the State in development, insufficient attention was paid to individual initiative and enterprise: in some countries, internal disturbances and instability, sometimes aggravated by destabilization originating from outside, also had an adverse effect. For many LDCs, only one or two sectors contributed to economic growth, domestic revenues and foreign exchange earnings. This rendered their economies heavily dependent on, and vulnerable to, adverse changes in the international economy.

To achieve broad-based growth, LDCs need to diversify their productive base -- a process which requires structural change, and corresponding capital inputs which are neither available domestically nor, in many cases, forthcoming from foreign private investment.

Many LDCs introduced structural adjustment programmes (SAP), particularly in the latter part of the decade. These were usually supported by the International Monetary Fund and/or the World Bank. However, the success rate was mixed. A number of these programmes could not be implemented fully or in a timely fashion.

The reasons for the disappointing agricultural performance included: marketing, price and land-reform policies; inadequate and unsuccessful investment; damage to the environment; natural disasters; bottle-necks in transport, seeds and fertilizers; and shortage of credit. External trade restraints were also a serious deterrent to production and diversification.

Development of human resources was adversely affected by the high rate of population growth and cuts in expenditures in key areas.

Despite efforts undertaken by various national and international bodies, women continued to face obstacles which prevented them from being full agents and beneficiaries of development.

Sound environmental management suffered largely on account of the lack of resources and a generally low level of awareness of the issues involved. Most of the pressing problems resulted directly from endemic poverty and population pressure.

Where natural disasters occurred, effort was often concentrated on immediate disaster relief.

The diminishing capacity of the agricultural sector to sustain a growing population triggered a rapid urbanization process, placing an unbearable burden on the urban infrastructure.

During the 1980s, private-sector development began to play an increasingly important role despite the lack in many cases of an appropriate legal and institutional framework. There was greater recognition that the operation of public enterprises in LDCs and the role of private initiative and competition should be approached in a more balanced and pragmatic manner.

3. External environment

In the field of trade, the international economic environment has been highly unfavourable to the LDCs. Price trends weakened LDCs' export earnings and their import and debt-servicing capacity, and produced a significant worsening of their terms of trade. The two main international compensatory financing schemes, the IMF Compensatory and Contingency Financing Facility (CCFF) and the EEC STABEX arrangement (enlarged to include the non-African, -Pacific and -Caribbean [non-APC] LDCs) helped to reduce the adverse impact on many LDC economies, but coverage of such schemes was limited. Furthermore, the IMF-CCFF has in recent years been less used on account of the conditions attached to it and the non-concessional terms it provides.

Actual and potential exports were affected by trade barriers. In addition, some LDCs were excluded by certain importing countries from the full benefits of the GSP and the "special measures in favour of LDCs" adopted at the Tokyo Round. Many LDCs also lacked the expertise to derive full benefit from the various GSP schemes.

As to resource flows, the 1980s were marked by a slow-down in the rate of increase of ODA and the drastic fall in private flows such as export credits and direct investment: there was a virtual stoppage of commercial lending. Increased ODA flows have been limited by budgetary restrictions in donor countries. In some cases, shortcomings in LDC capacity to implement projects and programmes have further hindered the supply of ODA. Moreover, some major international institutions have not yet recognized the LDC category; this militates against their designing programmes and measures targeted at this category of countries.

External debt servicing emerged as a major problem for most LDCs during the 1980s. Increasing debt-service obligations to multilateral institutions and the weight of debt to private (commercial) creditors constituted a considerable burden to LDCs.

4. Conclusions

During the latter part of the 1980s, major policy reforms were initiated by many LDCs. More than one half implemented stabilization and adjustment programmes with the support of the IMF and the World Bank. These programmes place heavy stress on introducing greater exchange-rate flexibility and demand measures geared towards ensuring fiscal and monetary discipline. Reforms adopted under the aegis of the World Bank were principally directed towards improving the efficiency of public enterprises, expanding the role of the private sector in the domestic economy, and strengthening the directly productive sectors, particularly agriculture. There was an increased recognition of the need for sound domestic policies, including a stable and growth-oriented macro-economic framework and greater use of market signals, care for the environment and creation of a climate in which individual initiative could flourish.

As for donors, a number took steps during the 1980s to improve the terms of their aid, and some increased its real volume as a percentage of GNP. The EEC STABEX scheme was liberalized and extended to non-ACP LDCs. GSP schemes

were introduced in the 1980s, and some aspects of the rules of origin liberalized. Lome Convention preferences -- more favourable than those prevailing under the GSP -- were applied to about two thirds of the LDCs and were being extended to cover all LDCs.

Some improvements were also observed over the 1980s in the mechanisms for distributing and coordinating aid. The establishment of the country-review mechanism was one of the major achievements of the SNPA. Other improvements were the extension of the time horizon and the inclusion of social considerations in the World Bank Consultative Group process.

