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## Second Committee

### Summary record of the 13th meeting

Held at Headquarters, New York, on Monday, 18 October 2010, at 10 a.m.

*Chairperson:* Ms. Würtz (Vice-Chairperson) ..... (Hungary)

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*In the absence of Ms. Ochir (Mongolia), Ms. Würtz (Hungary), Vice-Chairperson, took the Chair.*

*The meeting was called to order at 10.15 a.m.*

### **Agenda item 23: Groups of countries in special situations**

- (a) Fourth United Nations Conference on the Least Developed Countries (A/65/80-E/2010/77)**
- (b) Specific actions related to the particular needs and problems of landlocked developing countries: outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation (A/65/215)**

1. **Mr. Diarra** (Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States) introduced the report of the Secretary-General entitled "Implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010" (A/65/80-E/2010/77), which assessed progress in the implementation of the Brussels Programme of Action; highlighted measures adopted by the least developed countries and their development partners, and results achieved; and provided an update on preparations for the Fourth United Nations Conference on the Least Developed Countries, to be held in 2011. He added that a recently appointed group of eminent persons to advise on the international support measures needed to accelerate development in the least developed countries had recently held its first meeting, which focused on the importance of governance at all levels and on the situation of post-conflict and fragile States.

2. He then introduced the report of the Secretary-General entitled "Implementation of the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries" (A/65/215), which provided an overview of progress made and constraints encountered in the implementation of the Almaty Programme of Action and the declaration on the midterm review thereof, as well as progress made by landlocked developing countries towards attainment of the Millennium

Development Goals (MDGs); and put forward a number of recommendations for the way forward.

3. **Mr. Alyemany** (Yemen), speaking on behalf of the Group of 77 and China, said that as the current year marked the end of the Brussels Programme of Action for the Least Developed Countries for the Decade 2001-2010, the Group was deeply concerned at the insufficient progress made in achieving its targets, especially with respect to poverty, hunger, gender equality and maternal mortality. It was also concerned that, with just five years to go before 2015, the least developed countries were lagging behind in their progress towards the MDG targets. The developed countries must therefore honour all of their MDG commitments, with a special focus on the accelerated delivery of Goal 8.

4. While the Group of 77 and China appreciated the efforts made to address the debt problems of the least developed countries, including through the Heavily Indebted Poor Countries (HIPC) Initiative and the Multilateral Debt Relief Initiative (MDRI), the international community must take further steps, especially the cancellation of least developed country debt. It was also a matter of concern that a number of heavily indebted poor countries had fallen into, or were at a high risk of, debt distress. As the debt problems of the least developed countries not under the HIPC Initiative had been worsened by the multiple global crises, the Group called upon the Bretton Woods institutions to extend the Initiative to cover all least developed countries.

5. The Group noted that duty- and quota-free market access had not resulted in an increase in the least developed countries' share of world trade, which remained marginal. It also noted that there had been an insufficient focus on raising productive capacities and on economic and export diversification.

6. The Group attached the utmost importance to the Fourth United Nations Conference on the Least Developed Countries to be convened in Istanbul in mid-2011 and stressed that, following a comprehensive appraisal of the implementation of the Brussels Programme of Action, the Conference should adopt an ambitious, comprehensive, forward-looking and results-oriented programme of action for the following decade. Additional international support measures should be provided based on a scaled-up partnership for development and effective arrangements should be

made for monitoring the implementation of the new programme of action.

7. According to the Secretary-General's report (A/65/215), the economies of the landlocked developing countries had averaged an annual growth rate of 7.8 per cent in the period 2003-2007, slowing to 6 per cent in 2008. While the Group welcomed that progress, it was very conscious that a single economic indicator did not provide the full picture of development: for example, that growth had not been accompanied by a significant decrease in poverty. As the report stated, progress had been very slow in reducing poverty, hunger and maternal mortality, in improving the area covered by forests and the proportion of the population using improved sanitation, and in achieving gender parity in secondary and tertiary education.

8. In that context, the Group reaffirmed that a lack of territorial access to the sea, aggravated by remoteness from world markets, caused landlocked developing countries to have special needs. In a rapidly globalizing world, trade was a vital means of international economic integration. In that respect, landlocked developing countries were at the greatest disadvantage. As such, the failure of the Doha Development Round was highly detrimental to them.

9. The Group was also concerned that landlocked developing countries continued to be at a competitive disadvantage in attracting private investment, despite having created a more attractive investment climate, with reduced bureaucracy and improved business procedures. There was therefore a need for conscious policy measures to facilitate the flow of public and private investment, with a view to the full implementation of the Almaty Programme of Action.

