

CIVIL SOCIETY ORGANIZATIONS’ STRATEGIC PAPER

**Adopted in CSO Strategic Meeting
on
Future of LDCs: 2020 and Beyond
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1. PART I: INTRODUCTION

In 1971, the United Nations (UN) recognised Least Developed Countries (LDCs) as the poorest and most vulnerable group of countries representing the highly disadvantaged countries in the development process. There are currently 47 LDCs in the world: 33 in Africa, 13 in the Asia Pacific, and 1 in Latin America and the Caribbean. The international community has been paying special attention to LDCs through dedicated ten-year programmes of action to provide differential treatment to this specific group of countries since the early 1980s. Special UN conferences have been convened every ten years since 1981, the fourth of which, LDC IV, took place in Istanbul, Turkey in 2011. The LDC IV adopted the Istanbul Programme of Action for LDCs for the Decade 2011-2020 (IPoA) with an overarching goal to overcome the structural challenges faced by the LDCs in order to eradicate poverty, achieve internationally agreed development goals, and enable graduation from the LDC category. The first five years of the implementation of the IPoA overlapped with the last five years of the Millennium Development Goals (MDGs), and the next five years (or the second half) of the implementation of the IPoA concurs with the first five years of the 2030 Agenda for Sustainable Development, which includes the Sustainable Development Goals (SDGs).

Only three years remain before the period allocated for the implementation of the IPoA comes to an end. Hence, there is an urgency to expedite efforts from all stakeholders, especially national governments, development partners, the private sector and civil society, to attain the targets under the eight priority areas of the IPoA. While it is important to press for the effective implementation of the IPoA, equally important it is to initiate a constructive debate on what the priorities of LDCs should be after 2020. Amidst the general observation that IPoA has not been able to meet its stated goals, an effective programme of action building on the strengths and overcoming the weaknesses of the IPoA must be drafted for the next decade. In addition, since the SDGs would be in effect until 2030, it is crucial that the next programme of action consider the goals and targets of the SDGs and their relevance to LDCs so that they can be implemented in unison in the next decade.

The IPoA recognises that civil society complements government and the private sector in its implementation and emphasises their involvement in policy dialogue to ensure a participatory and inclusive development process in LDCs. The Political Declaration of the Mid-Term Review (MTR) of the IPoA also recognised that genuine, effective and durable multi-stakeholder partnerships among governments, firms, academia and civil society, can play an important role in advancing sustainable development and supporting country-driven priorities and strategies. Hence, a common position and strategy of civil society organisations (CSOs) in LDCs would provide the much-needed impetus to LDCs' struggle towards graduation and sustainable development.

1.1.Objectives of the Strategic Paper

The Strategic Paper aims at developing a common position and strategy of CSOs spread across 47 LDCs on the matters of common interest. It draws the future course of action after 2018 and beyond 2020-when the implementation period of the IPoA ends and the adoption process for the programme of action for the next decade commences.

The objectives of the Strategic Paper are listed below.

- Appraise the achievements of the IPoA and analyse the challenges faced during its implementation period.
- Review the role of different stakeholders in the process of implementing LDC Specific Programmes of Action.
- Chart out the role of LDC Watch and civil societies in supporting the implementation of LDC Specific Programme of Action in alignment with different Internationally Agreed Development Goals (IADGs)
- Plan the ways LDC CSOs could strengthen their support in advancing the issue of LDCs

1.2.The process of adopting the Strategic Paper

The Strategic Paper has been put together by members of civil society organizations from Least Developed Countries of different regions of the world. The civil society members gathered in the CSO Strategic Meeting organized by LDC Watch on 19 June 2018. The final draft of the Strategic Paper produced in this meeting was presented at the General Assembly of LDC Watch and eventually be adopted through a democratic process. The Strategic Paper has been adopted by the General Assembly of LDC Watch and supported by partner CSOs in LDCs. It will be revisited and fine-tuned during subsequent meetings at regular intervals. The paper will serve as a blueprint for future courses of action beyond 2020.