B. The Programme of Action

Introduction

The LDCs have structural problems which are unique in their nature and degree and therefore deserve special international support. The prime objective of the Programme of Action is to arrest deterioration in the LDCs' socio-economic situation, to reactivate and accelerate growth and development in these countries and in the process put them on the path of sustained growth and development. The Programme also seeks to provide an efficient operational framework and identifies areas in which the LDCs, their development partners and international organizations need to take urgent and concrete action.

1. Basic principles

This chapter enunciates four basic principles that should guide the relationship between LDCs and their development partners.

Principle No.1: Success depends on a shared responsibility and a strengthened partnership for the growth and development of LDCs.

Principle No.2: The least developed countries have the primary responsibility for the formulation and effective implementation of appropriate policies and priorities for their growth and development.

National strategies should revolve around:

(a) Creation of a domestic economic environment which is conducive to sustained growth and development;

(b) Structural adjustment that seeks to accelerate the transformation of LDC economies and overcome their particular structural problems;

(c) Identification and promotion of long-term sectoral priorities designed to expand, strengthen and modernize the productive base, paying greater attention to market signals, while pursuing sound management of the natural environment;

(d) Greater scope for the private sector and more efficient management of public-sector enterprises;

- (e) Adoption of policies to reduce poverty by:
 - (i) Creating employment opportunities and broad-based growth;
 - (ii) Pursuing appropriate demographic and population policies;
 - (iii) Enhancing access to productive activities;
 - (iv) Initiating programmes in such important areas as health, education, and nutrition of vulnerable groups, in particular women and children;
- (f) Building institutions based upon principles of democracy and equity that allow for broad-based popular participation in the development process.

Principle No.3: The strengthened partnership for development necessitates adequate support from the LDCs' development partners.

Commitments by the international community should be based on the following axes:

- (a) Extending support to policies that promote long-term growth and structural adjustment programmes adopted to the particular needs of the LDCs;
- (b) Extending support to sectoral policies and programmes designed and implemented for the strengthening and diversification of LDC economies;
- (c) Substantial support to enable LDCs to address environmental concerns effectively;
- (d) Specific initiatives relating to human resources development, land reform and rural development, rehabilitation and expansion of the productive base, more efficient management of the public sector, greater scope for the private sector and advancement of women;
- (e) Provision of concessional development assistance in the form of financing and transfer of appropriate technology and other complementary support in the areas of access to markets, debt relief, assistance in the field of commodities and compensatory financing.

Principle No.4: Commitments undertaken should be measurable and sufficiently transparent to enable monitoring and assessment of the Programme of Action for the 1990s.

2. Global framework

The global framework developed contains the following elements: the macro-economic policy framework; financing growth and development (domestic resources, external resources, including volume of official and private flows and aid modalities and aid effectiveness); external indebtedness of the LDCs (ODA debt, other official bilateral debts, debt and the multilateral institutions and development funds, commercial debt); external trade (diversification, access to markets, commodities, compensatory financing); and strengthening economic and technical cooperation between LDCs and other developing countries.

(a) The macro-economic policy framework

The macro-economic policy framework should provide the basis to overcome the structural bottle-necks of the LDCs, lead ultimately to their transformation and contribute to the eradication of poverty. Pursuit of such policies would be greatly assisted by efforts of the international community to encourage an international economic environment conducive to such change.

The following policy guidelines should be borne in mind in the design and implementation of the LDCs' macro-economic programmes:

- (i) Policies and measures should focus on the basic transformational needs of LDCs and aim at the acceleration of their long-term growth;
- (ii) The operation of efficient markets and the use of price signals to guide resource allocation are important factors;
- (iii) The establishment of external, monetary and fiscal stability is necessary. The design of structural adjustment policies should take into account social factors, and development partners should support efforts to protect the poorest and most vulnerable groups;
- (iv) A stable and realistic exchange rate is an important factor;
- (v) Initiatives and conditions which will encourage investment (policies to promote savings, an appropriate system of taxation, a predictable regulatory and institutional setting and an environment that allows for dynamic and competitive private- and public-enterprise sectors);
- (vi) Efficient management of the public sector and measures to secure effective functioning of public enterprises are needed. The indigenous enterprise sector should be encouraged to play an important role in modernizing LDC economies and achieving national development objectives. LDCs will need to also take measures to create an appropriate legal and institutional framework to encourage entrepreneurs;
- (vii) Subsidies and other such measures should be used only after careful examination of other options. Their continued need and level should be subject to ongoing review;
- (viii) Price controls which discourage production and investment should be phased out;
- (ix) Measures are needed to improve income distribution by removing distortions in the tax system, land reform (where appropriate) and employment creation. Provision of basic education, health care and nutrition are critical elements to enable the disadvantaged and the poor to take advantage of these opportunities and to withstand the effects of natural disasters;

(x) Performance criteria applied to LDCs by multilateral lending institutions should continue to be adapted to the particular circumstances of these countries and should give due priority to the overriding policy objective of the LDCs, namely the acceleration of economic growth and long-term development. The programme agreed on with multilateral institutions should constitute a coherent strategy for achieving balance and promoting growth. Performance criteria should reflect explicit assumptions regarding the external environment which affect the ability of a given the LDC to achieve its goals. Changes in external environment would lead development partners to review their external support and adequacy of resources.