10. **Mr. Charlier** (Belgium), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia and the Republic of Moldova, said that the European Union looked forward to the Fourth United Nations Conference on the Least Developed Countries, to be held in Istanbul in 2011, as an opportunity to mobilize support for the least developed countries, where in spite of encouraging levels of growth, extreme poverty persisted, people were still suffering from malnutrition

and insufficient progress had been made on reducing maternal and child mortality and improving access to water and sanitation. The European Union stood ready to contribute actively to the Istanbul Conference by engaging in discussions on future policy orientations for the least developed countries. The Conference would provide an excellent opportunity to take stock of what had worked and what had not yet been accomplished in the context of the Brussels Programme of Action. Key issues included the problem of commodity dependence, least developed countries' marginalization in global economic governance and the climate and environmental challenges they faced.

11. While each country had primary responsibility for its own economic and social development, the Brussels Programme of Action had established a framework for partnership within which the least developed countries and their development partners had made a number of important commitments. For its part, the European Union had made major efforts to deliver on those commitments over the past decade, including almost doubling its aid to the least developed countries, from 7.5 billion euros in 2000 to 13.5 billion euros in 2009, which corresponded to 0.12 per cent of European Union gross national income (GNI). The European Union had thus made considerable progress towards reaching its collective commitment to provide at least 0.15 per cent of its GNI to the least developed countries by 2010. Individually, many European Union member States had already reached that target.

12. All resources available for development must be used effectively. The European Union had adopted an Operational Framework on Aid Effectiveness, which focused on practical steps to implement the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action. It had also pursued efforts to restore debt sustainability in the context of the HIPC Initiative, participating both as a donor and as a creditor. However, the effectiveness of the European Union's aid would ultimately depend on the least developed countries' ownership and leadership of their own development strategies, and on the mobilization of domestic resources.

13. The European Union was convinced that open markets, together with progressive trade and investment liberalization supported by adequate multilateral rules, could be conducive to inclusive and green growth as a basis for sustainable development. It was fully committed to an ambitious, balanced and

comprehensive conclusion of the Doha Development Agenda, which would bring significant benefits to developing countries, in particular the least developed ones. At the time of the Brussels Conference in 2001, the European Union had committed to providing duty- and quota-free access for all imports from least developed countries. Thus, all least developed country imports, except for weapons and ammunition, currently benefited from 100 per cent duty- and quota-free access to the European Union market.

14. The European Union also provided more than 50 per cent of overall trade-related assistance and Aid for Trade, with the aim of making globalization work for the least developed countries. European Union trade-related assistance amounted to 2 billion euros a year, while its Aid for Trade had reached the record level of 10.4 billion euros in 2008.

15. The European Union remained committed to implementing the Almaty Programme of Action for the landlocked developing countries, whose lack of territorial access to the sea and geographic remoteness from the world's markets contributed to the persistence of poverty. Infrastructure development, trade facilitation and regional economic integration were therefore critical to their development. The European Union was providing financial and technical assistance for the development of transport, telecommunications and water and energy infrastructure, as well as contributing financially to the modernization of customs and other trade facilitation infrastructure in landlocked developing countries. The European Union itself was a good example of the importance of regional economic and trade cooperation, and its landlocked member States could testify to the benefits derived from regional integration.

16. **Mr. Acharya** (Nepal), speaking on behalf of the Group of Least Developed Countries, said that the Brussels Programme of Action embodied the principle of shared responsibility for development, with clear targets and commitments to be met both by the least developed countries and by their development partners. However, implementation of the Programme remained well short of the needs and expectations of the least developed countries.

17. Despite their best efforts over the years, the least developed countries were clearly lagging behind in meeting the internationally agreed development goals: almost half of the population of the least developed

countries still lived in extreme poverty and hunger. It was disheartening to note that the number of least developed countries had increased rather than decreased over the years and that only two countries had managed to graduate from least developed country status in the current decade. Those facts raised questions about whether the existing international support measures effectively addressed their structural constraints and well-known handicaps. The multiple and mutually exacerbating crises, combined with the unacceptably disproportionate impact of climate change, had gravely undermined their development efforts. More people were falling below the poverty line as unemployment increased and Governments' capacity to provide adequate social safety nets decreased.

18. While development was the primary responsibility of the country concerned, it must be the collective enterprise of all in today's interdependent and globalized world. In that connection, the Fourth United Nations Conference on the Least Developed Countries should fulfil the mandate as contained in General Assembly resolution 63/227 and produce an action agenda that was ambitious, comprehensive, forward-looking and results-oriented. The least developed countries and their development partners should therefore engage in substantive preparation for that Conference.

19. The Group's priorities were clear: to support human and economic development, productive capacities and infrastructure, including agriculture, and to establish stronger international support measures to complement national leadership and ownership. One of the glaring shortcomings of the Brussels Programme of Action had been the lack of an effective monitoring mechanism. Implementing such a mechanism should help ensure that the next programme of action achieved its objectives through expeditious delivery of results to the poor. An accountability mechanism must also be created to bridge the commitment-delivery gap.

