

**Statement by H.E. Chief Arthur C.I. Mbanefo, MFR Ambassador/Permanent Representative of Nigeria to the United Nations and Chairman of the Group of 77 to the Bureau of the Intergovernmental Preparatory Committee for the Third United Nations Conference for the Least Developed Countries (LDC-III)**

**New York, July 24, 2000**

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Mr. Chairman,

Allow me, on behalf of the Group of 77 and China, to extend to you and your Bureau our sincere congratulations. We have total confidence that you will bring to this process the diversity and collective vision that will enable you to steer the Intergovernmental Preparatory Committee for the Third United Nations Conference for the Least Developed Countries (LDC-III) as well as the Conference itself next year to a very successful and fruitful conclusion.

The Group of 77 and China would like to assure you of our total and unequivocal support in your endeavours to forge a global compact for 48 of the poorest and most marginalized countries in the world economy today. This we undertake as a matter of duty, solidarity and enlightened self-interest. As a group of developing countries, we are the first line of defense in the cause of the LDCs and will make whatever modest contribution we can towards their economic progress.

Mr. Chairman,

The launching of the first Intergovernmental Preparatory Committee meeting at the United Nations headquarters here in New York and the hosting of the Conference itself by the European Union in Brussels in 2001 is to us both symbolic and profound. The Third United Nations Conference on the Least Developed Countries is a United Nations Conference and as such an undertaking of the entire international community. This also means that it is a United Nations system-wide effort that brings together in its conceptualization, follow-up and implementation of all the organizations and bodies of the United Nations system, and the World Trade Organization. Lastly, it embodies the historical partnership between this group of countries and the international community without which the achievement of their development aspirations would continue to be the mirage it is today.

Mr. Chairman,

The conclusion in one of the reports before us that; "Whilst the 1980s were dubbed the 'lost decade' for developing countries in general and for the LDCs in particular, the 1990s have become, for LDCs, the decade of increasing marginalization, inequality, poverty and social exclusion," should disturb our collective conscience. This is more so at a time when fundamental changes in the global economy, as a result of globalization and interdependence, liberalization and the rapid advances in science and technology have engendered colossal increases in prosperity in developed, and indeed in a few developing countries. That LDCs, which constitute 10% of world population only account for 0.4% and 0.6% of world imports and exports; that they will not, at the present rate of Gross Domestic Product growth, be able to cut poverty by half by the year 2015, is morally unacceptable and should compel us to resolutely support their aspiration to get out of this appalling situation.

Mr. Chairman,

The adoption of the substantial new Programme of Action for LDCs in Paris in 1981 was both an act of duty and opportunity by the international community. The LDCs, with a population of 614 million and abundant

resources represent a huge economic potential that the entire international community stands to benefit from if fully harnessed. Regrettably, the conclusion of the report of the Secretary-General on this score is no less somber. An assessment of the progress in the implementation of the Programme of Action undertaken during its mid-term review in 1995 noted with great concern, that despite vigorous efforts by LDCs to implement the economic reforms, LDCs as a group had not been able to meet any of its goals. Here again, the Group of 77 and China finds the question posed in the report of the Secretary-General of UNCTAD, regarding whether the poor performance of LDCs resulted from the inadequacies in the implementation of the programme of action or from inadequacies in the elements of the programme itself to be very pertinent and deserving of careful analysis.

Mr. Chairman,

The Group of 77 and China believe that a new Programme of Action for the LDCs for the first decade of the new century is an imperative. We believe that such a plan should be flexible enough to adapt to future changes in the global economic scene and simultaneously take into consideration the plethora of changes that have taken place in the LDCs themselves, including:

- The reality of globalization, interdependence and liberalization, ushered in, among others, by the Uruguay Round Agreements, with their dichotomous impact that on the one hand has led to accelerating economic progress for some group of countries and on the other the continuing marginalization of LDCs.
- The rapid advances in science and technology, especially in information and communication technologies and biotechnology, achievements that should be capitalized upon to leapfrog the LDCs, in partnerships involving governments, the private sector, civil society and all other stakeholders, into more rapid economic growth and development.
- The outcome of the major international conferences and summits that started in the 1990s; on human rights, the right of the child, the environment, population and development, social development, women, habitat, and trade. These outcomes now constitute the pillars of contemporary development thinking and the mutual commitments for their implementation as a compact between developing countries and their development partners. They also highlight the priority that should be accorded to LDCs in the follow up and implementation process and should therefore be in-built into any new Programme of Action for the LDCs.
- The social and political developments in the LDCs themselves, especially the political and civil strives, natural disasters and disease that have weakened the capacity of some of them to formulate and implement development strategies and policies, and
- Their disappointing overall socio-economic performance, in spite of the bold and far-reaching economic and political reforms that they continue to implement.