(b) Financing growth and development

(i) Domestic resources

Governments of LDCs should endeavour to: develop an appropriate network of financial institutions and incentives to encourage private savings; ensure an optimal allocation of resources and strengthen the management of public expenditure; implement a monetary policy conducive to price stability and confidence; establish a realistic exchange rate; provide investment guarantees and support joint-financing facilities; and broaden the tax base without discouraging savings and investment.

(ii) External resources

- Volume - official flows: A significant and substantial increase in the aggregate level of external support should be made available. Donor countries will seek to implement the following:

- a. Donor countries providing more than 0.2 per cent of their GNP as ODA to LDCs: continue to do so and increase their efforts;
- b. Other donor countries which have met the 0.15 per cent target: undertake to reach 0.2 per cent by the Year 2000;
- c. All other donors which have committed themselves to the 0.15 per cent target: reaffirm their commitment and undertake either to achieve the target within the next five years or to make their best efforts to accelerate their endeavours to reach the target;
- d. The other donor countries: during the period of the Programme of Action exercise individual best efforts to increase their ODA to LDCs with the effect that collectively their assistance to LDCs will significantly increase.

There is a need to increase substantially the overall volume of concessional multilateral assistance. The international financial institutions and regional development banks and other development funds are invited to take fully into account the special economic and social conditions of LDCs. Where appropriate they could establish special programmes.

The relevant national authorities are invited to consider: (i) further encouraging the work of the United Nations Capital Development Fund and increasing its overall funding by 20 per cent a year over this decade; and (ii) giving more support to the work of the International Institute of Development Law including LDC needs in the training of negotiators.

Development partners of LDCs should also continue to provide emergency assistance to LDCs affected by food shortages, natural calamities and other emergencies.

The assistance provided to the LDCs for programmes for environmental protection should -- as much as possible -- be additional.

- Volume - private flows: Supportive action to expand private, non-debt-creating flows, i.e., direct or portfolio investment, needs to be taken. Both the LDCs and developed countries should consider early implementation of policies to encourage investment.
- Aid modalities and aid effectiveness: Further steps should be taken by the development partners to provide bilateral ODA to LDCs in the form of grants and/or to provide loans on highly concessional terms. Institution building and human resources development should be integral elements of all aid activities.

Capital and technical support for small-scale activities can be a particularly effective way to benefit lower-income groups and alleviate poverty. The role of NGOs in development assistance is recognized. These can play a useful role in extending assistance to and within LDCs in close coordination with national authorities.

(c) External indebtedness of LDCs

Many LDCs face serious debt problems and more than one half are considered debt-distressed. The debt overhang continues to be a major hindrance making economic adjustment with growth extremely difficult; it also poses a risk that undermines the essential political commitment to reform.

The serious debt problems of the LDCs necessitate strengthened efforts on the international debt strategy. This strategy should include concrete measures to alleviate the debt burden and increase concessional financing, in support of appropriate economic policy measures. Serious consideration should be given to continuing to work towards a growth-oriented solution of the problems of developing countries with serious debt-servicing problems, taking into account the particular problems faced by LDCs.

(i) ODA debt

Many countries have responded to Trade and Development Board resolution 165(S-IX) of 11 March 1978 by cancelling or providing equivalent relief for ODA debt. All donors are urged to implement such measures as a matter of priority, in such a way that the net flow of ODA be improved for the recipient.

(ii) Other official bilateral debts

Although the value of this debt is relatively low, it has accounted for one fifth of the LDCs' debt-service payments. The Paris Club is invited to continue to apply Toronto terms, which can provide relief through a reduction of the principal or interest rates, or an extension of the repayment period. The Paris Club is also invited to consider the application of Toronto terms to all LDCs seeking to reschedule their official debts according to its established procedures and criteria. The Paris Club is also urged, taking into account the July 1990 Houston Summit Communique, to review implementation of the existing Toronto options that apply to LDCs and also to review additional options which may be necessary.

(iii) Debt and multilateral institutions and development funds

Bearing in mind the need to preserve the sound financial basis and credit rating of these multilateral institutions and development funds and the revolving nature of their resources, all the institutions concerned, particularly those providing non-concessional credits, are invited to give serious attention to measures to alleviate the burden of the debt that LDCs owe to them. In this process, particular attention should be paid to the conditions to be attached to such measures, to the provision of additional concessional resources and to the needs of individual LDCs.^{2/}

(d) External trade

It is essential that all countries contribute to developing a more open, credible and durable multilateral trading system, recognizing that the result of this process will be a reflection, inter alia, of their respective weight in world trade. Urgent steps are needed to provide improved market access for products originating from LDCs. In this regard, there is scope for further improvement of the GSP schemes and improved utilization of the benefits conferred by: increasing the range of products concerned or the tariff concession; applying flexible rules of origin; giving special terms or exemptions from quotas or ceilings; and greater long-term stability and predictability in the management of GSP schemes.