20. The Group therefore called upon the international community to ensure the successful outcome of the Conference through substantive preparatory work, including effective participation of the least developed countries themselves. It also called on the international financial institutions to accord special status to the least developed countries and to provide necessary assistance to the Conference. A renewed sense of commitment, backed by strong political will and

sufficient resources, would be required to move forward in the years ahead.

21. Speaking as the representative of Nepal, a landlocked developing country, he added that geographical constraints placed such countries in a disadvantaged position, increasing their trade costs by 15 to 20 per cent. Landlocked developing countries therefore required increased and predictable support from the international community to help them enhance their trading capabilities.

22. **Ms. Wahab** (Indonesia), speaking on behalf of the Association of Southeast Asian Nations (ASEAN), which supported the statement made by the Group of 77 and China, said that there had been some positive developments since the Brussels Programme of Action had been adopted a decade ago. Action by the least developed countries and their development partners had resulted in economic and social growth. One country had been able to graduate from least developed country status and two more were scheduled to graduate in the near future. However, many factors beyond the control of the least developed countries had eroded the gains they had made, including the severe impact of the food, energy and financial crises, as well as climate change. Those countries suffered from a lack of productive capacity, coupled with limited diversification and trading opportunities as well as diminished resources. Despite striving hard, they were unlikely to meet most of the targets of the Brussels Programme of Action or the MDGs.

23. Against that background, the commitments enshrined in the Brussels Programme of Action to build a genuine global partnership for development between those countries' Governments and their development partners should be reaffirmed and further strengthened. To accelerate progress towards the MDGs, there should be a renewed focus on strengthening the productive capacities of the least developed countries to withstand external shocks; promoting the development of agriculture; strengthening resource mobilization; improving market access; developing infrastructure; managing climate change; and enhancing universal access to essential services.

24. A successful outcome of the Fourth United Nations Conference on the Least Developed Countries would be vital to address the myriad development challenges of the least developed countries. To that end, ASEAN looked forward to the adoption of an

ambitious, comprehensive, forward-looking and results-oriented framework for the next decade.

25. The Almaty Programme of Action had been a sound framework for partnerships with transit developing countries and development partners. However, landlocked developing countries, despite their best efforts, continued to be marginalized from international trade and confronted with difficulties in establishing transit transport systems. Their territorial disadvantage was compounded by long distances from world markets, inadequate transport infrastructure and cumbersome border-crossing procedures, all of which prevented them from fully harnessing the potential of trade as an engine of sustained economic growth and development. The international community should therefore increase financial support to help landlocked developing countries accelerate progress towards the achievement of the MDGs.

26. **Mr. Pierre** (Haiti), speaking on behalf of the Caribbean Community (CARICOM), said that CARICOM aligned itself with the statements made by Yemen on behalf of the Group of 77 and China, and Nepal on behalf of the Group of Least Developed Countries. While the world economic and financial crisis was almost over, the populations of developing countries, particularly the least developed ones, nonetheless continued to be impacted by its consequences. Indeed, their vulnerability was increasing. It was estimated that global food insecurity had increased by more than 9 per cent during the economic crisis, especially in the least developed countries, where the crisis had also caused a massive increase in unemployment. The least developed countries were also faced with growing poverty. Reversing that trend would require placing the focus on creating jobs, increasing agricultural productivity and improving social protection.

27. The conclusion of the Doha Round was a major priority in the context of the need to strengthen trade support for the least developed countries. It was important that those countries should benefit from a greater level of preferential access, compared with other countries, in order to compensate partially for their disadvantages. Furthermore, in accordance with the commitments made in 2005, developed countries should abolish all of their subsidies by 2013, particularly those on agricultural products, which were seriously distorting trade and agricultural production in

developing countries, especially the least developed countries.

28. Climate change was jeopardizing agriculture in the least developed countries, which was a pillar of their economies. Only a comprehensive global approach would enable those countries to take the path of sustainable development, particularly as the difficulties that they faced were interrelated. A new green deal for the least developed countries was therefore needed, with public investment in renewable energy, in order to achieve economies of scale. The private sector should also be encouraged to invest in environmentally friendly activities.

29. The devastating earthquake of 12 January 2010 had seriously damaged Haiti's economy and its already very fragile physical infrastructure. According to the Secretary-General's report, the financial losses alone had been equal to 50 per cent of Haiti's gross national product (GDP). On 31 March 2010, a major donor meeting had been held at United Nations Headquarters to help rebuild Haiti, resulting in pledges of nearly \$9.9 billion over three years. While CARICOM was grateful for that outpouring of solidarity by the international community, it also wished to stress that the reconstruction of Haiti was an urgent task and could not be accomplished without the disbursement of the promised aid.