1.3.Approaches to applying the strategic plans into action

The Strategic Paper will be widely circulated to all National Focal Points (NFPs) of LDC Watch and organisations in their network with the purpose of guiding them through their future courses of action. It would also be shared with non-LDC focal points of LDC Watch. Through the NFPs, the Strategic Paper will also be presented to their respective LDC national governments to press them to integrate LDC-specific agenda into development planning processes. In addition, it will be shared with UN Agencies, including UN-OHRLLS, UNESCAP, UNCTAD, and LDCs' development partners to serve as LDC CSOs' inputs towards making global policy processes LDC-friendly.

2. PART II: REVIEW AND ASSESSMENT

2.1. Review of Status of LDCs and Implementation of the IPoA

The overarching goal of the Istanbul Programme of Action is to overcome the structural challenges faced by the least developed countries in order to eradicate poverty, achieve international agreed development goals and enable graduation from the least developed country category. It is based on eight principles aimed at strengthening the framework of partnership

The 2016 Midterm Review (MTR) of the Istanbul Programme of Action revealed that most of the LDCs are not on track to achieving the goals and targets of the IPoA. Although more than half of its implementation period has passed, implementation of the IPoA is slow and at the current pace, most goals and targets will not be reached by 2020. In 2015, LDCs, with the population of 954 million, had an average Gross Domestic Product (GDP) of only 3.8 per cent, the lowest level recorded for the group in the past two decades and well below the 7 per cent target set by IPoA and the 2030 Agenda for Sustainable Development. LDCs on average have a low human development as shown by Human Development Index (HDI) of 0.508 against very high human development (HDI 0.887) in OECD countries. There is a high degree of gender inequality in LDCs with the United Nations Development Programme's (UNDP) Gender Inequality Index (GII) 0.555 for LDCs, compared with 0.469 for developing countries and 0.194 for OECD countries (UN-OHRLLS, 2017).

LDCs' export sector is characterised by lack of export diversification and dependence on few commodity exports. The share of LDCs' exports in global merchandise decreased from 1.09 per cent in 2014 to 0.97 per cent in 2015, which is far behind the IPoA's objective of doubling the LDCs' share of global exports by 2020 (UN-OHRLLS, 2017). The effects of climate change are being felt in LDCs, exacerbated by the recent El Niño phenomenon in Africa and heavy floods in South Asia. LDCs still struggle to meet the food security needs of their fellow citizens. All the eight countries listed either under the "extremely alarming range" or "alarming range" on the Global Hunger Index (GHI) Severity Scale belong to the LDC category (Global Hunger Index, 2017). Conflicts in several LDCs continue to derail the little development achieved during the course of LDCs' struggle.

2.2. Review of Graduation Process of LDCs by CDP and sustainable graduation

Only two LDCs, Samoa (2014) and Equatorial Guinea (2017), have graduated from the LDC category since the adoption of the IPoA in 2011 compared to the goal of the IPoA to make half the number of LDCs meet the graduation criteria. Four Least Developed Countries (LDCs), namely Bhutan, Kiribati, São Tomé and Príncipe, and the Solomon Islands, have been recommended for graduation into developing countries in the latest triennial review conducted in March 2018 by the Committee for Development Policy (CDP), a subsidiary advisory body of the United Nations Economic and Social Council (ECOSOC). Nepal and Timor-Leste also met the criteria for graduation for the second time. Nevertheless, they have not been recommended for graduation citing current economic and political challenges. The CDP will be considering them for graduation at

the 2021 triennial review. Likewise, Bangladesh, Lao PDR, and Myanmar met the graduation criteria for the first time and will need to meet the criteria a second time to be eligible for consideration. Vanuatu and Angola are already scheduled to graduate in 2020 and 2021 respectively. Projections by UNCTAD state that the LDC group would be reduced to 32 countries in 2025 (UNCTAD, 2016). However, there is little clarity on the issues of the period of transition and the support measures in preparation for graduation and after graduation from the LDC category.