(i) Diversification

LDCs are encouraged to adopt policies and measures which could stimulate new exports. Development partners should also extend help, inter alia, through technical help to LDCs to participate in trade fairs. This could be done bilaterally or through organizations such as the UNCTAD/GATT International Trade Centre. The experience and expertise of other developing countries could be valuable for LDCs in their efforts to promote a dynamic export sector.

^{2/} The United States reserved its position on the two sentences in the paragraph.

(ii) Access to markets

Within the framework of the multilateral trade negotiations of the Uruguay Round, special attention should be given to LDC needs and to: advanced implementation of MFN concessions of particular interest to LDCs; enhanced access by products of LDCs; the application of strengthened GATT disciplines; phased implementation by LDCs of the results of negotiations in the field of international trade in services; the fullest possible liberalization of trade in textiles and clothing for LDCs.

(iii) Commodities

Efforts to revitalize and improve the functioning of existing commodity arrangements which are consistent with long-term market trends should be supported. Members of the Common Fund for Commodities should cooperate to make the Fund operational. Pledges to the Second Account are required so that the Fund can provide a strong stimulus to international commodity cooperation in such areas as diversification, research and commodity development measures, and market promotion activities.

(iv) Compensatory financing

In the future review of the IMF's Compensatory and Contingency Financing Facility (CCFF), member Governments may wish to explore ways in which the resources of the facility could be used more frequently, in support of LDCs' external finances. Also, assistance from the World Bank unit responsible for helping commodity-exporting countries, e.g. with training in coverage techniques, contract negotiations and technical assistance, could help LDCs minimize the risk of export earnings fluctuations.

Other developed countries are urged to keep under review measures including (as they deem appropriate) establishing schemes similar to those of the EEC (STABEX) and Switzerland, to address the problem of export earnings shortfalls of the LDCs.

(e) Strengthening economic and technical cooperation between LDCs and other developing countries

Some developing countries have programmes and expertise which are being used by LDCs. Development partners are requested to fund projects to bring this assistance to them. Technical cooperation among developing countries is highly recommended as a mechanism to strengthen LDC development effort.

Consideration should be given to better implementation of the provisions already included in the Global System of Trade Preferences Agreement giving more favourable treatment to the LDCs and not requiring them to make concessions on a reciprocal basis.

3. Mobilizing and developing human capacities in the least developed countries

Policies for mobilizing and developing the human resources of the LDCs during the 1990s should focus on two main areas: (i) the full involvement, integration and participation of all groups, especially women, in the development process; and (ii) the strengthening of human capital, in particular through access of the population to basic and adequate social services, with special priority for education.

(a) The involvement of the actors

All countries should broaden popular participation in the development process and ensure the full utilization of human resources and potential. Respect for human rights constitutes a universal obligation. Its fulfilment, along with democratization and observance of the rule of law, is a part of the process of development. Each country may fully determine its own ways of advancing towards this objective. Participatory development should be enhanced through, inter alia, measures aimed at: developing and improving institutional capabilities and efficiency in public administration; ensuring an optimal balance between the public and private sectors (enterprises, cooperative sector, informal sector) in order to foster productive activities; allowing natural talents to develop and flourish; fully integrating women in the development process; and encouraging NGOs -- particularly the indigenous ones -- and grass-roots organizations in their local, community-based initiatives.

The improvement and expansion of LDCs' institutional capabilities and efficiency, further decentralization, democratization and transparency at all levels within the decision-making system are required in order to increase responsiveness to the needs of the population, ensure the effectiveness and relevance of development activities, ensure the rational and equitable utilization of resources, and facilitate local participation in the implementation of development activities.

While measures should be taken to boost entrepreneurial capacity and private capital, public enterprises will continue to play an important but supportive role. LDCs should continue to evaluate the performance and viability of public-sector enterprises and, where appropriate, take the necessary measures, including consolidation, privatization and/or dissolution.

The development of entrepreneurship should be stimulated and motivated by policies aimed at creating a more favourable economic environment for the local initiatives of the private sector. The LDCs need to take measures aimed at creating an appropriate legal and institutional framework for the conduct of activities by the private entrepreneurs. Specific programmes for private enterprise development should address promotion of domestic and foreign direct investment, management training, promotion of non-traditional exports, promotion of small-scale ventures, and the development of entrepreneurial skills.

Appropriate measures should be taken by the LDCs to fully mobilize and involve women, both as agents and beneficiaries of the development process. Their role in development should be strengthened, inter alia, through better access to health care (including voluntary family planning), education and training, and rural credit.