30. Given that the least developed countries depended on external financial resources, official development assistance (ODA) was crucial for them. In 2005, during the Group of Eight Summit in Gleneagles, developed countries had pledged to double ODA by 2010 to Africa. The promised increase would help the least developed countries to deal with the impact of the global financial and economic crisis. However, according to the report of the Secretary-General (A/65/80-E/2010/77), in 2009 net bilateral ODA to Africa in real terms had increased by only 3 per cent over 2008. Moreover, some donors had scaled back ODA or had decided to delay implementation of their commitments.

31. The international community must therefore increase its support to the least developed countries and show greater flexibility to allow rapid and appropriate interventions, including the adoption of counter-cyclical measures. A global stimulus package for the least developed countries was still urgently needed in order to prevent a long-term reduction of

growth resulting from the crises. In addition, the least developed countries needed their own fiscal, trade and macroeconomic policy space, as they pursued their development goals.

32. The Fourth United Nations Conference on the Least Developed Countries, which was crucial to the development of CARICOM members, should focus on the weaknesses of each of the least developed countries, particularly their dependence on external resources, lack of human capital and vulnerability to climate change. It was important to assist the least developed countries in building the capacity needed to implement appropriate measures to overcome those weaknesses.

33. **Mr. Bartolozzi** (Paraguay), speaking on behalf of the Group of Landlocked Developing Countries, said that while the economic crisis might have ended, its impact was still being severely felt in developing countries, particularly those with the most vulnerable economies. The economic performance of landlocked developing countries had been uneven owing to a drop in trade of over 13 per cent in volume and up to 23 per cent in value in the first half of 2009, together with declining commodity prices. While those countries understood that trade must be the engine of development, they had the geographical disadvantage of being deprived of access to maritime trade and separated from major international markets by great distances in addition to having inadequate transportation infrastructure. In that context, the contraction in exports, the broadening of fiscal gaps and the difficulties in accessing financing were all factors contributing to their economic problems. Trade must therefore take a leading role in the development of their economies.

34. The developed countries must demonstrate the flexibility and political will needed to bring the Doha Round to a conclusion. The reduction or removal of agricultural subsidies in major developed countries and improvements in non-agricultural market access would positively benefit landlocked developing countries.

35. ODA continued to be essential, especially for those developing countries with limited domestic resources. Both the quantity and the quality of ODA must be significantly improved. Moreover, ODA and Aid for Trade were two distinct concepts: neither should be used to the detriment of the other.

36. Climate change posed a grave threat to landlocked developing countries, especially with regard to the achievement of the internationally agreed development goals, including the MDGs. Indeed, climate change had exacerbated land degradation, desertification and deforestation.

37. In order to deal with climate change, landlocked developing countries must adopt both mitigation and adaptation measures. In that context, the international community must provide support through financial resources, technology development and transfer, and capacity-building.

38. The multiple crises had demonstrated the need for landlocked developing countries to transform and widen their economies in order to become more competitive on world markets, thereby improving resistance to external shocks and achieving greater economic growth. The effective and timely attainment of the objectives and priorities of the Almaty Programme of Action would assist landlocked developing countries in moving towards the attainment of the MDGs.

39. **Mr. Mwanyula** (Malawi), speaking on behalf of the Group of African States, said that the economic crisis was still having a major impact on African countries, particularly those with the most vulnerable economies. The collapse of trade, coupled with falling commodity prices, had caused uneven economic performance on the continent.

40. As trade was the driving force for economic growth and development, the lack of progress in the Doha Round was of great concern. Most African countries were landlocked and thus deprived of access to maritime trade, far removed from major international markets and characterized by inadequate transport infrastructure.

41. African economies faced a contraction in exports, a broadening of fiscal gaps and impeded access to financing, in addition to other difficulties. In that context, developed countries should demonstrate the flexibility and political will needed to conclude the Doha Round, and major developed countries should reduce or remove their agricultural subsidies. Moreover, improvements in non-agricultural market access would positively benefit landlocked developing countries. It was also important to stress that the quantity and quality of ODA must be improved

significantly, without detriment to Aid for Trade initiatives.

42. Climate had exacerbated land degradation, desertification and deforestation in many countries in Africa. In that context, the Group needed to undertake mitigation and adaptation measures, while the international community must provide its full support through reliable financial resources, technology development and transfer, and capacity-building.

43. The global economic and financial crisis had shown the urgent need for African countries to strategically transform their economies, broaden their productive base in order to enhance their competitiveness on global markets, build resilience to external shocks and achieve greater and more sustainable economic growth. The timely and effective implementation of the Almaty Programme of Action would directly contribute to that strategic policy direction and help African countries to make progress towards fulfilling the MDGs.

