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UNITED NATIONS
ECONOMIC COMMISSION FOR AFRICA

MISSION REPORT ON THE SEVENTH SESSION OF
THE INTERGOVERNMENTAL GROUP OF
LEAST DEVELOPED COUNTRIES
("PREPARATORY COMMITTEE" FOR
THE SECOND UNITED NATIONS
CONFERENCE ON LDCs)

(Geneva, 26 March - 6 April 1990)

By

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A. Introduction

1. The Seventh Session of the Intergovernmental Group on Least Developed Countries ("Preparatory Committee" for the Second United Nations Conference on Least Developed Countries) was convened by UNCTAD from 26 March to 6 April 1990 at the Palais des Nations in Geneva. The meeting was convened in pursuance of General Assembly Resolution 42/177 of 11 December 1987, as the second stage of the preparatory process leading to the Second United Nations Conference on LDCs scheduled to be held in Paris, 3-14 September 1990 (to be preceded by two days of Senior Officials Consultations, 30-31 August 1990).

2. The mandate of the Preparatory Committee as reflected in General Assembly Resolution 42/177 are :

- (i) substantive preparation for the Conference on the basis of the report of the meeting of Governmental Experts of Donor Countries and Multilateral and Bilateral and Technical Assistance Institutions with representatives of Least Developed Countries, and of all other relevant inputs;
- (ii) to prepare a Draft text of national and international policies and measures for accelerating the development process in the Least Developed Countries in the 1990s.

B. Attendance and Organization

3. The meeting was attended by high level officials of donor countries and representations of Least Developed Countries (LDCs), multilateral financial and technical assistance institutions including those of the United Nations system; inter-governmental and non-governmental organizations as well as institutional

observers. ECA was represented by Mr. John M. Foday, Economic Affairs Officer, LDCs Section of the Socio-Economic Research and Planning Division (Provisional List of Participants is attached).

4. The meeting elected the following officers :

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|------------------------|---|
| - Chairman | - H.E. Mr John A Sankey,
Ambassador,
(United Kingdom) |
| - First Vice-Chairman | - Mr. Mark Bailey,
Counsellor,
(Canada) |
| - Second Vice-Chairman | - H.E. Mr Awad Mohamed El
Hassan, Ambassador,
(Sudan) |
| - Rapporteur | - Mr. Vladmir Pankov, First
Secretary
(U.S.S.R) |

5. The pattern of work of the Preparatory Committee was conducted in the following manner :

- Plenary : General statements and consideration of the submissions of the working groups)
- Working Group I : Macro-economic policy issues and structural adjustment including development finance, external debt, and aid modalities and effectiveness.
- Working Group II : Consideration of Sectoral issues (mobilization and development of human resources, improvement of institutional capabilities, the role of private and public enterprises; the role and participation of women in the development process, etc.)

C. Proceedings

6. The proceedings of the meeting was based on two major issue papers :

- (i) Elements of a programme of action for the 1990s for the Least Developed Countries - A/CONF.147/PC/5 (A note prepared by the UNCTAD Secretariat), and other relevant inputs;
- (ii) Declaration by the Ministers of Least Developed Countries - A/CONF.147/PC/6¹ ;
- (iii) LDCs "Country Presentations", proposals of donor countries ² and contributions of UN agencies and organizations.

7. In the course of the seventh session, the intergovernmental group on LDCs (Preparatory Committee) held seven plenary sessions. The following reports enumerated below, give a detailed account of

¹ Prior to meeting of the Preparatory Committee, a meeting at ministerial level was convened in Dhaka (Bangladesh), 10-12 February 1990, by the Government of Bangladesh (as coordinator of the LDCs) in collaboration with UNCTAD. Twenty-one African LDCs participated at the Dhaka meeting, with eleven delegations headed by a Minister. That meeting adopted a common LDCs position which was reflected in the Declaration.

² For instance, the Government of France submitted a set of "Proposals to assist the Least Developed Countries" A/CONF.147/PC/7.

the proceedings of the plenary meetings and the outcome of the two working groups referred to in paragraph (5) above, viz;

- Draft report of the intergovernmental group on the least developed countries on its seventh session - A/CONF.147/PC/C.2/Add.1 - Add.4 (attached);
- Programme of Action for the least developed countries : Text submitted by the chairman of Working Group I - A/CONF.147/PC/C.6 (attached).
- Programme of Action for the least developed countries : Text submitted by the chairman of Working Group II - A/CONF.147/PC/C.7 (attached).