The specific role of NGOs in formulating programmes and projects in support of the strategies, priorities and policies designed by national governments should be encouraged. Developed-country NGOs have an important role to play, in their respective countries, in mobilizing support for the strengthening of LDC NGOs and non-governmental activities, as well as in sensitizing public opinion, thus influencing policies concerning major international issues affecting the development of the LDCs.

(b) The strengthening of human capital

Three areas play a key role in strengthening the human capital in the LDCs: population policies; health services; and education and training.

In a number of LDCs, the high rate of population growth is a fundamental problem, adversely affecting: their efforts to alleviate poverty; the allocation of resources; and the quality of the environment. The LDCs concerned will further intensify their efforts to achieve, as appropriate, population growth rates which strike an optimal balance in the interrelation between their population, their natural resource base and the environment, taking into account their traditions and values, as well as economic imperatives.

Each LDC should formulate a strategy with the support of UNESCO and other relevant organizations, where appropriate, for improving the education and training standards of its population. These strategies should entail measures aimed at boosting the quality of vocational training and giving priority to the development of basic education, in particular universal primary education.

LDCs will have to renew their commitment to combating illiteracy, particularly among women. The objective of universal primary education implies the reduction, and ultimately the elimination, of disparities in education levels between rural and urban areas. Special emphasis has to be given to improving girls' and women's access to educational facilities.

The World Health Organization (WHO)/UNICEF goals and strategies for the 1990s should serve as important priority guidelines. Each LDC, assisted by WHO and other relevant organizations, should define a country-focused health policy and identify its needs in terms of basic equipment adapted to local conditions, so as to facilitate and coordinate donors' responses to meet these needs. Donors and relevant international organizations should continue to provide technical and financial support to national and regional programmes, notably with respect to training, research and control of major endemic diseases.

4. Development, particularly expansion and modernization of the economic base

A crucial task for the LDCs will be to mobilize fully the complete range of skills available in their societies, in order to achieve sustained and

sustainable development. Governments should create the necessary conditions to encourage development in all sectors of economic life by all actors. An increasing role for the private sector will require Governments to play a more supportive role. The developed countries should support the efforts of individual LDCs in the mobilization of, and in assigning appropriate roles to, the public and private sectors.

In the efforts made by the LDCs, attention should be paid to: (i) production of essential goods and services to meet the needs of the majority of their people; (ii) generation of employment and enhancement of the domestic value added; (iii) achieving a balance between expansion and rehabilitation so as to ensure the utilization of idle capacity; and (iv) the need to overcome difficulties inherent in the monoculture of their economies.

(a) Rural development, modernization of agricultural production and food security

A major policy objective for the 1990s is to achieve food security in LDCs. The management of food security should be strengthened in order to ensure coordination for quick delivery of assistance in situations of transitory food insecurity, particularly in disaster-prone countries. Important components of food security management are information on food deficit and surplus areas provided by existing early warning systems, and adequate storage and transport facilities.

At the minimum, LDCs should, with adequate international support, strive to increase agricultural and food production at an annual growth rate significantly ahead of population growth if poverty alleviation and eradication and nutritional improvement -- as well as food security goals -- are not to be at risk.

The development of the agricultural sector will require the formulation, by the LDCs and with the support of the competent international organizations and donor countries, of an "agricultural development strategy". Within their agricultural development programmes, the LDCs should provide appropriate incentives structure to small holders, who are the major producers of food crops, as well as gainful employment of landless workers, who represent the large majority of agricultural producers in the LDCs. Women's role in food production should be similarly strengthened.

Fisheries resources have great potential in many LDCs. Competent international organizations are invited to assist LDCs upon request to undertake studies of their massive resources, vis-à-vis protection and environmentally sound exploitation, conservation, production, infrastructure and marketing, and to identify the human resources need.

Efforts to promote agricultural production and attain growth with equity should be supported by policies designed to enhance rural development, which constitutes an essential element of any attempt to significantly raise both agricultural output and farmers' income, and to induce a process of accelerated structural transformation. This transformation should take into account the overriding need to support the often fragile environment of LDCs, as well as to ensure that the ecological balance is not further undermined.

Action taken by the LDCs will need to be supported by sustained financial and technical assistance, as well as by improved market access for their exports. Technical and financial assistance provided by competent international organizations and donor countries should be mobilized around an "agricultural development strategy" for the 1990s, to be defined by each LDC. The international community will need to assist LDCs' Governments in: developing agricultural support systems and related infrastructure; establishing and consolidating agricultural research systems at national, regional and international levels; improving financing practices, including soil and water management; and measures to control over-grazing, desertification and soil erosion. In addition, efforts should be undertaken to rehabilitate the agricultural sector of those LDCs whose economies have been ravaged by serious drought, floods, locusts, famine and other formidable problems. The international community should support bilaterally and through competent international organizations agricultural research which addresses the particular problems of the LDCs and strengthens their research and development capacities.