44. **Ms. Wang Hongbo** (China) said that the international community must demonstrate a spirit of partnership in implementing the outcome document of the recent High-level Plenary Meeting of the General Assembly on the MDGs, fulfil its commitments on development financing, including under the Monterrey Consensus, and support the efforts of least developed and landlocked developing countries to achieve the MDGs by 2015. The international community must also seize the opportunity provided by the Fourth United Nations Conference on the Least Developed Countries to reaffirm its political commitments and to increase ODA. The outcome of that Conference should give priority to the positive roles of trade, investment and debt relief, strengthen the package of support measures for the least developed countries and help build their capacities for sustainable development.

45. Since the adoption of the Almaty Programme of Action, progress had been made on increasing aid, reducing foreign debt and improving education in landlocked developing countries. However, as those countries might still be unable to attain the MDGs on time, the international community should bolster efforts to improve their infrastructure; vigorously enhance its cooperation on regional transit and transport; encourage and favour the private sector in its participation in infrastructure construction; enhance the interconnectivity of the intraregional railroad and

highway networks; and significantly increase the share of infrastructure in the use of ODA. The international community should also promote international and regional trade facilitation; broaden the scope of trade preference arrangements for landlocked least developed countries; help build the capacity of those countries to take advantage of preferential trade measures; and raise their share in international trade.

46. China would continue to provide support for least developed and landlocked developing countries, in accordance with the principles of consultations on an equal footing, mutual benefit and common development.

47. **Mr. Farias** (Brazil) said that his country's experience had shown that the social and economic consequences of the global downturn could be mitigated when social protection policies were not only maintained but also expanded to respond to challenges. In addition to promoting social justice, policies aimed at social inclusion also provided a reliable basis for sustainable growth. The international community should therefore provide both financial and technical support for national policies geared towards creating income and employment. It should also step up social protection measures such as school feeding programmes, cash for work, conditional cash transfers and risk insurance related to agricultural production and health.

48. Since agriculture was the main economic activity for most of the least developed countries, agricultural productivity must be boosted. While duty- and quota-free market access was a step in the right direction, it should be accompanied by the removal of non-tariff barriers. Real trade liberalization in agriculture, including by eliminating trade-distorting agricultural subsidies, was a critical long-term measure to ensure the development of least developed countries.

49. ODA trends remained significantly below agreed commitments. Donor countries must therefore fulfil those commitments and take measures to improve on local ownership, transparency and accountability to developing countries as a matter of priority.

50. In the context of the Fourth United Nations Conference on the Least Developed Countries, the international community must work together to devise a new, balanced and coherent plan of action setting out clear targets both for national Governments in least developed countries and for development partners,

especially donors. Measures to ensure a smooth transition for countries graduating from least developed country status must also be devised and implemented to prevent aid flows from being reduced or interrupted.

51. The Government of Brazil had been working with the Economic Commission for Latin America and the Caribbean to strengthen regional support to landlocked countries in that region, noting that an initiative for the integration of regional infrastructure in South America was being implemented that contributed to the achievement of the objectives of the Almaty Programme of Action. In addition, a working group on infrastructure had been created as part of the Union of South American Nations to examine integration projects and funding opportunities.

52. **Ms. Isler** (Switzerland) said that Switzerland attached great importance to the Fourth United Nations Conference on the Least Developed Countries. Development, respect for human rights, peace and security were closely interlinked, and access to justice, the protection of dignity and human rights and the combating of discrimination and exclusion were key to good governance.

53. According to the World Bank, 19 of the least developed countries were fragile States suffering from weak institutional capacity, poor governance and political instability, and many were affected by conflict or ongoing armed violence. Measures specifically adapted to those situations must be implemented to provide basic services, combat the root causes of conflict and violence, and ensure lasting peace, the rule of law and efficient national institutions. In facing the consequences of the recent economic, financial and food crises, the international community must support the efforts of the least developed countries to diversify their economies and agricultural sectors, particularly through the development of value chains.

54. Her Government was particularly committed to strengthening the trade capacity of the least developed countries. Its aim was to enhance sustainable trade by supporting producers in the implementation of voluntary standards for sustainability, such as those for fair trade.

55. The implementation of such standards would open up new markets. Switzerland provided duty- and quota-free market access for goods from least developed countries. Nevertheless, trade liberalization



alone would not suffice and must be used in a sustainable and integrated manner in overall national development strategies. In that respect, Switzerland supported initiatives such as the Enhanced Integrated Framework for Least Developed Countries and the United Nations Chief Executives Board Inter-agency Cluster on Trade and Productive Capacity, and noted the growing importance of South-South cooperation.

56. In order to avoid exclusion and to combat extreme poverty, the least developed countries must implement effective pro-poor policies, such as social welfare systems and local economic development programmes. Equally important was effective and inclusive education, accessible and high-quality health facilities and clean drinking water for all, as well as basic transport, energy and communications infrastructure. All of that required a competent, efficient and responsible State which actively promoted development, in addition to a dynamic private sector and an active civil society. The international community must support such efforts through ODA and other measures.