8. At the closure of the Seventh Session, the intergovernmental group adopted a draft text of a programme of action which comprised of the texts formulated by Working Groups I and II as amended by the Preparatory Committee. The text is entitled :

- Programme of Action for the Least Developed Countries for the 1990s: Draft text formulated by the Preparatory Committee for the Second United Nations Conference on Least Developed Countries (attached).

D. An Assessment of the Draft Text

9. The Draft Text of the programme of Action for the LDCs in the 1990s is at best a compromise text which left a number of very important issues unresolved. These are, inter alia, the design of macro-economic policy framework and conditions for financial support for structural adjustment programme; external debt and international debt strategies; commodity issues, in particular access to industrial markets and compensatory financing for export short falls, and Official Development Assistance (ODA) - the issue of target and volume. A comprehensive assessment of these issues and their implications on Economic Management in African LDCs was

prepared by the author of this report and submitted to the Tenth Meeting of the Conference of Ministers of African LDCs, which was held in Tripoli (Libya), 14-15 May 1990. It is document E/ECA/LDCs.10/EXP.9/4 entitled : Substantive Preparation for the Second United Nations Conference on least Developed Countries : Draft Programme of Action for the LDCs in the 1990s (A note by the ECA Secretariat).

10. After an extensive debate on the Draft Text on the basis of ECA's assessment, the Conference of Ministers of African LDCs adopted a common position which is reflected in the : Statement by the Tenth Meeting of the Conference of Ministers of African Least Developed Countries on the Draft Programme of Action for the LDCs in the 1990s for the Second United Nations Conference on Least Developed Countries E/ECA/CM.16/35 - Annex I (attached).

E. Conclusion

11. The Second United Nations Conference on Least Developed Countries will be held in Paris (France) from 3 to 14 September 1990 to be preceded by Senior Officials Consultations on 30 and 31 August 1990. The mandate of the Conference as spelt out in General Assembly Resolution 42/177 is as follows:

- (i) to review progress at the country level thus far in decade;
- (ii) To review progress in international support measures and particularly in Official Development Assistance;
- (iii) In the light of (i) and (ii) above, to consider, formulate, and adopt appropriate national and international policies and measures for accelerating

the development process in the least developed countries during the 1990s in accordance with their long-term national social and economic objectives.

12. African LDCs, within the framework of the Commission's permanent regional coordinating machinery i.e. the Conference of Ministers of African LDCs, have been effectively involved in the preparatory process. They forged a common African LDCs position which is contained in the "Declaration by the Conference of Ministers of African Least Developed Countries ; Preparatory to the Second United Nations Conference on Least Developed Countries, adopted in April 1989. The Declaration was the negotiating instrument of the African LDCs at the Dhaka meeting of Ministers of Least Developed Countries and hence became an integral part of the overall common LDCs position as reflected in the Declaration by the Ministers of Least Developed Countries - A/CONF.147/PC/6. As was alluded to in paragraph 6(ii), the Dhaka Declaration was one of two major papers which formed the basis of the work of the "Preparatory Committee" that drafted the programme of action for the LDCs in the 1990s.

13. The draft programme provides an appropriate framework for the negotiations at the Second United Nations Conference on LDCs on economic development policies and issues. There are, however, other issues, essentially of a political nature, dealing with human rights, democratization, accountability and privatization which were raised at the Seventh Session of the UNCTAD/IGG and which may surface again at the Paris Conference. Donors are becoming less ambiguous about aid flows (or external assistance in general) being conditional on these issues in the 1990s. An LDCs delegation of Ministers from Bangladesh, Togo, Sudan and Somalia are currently visiting donor capitals to make the case for the LDCs on these issues as well as the main area of focus i.e. "Accelerated economic growth and self-sustained development". The success of the Paris

Conference will largely depend on the political will of the donor community to be flexible on this "linkage", while broadening their perspective from emphasis on conditionalities in order to make genuine efforts to devote resources for the eradication of poverty and underdevelopment in the LDCs.