Food aid should generally be a transitional measure and should be considered as a development tool. Food aid therefore should be provided in situations where a real shortage of food exists. To strengthen the contribution of food aid to self-reliant development, measures should be taken to prevent perpetual dependence on food aid by counteracting its discouragement of local production and modification of dietary habits. In providing food aid, care should be taken to avoid disruption of international commercial markets. Furthermore, food aid to LDCs should be provided as much as possible on a grant basis.

(b) Development of the industrial, service, scientific and technological base

In their industrialization programmes, the LDCs should promote the complementary, simultaneous development of the rural economy so as to ensure sustained purchasing power for the local absorption of industrial output, while establishing an assured base of agriculture (and mineral) inputs for industry. Increased attention should be accorded to regional and subregional markets so as to overcome constraints imposed by small domestic markets and low per capita income. LDCs should -- in cooperation with the International Trade Centre -- take steps to strengthen their export competitiveness by way of improving quality, packaging, processing, marketing and distribution. Foreign direct investment should be encouraged.

Industrialized countries and multilateral financial, development and other organizations, particularly the United Nations Industrial Development Organization (UNIDO), should increase efforts to mobilize resources in their cooperation programmes for projects designed to develop and strengthen the industrial base of the LDCs, leading to the emergence of viable industrial enterprises.

The LDCs should take full advantage of the special role of services in the development process. Importance should be given to the development of key service sectors, including infrastructural and producer services. The international community, multilateral financing and development institutions,

and in particular UNCTAD and UNDP and regional development banks, should mobilize technical and financial resources to implement projects and programmes designed to strengthen the services sector of LDCs and facilitate their participation in world trade in services.

The creation of an adequate scientific and technological base is a necessary condition for the medium- and long-term transformation of the LDCs.

Every effort should be made by the international community to accelerate the technological transformation of the LDCs, and particularly to: (i) assist LDCs in acquiring an infrastructure; (ii) give LDCs the freest and fullest possible access to technologies whose transfer is not subject to private decisions, and facilitate access, to the extent practicable, to technologies whose transfer is subject to private decisions; (iii) continue to provide and strengthen support for programmes of technical assistance for LDCs from other developing countries; (iv) consider an increase in the number of scholarships for studies and training in science and technology; and (v) assist LDCs in the formulation of appropriate laws, regulations and policies relating to the import of technology and promotion of the development of indigenous technologies.

(c) Infrastructure

Priority should be given to infrastructural projects which directly serve the basic human needs of the local population, in particular for the transportation of agricultural products. The need to minimize or prevent damage from natural hazards should be fully taken into account in strengthening the physical infrastructure. Measures aimed at improving the housing situation and urban development deserve high priority.

The international community and donors and the multilateral financial development institutions, especially the United Nations Capital Development Fund (UNCDF), should provide substantial and adequate support to complement the efforts of LDCs in the area of investment and maintenance of infrastructure.

Donor countries and multilateral institutions should support the implementation of national and regional transport sector plans, addressing related institutional, financial and technical issues. Equally, attention should be given to the communications sector. The international community, particularly developed countries, should provide technical assistance to the LDCs to enable them to develop and improve their telecommunications systems, including the use of satellites and other technologies, where appropriate. LDCs should devise more effective pricing policies, which reflect economic and social needs.

Donors are requested to support and encourage the implementation of joint transport and communications projects between two or more LDCs, particularly when envisaged in the framework of subregional and regional economic integration.

(d) Environment and disaster mitigation, preparedness and prevention

LDCs' vulnerability is exacerbated by a specific set of environmental problems, such as soil degradation and erosion, drought and desertification.

The twin problems of poverty and environmental degradation have to be tackled simultaneously to provide a basis for long-term sustained growth and sustainable development.

Special consideration should be given to LDCs which are prone to drought and desertification.

There is a need to strengthen human, institutional and technological capacities of LDCs to identify environmental problems, assess the inter-relationship between development and environmental trends and prepare national environmental management plans for conservation and protection strategies. Women should be involved in these plans, especially in forest and land management programmes. They should also be involved in the choice and dissemination of appropriate technologies that would facilitate their household and productive activities while respecting the rhythm of renewal of the natural resource base. National early warning and forecasting mechanisms, included as part of a wider regional effort, should be strengthened.

The United Nations organizations, including UNEP, WHO, and FAO, should give priority attention to LDCs in their programmes and mechanisms relating to the environment.

The United Nations Conference on the Environment and Development, scheduled for 1992, should provide for measures to enable the LDCs to pursue their efforts to incorporate the environmental dimension into their development objectives and policies.

Each LDC will need assistance to increase or improve its capacity to identify disaster scenarios, to establish appropriate protective measures and contingency plans, and to ensure that local community leaders and the population in general know how and when to apply these measures.