In sum, this process needs to come up with a concrete and practical plan of action with clear and measurable targets and implementation timeframes, taking due account of the positive elements in the Programme of Action for the 1990s and redressing the shortcomings that had undermined its implementation.

Mr. Chairman,

The development problems of the LDCs is well known to all of us and are captured in precise terms in the reports before us. They range, among others, from the structural and supply-side weaknesses that underlie the poor productive capacities and competitiveness of LDCs, the insufficiently developed human resources, the shortcomings in production relations and technological capabilities and the deficiencies in physical infrastructure and other support services such as financial intermediation, marketing, telecommunications and the legal and institutional frameworks. It is also clear that surmounting these obstacles in the way of economic turn around in the LDCs has thus far proven to be beyond their own resource possibilities. For

these reasons, the new Programme of Action should, as in the past, agree on concrete international support measures that are necessary to jump-start these economies.

Mr. Chairman,

Those measures, which were also contained in the Programme of Action for the 1990s, merit serious consideration in the unfolding process. Suffice it to highlight just a few of them: First of all official development assistance will continue to play a key role in the financing of the development of the LDCs. The Group of 77 and China would therefore emphasize the need to fulfill the internationally agreed ODA to the LDCs. In this regard, it is regrettable that only four developed countries have thus far reached or surpassed this target and that overall, ODA to this group of countries declined by a phenomenal 23% since the beginning of the 1990s. It is also necessary to ensure the quality of ODA and to target it into areas that will make a real difference in the livelihoods of people and leverage enhanced growth and development.

In the area of market access, we will continue to support the call for quota-free and duty-free access for all exports to LDCs. In addition LDCs should be accorded financial and technical support to help them in their efforts to overcome supply-side constraints that make it difficult for them to produce efficiently and compete in the international market place.

With regard to the external indebtedness of LDCs, it is a matter of concern that it continues to be an inordinate claim on the meager budgetary resources for the development of LDCs. While we recognize that the HIPC initiative constitutes a positive contribution towards addressing this issue, and that the improvement on the scheme that were announced last year in Cologne and Washington were steps in the right direction, a lot of more needs to be done as long as the LDCs are not yet on the path to sustained and sustainable economic development. These include ensuring that HIPC is fully funded and more easily accessible and that further work is done on the whole issue of the sustainability of LDC debts.

Deliberate efforts are also necessary to leverage foreign direct investment flows to LDCs. This should involve well thought out cooperative and innovative arrangements enjoining governments, the public and the private sectors.

Let me say a word on the institutional mechanism for the follow up and implementation of the Programme of Action. One of the problems identified in the implementation of the Programme of Action for the LDCs for the 1990s was the tenuous linkage between the global programme of action and the priorities and commitments thereto to the development planning and cooperation arrangements at the country level. As a result of this, the policy dialogue and resource mobilization activities undertaken in the relevant development cooperation framework in the LDCs had no explicit linkage to the Programme of Action, which is actually its basis. We are satisfied with the proposal to remedy this weakness by putting in place country programmes of action in each LDC. We believe that the innovations that were brought to bear on the preparations leading to this first Preparatory Committee meeting, by organizing three expert meetings at the regional level, two interagency and consultative group meetings and by preparing country reports are steps that will not only promote awareness of the Programme of Action for the LDCs but will actually ensure its full and effective implementation. UNCTAD, as the focal point for activities in the follow-up, monitoring and implementation, must ensure that the new Programme of Action is a living document that links activities in support of the sustained and sustainable development of the LDCs from the global to the country levels as well as among the organizations and bodies of the United Nations system.

Mr. Chairman,

You will note that all that I have stated above, on behalf of the Group of 77 and China, are not entirely new. The success of the Programme of Action for the LDCs always depended on the efforts of the LDCs

themselves and the extent to which the international community mobilized resources in their support. This support, as I stated at the outset, was most times too little and late and therefore failed to match the needs and the urgency of the situation. We are back on the drawing board because we failed the weakest countries in the global economy. Today there are 48 LDCs where we had 42 only a decade ago We stand seriously challenged and should demonstrate the political will to do better.

I thank you.