A world without LDCs: toward a better framework to support structural transformation and graduation from Least Developed Country status

19 July 2016, 11:30-13:00
Kenyatta International Conference Centre, Nairobi
Room: Tsavo 3

DESCRIPTION

The Least Developed Countries (LDCs) category is very heterogeneous, and the pattern of economic progress or non-progress among LDCs is a mosaic of performances. Ten of the 14 LDCs that are confirmed or potential graduation cases demonstrate little or no sign of structural economic transformation. They commonly face severe physical disadvantages (land-locked or small island LDCs), or are still to achieve poverty reduction in a significant manner. Only 4 of the 14 future graduates (four Asian LDCs), through their success in diversifying economically, match the transformational model. In short, most upcoming graduation cases over the next decade are atypical, showing signs of economic and social progress, yet faced with major structural challenges the United Nations is bound to attend to.

Structural transformation implies enriching the structure of the economy, toward higher levels, and a wider spectrum, of value addition. This requires a range of targeted policies, notably in the key areas of investment, trade, technology and innovation capacities. Specializing smartly is the crux of the development agenda of most LDCs (see UNCTAD Toolbox for LDCs). An important question therefore is whether the United Nations system is equipped to significantly support LDCs, regardless of their distance to graduation borders, in their quest for structural economic change. UNCTAD takes the view that the UN system has this capacity, and that a better international framework to harness structural transformation and graduation from LDC status is an achievable common goal.

The dual objective of this round table is: (i) to give a number of LDC leaders an opportunity to share their views on desirable support to transformational efforts in their countries; and (ii) to invite international institutions to explain their support to LDCs along the same lines, with a particular focus on the way their action and the action of UNCTAD complement one another.
KEY ISSUES

The following questions will be central to the panel discussion and ensuing debate:

- What can be done to help an LDC economy specialize smartly toward higher levels, and a wider spectrum, of value addition?
- What are the most advisable policy options for LDCs that seek to enhance their productive capacities in commodity-related activities despite the context of international price volatility?
- What forms of technical assistance can effectively support the quest for structural progress toward graduation from LDC status, notably in the areas of investment policy, trade policy, and promotion of innovation capacities?
- Can innovative financing solutions, particularly in support of local development efforts, help build productive capacities in LDCs and increase their chances of progress toward graduation from LDC status?
- What can be done to help countries achieve a smooth transition to post-LDC life and further structural economic progress after graduation?

PARTICIPANTS

Opening remarks: Dr. Mukhisa Kituyi, Secretary-General of UNCTAD
Chair and moderator: Cheick Sidi Diarra, Former Under-Secretary-General of the United Nations

Panelists:
Hon. Vincent Seretse, Minister of Investment, Trade and Industry, Botswana
H.E. Roy Mickey Joy, Ambassador of Vanuatu to the European Union
Mr. David Jackson, Director, Local Development Finance, United Nations Capital Development Fund
Mr. Ratnakar Adhikari, Executive Director, Enhanced Integrated Framework of Trade-related Technical Assistance to the Least Developed Countries
Mr. Oumar Diallo, Special Assistant to the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States
Mr. Andrey Kuleshov, Strategy and Development Advisor, Common Fund for Commodities
Professor Mehdi Abbas, Université de Grenoble (France)
Cheikh Tidiane Dieye, Executive Director, Centre Africain pour le Commerce, l’Intégration et le Développement, Dakar (Senegal)

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