



Open Forum for Partnership

Lectures, debates and presentations on the development challenges of the
most vulnerable groups of countries
2012

Introduction

Soon after the creation of the United Nations Office of the High Representative in early 2002, the Open Forum for Partnership was launched as a platform for entities of the United Nations system, policy makers, academia and development practitioners, often located outside New York, to share their perspectives on development challenges that face the three most vulnerable groups of countries: the Least Developed Countries (LDCs), the Landlocked Developing Countries (LLDCs) and the Small Island Developing States (SIDS). In this setting, development partners have had the opportunity to share experiences and information on their work in support of these groups of countries.

The Open Forum sessions have proven to be very insightful and worthwhile activities, attracting the wide participation of representatives from the Permanent Missions to the United Nations, various United Nations organisations, the United Nations secretariat staff, non-governmental organisations and the private sector.

The lively interactions between different development actors at these sessions have provided a fresh look at the challenges facing the most vulnerable countries, and the obstacles confronting the international community as it engages with the developing world.

A recurrent theme at the Open Forum sessions - which have tackled current topics ranging from poverty, economic growth and structural change to the Rio+20 follow up and pmd pmdi

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1. Economic Growth and Structural Change: Priorities for the Least Developed Countries

UN-OHRLLS organized an academic roundtable on 9 March 2012 at the Faculty House of Columbia University in New York City. It was jointly sponsored by the Office, the World Bank, Development Research Group, International Trade and Integration Unit and Columbia University, Asia Pacific Economic Cooperation (APEC) Study Centre and School of International and Public Affairs (SIPA). Approximately 100 participants from permanent missions to the United Nations, academia, civil society, the private sector and media attended the event.

The United Nations High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, Mr. Cheick Sidi Diarra, in his introductory remarks highlighted the importance of the Istanbul Programme of Action for the least developed countries (LDCs) for the next Decade, which was adopted by the international community in 2011 in Turkey. The 10-year action-plan constitutes a renewed partnership on favour of LDCs and seeks to address the structural handicaps of the LDCs in a bid to eradicate chronic poverty and improve livelihoods. Governments agreed in Istanbul that bolstering productive capacity remained key to the economic transformation of the LDCs. Mr. Diarra highlighted that despite progress with respect to growth and achieving some of the United Nations Millennium Development Goals (MDGs)

comparative advantage, as well as robust domestic resource mobilization [and, not or] productive foreign capital, democratic consolidation [and, not or] economic prosperity.

Dr. Aaditya Mattoo, Research Manager at the World Bank, stated that changing patterns of international integration offer new opportunities for LDCs. He further explained that the nature of trade is changing and becoming more fragmented. Recent research shows that many firms enter exporting but then drop out. He also stressed that designing policy in a changing world creates new challenges. Thus the need to reduce transaction costs by building improved infrastructure and improve the business environment are becoming ever more important. Dr. Mattoo stressed the crucial role of improved regulation, which reduces monopolistic power, in this context. With respect to changes required in the international trading system he highlighted the importance of multilateral agreements, the need to increase Duty-Free Quota-Free (DFQF) market access, going beyond the 97% of tariff lines as well as a reduction in non-tariff barriers. He also called for restraint with respect to introducing export restrictions as has happened following the recent price surges for several agricultural products as well as continuing reform of rules for trade in services. Finally Dr. Mattoo stressed the need for better evaluation of projects that are targeting supply side constraints. This is of special importance with respect to increasing resources for Aid for Trade as agreed in the IPoA.

During the discussion Dr. Léautier stressed the role of Diaspora networks for the ICT sector and the pharmaceutical industry in India. Dr. Ndikumana provided an example of fiscal policy in Uganda, which is discussed in an open and transparent process with all stakeholders. Dr. Mattoo explained that with respect to education, new concepts are needed. He gave the example of Mozambique, which introduced new paramedics for basic health services, which are both more affordable and also much less likely to leave the rural areas or emigrate as demand for them elsewhere is limited.

Dr. Lin stressed that trade in services still needs to follow the comparative advantage of a country. In his view it provides new opportunities but the development of the services sector will not be sufficient. To generate sufficient employment development of the manufacturing is also needed.

The conclusions of the meeting proposed a shift in strategy and the way of thinking, starting from what is available and proceeding step by step to achieve ambitious and at the same time realistic goals.

2. Monitoring of the implementation of the Istanbul Programme of Action to strengthen mutual accountability in Least Developed Countries

This event was jointly organised by the Permanent Mission of Turkey to the United Nations and the United Nations Office of the High Representative for LDCs, LLDCs and SIDS (UN-OHRLLS) and took place on Thursday, 5 July 2012, as a side event to the 3rd Development Cooperation Forum. Approximately 50 participants including government representatives, civil society and the UN system attended the event.