2.3. Review of the role played by stakeholders in the implementation of IPoA

2.3.1. Governments

Least Developed Countries have the right and the responsibility to formulate their own coherent economic and development policies and strategies and identify their own national priorities. IPoA and SDG-based development planning have been implemented in some of the LDCs. However, many of the LDC governments are yet to mainstream the IPoA goals and targets and the SDGs into their national planning processes, policies and strategies.

Although there is a strong overlap between the IPoA and the SDGs, the synergy and coherence between the two are yet to be realised. Governments need to identify the areas of intersection between LDC Specific Programmes of Action and the Sustainable Development Goals and then develop national development strategies accordingly.

Governments need strengthen mobilization of domestic resources by increasing domestic capacity of collecting tax and strengthening institutional building as domestic investment is the main source required for the implementation of the IPoA and the SDGs.

2.3.2. UN Agencies

The United Nations convened the first Conference for Least Developed Countries in 1979 where the first Programme of Action for LDCs was adopted. This programme of action initiated major policy reforms initiated by many least developed countries to carry out structural transformation of their domestic economies, and a number of donors extended supportive measures in the areas of aid, debt and trade, but the economic situation of these countries as a whole worsened in the 1980s. The Second United Nations Conference on the Least Developed Countries took place in Paris in 1990. It reviewed the socio-economic progress made in the least developed countries in the 1980s, as well as progress in international support measures during that decade. It also formulated national and international policies and measures for accelerating the development process in the least developed countries for the 1990s. The Programme sets out detailed policy provisions for mobilizing and developing human capacities in the least developed countries as well as for developing their economic base. The Third UN Conference on LDCs took place in Brussels in 2001 and UNCTAD was designated as the focal point for the preparation of the Conference. The Brussels Programme of Action (BPoA) was adopted in this conference. In 2001, the United Nations Office for High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island

Developing States (UNOHRLLS) was established. This UN body has been responsible for facilitating the coordinated implementation of and coherence in the follow-up and monitoring of the Programme of Action for the Least Developed Countries at the country, regional and global levels. It convened the Fourth UN Conference of LDCs in Istanbul in 2001, where the Istanbul Programme of Action along with the Istanbul Declaration was adopted. The Istanbul Programme of Action (IPoA) charts out the international community's vision and strategy for the sustainable development of LDCs for the next decade with a strong focus on developing their productive capacities. Similarly, in 2016, UN-OHRLLS conducted a Comprehensive High-level Midterm Review of the IPoA to appraise the implementation of the IPoA by the LDCs and their development partners. The other UN agency UNCTAD has been contributing to building international consensus on trade and development issues of interest to LDCs and enabling them to build their institutional and human resources capabilities in the areas of trade and investment.

The establishment of Technology Bank for the LDCs in 2016 by the UN General Assembly as a new UN institution is expected to strengthen science, technology and innovation capacity of LDCs. With the signing of Paris Climate Accord in 2015 by 196 parties to the UN Framework Convention on Climate Change (UNFCCC), some of the LDCs' long-standing key demands in the UNFCCC process have been addressed to some extent although the commitments are yet to be delivered.

2.3.3. Bilateral and Multilateral Development Partners

Despite all the special attention, the international support measures (ISMs) extended to LDCs by the global community have not been effective in addressing the challenges faced by these countries due to a number of reasons, notably that the measures were insufficient, not properly designed or not properly implemented. The commitment by developed countries to provide at least 0.15-0.20 per cent of their GNI to LDCs as Official Development Assistance (ODA) is largely unfulfilled. The overall share of ODA in donors' GNI remained constant at 0.09, far below the lower bound of 0.15 called for in the IPoA and SDGs. In 2015, only seven OECD-DAC donors (Denmark, Finland, Ireland, Luxembourg, Norway, Sweden and the United Kingdom) reached the goal of providing at least 0.15 per cent of GNI in ODA to LDCs. On a positive note, South-South cooperation increased significantly over the past years. The total development cooperation from emerging providers increased to estimated USD 32 billion in 2014 (17 per cent of the global total) from USD 11 billion in 2010 (UN-OHRLLS, 2017). On the other hand, the Special and Differential Treatment (S&DT) measures provided by World Trade Organisation (WTO) to LDCs are generally limited to "best endeavour" language rather than being enforceable obligations.

