

FOR IMMEDIATE RELEASE:
THEMATIC HIGH-LEVEL EVENT ON ECONOMIC TRANSFORMATION OF LEAST DEVELOPED COUNTRIES TO BE HELD IN ANTALYA, 28 MAY 2016

20 May 2016 -- GENEVA, AMSTERDAM – The United Nations Conference on Trade and Development (UNCTAD) and the Common Fund for Commodities (CFC) will hold a joint high-level event on "Fostering structural economic progress toward graduation from LDC status". The event is organized in collaboration with UN Office of High Representative for Least Developed and Landlocked Countries (UN OHRLLS) and the UN Capital Development Fund (UN CDF) during the High-Level Mid-term Review of the Istanbul Programme of Action¹ for the Least Developed Countries to be held in Antalya, Turkey from 27-29 May 2016.

The Mid-term Review is being undertaken pursuant to paragraph 157 of the IPoA, inviting the General Assembly to conduct a comprehensive high-level Mid-term Review of progress in the implementation of priorities and actions contained therein. Accordingly, the review in Antalya will take stock of progress achieved thus far and charts the way for further and improved implementation of the IPoA between now and 2020.

The group of Least Developed Countries (LDCs) had been identified by the UN General Assembly in 1971 to provide a special focus on the needs of the most poor and vulnerable countries. The consensus international action on LDCs focuses on their "graduation" from the LDC category. Fostering productive capacities and structural economic transformation is a key prerequisite for overcoming economic vulnerabilities and achieving graduation of LDCs.

The Istanbul Programme of Action (IPoA), agreed in 2011, envisions special International Support Mechanisms in favour of LDCs. The joint high-level event will discuss practical steps in gearing these mechanisms towards enhancing productive capacities and promoting structural economic transformation in LDCs.

The trend in meeting the graduation criteria has been encouraging. One LDC graduated in 2014 and three LDCs have been earmarked for graduation while seven LDCs have been found pre-eligible for graduation. The average LDC growth rate of 5% in 2011-2014 has been a major contributing factor. However, this is well below the expectation and shy of the ambition that at least 24 LDCs would meet the criteria by 2020. The event will discuss further measures and support mechanisms to foster graduation.

Furthermore, graduation from LDC status must be accompanied by transformative growth, leading to sustained progress towards higher productivity. Working towards graduation that is sustainable in this way will enable LDCs to reduce poverty and promote long-term growth that is broad-based and inclusive.

Commodity dependence is a particular source of vulnerability widespread among LDCs. An LDC that meets the graduation criteria, may remain exposed to commodity price volatility and steep price falls. As seen recently, this can result in instability and loss of years of development efforts. A more holistic approach that incorporates a development perspective and that takes into account the role and functions of commodities in economic growth and poverty reduction is required.

¹ The Istanbul Programme of Action (IPoA) for the Least Developed Countries for the Decade 2011-2020 was adopted by the Fourth UN Conference on the Least Developed Countries held in Istanbul, Turkey, in May 2011. The IPoA consists of eight priority areas: i) productive capacity; ii), agriculture, food security and rural development; iii), trade, iv) commodities,; (v) human and social development; (vi), multiple crises and other emerging challenges, (vii) mobilizing financial resources for development and capacity- building, and (viii) good governance at all levels.

In this context, UNCTAD and the Common Fund for Commodities will discuss how to enhance the effectiveness of their joint efforts to address the challenges posed by commodity dependence. The subjects include research, technical cooperation and capacity building aimed at commodity diversification, value addition and retention as well as through better management of commodity market information.

ABOUT UNCTAD

UNCTAD, which was established in 1964 is governed by its 194 member States, is the United Nations body responsible for dealing with development issues, particularly international trade – the main driver of development. Reflection on development is at the heart of UNCTAD's work. It's ahead- of- the curve research and policy analysis produces alternative and -innovative approaches to trade and development challenges facing developing countries that form the basis for recommendations to policymakers. The aim is to help them make informed decisions and promote the macroeconomic policies best suited to ending global economic inequalities and to generating people-centered sustainable development. UNCTAD also undertakes technical cooperation and capacity building activities, and it is an intergovernmental forum where representatives of all countries can freely engage in dialogue and discuss ways to establish a better balance in the global economy.

<http://unctad.org>

ABOUT THE COMMON FUND FOR COMMODITIES

The Common Fund for Commodities is an intergovernmental financial institution established within the framework of the United Nations. The Fund operates under the novel approach of commodity focus instead of the traditional country focus. Member countries benefit from projects financed by the Fund, whose basic rationale is take advantage of commodity endowment to foster wider economic growth and to contribute to the development of the society as a whole. The Fund finances projects for smallholder farmers, as well as small and medium-sized enterprises involved in commodity production, processing and trade in developing and least developed countries.

<http://www.common-fund.org>