57. **Mr. Abay** (Ethiopia) said that the programme of action to be drawn up at the Fourth United Nations Conference on the Least Developed Countries in Istanbul should be viewed as a road map for prioritizing those countries' development concerns. It was crucial to assess the needs of all least developed countries, the regional reviews already made and the outcomes of all the preparatory events held for the Conference.

58. As most of the least developed countries were in Africa, that marginalized continent should remain the focus of the Istanbul programme of action, which must contain specific commitments to boost Africa's agricultural production, build its institutional capacity and increase market access for the products of its smallholder farmers. Urgent action was needed to help sub-Saharan African countries meet the MDGs, especially Goals 4, 5 and 6.

59. In the light of the risk associated with the recent shift of development assistance from financing portfolios to social sectors, development partners must realize that maintaining balanced resource allocations was necessary in order for the least developed countries to pursue sustained growth that could enable them to achieve both stable economic performance and social progress. Moreover, alternative sources of

development financing were no substitute for traditional development assistance, which must be predictable and adequate.

60. The impact of climate change and international policy measures to support least developed countries in the implementation of adaptation and mitigation strategies should be appropriately reflected in the outcome document of the Istanbul Conference. Furthermore, in order to help landlocked developing countries address the impact of the global economic crisis, timely steps must be taken to support their investment in infrastructure and to improve their access to the international markets, including through well-established ports.

61. **Mr. Rajabi** (Islamic Republic of Iran) said that the establishment of an effective and efficient transit transport system was a top priority for landlocked and transit developing countries, since it was essential for their economic growth. In that respect, the Almaty Programme of Action was a fundamental framework for genuine partnerships between landlocked and transit developing countries and their development partners. His country's mountainous terrain had not prevented it from being part of a major trading route in the region. In the past three decades, his Government had invested significantly in road and railroad construction projects and had connected remote areas to major cities. With help from the Economic and Social Commission for Asia and the Pacific (ESCAP), the Islamic Republic of Iran had held two workshops on facilitating rail and road transit transport, and was also on its way towards acceding to the Transport Corridor Europe-Caucasus-Asia (TRACECA) programme, with a view to effectively implementing trade facilitation measures.

62. As a major transit developing country, the Islamic Republic of Iran needed more investment and financial aid from donors, international financial institutions and development assistance agencies in order to tackle the challenges that it faced in the development and maintenance of its multimodal transport routes.

63. **Mr. Çorman** (Turkey) said that the international community must build upon the Brussels Programme of Action and agree on a new development approach that took the new global context into account. The programme of action to be adopted at the Fourth United Nations Conference on the Least Developed Countries, to be held in Istanbul, would need to contain

specific policies for strengthening the resilience of the least developed countries by improving their productive and institutional capacities. In that respect, it was crucial to build on the vast human potential of those countries by enhancing access to education, especially vocational training.

64. As the research and innovation capacity of the least developed countries was limited, it was vital to facilitate the acquisition, transfer and development of technology in those countries, and to ensure cooperation in science and technology, as well as in research and development. In that context, the Scientific and Technological Research Council of Turkey and the non-profit association “Turkish Research and Business Organizations” would be jointly hosting an event prior to the Istanbul Conference, organized in cooperation with the United Nations Industrial Development Organization, to identify the specific needs of least developed countries and to discuss issues for future action. His Government hoped that United Nations bodies and agencies would take the lead in organizing other such preparatory events, and welcomed the work of the group of eminent persons which would no doubt help to raise public awareness and mobilize political momentum for the Conference.

65. The private sector and civil society played a crucial role in supporting governmental efforts towards the new development decade for the least developed countries. Public-private partnership was also crucial. In that respect, Turkey’s vibrant private sector would be actively involved in the organization of events on trade, investment and business partnerships during the Conference in order to explore further avenues for cooperation.

66. **Ms. Chansamran** (Thailand) said that her Government was committed to the global partnership for development. It had therefore been carrying out technical cooperation programmes with neighbouring countries to promote sustainable growth and had also endeavoured to share best practices with other developing countries worldwide. Thailand had been providing ODA since 1992, disbursing grants and concessionary loans to help the least developed countries, particularly in the areas of infrastructure and public utilities, energy, agriculture, public health and education. It also actively participated in triangular and South-South cooperation and had cooperated with ESCAP to develop suitable policy guidance for the least developed countries. Noting with appreciation the

outcome document of the High-level Asia-Pacific Policy Dialogue on the Brussels Programme of Action for the Least Developed Countries, she hoped that the issues raised therein would be further addressed during the Conference to be held in Istanbul.

67. Thailand attached a high priority to the linkage of transport networks in support of both intra- and inter-regional integration. It actively cooperated with other ASEAN members, as well as development partners, to enhance regional ASEAN connectivity; strongly supported more transportation choices in the region, in order to bring economic benefits and facilitate regional cooperation in such areas as tourism, trade, investment, cultural and information exchange and energy; and had been working closely with regional organizations to implement highway and railway networks in Asia.