2.3.4. Civil Society Organisations

While the pace of development in LDCs is unsatisfactory, a vibrant and strengthened civil society is needed to sensitise the general public and policymakers of LDCs to stimulate growth and development.

2.4. Review of Role played by LDC Watch

Since 2001, LDC Watch has been providing a global platform for LDC CSOs and has been a part of international development paradigm that has been shaping the LDCs' course of action. In 2011, while drafting the IPoA, LDC CSO Conference was held alongside the conference of the governments in which LDC Watch played a crucial role in bringing to light the key concerns of LDCs. LDC Watch, in collaboration with the UNOHRLLS and the Turkish government, also organised the Civil Society Forum during the comprehensive Mid Term Review (MTR) of the Istanbul Programme of Action, in Antalya Turkey in 2016. LDC Watch has been representing the voice of LDC civil society at global and regional policy level via interventions, campaign or side events on the issues of fair trade, climate justice, food sovereignty, sustainable graduation, aid for LDCs, and other LDC-specific issues. It has been sensitizing the general public and policymakers of LDCs by conducting national and regional consultations through its national focal points on the issue of effective implementation of the IPoA and SDGs. It has long been associated with different international processes such as the UN ECOSOC, UNFCCC, UNCTAD and other global processes.

3. PART III: FUTURE DIRECTION: 2020 AND BEYOND

It is important that the challenges faced by LDCs during the implementation of the IPoA and MDGs/SDGs be identified and addressed in the next LDC-specific programme of action that is likely to be adopted in 2021. A careful analysis of the opportunities and challenges deriving from past experiences should define the priority areas of LDCs in the coming decade 2020-2030. The effective implementation of the IPoA measured against its objectives has been unsatisfactory and the LDC governments, the United Nations, development partners, the private sector, and civil society must be wary about making the upcoming programme of action effective starting from the process of its drafting.

3.1.Future Priority and Programme of Action

LDC Watch recommends the following themes to be covered as priority areas in the next LDC-specific programme of action based on the analysis of the pace and dynamics of development in LDCs in the current decade 2011-2020.

3.1.1. Food, Agricultural and Rural Development

In the backdrop of the failure of ensuring food security to the hungry, LDC CSOs must unite to give continued pressure to their respective governments and international development system to create a framework based on food sovereignty and human right to food, rather than one based on international trade and global integration in order to attain the SDG2.

3.1.2. Sustainable and Renewable Energy

Energy security is one of the pre-requisites for productive capacity building, private sector development and expansion of trade, and is therefore closely linked to the graduation efforts of LDCs. It is estimated that 63 per cent of people in LDCs still has no access to electricity compared with 10 per cent across other developing countries (UN OHRLLS, 2017).

At the same time, the current global energy model, which comprises large, highly centralised and fossil fuel based energy generation systems, is not helping the poor. Hence, it is imperative that LDCs make their stride towards transformative energy access that focuses not only on providing a minimum amount of electricity to households but also ensuring access that promotes income-generating activities and economic development ultimately creating a basis for structural change in the LDCs' economy.

3.1.3. Trade

The 2030 Agenda for Sustainable Development and the IPoA both call for doubling the share of LDCs in global exports by 2020, including by broadening LDCs' export base. However, the share of LDCs' export in world trade stood at only 0.97 per cent in 2015 (UN OHRLLS, 2017).

To improve on their minuscule trade performance, LDCs need to build productive capacity and address their supply-side constraints, and an increased support for capacity-building is needed via Enhanced Integrated Framework under the Aid for Trade (AfT) mechanism. In the coming decade, LDCs being united should negotiate for a successful and speedy conclusion of the Doha Development Round demanding a trade to be fair for the low-income countries. UNCTAD should continue to provide assistance to LDCs to build its trade-related infrastructures.