Several of the LDCs are or have been affected by refugee and migration problems. The international community and competent international organizations should support the LDCs' efforts in facing up to these problems.

(e) Coping with special problems of certain groups of least developed countries

Land-locked LDCs and their transit neighbours should continue to make concerted efforts at bilateral and subregional levels to simplify transit procedures and improve trade links.

Island LDCs should initiate programmes for the development of their external and internal transport links in order to improve their access to world markets. Given the special difficulties of island LDCs, donors should consider the possibility of extending assistance with a view, inter alia, to providing greater local and recurrent cost support for development projects and programmes as appropriate.

5. Arrangements for implementation, follow-up and monitoring, and review

Effective follow-up and monitoring mechanisms should support the development efforts of the LDCs and are a key to the successful implementation of the Programme of Action.

(a) The national level

A strengthened country-review process should continue as the principal means of conducting policy dialogue and coordinating the aid efforts of development partners with the development programmes of the LDCs, as well as mobilizing the required resources for their implementation. Mechanisms such as the UNDP Round Tables and World Bank Consultative Groups will continue to constitute the backbone of the process to translate the principles and commitments of the Programme of Action into concrete measures at the national level.

The country-review groups should be organized on a more systematic basis and include all concerned donors. LDCs which do not have regular country-review groups should adopt this process. Country-review meetings should be convened approximately every one or two years.

(b) The regional level

Progress in economic cooperation between LDCs and other developing countries, particularly countries in the same region, should be monitored by the United Nations regional commissions in close coordination with UNCTAD. Cluster meetings should be organized regularly, preferably every two years, under the aegis of the regional commissions, and with all countries concerned, in order to improve and strengthen existing cooperation arrangements at the regional and subregional level. The regional commissions should also ensure that the needs and problems of the LDCs are addressed as part of their ongoing work and, in this manner, should continue to contribute to the follow-up process.

(c) The global level

In cooperation with other concerned organizations, organs and agencies of the United Nations system, UNCTAD, as part of its ongoing work, should continue to serve as the focal point for the review and appraisal of the implementation of this Programme of Action, the follow-up at the global level, and the provision of support at the regional level.

The UNCTAD Intergovernmental Group should conduct a comprehensive mid-term review of the situation of the LDCs and report to the United Nations General Assembly on progress in the implementation of the Programme of Action and consideration of new measures as necessary. At the end of the decade the United Nations General Assembly may consider holding a third conference in order to make a comprehensive appraisal of the implementation of this programme and decide on subsequent actions. Sectoral appraisals should also be undertaken at regular intervals by the agencies most concerned.

The Secretary-General of the United Nations, in close collaboration with the Director-General for Development and International Cooperation, the Secretary-General of UNCTAD, the Executive Secretaries of the regional commissions and the lead agencies for the aid groups, should ensure at the secretariat level the full mobilization and coordination of all organs, organizations and bodies of the United Nations system for the purpose of implementation and follow-up of the Programme of Action. LDC focal points in each United Nations agency should be established when they do not exist and existing ones strengthened.

UNCTAD's special programme for LDCs should be provided with sufficient capacity and resources to enable it to implement effectively its mandate for the Programme of Action on a timely basis.

It is desirable that the Committee for Development Planning (CDP) expedite its current work of reviewing criteria for designating the least developed among the developing countries. It is also recommended, as already discussed in the CDP that this review could introduce a dynamic element into the application of the criteria.

CONCLUDING OBSERVATIONS

Elaborate and intensive pre-Conference preparations; improved understanding on the part of the international community of the concept and of the realities of least development; reduced international tensions and rapprochement in economic and political ideologies; and more realistic positions and demands -- and less rhetoric -- on the part of developing countries and LDCs among them; all contributed to a successful outcome of the Conference.

This is reflected in the agreed upon and concerted measures contained in the Programme of Action for the least developed countries for the 1990s, and in the commitment to implement this Programme as set out in the Paris Declaration.

However, the Programme of Action remains basically a compromise between different country groupings, and at times among country members of the same group. Such divergence has been most apparent in the positions taken on the issue of official development assistance (ODA) and willingness to make definite commitments in that regard. Significant differences also emerged with respect to the international debt strategy, debt-relief measures, and the international trading system.

The political dimension is also very much in evidence in the Programme of Action. The Programme is replete with references to respect for human rights; democratization; decentralization of the decision-making process and involvement of all people at all levels, but especially women; and initiatives to evolve market-oriented economies which encourage the private sector and enterprise while allowing a supportive role to a reduced and rationalized public sector. These concepts were propagated essentially by the United States, with support from other major developed countries, and their acceptance was facilitated by the emerging rapprochement between East and West. The success of LDCs' efforts and support from their would-be development partners were linked to progress on these fronts. Many LDCs already signaled their acceptance in the policy statements they made before the Conference. Of the major countries, only China generally took exception to defend the public sector and to insist on LDCs' sovereign rights to choose their development path and strategy.