68. As a major food exporter, Thailand was working with neighbouring countries through a regional economic cooperation strategy to strengthen agricultural and industrial cooperation. The aim was to reduce development gaps within the region, including through such programmes as contract farming.

69. Lastly, as ODA commitments remained critical to the least developed countries, she trusted that the developed countries which had pledged to increase their ODA commitment to 0.7 per cent of GNI would continue to strive to meet that target.

70. **Ms. Borges** (Timor-Leste) said that, in the run-up to the Fourth United Nations Conference on the Least Developed Countries, it had to be noted that progress in those countries had been both uneven and inadequate. As the end of the decade of the Brussels Programme of Action approached, the least developed countries continued to face impediments to their development such as hunger, climate change, poverty and the detrimental effects of the global crises. That had negatively impacted trade and the resources available for the implementation of the Programme of Action. Not only were the least developed countries suffering from the most adverse impacts of external shocks, they also lacked effective absorptive mechanisms.

71. International support for the least developed countries was critical: global and regional problems demanded commensurate solutions, especially because national economies had become entwined and inseparable from the global economic system.

Nevertheless, Timor-Leste accepted the primary responsibility for its own economic and social development, recognizing that it had more work to do itself. In that context, according to the most recent World Bank report, poverty in Timor-Leste had decreased by 9 per cent in the past three years.

72. While ODA to least developed countries had increased during the past decade, the majority of donors remained below the 0.15 to 0.2 per cent target set out by the Brussels Programme of Action. Supporting least developed countries was not a charitable effort but a crucial investment in the future: they had great potential in terms of global security and sustainable development.

73. The least developed countries provided a litmus test for dealing with and adapting to climate change. Furthermore, they generally had quite abundant natural resources, which could be used to create new green industries and energy. However, climate change threatened every aspect of their development. Mitigation and adaptation efforts diverted valuable development resources, including for education, infrastructure and national capacity-building.

74. The forthcoming Istanbul Conference should be approached with the mindset that much work remained to be done. The positive momentum generated recently should be capitalized upon at the Conference, with a view to achieving a good outcome that would allow substantial progress to be made towards sustainable development.

75. **Ms. Balli** (Togo) said that the implementation of the Brussels Programme of Action had produced mixed results. While the least developed countries had made progress in some areas, the general consensus was that their performance had been well below expectations. It was also discouraging to note that the least developed countries would have difficulty in achieving several of the MDGs by 2015. That was because those countries were currently dealing with structural constraints as well as a critical shortfall in the financial resources needed to fund their development efforts. The food, energy, economic and financial crises, as well as the harmful effects of climate change, had further exacerbated their fragile situation.

76. As economically disadvantaged countries, the least developed countries would not be able to achieve development on their own: their development partners would need to provide predictable and sufficient

financial assistance to enable them to overcome political tensions and achieve the MDGs.

77. Despite the various difficulties with which it was confronted, Togo had made some progress in the areas of education and health, notably in combating HIV/AIDS. It had also drawn up a plan for the period 2010-2015 to improve the living conditions of its people. That plan was based on a multifaceted strategy of short-, medium- and long-term actions aimed at achieving sustainable economic growth.

78. **Mr. Raja** (India) said that achieving equitable and sustainable global growth demanded that the fruits of development and progress be shared among countries. Guided by that belief, India had been extending its steadfast support to strengthen the development process in least developed and landlocked developing countries.

79. As the world took stock of the achievements of the Brussels Programme of Action, its success seemed to be only partial. While a number of least developed countries had achieved some growth in GDP, that had not translated into poverty reduction. More importantly, the structural weakness of their economies and their vulnerability to external shocks had not been addressed. The least developed countries had made major efforts to attain the MDGs, but the global financial, food and energy crises had reversed their development gains.

80. The least developed countries were in a race against time to bolster their food security, given their rapidly expanding urban populations and declining agricultural productivity. Of the 33 countries in a permanent state of food insecurity, 22 were least developed countries.

81. Despite some recent market diversification, the share of global exports of least developed countries in 2009 had been more than 1 per cent. It was thus urgent to enhance their participation in the global trading network through full implementation of duty- and quota-free market access. A development-oriented outcome of the Doha Round was also essential to further support those countries and their participation in global trade.

82. The global financial and economic crisis had worsened the debt situation of the least developed countries. India called upon the international financial institutions and the developed countries to provide

immediate debt relief and to make concessional finance available in order to spur economic growth and investment in those countries. It also called for developing countries to be given greater voice and participation in the Bretton Woods institutions.

83. Climate change posed a serious obstacle to development in the least developed countries, which needed immediate financial and technological support to undertake mitigation and adaptation strategies.

