



Post-2015 Sustainable Development Agenda:

Keeping LDCs At Centre Stage



**LDC
Watch**

**L'Observatoire
PMA**

LDC Watch

International Secretariat

P.O.Box: 8130, 288 Gairidhara Marg, Gairidhara, Kathmandu, Nepal

Tel: +977-1-4004976, 4004985,

Fax: +977-1-4004508, 4443494

Email: info@ldcwatch.org,

Website: www.ldcwatch.org



Least Developed Countries (LDCs): Countries with special needs and vulnerabilities

The category of LDCs was officially established by the United Nations (UN) General Assembly in 1971 as countries with special needs given their geographical and environmental impediments besides low income, weak human assets and economic vulnerability. Out of the 49 LDCs today – 34 in Sub-Saharan Africa, 1 in the Caribbean, 14 in the Asia-Pacific – 17 are landlocked developing countries (LLDCs), 10 are small island developing states (SIDS) and 20 are mountain countries which thus reflect their inherent structural vulnerabilities. In addition, most of the LDCs are characterised by conflict, post-conflict and politically unstable situations – out of the 17 g7+ group of fragile states, 14 are LDCs.

Recognising the special situations of LDCs, the UN has been mobilising special development attention to these countries in the last four decades. Special measures supporting LDCs were included in the International Development Strategy for the second UN Development Decade for the 1970s; the First UN Conference on the LDCs adopted the Substantial New Programme of Action for the 1980s in Paris in 1981; the Second UN Conference on the LDCs adopted the Programme of Action for the LDCs for the 1990s also in Paris in 1990; the Third UN Conference on the LDCs adopted the Brussels Programme of Action for the LDCs for the Decade 2001-2010 (BPoA) in Brussels in 2001 and the Fourth UN Conference on the LDCs (LDC-IV) adopted the current Istanbul Programme of Action for the LDCs for the Decade 2011-2020 (IPoA) in Istanbul in 2011. The overarching goal of the IPoA is to overcome the structural challenges faced by the LDCs in order to eradicate poverty; achieve the internationally agreed development goals (IADGs) with a special focus on the Millennium Development Goals (MDGs) and enable at least half of the LDCs to graduate from the LDC category by 2020.

However, in spite of the various UN Programmes of Action, the fact that the number of LDCs has more than doubled from 24 in 1971, simply questions the development co-operation strategies aimed at the LDCs. Certainly, the commodity-led, export-oriented development growth aggressively pursued in LDCs due to their export specialisation in agriculture, mineral, oil, manufacture and services has proven to be anti-development-friendly for the LDCs.

Adding to the woe is the international aid architecture and the overarching global governance led by ruthless financialisation and corporatisation which goes against the spirit and principle of development effectiveness. A fundamental shift from the dominant failed development models to an alternative pro-people, pro-planet development paradigm based on human rights, human dignity, justice and planetary boundaries, therefore, remains the key advocacy agenda of LDC Watch.

LDCs' development challenges: No MDGs without LDCs, No SDGs without LDCs!

Given their special development challenges, LDCs thus represent the poorest and most vulnerable peoples with a count of more than 880 million which is about 12% of the global population. 53% live in extreme poverty which is the highest globally; 260 million are under-nourished; around 64% have access to improved drinking water sources; only 36% use improved sanitation facility; average years of schooling is 3.7 years; under-five child deaths stand at 98 for every 1000 births; highest maternal mortality rates with 398 deaths per 100,000 births; 2.67% aged 15-49 is HIV affected; 79% lack access to electricity; 91% has no access to modern fuels and adequate shelter is still a major challenge in both rural and urban areas.

All of the 34 African LDCs are in Sub-Saharan Africa where 1 quarter of an estimated 7% of under-five children is overweight (another feature of malnutrition) while at the same time, it has the one of the highest underweight prevalence of 21% which numbers to 30 million children. As stated by the 2013 MDGs Report, Sub-Saharan Africa has more than half of the world's out-of-school children; 1 in 9 children die under five; highest maternal mortality ratio; only 25% contraceptive prevalence; highest birth rate among girls aged between 15 to 19; nearly 1 in every 20 adults infected accounting for 69% of the global HIV affected population and 93% of the 1.5 million pregnant women in need of anti-retroviral drugs. Hence, home to the largest number of LDCs, the Sub-Saharan African region is a persistent development emergency to the international community.

LDCs are further grappling with the rising climate change crisis exacerbated by their lack of effective adaptive capacity. LDC greenhouse gas emission per capita is constant at a negligible 0.2% but unjustifiably, they are at the worst receiving end of the climate change catastrophe. This fact is

further recognised by the 2012 triennial review of the criteria for identification and graduation of LDCs, which has added a new component “share of population living in low elevated coastal zones” under the third criterion of Economic Vulnerability Index. Increasing sea-level rise, desertification, glacial melting, ocean acidification, floods, land degradation, earthquakes, droughts, heat stress are likely to result in more loss and damage of life and livelihoods, thus producing more massive climate migrants. The number of people in LDCs affected by these extreme events has almost doubled, rising from 100 million during the period 1970-1979 to 193 million over the period 2000-2010.