Mr. Cheick Sidi Diarra, Under-Secretary-General and High Representative for LDCs, LLDCs and SIDS in his introductory remarks reiterated that the Istanbul Programme of Action (IPoA) states that monitoring and follow-up should not focus only on goals and targets, but also on actions, in order to strengthen the principle of mutual accountability. He also highlighted that in preparation for the 2012 DCF evidence was provided that mutual accountability improved the quality of national development strategies, results frameworks, and public financial management systems. Likewise, it increased the degree to which providers align their cooperation with national strategies and systems. Thus, mutual accountability has increased

During the interactive discussion the question was raised how the IPoA could get more prominence given that in the past the LDC issues were overshadowed by MDG and PRSPs, and now the focus of the international attention is shifting towards Sustainable Development Goals (SDGs). The importance of having LDCs and their priorities fully included in other international processes was stressed in this context. It was also

make a real difference for the LDCs. The priorities of the IPoA are set by the LDCs and include productive capacity development, infrastructure, energy, science and technology, private sector development as well as agriculture and food security. She mentioned that Finland would provide the LDCs with technical and financial support to promote a green economy and technology transfer to improve their productive capacity. Mrs. Sipiläinen emphasized that LDCs were important partners of Finland and would be increasingly so in the future. Currently, five out of the seven most important partners of Finland are LDCs. She recalled that in Istanbul, heads of states agreed on an ambitious goal of half of the LDCs reaching the criteria for graduation by 2020 and stated that in order to achieve this goal, governments, the private sector, the UN and other multilateral organizations all had to cooperate.

Mrs. Sipiläinen underlined the significance of increasing the number of donors from the group of newly industrialized countries. She explained that in the LDCs there had been a significant increase in the support to rural development. She added that LDCs were well-positioned in terms of their rich natural resources which could contribute to sustainable growth. Sustainable development should synergize economic and social development and environmental protection, identify new green growth opportunities, and create incentives for investments. At the same time it gives adequate investment protection, and manages sustainably the natural resource base as an integral part of poverty eradication strategies. Mrs. Sipiläinen concluded her presentation by mentioning that thousands of private sector representatives had been present at the Rio+20 conference and underlined the significance of their involvement in reaching sustainable development. In addition, she emphasized that financing should come from a number of different sources, public, private and innovative sources. The Under-Secretary of State explained that there were some cases where the actions related to capacity building in LDCs of the donors and the multilateral organizations were not satisfactory, thus it was important to take into consideration each country's priorities and concerns.

Mr. Cheick Sidi Diarra started his presentation by stating that the LDCs have a low-carbon profile and rich natural capital that were conducive to sustained economic growth. A green economy could enable them to be competitive in emerging economic sectors. He suggested that LDCs' early stage of industrialization made it

sustainable development. Mr. Diarra addressed the question by mentioning that the Asian LDCs had the chance of benefitting from regional cooperation with neighbors that had a rather high GDP growth such as China and India. The USG added that the Asian regional power link could supply hydropower surplus to Lao's PDR. Moreover, he stated that the country had a stable production of rice and investment inflows in the manufacturing sector, and these factors combined could serve as the basis of economic development of Lao's DPR. Mr. Hanif added that an increasing number of major investors had been engaged in renewable energies compared to twenty years ago.

A representative of the World Bank requested further elaboration from the panelists on the issue of valuation of natural resources. Mr. Hanif recognized that accurate valuation of the natural resources was a critical challenge of the mineral-rich LDCs, and that improved data

4. The LDC agenda in a post Rio+20 perspective: How Rio+20 follow-up could help advance the implementation of the Istanbul Program of Action?

Co-chairs:

H.E. Mr. Narayan Kaji Shrestha 'Prakash', Deputy Prime Minister of Nepal

H.E. Mr. Ahmet Davuto lu, Minister of Foreign Affairs of Turkey

H.E. Mr. Paul Magnette, Minister of Development Cooperation of Belgium

Moderator:

Mr. Gyan Chandra Acharya, USG and High Representative for LDCs, LLDCs and SIDS

Panellists:

Mr. Andris Piebalgs, EU Commissioner for Development

Mrs. Rebeca Grynspan, USG and UNDP Associate Administrator

Mr. Otaviano Canuto, Vice-President, PREM, World Bank

The Forum was organized with a view to promoting the LDC agenda and implementing the Istanbul Programme of Action (IPoA) in a post-Rio+20 context. It took place in the sidelines of the 67th session of the General Assembly on Wednesday 26 September 2012. The objective of the event was threefold: to highlight some of the similarities between the Rio+20 Outcome Document, “The Future We Want”, and the IPoA, to recognize some of the constraints LDCs face in pursuing both sustainable development and the IPoA, and finally, to identify measures, initiatives and mechanisms that could enable the two documents, “the future we want” and the IPoA, to be mutually supportive.

The event was co-chaired by Nepal, Belgium and Turkey, and moderated by the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (OHRLLS). It was attended by high-level representatives from LDCs and their development partners, including UN system organizations. Welcoming remarks were made by Mr. Narayan Kaji Shrestha 'Prakash', Deputy Prime Minister of Nepal, Mr. Ahmet Davuto lu, Minister of Foreign Affairs of Turkey, and Mr. Paul Magnette, Minister of Development Cooperation of Belgium, in which achievements of their respective countries with regards to support for LDCs were outlined, and renewed political commitment to LDCs was expressed. Mr. Gyan Chandra Acharya, USG and High Representative for LDCs, LLDCs and SIDS, delivered a speech in which he addressed some of the unique challenges that LDCs face in the context of the sustainable development aspirations outlined at the Rio+20 Conference. He particularly emphasized that Rio+20 outcome has called for effective implementation of IPoA

and integrated its priority areas in it. He stressed that Rio+20 has placed poverty alleviation as the greatest challenge and an indispensable requirement for sustainable development. Further highlighting the opportunity for LDCs to follow green growth path, he called for stronger support for an integrated approach to sustainable development. Following this were comments by the panellists Mr. Andris Piebalgs, EU Commissioner for Development, Mrs. Rebeca Grynspan, USG and UNDP Associate Administrator, and Otaviano Ca