- " /Add.13 United Nations Industrial Development Organization (UNIDO)
- " /Add.14/Rev.1 United Nations Disaster Relief Coordinator (UNDRO)
- " /Add.15 Economic Commission for Africa (ECA)
- " /Add.16 International Labour Office
- " /Add.17 Asian Development Bank
- " /Add. 18 United Nations Centre for Science and Technology
- " /Add. 19 United Nations Fund for Population Activities
- " /Add. 20 United Nations High Commissioner for Refugees (UNHCR)
- " /Add. 9 United Nations Centre on Transnational Corporations

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Elements for a Programme of Action for the 1990s for the Least Developed Countries - Note prepared by the UNCTAD secretariat

A/CONF. 147/PC/6-
TD/B/AC.17/34
and Add.1 (English only)

Declaration by the Ministers of the Least Developed Countries at their Meeting in Dhaka, Bangladesh - Note by the UNCTAD secretariat

A/CONF. 147/PC/7-
TD/B/AC.17/35
and Corr.1 (English only)

French proposals to assist the Least Developed Countries

Country presentations by Governments of Least Developed Countries

UNCLDC II/CP.4	Government of Somalia
" /CP.18	Government of Republic of Yemen
" /CP.25 and Corr.1	Islamic Republic of Mauritania
" /CP.32	Government of Sudan
	<u>Background documentation</u>
UNCLDC II/4/Rev.1	Aid coordination and effectiveness: Least Developed Countries 1981 - 1989. Study prepared by Mr. Devendra R. Panday and Mr. Maurice Williams
UNCLDC II/9	Statistical Profile of the Least Developed Countries
UNCLDC II/10	Atlas of the Least Developed Countries
UNCLDC II/11	Issues Before the Conference
UNCLDC II/12	Background Information on Human Rights and Related Issues in Relation to the Draft Programme of Action
TD/B.1248	The Least Developed Countries 1989 Report
TD/B/1248 (Highlights)	"Highlights"
UNCTAD/TDR/9 (Offprint)	Trade and Development Report, 1989 (Part II)

Contributions from United Nations organizations and other competent international and regional organizations submitted to the Donor/Recipient Meeting (May 1989)

A/CONF. 147/DR/3/Add.5	Information on least developed countries	IMF
" /Add.11	International Fund for Agricultural Development's contribution to the preparations for the Second United Nations Conference on the Least Developed Countries, 1990	IFAD
" /Add.15	Review and analysis of the progress made in the implementation of the SNPA for the least developed countries in the ESCWA region	ESCWA
" /Add.16	Universal Postal Union action on behalf of the least developed countries	UPU
" /Add.9	United Nations Centre on Transnational Corporations	UNCTD

Conference Report, Declaration and Resolutions

A/CONF.147/L.6 and Add. 1-16	(Draft) Report of the Second United Nations Conference on the Least Developed Countries
A/CONF.147/L.10/Rev.1	(Draft) Paris Declaration and Programme of Action of the Second United Nations Conference on the Least Developed Countries.
A/CONF.147/C.1/L.1 and Corr. 1	Programme of Action for the Least Developed Countries for the 1990s
A/CONF.147/C.2.L.2/Rev.1 and Corr.1	
A/CONF.147/GC/L.2	
A/CONF.147/GC/L.2/Add.1	
A/CONF.147/GC/L.3	

Selected statements

- Mr. Francois Mitterand, President of France
- Secretary-General, United Nations
- Mr. K.K.S. Dadzie, Secretary-General, UNCTAD
- Mr. M. Camdessus, Managing Director, IMF
- Mr. Wilfried P. Thalwitz, Senior Vice-President, Policy, Research and External Affairs, World Bank

- Mr. J.C. Paye, Secretary-General of the OECD
- Dr. Nafis Sadik, Executive Director, UNPF
- Minister of Foreign Affairs of Italy, on behalf of the European Economic Community and its Member States
- Chairman of the National Salvation Revolution Command Council of the Republic of Sudan
- President of the Republic of Uganda, Chairman of the Organization of African Unity
- President of the Peoples' Republic of Bangladesh
- Mr. R. T. McConmaek, Under-Secretary for Economic Affairs, U.S. Department of State
- Mr. Ichiji Ishiri, Parliamentary Vice-Minister for Foreign Affairs, Head of the Delegation of Japan
- Minister for Cooperation and Development, France
- Mr. Walter Mclean, P.C., M.P., Canada
- Italian Delegation
- Vice Minister of Foreign Economic Relations and Trade and head of delegation of China
- Mr. Bettino Craxi
- Federal Minister (Germany) Dr. Jurgen Warnke
- Mr. Tom E. Vrealseu, Minister of Development Cooperation, Norway
- Mrs. L. H. Wallen, Minister of International Development Cooperation, Sweden
- Mr. U. Ellemann-Jensen, Minister of Foreign Affairs of Denmark