3.1.4. Public Health, Education, Drinking Water, and Sanitation

Public services such as health, education, drinking water and sanitation must be affordable and accessible and are the prerequisites for maintaining a quality of life. These services are important to build human capital as well as for promoting participation in social, economic, and political life. About 32 million children of primary age were not attending school in the LDCs for the period 2009-2015. Maternal mortality continues to be high. Likewise, 30.8 per cent of the population lacked access to the safe source of drinking water in the LDCs between 2011 and 2015. Against this stark reality, CSOs must remain active in reaching out to the unreached and ensuring their access to basic public goods.

3.1.5. Gender and Social Inclusion

Even though two decades have passed since the Beijing Platform of Action, many of the same barriers and constraints against gender equality and empowerment persist globally. There is a high degree of gender discrimination and inequality in LDCs as reflected by high Gender Inequality Index (GII). In 2015, the GII was 0.555 for LDCs,

compared with 0.469 for developing countries and 0.194 for OECD countries. Women empowerment needs to be continually placed at the centre of the global development agenda. Any strategy aiming to ensure that LDCs enjoy the benefit of accelerated growth and sustainable development must include women and other minority groups.

3.1.6. Connectivity

Connectivity within and among LDCs is essential for efficient use of resources, ease of access to public services, and promotion of economic development and regional integration. While LDCs have made progress in some aspects of connectivity, other areas remain seriously weak and hamper efforts to accelerate progress towards meeting other targets in the SDGs and the IPoA.

Road density in LDCs remains at a much lower level than in other developing countries. The SDG target 9.c of affordable universal (defined as at least 90 per cent penetration) internet access in LDCs by 2020 will be much difficult to meet due to the high cost of connectivity. LDC CSOs must press for increasing public investments in infrastructures to increase connectivity with an emphasis on ending rural-urban divide in people's access to such infrastructures.

3.1.7. Climate Change

The year 2020 marks the deadline for the developed countries to fulfil their pledge to provide USD 100 billion a year towards climate change adaptation and mitigation in developing countries in accordance with the Paris Climate Accord. Also, a greater share of the total amounts of climate finance needs to be allocated to LDCs. In this respect, systematic efforts need to be made to strengthen the absorptive capacity of LDCs and to streamline project approval process. Civil societies in the LDCs need to stand as a watchdog in the coming decade critically overseeing the implementation of the Paris Climate Agreement and the fulfilment of the pledges made to LDCs as part of the agreement.

3.1.8. Resource Mobilisation

Resources are to be raised domestically through the modernization of tax systems and making them more progressive. There is a need for civil society organisations to play a key role in representing local interests and constituencies, and mobilising resources for them, particularly in situations where governments lack capacity or the will to provide essential services to their citizens. Achieving the SDGs and meeting the graduation criteria will require huge investments which cannot be met by government alone. In this case, forging a meaningful partnership with the private sector and development partners is crucial to generating additional resources.

3.1.9. Good governance

It is to be realised by all parties that peace and security, development and human rights are the foundations of the United Nations system and are mutually reinforcing. The

particular challenges faced by some least developed countries, such as Yemen and South Sudan, regarding conflict and their human, economic and social implications need to be recognised in LDCs' future programme of action and ways to ensure good governance, the rule of law, the protection and promotion of human rights, and democratic participation, should be an important element in the development strategy for the next decade.

Besides the thematic areas above, the following issues should be conceptualised in the common development agenda of the LDCs in the next decade.

3.2. Synergy and Coherence of LDC-specific Programmes of Action with SDGs and other IADGs

The programme of action for the next decade cannot be independent in itself. It should be inherently linked to the existing national, regional and global development programmes to have a wider and grass-roots reach. So, the development strategy for the coming decade should be drafted keeping in mind the synergy and coherence with the 2030 Agenda, Paris Climate Accord, SIDS Accelerated Modalities of Action (SAMOA) pathway, Sendai Framework for Disaster Risk Reduction, AAAAA, Africa Union's Agenda 2063, and other Internationally Agreed Development Goals (IADGs).

