



Statement

by

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introducing the report of the Secretary –General
on

*“Implementation of the Programme of Action for the Least
Developed Countries for the Decade 2001-2010”*

at the general segment
of the
2005 substantive session of ECOSOC
under agenda item 6 (b)

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Mr. President,

Distinguished delegates,

Let me begin, Mr. President, by saying how delighted I am to see you chairing this important segment of the Economic and Social Council. My Office and I will be happy to work under your guidance. I am also very pleased to see that a good number of National Focal Points from the 50 LDCs are participating at this session to benefit from its deliberations.

It is a pleasure for me to introduce the **third annual progress** report of the Secretary-General to the 2005 substantive session of ECOSOC on the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010. Bearing in mind that results-orientation is one of the key guiding considerations in the implementation of the Brussels Programme, an effort has been made to improve the results-orientation of the report. The Programme very appropriately stipulates that, *“The process of identifying, assessing and monitoring progress on processes and concrete outcomes will be a key aspect of the implementation of the Programme of Action and its success will be judged by its contribution to progress of LDCs towards achieving international development goals, as well as their graduation from the list of LDCs”*. The report focuses on positive achievements since, as the Programme underscores, *“only positive concrete processes and outcomes can sustain public confidence in the development partnership between LDCs and their development partners”*.

The report presents an assessment of the progress made by the LDCs and their development partners on 30 international development goals incorporated in the Brussels Programme while redeeming their mutual commitments under the Programme. Progress on both is reflected in the three-part results matrix that is being circulated as a conference room paper at this segment.

Mr. President, before I present the report, let me note some recent positive and encouraging developments that would specially benefit the LDCs. **First**, the significant increase in the ODA allocated to the LDCs as a group in 2004 showing a jump of 25 percent in real terms – 31 percent in nominal terms - from the previous year. Related commitment by the European Union to reach the 0.7 per cent ODA/GNI by 2015 with an interim target of 0.56 per cent by 2010 and to the doubling of ODA to Africa by 2010 would undoubtedly advance the achievement of the Brussels targets of 0.15 to 0.20 percent for the LDCs. Of course, the other development partners should make similar commitments. **Second**, the decision of the G-8 canceling external debt of 18 HIPC countries that include 13 LDCs, is a welcome initiative, that needs to be further expanded in terms of its scope and the number of LDCs. **Third**, the special attention of the G-8 Summit to the need for comprehensive market access to the products of LDCs and to the capacity development needs of the LDCs are particularly encouraging. This, I believe, is the first time that the G-8 has pronounced substantively on the LDCs. **Fourth**, the G-8 special focus on Africa would significantly benefit the LDCs as 34 of them belong to that

continent. **Fifth**, high attention accorded to the LDCs at the recent South Summit in Qatar and at the meeting of the High-Level South-South Committee of the UN has enormous potential of benefiting them. **Sixth**, the outcome of the High-Level Forum on Aid Effectiveness held recently in Paris has been also promising for the LDCs. While being encouraged by these, we should not forget for a moment that the development indicators in the 50 LDCs are so low that without vigorous, determined attention of the international community to them, the Millennium Development Goals as a whole will not be achieved globally.

Distinguished delegates, the report consists of four parts: an introduction, elaboration of implementation of the Brussels Programme, outline of activities of my office, the UN-OHRLLS, and a section on conclusions and recommendations. In addition, conclusions and recommendations are presented also at the end of each part dealing with seven commitments of the Brussels Programme in part II of the report.

Mr. President, the Brussels Programme of Action is a comprehensive poverty reduction strategy tailored to the special needs of the LDCs. All commitments, goals and targets of the Programme are interlinked, interdependent and mutually supportive. Achieving the objectives of the Programme requires full implementation of all mutual commitments made by the LDCs and their development partners in seven interlinked areas. Integrated approach, country ownership, genuine partnership, including with civil society and private sector, results orientation and market considerations are the key guiding considerations of the Brussels Programme and are indispensable for its implementation.

The principle of partnership is an integral component of the Brussels Programme. Although LDCs are primarily responsible for designing and implementing their development strategies, it is through genuine partnership, including with civil society and the private sector, generously supported by the international community, that significant gains will be made. However, it is important to note that most LDCs experience great difficulty in coping with the multitude of demands from various partners that have an impact on the opportunity and transaction costs. The United Nations system and international partners should strive for one nationally driven analytical process to set up the poverty reduction strategies and priorities, thus reducing the burden on LDC governments. In this context, the particular importance of the cross-cutting priorities of good governance at the national and international levels and gender mainstreaming need to be recognized and kept in focus.

The report of the Secretary-General records, on the basis of available data, various information with regard to the performance of the LDCs in reaching the goals and objectives of the Brussels Programme. Though the economic growth rate in LDCs has been quite fast, only one-fifth of them had reached the 7 per cent target envisaged in the Programme. 43 % of population of LDCs continues to live in extreme poverty - on less than a dollar a day. If current trends continue, the number of people living in extreme poverty in the LDCs will increase from 334 million people in 2000 to 471 million in 2015, the end year for the achievement of the Millennium Development Goals (MDGs). This demographic challenge becomes more daunting when we find that within next ten years the LDC population will rise by 200 millions more from the present 740 million.

This challenge has been further complicated by the overwhelming spread of the HIV/AIDS pandemic in many LDCs.

In addition to these, the international community needs to give special attention to the vulnerability of the LDCs due to conflict and geography. Of the 50 LDCs, 28 are geographically disadvantaged - 16 landlocked and 12 small islands. Half of LDCs are either in conflict or emerging from conflicts. 30 LDCs are either origin or home to refugees and IDPs.

The report of the Secretary-General identifies three major obstacles to implementation of the Brussels Programme: country ownership, lack of capacity (human, institutional, technical) and of financial resources (domestic and external). To address these effectively, the report recommends all LDCs governments, in partnership with civil society and the private sector and with assistance from the UN Resident Coordinators, to develop national development strategies that clearly articulate their priorities and are bold enough to make progress in achieving the goals and objectives of the Brussels Programme by 2010. It calls upon donor countries to fully align their assistance to the LDCs national development strategies and fulfill their commitments under the Brussels Programme, in particular on ODA, debt relief, and trade. The report also recommends LDCs development partners to integrate the Brussels Programme in their development policies and programmes, including in their monitoring and reporting. Furthermore, it recommends that all UN reports should include LDCs in the analysis of global economic and social development trends to ensure monitoring of the LDCs development in a broader context, prevent their further marginalization and integrate them beneficially in the world economy.

As we prepare for this September's World Summit and next year's comprehensive mid-term review of the Brussels Programme, we should not forget that the human spirit of the people living in the Least Developed Countries is that of irrepressible resilience. They have to cope with so many adversities and obstacles. The development process of LDCs is not only about increasing GDP but also about building capacity, both human and institutional, involving them in decision making, and opening up opportunities for the people to improve the conditions of their lives. Therefore, it is crucial that development partners pay particular, substantive attention to these 50 LDCs who deserve it most by any measure. That would enable the people of the LDCs to seize the opportunities offered by the Brussels Programme and to become not just the beneficiaries of change, but also its agents.
