



UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

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30 November 2007

Excellency,

We have the honour to transmit to the twelfth session of the General Conference of UNIDO the Vienna Ministerial Declaration of the Least Developed Countries, which was adopted today by the Ministerial Conference of the Least Developed Countries.

The Ministers and Heads of Delegation of the Conference are submitting this Declaration for adoption by the General Conference of UNIDO as a resolution, also provided in the enclosure. The resolution should be considered under agenda item 12 (Medium-term programme framework, 2008-2011), with the title "Vienna Ministerial Declaration of the Least Developed Countries".

Please accept, Excellency, the assurances of our highest consideration.

A handwritten signature in black ink, appearing to be "P. Lebesa", is positioned above the name and title.

P. Lebesa
Minister of Trade and Industry,
Cooperatives and Marketing
Lesotho

A handwritten signature in black ink, appearing to be "Sayed G. Elamin", is positioned above the name and title.

Sayed G. Elamin
Permanent Representative of
Sudan to UNIDO
Chairman, Group of 77 and China

President
General Conference of UNIDO
Vienna

28.11.07
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**Draft resolution submitted by the
Ministerial Conference of the Least Developed Countries
Adopted in Vienna on 30 November 2007**

**To be considered under agenda item 12 of the
General Conference of UNIDO, twelfth session, 3-7 December 2007**

Vienna Ministerial Declaration of the Least Developed Countries

The General Conference,

Taking note of the Ministerial Conference of the Least Developed Countries convened in Vienna on 29 and 30 November 2007,

Also taking note of the Vienna Ministerial Declaration of the Least Developed Countries adopted by the Ministerial Conference and contained in the annex to the present resolution,

Invites the Director-General, in implementing the medium-term programme framework, 2008-2011, to take special account of the needs of the least developed countries.

VIENNA MINISTERIAL DECLARATION OF THE LEAST DEVELOPED COUNTRIES

We, the Ministers and Heads of Delegation of the least developed countries participating in the Ministerial Conference held in Vienna, Austria on 29-30 November 2007, reiterating our commitment to strengthen the role of the United Nations Industrial Development Organization, in executing its mandate of helping least developed countries to achieve sustainable industrial development, as a means to accelerate their development and integration into the multilateral trading system, particularly in the context of the new opportunities being created by aid for trade and the Enhanced Integrated Framework,

Recalling the Declaration and Programme of Action for the Least Developed Countries for the Decade 2001-2010, adopted in Brussels in 2001,

Appreciating the particular focus by UNIDO, within its mandate, on two essential commitments of the Brussels Programme of Action:

“Commitment 4: Building productive capacities to make globalization work for LDCs;

Commitment 5: Enhancing the role of trade in development”.

Being aware of the importance that foreign trade can play in the industrialization and economic development of a least developed country, and also aware that trade is an opportunity and not a guarantee, and therefore requires policy intervention to be successful,

Recalling that within the framework of the Millennium Development Goal (MDG) 8, Indicator 40 is aimed at increasing the proportion of Official Development Assistance provided to help build trade capacity,

Recalling also that the Sixth World Trade Organization Ministerial Conference, held in Hong Kong in 2005, called for the expansion of Aid For Trade to help developing countries, particularly least developed countries, to benefit from WTO agreements, expand their trade and enhance their ability to take full advantage of new trade opportunities,

Being aware that Aid For Trade is mutually beneficial for the LDCs as well their development partners,

Recognizing that new opportunities are being created by Aid For Trade and the Enhanced Integrated Framework,

Deeply appreciating the efforts of the United Nations Industrial Development Organization to assist the least developed countries to take the path to sustainable economic development and structural transformation through diversification away from agriculture, using manufacturing as a dynamic force, and to export more value added products complying with international standards,

Declare that:

1. The Millennium Development Goals, as well as the other internationally agreed development goals, can most effectively be achieved in the least developed countries through a process that also emphasizes industrial growth, diversification and export of manufactured products and services.
2. The least developed countries have the primary responsibility for their own development; however, the international community and multilateral institutions can play a vital supportive role by providing them with adequate resources and technical assistance to enhance their productive capacities.
3. The commitments made in the 2005 World Summit to address the special needs of the least developed countries should be implemented fully. In this regard, all countries, the United Nations system, the Bretton Woods institutions and other organizations should make concerted efforts and adopt speedy measures to meet in a timely manner the goals and targets of the Brussels Programme of Action and the World Summit.
4. The beneficial and meaningful integration of the least developed countries into the multilateral trading system is an important objective of the Doha Development Agenda and the 2005 Sixth Ministerial

Conference of the World Trade Organization. It is vital that the LDCs be able to enter the global value chains with manufactured products and processed foods, apart from other contributions in services, with the aid of targeted technical assistance from UNIDO.

5. In order to enable the least developed countries to benefit from the opportunities of the multilateral trading system, their manufacturing supply-side needs must be addressed. This requires the enhancement of their productive capacity, as stated in Commitment 4 of the Brussels Programme of Action. This will enable the least developed countries to enhance the role of trade in their development (Commitment 5).
6. Considering the limited opportunities available to least developed countries, we call upon UNIDO to play a pioneering role in developing industrial productive capacity in those countries in a manner that ensures that products conform to acceptable international standards. Depending on the needs of specific LDCs this may, inter alia, entail efforts to develop entrepreneurship, helping SMEs, creating an enabling business environment, developing domestic research capacity, investment facilitation, development of agro-business & aquaculture, fisheries and marine industry, and infrastructure, along with delivery of targeted technical assistance and capacity-building for developing standards, testing, certification and accreditation capabilities accepted in international markets, and integration of the local with the global value chains, lending support in finding markets.
7. Given the increasing importance of the South as a destination for least developed country exports and the potential for these countries to benefit from their increasing collaboration with the South, UNIDO should promote mutually beneficial South-South cooperation in areas within its mandate.
8. UNIDO should help least developed countries with commodity-specific interventions, wherever required by those countries, including in the development of clean and environmentally friendly technology with least impact on climate change. In addition, UNIDO will contribute to enhancing research, moving up the value chain and improving the welfare of those employed in, or dependent on, those commodities in the least developed countries. This is particularly needed for cotton, cocoa and fisheries and other products.
9. The emergence of Aid for Trade, to assist least developed countries in developing their trade-related productive capacity and for meeting other trade-related needs, is a landmark development. The Enhanced Integrated Framework is a promising tool for analysis and identification of needs in the area of trade capacity-building, and for implementation of projects identified.
10. UNIDO's core mandate is to support industrial development, including in least developed countries. Aid for Trade and the Enhanced Integrated Framework emphasize development of supply capacity and trade-related infrastructure. We call upon UNIDO to work closely with countries engaged in the Framework process and, wherever possible, to act as an implementing agency, particularly concentrating in developing industrial capacity and standards and conformity related infrastructure.
11. In enhancing productive capacity, donors should also utilize the services of UNIDO. We call upon UNIDO to create a special Trust Fund for least developed countries, and urge donors to contribute generously to the Fund and give priority to UNIDO in allocating these resources for industrialization.
12. UNIDO is hosting an LDC Ministerial Conference after more than a decade. Given the importance of building productive capacity, particularly manufacturing capacity which is within the mandate of UNIDO, we urge that the LDC Ministerial Conference be held at regular intervals. For the first two years, UNIDO should consider holding it each year, to be followed by Conferences every other year.

The Ministers and Heads of Delegation of the least developed countries are deeply grateful to UNIDO for hosting the Ministerial Conference and for the excellent arrangements made for it. We thank the G-77 and China for co-sponsoring this event. We also take this opportunity to thank all those who, through their participation or input, have contributed to its success.