Linking SDGs with the LDC-specific programmes of action will be a meaningful partnership to bring specificity to SDGs in the LDCs. This way, global goals will be more localised in the LDCs. The synergy and coherence of the LDCs' programmes of action with the SDGs will unify efforts from different stakeholders in the LDCs and prevents duplication of efforts.

3.3 LDC Graduation and Sustainability

The prospect of an increase in a number of graduates in coming years demands a constructive debate on the issue of sustainable graduation. While no graduating country has ever reverted to LDC status, the risk of such an outcome is increased when some countries may graduate by narrowly meeting the graduation thresholds without having acquired sufficient resilience or built a sufficiently solid and diversified productive base to ensure the sustainability of their development process. Hence, the issue of sustainable graduation should be an important priority area of the LDC-specific programme of action in the coming years.

3.4 Partnership: National, Regional and International

Development in LDCs is not possible with efforts from the government alone but should be supported through national, regional, and international partnerships with various stakeholders. Private sectors are to be considered as important partners as they fill in a considerable share of the much needed domestic investments to achieve development goals in LDCs. Governments should also create a favourable investment climate to attract Foreign Direct Investment (FDI) that could be implemented in business model by the private sector.

Meanwhile, in addition to putting pressure on developed countries to fulfil their commitment to providing at least 0.15 per cent of their GNI to LDCs as agreed in the Addis Ababa Action Agenda (AAAA), a renewed focus is necessary on the quality of aid, its alignment with LDCs' national priorities, what counts within the definition of ODA, and the overall effectiveness of aid. Besides, South-South Cooperation (SSC) has been encouraging and should be further enhanced, including through sharing of experiences and best practices.

The United Nations should also ensure a respectable representation of LDCs in its decision-making bodies to so that the decisions are LDC-friendly. Such representation would develop LDCs' ownership over international development processes. This could also facilitate the integration of LDC-specific programmes of action into global development policies. Equally important is the role of multilateral traded regimes such as the World Trade Organisation (WTO) and the regional bloc such as the European Union (EU) in facilitating the development process of LDCs.

In the process of partnerships, LDC CSOs must stress that the principle of country ownership and leadership be recognized by the partners.

3.5 Space for Civil Society

The shrinking space for civil society has been challenging democratic movements worldwide. Beyond 2020, civil societies must form strategies to strengthen themselves and renew their struggle for pro-people reforms amidst the changing global political environment.

PART 4: CONCLUSION

The relevance of LDC CSOs will be more prominent in the coming decade to fulfil the twin purposes of supporting the LDCs in climbing up the ladder in development hierarchy towards graduation, and facilitating the increasing number of graduating LDCs to have smooth and irreversible graduation process. Hence, it is imperative that LDC CSOs have a unified voice on its agenda in the next LDC conference in 2021. LDC Watch, in particular, should continue to advocate and campaign for the effective implementation of the IPoA until 2020 and the upcoming programme of action in the next decade, in coherence and synergy with the SDGs, Paris Climate Accord, SAMOA pathway, AAAA, and other IADGs. The effectiveness of advocacy campaigns is contingent on the strength of the networks and alliances that LDC Watch creates and maintains with all of its major stakeholders: the civil society organizations in national levels, international and regional organizations and the UN Agencies. Hence, LDC Watch must strengthen its network with CSOs in all LDCs and help them enhance their advocacy capacity in making their own governments as well as development partner countries accountable to the pro-poor sustainable development and poverty eradication. To influence policy process in favour of LDC CSOs, LDC Watch must hold consultations at national and regional level linking them to the global level focusing on the key issues that the country faces as a Least Developed Country, particularly trade, food sovereignty and climate change vulnerabilities, and graduation from LDC status. LDC-specific and evidence-based research should be carried out to develop knowledge base which will be

useful for fact-based policy advocacy and policy interventions. It must also target its advocacy and lobby towards key UN Agencies, regional and international organizations and civil society of the Global South and North. LDC Watch must forge the partnership with different national, regional and global like-minded organisations and initiatives with the purpose of fund-raising with a wider impact on its activities.

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