84. The strategy for engagement with the least developed countries needed to be rethought. Mobilizing of adequate resources and expanding the range of international support measures to fill the huge financing gap for their development should receive the highest attention. Countries must fulfil their commitment to provide the least developed countries with 0.15 to 0.2 per cent of GNI as ODA. Technology transfer, capacity-building and additional economic support measures were equally crucial.

85. India had been steadfast in its support for the special needs of the least developed countries, including by sharing its development experience and technological resources and expertise with them. India had extended assistance worth \$1.2 billion for the reconstruction of Afghanistan and had offered concessional loans and grants worth \$550 million in 2009 to other least developed countries. Indian companies had also invested more than \$15 billion in infrastructure development of the least developed countries of Africa.

86. In keeping with its World Trade Organization (WTO) commitment, India had extended a duty-free tariff preference scheme to all least developed countries, starting in April 2008. To stimulate bilateral trade, it had offered least developed countries lines of credit worth \$4 billion since 2003.

87. The Almaty Programme of Action for the landlocked developing countries had resulted in a clear acknowledgement that sustained international support was required to address their special needs. Landlocked developing countries, on average, paid twice as much for transport and insurance services for their exports as other developing countries and three times more than developed countries. The international community must work to provide efficient transportation and communication services to landlocked developing countries to offset their transit and access difficulties and costs. It was equally important that any effective

solution should address the constraints faced by transit developing countries bordering on landlocked developing countries.

88. India, which had special bilateral cooperation agreements with its landlocked neighbours for easy transit of their goods through its territory, accorded the highest priority to further strengthening its ties with those countries, including through regional initiatives.

89. **Mr. Momen** (Bangladesh) said that the least developed countries continued to confront structural handicaps and constraints in their development efforts and remained highly vulnerable to external shocks. As the current year marked the end of the decade of the Brussels Programme of Action, Bangladesh was deeply concerned by the insufficient progress made towards the Programme's targets, especially with respect to poverty, hunger, gender equality and maternal mortality. The global financial, oil, food and climate crises had clearly undermined development in the least developed countries, where the number of people living in extreme poverty remained alarmingly high and the achievement of the MDGs was uncertain.

90. The least developed countries, which were marginalized in North-South trade, were also increasingly marginalized in South-South trade. However, the duty- and quota-free market access offered by some developing countries was welcome. Other developing countries should follow suit. Trade-related capacity-building was urgently needed for the least developed countries. In particular, the Aid for Trade Initiative should support them by addressing their supply-side constraints and preference erosion challenges. Furthermore, the Integrated Framework for Trade-related Technical Assistance to Least Developed Countries needed to be adequately funded and their WTO accession simplified.

91. Since 1990, ODA to the least developed countries had remained at only 0.09 per cent of developed countries' GNI, compared with the promised 0.2 per cent. Developed countries must therefore fulfil their commitment to provide the least developed countries with ODA equivalent to 0.2 per cent of their GNI by 2010. Moreover, such ODA should be given as direct budgetary support in a predictable and flexible manner, especially as development partners had yet to set an objective and transparent basis for the provision of aid across countries. Indeed, conditionality, unpredictability and the earmarking of ODA were serious obstacles to

ensuring aid effectiveness. The allocation of aid was often narrowly focused and not sufficiently conducive to making progress towards the internationally agreed development goals.

92. While debt relief under the HIPC Initiative and the Multilateral Debt Relief Initiative (MDRI) was welcome and had released some resources for poverty reduction and human development, not all least developed countries were eligible for those initiatives. They should therefore be extended to the remaining least developed countries. All outstanding bilateral and multilateral debt of the least developed countries should also be written off without delay. Complementary measures should include grants and other unconditional assistances to ensure debt sustainability in the least developed countries.

93. Bangladesh had noted with concern that the special circumstances of the least developed countries were not adequately reflected in relevant reports of the Secretary-General, who should include a section containing data and information on those countries, and particularly on their resource gaps, in all his reports relating to economic and social issues. That was critically important in order to analyse progress in the least developed countries on a sectoral basis.

94. The long stalemate in the Doha Round, alongside the failure of most development partners to deliver on their commitments, had undermined past successes. The international community therefore needed to work to conclude the Round, which must eliminate all agricultural subsidies and ensure duty- and quota-free access of least developed country products to developed country markets.

95. Lastly, he stressed that the Fourth United Nations Conference on the Least Developed Countries, to be held in Istanbul, should undertake a comprehensive appraisal of the implementation of the Brussels Programme of Action and adopt an ambitious, forward-looking and results-oriented programme of action for the next decade. The outcome of the Istanbul Conference should be a new framework for partnerships for the sustainable development and sustained economic growth of the least developed countries, providing for their progressive integration into the world economy.

*The meeting rose at 1.05 p.m.*