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**Draft report of Sessional Committee I to the Trade
and Development Board at its fifty-fifth session**

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Sessional Committee I

Review of progress in the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001–2010

Agreed conclusions (...)

The Trade and Development Board,

1. *Welcomes* the recent improvement in the economic performance of many of the least developed countries (LDCs), notably in attaining a 7 per cent annual growth rate in gross domestic product (GDP), but *expresses concern* that growth remains fragile and that the LDCs are lagging behind in the achievement of the Millennium Development Goals (MDGs), notwithstanding some progress in the areas of primary education and in eliminating gender disparities. Their development will remain a key priority of the international community;

2. *Invites* member States and the relevant United Nations organizations to consider the policy recommendations contained in *The Least Developed Countries Report 2008: Growth, Poverty and the Terms of Development Partnership* in designing development policies and strategies, as well as the terms of development partnership;

3. *Reiterates* that sustained growth in LDCs cannot be built on the commodity boom alone but requires diversification through an enabling State, that is, one that promotes transparent, accountable and effective development policies in order to strengthen, inter alia, agricultural productivity and domestic productive capacities, as well as expand productive employment opportunities through public investment that actively promotes private investment;

4. *Urges* LDCs to assume greater country ownership of national development strategies by designing and implementing inclusive national development policies suited to their particular needs. In so doing, they should endeavour to mobilize domestic resources, including revenues from commodities as available and appropriate, and to build State capacities and good governance at all levels, including by adopting transparent aid management policies, bearing in mind the Accra Agenda for Action adopted at the Third High-level Forum on Aid Effectiveness;

5. *Urges* the development partners of LDCs to actively support country leadership in the design and implementation of national development strategies and to help strengthen LDCs' capacity to exercise such leadership, as country leadership is the cornerstone of the development effectiveness of aid; this should involve, inter alia, the promotion of home-grown development solutions as well as continuing to change the nature of policy conditionality, as agreed in the Accra Agenda for Action (para. 25);

6. *Invites* LDCs, when designing and implementing their country-owned national development strategies, to emphasize productive sectors and infrastructure and to make their aid requests support such emphasis;

7. *Invites* development partners to fulfil their respective commitments in terms of scaling up aid, particularly to LDCs, and to provide a composition of aid that is consistent with the development priorities identified by LDCs in their national development strategies, with due attention given to building the productive base of LDCs' economies, including through Aid for Trade, thus helping to end aid dependence. In some cases, the request for and provision of aid may need to be rebalanced;

8. *Recommends* that UNCTAD, as part of the dissemination strategy for its policy analysis and research, should promote the exchange of country experiences and best practices among LDCs in the field of trade and development and interrelated areas of finance, technology, investment and sustainable development;

9. *Acknowledges* the important contribution of UNCTAD's technical cooperation and capacity-building activities in assisting LDCs. UNCTAD should intensify its contribution to the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries, in collaboration with other participating institutions, and should contribute to strengthening in-country capacities for the effective management, implementation and monitoring of the mainstreaming of trade into LDCs' national development plans;

10. *Acknowledges* the important contribution of the Enhanced Integrated Framework, of which UNCTAD is one of the participating agencies, and invites the UNCTAD secretariat to intensify its cooperation with the Enhanced Integrated Framework in order to complement its technical cooperation activities and capacity-building for LDCs;

11. *Calls on* UNCTAD to provide, within its mandate, technical assistance to LDCs, many of which are suffering from the effects of the current food crisis, climate change and natural disasters;

12. *Invites* donors and other countries that are in a position to do so to contribute to the UNCTAD LDC trust fund and to regularly replenish it, so as to diversify the sources of funding, as only a few donors have made contributions to it so far; the trust fund remains an important vehicle, complementing regular budget resources, for initiating, designing and implementing technical cooperation and capacity-building activities in LDCs;

13. *Invites* UNCTAD to strengthen its specific focus on the needs of LDCs across all areas of its mandate and to contribute, as appropriate, to the upcoming Fourth United Nations Conference on the Least Developed Countries, scheduled to take place at the end of the current decade in accordance with paragraph 114 of the Programme of Action for the Least Developed Countries for the Decade 2001–2010 and General Assembly resolution 62/203;

14. *Encourages* UNCTAD, within its mandate and consistent with its publication policies, including through the enhanced application of regular budgetary resources, to undertake further studies on sectors of specific interest to LDCs, especially new and non-traditional sectors, in order to improve the trading opportunities and development prospects of these countries;

15. Within existing resources, *calls on* UNCTAD to reallocate part of its regular budget to fund *The Least Developed Countries Report*. The report should not have to depend on voluntary funding. The Board *encourages* UNCTAD to increase its operational effectiveness so that such necessary funds for the report are provided with the least possible disturbance of other UNCTAD activities.