Population growth projected to be nearly double over the next 40 years poses to aggravate the employment challenge in LDCs. The population of working age is expected to go higher by over 200 million from 2010 to 2025. Currently, LDC youth comprise over 60 per cent of the population with youth unemployment standing above 40 per cent. There is high incidence of working poor and vulnerable workers, predominantly women, as well as high ratio of youth-to-adult unemployment. In LDCs, people are mainly engaged in subsistence agriculture, fisheries and informal economic activities, which are characterised by low levels of productivity and earnings. An estimated less than one-tenth of the economically active population in LDCs has access to social protection, including a minimum level of income security and access to health care. The lack of social security coverage is closely associated with the prevalent informal employment in most LDCs.

The situation of debt crisis is also alarming with most of the LDCs spending more on debt-servicing than on basic rights. External debt increased from USD 158 billion in 2010 to USD 170 billion in 2011. 10 LDCs are in a situation of high debt distress and 10 at high risk of debt distress. On the other hand, the official development assistance (ODA) target of 0.15-0.20% to LDCs committed a decade ago in the BPoA and now reiterated in the IPoA by 2015 is a far cry. The 2012 MDG Gap Taskforce Report focusing on MDG 8 Target B which addresses the special needs of the LDCs, recommends full implementation of duty-free and quota-free (DFQF) market access for all exports along with simplified rules of origin; enhance the international architecture of debt restructuring and increase ODA to LDCs by at least USD 17 billion per year in order to meet the commitment by 2015.

Given such a grim reality, the LDCs thus remain a monumental challenge to the achievement and acceleration of the MDGs as well as an imperative development priority for the Post-2015 development agenda including the Sustainable Development Goals (SDGs). LDC Watch reiterates its campaign call: No MDGs without LDCs! And, we now supplement it with NO SDGs without LDCs!

Post-2015 sustainable development agenda: Keeping LDCs at centre stage

The ongoing Post-2015 development agenda (including the SDGs) process is still short of prioritising the special needs and challenges of the LDCs and its peoples. The MDGs, albeit minimal in scope, has a dedicated target pertaining to the LDCs under Goal 8: Develop a global partnership for devel-

Why Keeping LDCs at Centre Stage is a Development Imperative?

- LDCs are home to more than 880 million (12%) global population
- 53% live in extreme poverty
- 260 million are under-nourished
- 64% have access to improved drinking water sources
- 36% use improved sanitation facility
- Average years of schooling is 3.7 years
- Under-five child deaths stand at 98 for every 1000 births
- Highest maternal mortality rate with 398 deaths per 100,000 births
- 2.67% aged 15-49 is HIV affected
- 79% lack access to electricity
- 91% has no access to modern fuels
- Less than 1/10th of the population has access to social protection

opment. Conversely, the proposed new-generation goals in the report by the UN Secretary-General's High-Level Panel of Eminent Persons on the Post-2015 Development Agenda (HLP) dilute the due special development attention to the LDCs. A stand-alone goal targeting global development partnership for the LDCs is a non-negotiable along with a cross-cutting treatment with specific reference premised upon their special situations and vulnerabilities.

The alignment and harmonisation of the Post-2015 sustainable development agenda to the IPoA, Almaty Programme of Action and Mauritius Strategy – being specific UN development plans of action for the LDCs, LLDCs, SIDS respectively – is also key for their effective implementation, monitoring and policy coherence for development. In this regard, the mid-term review of the IPoA scheduled in 2015 and the Third International Conference on SIDS scheduled in 2014 as follow-up to the Mauritius Strategy are of high relevance.

Clearly, the voices of the poor, marginalised and vulnerable, are unanimously calling for a new-generation Post-2015 sustainable development agenda heralding a system change: an end to the neo-liberal paradigm of aggressive privatisation, corporatisation and financialisation that places profits before people and the planet. Reiterating the clarion call of LDC Watch advocacy; a fundamental shift to an alternative pro-people, pro-planet development paradigm based on human rights, human dignity, justice and planetary boundaries is a pre-requisite to achieving sustainable development in the real sense as opposed to mere rhetoric.

The bottom line being the LDCs and its peoples constitute the bottom billion. Keeping LDCs at the centre stage of the Post-2015 sustainable development agenda is, therefore, a development imperative if we are indeed envisioning poverty eradication and sustainable development for a life of dignity for all.

LDC Watch Statement to the Post-2015 High-Level Panel Report

Post-2015 High-Level Panel Report Marginalises the Least Developed Countries (LDCs)

The much awaited High-Level Panel (HLP) Report on the Post-2015 development agenda is deeply disappointing for LDC civil society. While setting the ending of extreme poverty as a core objective, and an aspiration to ensure every person achieves a basic standard of well-being, it ignores existing agreements that focus particularly on the world's poorest and most marginalised least developed countries.

