



PRESS RELEASE



OFFICE OF THE HIGH REPRESENTATIVE FOR THE LEAST DEVELOPED COUNTRIES,
LANDLOCKED DEVELOPING COUNTRIES AND SMALL ISLAND DEVELOPING STATES

UN envoy commends continued increase in aid to LDCs

New York, January 29: Latest figures from the Organisation of Economic Cooperation and Development (OECD) show continued increase in aid to the Least Developed Countries (LDCs).

According to the latest figures, Official Development Assistance (ODA) to the LDCs from DAC (Development Assistance Committee) countries increased by USD 2,076 million – from USD 23, 542 million in 2004 to USD 25,619 million in 2005, representing a rise of 8.8 percent. The increase has maintained the trend of the preceding four years, where aid to LDCs from DAC countries has gone up every year.

Between 2001, when the Brussels Programme of Action for LDCs was adopted, and 2005, ODA to LDCs has more than doubled from USD 12,019 million to USD 25, 619 million.

Figures for 2006 are not yet available. DAC has 23 members, including the world's largest donor countries.

“We welcome the continuing increase in aid, which is a key element in these vulnerable countries’ efforts to dig themselves out of poverty,” said Mr. Anwarul K. Chowdhury, United Nations Under-Secretary-General and High Representative for Least Developed Countries, Landlocked Developing Countries and Small Island Developing States. “The full implementation of the Paris Declaration on Aid Effectiveness by both LDCs and their

development partners will significantly enhance the impact of increased aid on poverty reduction.”

The Paris Declaration on Aid Effectiveness, adopted in March 2005, aims at increasing the efficiency of aid through reinforced national ownership of development policies and strategies, alignment of aid with national priorities, harmonization of the actions of donor countries, transparency, managing resources for results and mutual accountability

According to the OECD figures, the biggest donor countries to the LDCs in 2005 were the United States (USD 5, 687 million), the United Kingdom (USD 2,705 million), France (USD 2, 392 million), Japan (USD 2, 326 million) and the Netherlands (USD 1,658 million).

The amount given to LDCs by DAC countries in 2005 represented 24 percent of their total aid, with Portugal (56 percent), Ireland (51 percent), Luxembourg (41 percent), Denmark (39 percent) and Norway (37 percent) giving the biggest proportions.

Aid to LDCs as a percentage of the Gross National Income (GNI) of DAC countries remained at 0.08 percent, well below the target of 0.15 – 0.2 percent set by the Brussels Programme of Action for LDCs and reiterated in the Monterrey Consensus of 2001 and at the World Summit of September 2005.

Only seven countries have reached the target – Norway (0.35 percent), Luxembourg (0.34 percent), Denmark (0.31 percent), Sweden (0.31 percent) the Netherlands (0.27 percent), Ireland (0.21 percent) and Belgium (0.16 percent).

“At the conclusion of the mid-term review of the implementation of the decade-long Programme of Action for LDCs last year, the General Assembly called for concrete and substantial international support to the efforts of LDCs to reduce poverty and achieve sustainable development. With only four years left, it is vital that the international community delivers on this commitment in a big way if the goals of the Programme are to be achieved,” Mr. Chowdhury said.

He expressed the hope that the decline in aid to LDCs from the European Union DAC countries observed between 2004 and 2005 would be quickly reversed. According to the OECD figures, aid to LDCs from DAC-EU countries declined by 2.4 percent from USD 15,001 million to USD 14, 635 million.

“Given the importance of European Union countries as development partners of the LDCs and their commitment to the Brussels Programme, we would hope that the decline was just a one-time occurrence, more so after the mid-term review,” he said.

For further information, please contact: Fred Kirungi, Advocacy and Outreach Officer, United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States. Tel: (917) 367-3431. Email: kirungi@un.org. Website: <http://www.un.org/ohrlls/>