



UN NEWS CENTRE

With breaking stories and
newswire products from



UN summit adopts 10-year plan to help lift developing countries out of poverty



Istanbul's Lufti Kirdar Convention Centre, host to the Fourth UN Conference on LDCs

13 May 2011 –

Participants at a United Nations summit today outlined a 10-year plan to support the world's most vulnerable countries overcome poverty, calling on the private sector to play a greater role in the fight, urging wealthy nations to step up their aid commitments and demanding the elimination of many trade barriers.

The Istanbul Programme of Action to spur development and economic growth was made public at the end of the [Fourth UN Conference on the Least Developed Countries \(LDCs\)](#) after five days of discussions in the Turkish city.

The summit focused on ways to harness the potential of the 48 countries – many of them in sub-Saharan Africa – classified as LDCs so that they can lift themselves out of poverty and develop economically.

Under the programme of action, affluent countries have committed to realizing the target of spending 0.15 per cent to 0.20 per cent of their national incomes on official development assistance (ODA). If implemented, this would represent a significant increase on current levels of aid.

The plan also calls for the abolition or reduction of arbitrary or unjustified trade barriers, and the opening up of markets in wealthier countries to products from poorer nations.

The agreement in Istanbul followed several months of negotiations, and a call at the opening of conference by [Secretary-General Ban Ki-moon](#) for a “comprehensive and ambitious Programme of Action for sustained economic growth” in the LDCs.

The programme of action emphasizes the strengthening of the productive capacity in LDCs – building infrastructure, enhancing human capital and governance capabilities. Economic reforms in many poor countries over the past decade have led to favourable business environments, and a boom in the prices of the primary commodities in the international markets have resulted in rates of growth that exceeded both worldwide and developing countries’ averages.

“The productive capacity is mainly the basic infrastructure that is required as a prerequisite for any foreign direct investment or even domestic investment,” said Cheick Sidi Diarra, the UN High Representative for the LDCs, Landlocked Developing Countries and Small Island Developing States, at a news conference.

It includes energy, innovation and technology transfer and investing in agricultural productivity to boost food security and employment in LDCs.

“The stress on productive capacity is favoured by LDCs as a means to modernize and diversify economies, create jobs and engage sustainable means to eventually eradicate poverty,” said Mr. Diarra.

The growth has, however, been uneven among LDCs, and the resultant dividends in terms of improved living standards have not been substantial or sustained, according to Jhala Nath Khanal, the Prime Minister of Nepal, which currently holds the LDC chair.

Mr. Diarra also noted the valuable role of the private sector in defeating poverty.

“Private sector orientation of the economy is of particular importance, but the private sector is not enough to bring wealth to the common men and women in the countries, particularly the LDCs. That’s why this plan of action comes up with a balanced role between what the State has to do and what the private sector has to do.”

Donor countries also committed to supporting programmes to improve the capacity of the youth through providing them with skills, jobs opportunities and health care. An estimated 70 per cent of LDCs’ population are people under the age of 30, Mr. Diarra said, adding they had an “untapped potential” to give impetus to their countries’ economic growth.

They made commitments to come up with special investment support regimes to encourage corporations in the developed world to invest in poorer countries. The incentives could include tax exemptions, assured market access and investment protection, Mr. Diarra said.

Developed countries also agreed to support national disaster reduction and mitigation programmes in LDCs, and to facilitate South-South transfer of “lessons learned” on disaster preparedness.

The conference also resolved to work out a smooth process from transitioning from the LDC category when countries attain the required social development benchmarks, saying States have in the past been reluctant to “graduate” for fear of losing the benefits associated with being a member.

The LDCs and their development partners committed to ensuring good governance, rule of law, human rights, gender equality and women’s empowerment and inclusive democratic principles.

The conference was attended by 7,000 participants, including government delegates, senior UN officials and representatives from other international agencies and non-governmental organizations (NGOs).

News Tracker: past stories on this issue

[UN opens forum on unlocking economic potential of world’s poorest countries](#)