The HLP Report ironically gives no "special attention" to the LDCs, as called for in previously agreed development efforts. It is even regressive in the spirit of global partnership, as the new Goal 12 *Create A Global Enabling Environment and Catalyze Long-Term Finance* proposed by the HLP only includes the already agreed aid target of 0.15-0.20% of GNP for LDCs, whereas the Millennium Development Goals (MDGs) carry specific targets on trade, aid and debt issues in relation to the LDCs in the eighth goal. It ignores and undermines trade justice and debt cancellation which are critical development issues of the LDCs and its peoples.

The 49 LDCs - 34 being in Sub-Saharan Africa - have been identified as such because they face acute development challenges resulting from persistent poverty and vulnerability and hence, marginalising the LDCs is a grave oversight in terms of the so-called *bold yet practical* post-2015 development agenda. More than 75 per cent of the nearly 900 million LDC populations live in poverty and the LDCs are the most off track in achieving the internationally agreed development goals (IADGs), including the MDGs. They consistently occupy the bottom rung of the Human Development Index (HDI) rankings. Geographical factors and environmental constraints are major contributors to their vulnerability. Out of the 49 LDCs, 17 are landlocked developing countries (LLDCs), 10 are small island developing states (SIDS) and 20 are mountainous countries. Most of the LDCs are characterised by conflict, post-conflict and politically unstable situations with 24 of them being categorised as fragile states. As a group they have much in common, which is the principal reason for the recognition of the LDC category by the United Nations (UN) in the first place. The UN post-2015 development agenda must therefore not only recognise the need for special development attention of LDCs, but ensure that these are at the centre of any strategy for implementing the agenda.

For most LDCs, their vulnerability is increased by the effects of climate change. The target on *holding the increase in global average temperature below 2° C pre-industrial levels, in line with international agreements* is also less ambitious than the science-based predictions that it would be prudent to aim well below 1.5°C or even 1°C, in line with the cautionary principle. The HLP Report's acceptance of the less ambitious target goes against the spirit and fight for climate justice based on the principles of historical responsibility and common but differentiated responsibilities. Moreover, it is totally unacceptable to the LDCs whose very survival is at stake with increasing desertification, glacial melting, sea level rise and other extreme weather events that our people are battling with, when they are least responsible for the climate catastrophe. That the number of people in LDCs affected by extreme weather events has almost doubled is a stark warning of what is likely to come. Rising from 100 million during the period 1970-1979 to 193 million over the period 2000-2010, this is exacerbating the massive issue of climate-induced migrants.

The post-2015 development agenda must, therefore, carry bold and ambitious non-negotiables on emission cuts, climate finance and climate technology if indeed we are talking about a truly sustainable development agenda.

LDC civil society also expresses its concerns on the reinforced credibility and legitimacy given to businesses and the private sector as drivers of growth and sustainable development. The Report underlines the *potential of private business to create more value and further states, the Panel noted the huge potential to use public money to catalyze and scale up private financing for sustainable development*. Yes, small and medium-sized businesses have been an important part of any communities' development. However, the dominant neo-liberal paradigm that promotes increased privatisation, corporatisation and financialisation of development is aggressively pursued. We cannot accept an approach that uses public finance to leverage private financing for a development model that is liable to promote the interests of a minority more than the majority. We totally oppose the proposed privatisation of essential services that all too often results in the effective denial of these services for significant sectors of society. The Report explicitly states that *the most important source of long-term finance will be private capital, coming from major pension funds, mutual funds, sovereign wealth funds, private corporations, development banks, and other investors...* whose record to date all too often promotes an anti-people development paradigm that tramples upon people's rights and planetary boundaries.

We are also critical of the promotion of the World Trade Organisation (WTO) as a *fair and development-friendly trading system* and that it is the *most effective tool to increase the development impact of trade*, for in reality; the very development dimension is missing in the WTO negotiations. The current battle in Geneva between the LDCs and development countries over the waiver of the Trade-related Aspects of Intellectual Property Rights (TRIPS) to LDCs within the ambit of the TRIPS Agreement is a glaring example in this regard. The LDCs' request for an unconditional waiver until they graduate from the LDC status, based on sound and valid grounds, is being opposed and negotiated for an impractical short-term transition period coupled with the conditionality like the no-roll-back clause that would prevent LDCs from reducing their existing levels of intellectual property protection albeit adverse to their development needs.

Clearly, there is complete lack of policy coherence for a *transformative, people-centred and planet-sensitive development* as envisioned by the HLP Report. Furthermore, from the development perspective of the LDCs and its peoples, the Report has failed to integrate the voices of the very marginalised and vulnerable section of the international community, who have special needs and hence, require special development attention. We therefore call for a Post-2015 sustainable development agenda that will genuinely and meaningfully support, as well as sustain the development interests of the LDCs and its peoples. We call for a Post-2015 sustainable development agenda which will duly integrate and bolster the newly adopted Istanbul Programme of Action (IPoA) for the LDCs for the Decade 2011-2020; thereby, realising its overarching goal to overcome the structural challenges faced by the LDCs in order to eradicate poverty and to enable graduation of at least half of the LDCs by the end of the decade.