

LDC5 Monitor: Defining its scope and uses

Thursday 7 March 2024

9:30 – 12:30 (UTC+2)

Pikku Finlandia, Karamziniranta 4,
Helsinki, Finland

Background

LDCs have been disproportionately affected by the polycrisis and are particularly vulnerable to its economic shocks. As of today, 46 LDCs remain marginalised in the world economy and face challenging financial situations that limit their ability to increase productive capacity and to build resilience. Against this background, at the fifth United Nations Conference on Least Developed Countries (LDC5) in Doha, Qatar in March 2023, the Doha Programme of Action (DPoA) was endorsed. The DPoA is a manifestation of renewed and strengthened commitments between the LDCs and their development partners, including the private sector, civil society, and governments at all levels.

On this occasion in Doha, the OECD Development Centre, the Foundation for Studies and Research on International Development (FERDI), and the United Nations University World Institute for Development Economics Research (UNU-WIDER), with the support of France, **launched the LDC5 Monitor**. The LDC5 Monitor is an independent initiative to monitor the progress of the DPoA's implementation for the next ten years. The LDC5 Monitor seeks to: i) **monitor** critical **indicators** related to vulnerabilities and to production transformation, **accompanying** targeted LDCs countries in their policy implementation to address these challenges, and ii) **track** and **provide suggestions** on how **international support measures** (ISMs) and partnerships should be adapted to better support LDCs in facing vulnerabilities and achieving successful production transformation.

Each LDC has its unique geography and history, so the applicability of a singular best practice may vary. At the same time, LDCs are increasingly vulnerable in the context of multiple and interconnected challenges. To address these realities, the LDC5 Monitor will comprise **indicators** on the one hand, and **country analysis** and **peer-learning activities** on the other hand. The objective of the LDC5 monitor is to establish a support process for a selected number of LDCs. This process intends to increase understanding of current vulnerabilities and production transformation bottlenecks, monitor countries' policy measures, and contribute to the assessment of the utility and necessity for adapting ISMs and partnerships with the LDCs. The LDC5 Monitor will benefit from the involvement of international organisations, research institutions and interested LDCs.

Objectives

The objectives of the event are thus three-fold:

- To identify the scope, including ISMs, tools and methodology of the LDC5 Monitor (e.g., deep-diving into and concretising accompanying process and the peer-learning exercise);
- To hear from LDCs some specific aspects that the LDC5 Monitor should investigate; and
- To identify key specificities of potential selected countries for more precise monitoring.

To achieve these objectives, the event is structured and split into the following sessions: Session 1 focuses on indicators and policies, Session 2 centres on ISMs and new partnerships for the LDCs, and session 3 concludes and outlines the way forward.

Time	Speakers*	Objectives
Opening		
9:30 – 9:45	<ul style="list-style-type: none"> ▪ Titta Maja-Luoto, Director General, Ministry of Foreign Affairs, Finland ▪ Susanna Wolf, Senior Programme Management officer, UNOHRLLS 	<ul style="list-style-type: none"> ▪ To introduce the purpose and expectations of the event.
Setting the scene		
	<ul style="list-style-type: none"> ▪ Federico Bonaglia, Deputy Director, OECD Development Centre ▪ Kunal Sen, Director, UNU-WIDER ▪ Patrick Guillaumont, President, FERDI 	
Session 1: Indicators and policies, accompanying LDCs in between conferences		
<p>In the endeavour to measure countries' levels of development with consideration of their vulnerabilities and productive capacity, various indicators have been developed. In a rapidly changing world, the vulnerabilities faced by LDCs are not static. Factors such as economic fluctuations, environmental changes, geopolitical shifts, and global health crises make measuring vulnerabilities challenging due to constantly changing dynamics.</p> <p>In the context of LDCs, vulnerabilities and a lack of production transformation are intrinsically connected. For instance, weak infrastructure, limited access to finance, inadequate education and healthcare systems, or susceptibility to natural disasters can hinder new investments and technological upgrades. At the same time, a shortage of skilled labour, and limited access to advanced technologies can also constrain production transformation, creating vicious cycles in the LDCs. Addressing these complexities requires a nuanced approach that considers the evolving nature of vulnerabilities, improved data collection and analysis methodologies, and a broader understanding of interconnected challenges.</p> <p>This session aims to take stock of progress in both identifying the most appropriate indicators connected to better understanding vulnerabilities and production transformation in the LDCs contexts, as well as the policies implemented to overcome these challenges. In order to enrich the monitoring process of the LDC5 Monitor by listening to the LDCs representatives and institutions working on development issues.</p>		
Moderator: Patrick Guillaumont , President, FERDI		
9:45 – 11:00	<ul style="list-style-type: none"> ▪ Rose Kayi Mivedor-Sambiani, Minister of Commerce, Crafts and Local Consumption, Togo ▪ Lawrence Mafuru, Executive Secretary of the Planning Commission in the President's Office, Tanzania 	<ul style="list-style-type: none"> ▪ To identify the most appropriate indicators for the LDC5 Monitor ▪ To identify the key sectors and policy

- **Saif Uddin Ahammad**, Joint Secretary Trade Support Measures Wing, Ministry of Commerce, Bangladesh
 - **Rolinho Manuel Farnela**, Vice Minister, Ministry of Labour, Employment and Social Security, Mozambique
- priorities for the participating countries
- To identify the specific needs of LDCs in terms of accompanying process

Reactions from:

- **Neil Balchin**, Economic adviser, Policy trade section, Commonwealth Secretariat
- **Donald Mmari**, Director, REPOA

Open discussion with participants

Break 11:00 – 11:15

Session 2: International Support Measures (ISMs) and new partnerships with LDCs in an evolving and complex context

In addition to economic vulnerabilities, nearly half of the LDCs are currently affected by active conflicts. This underscores the interconnectedness of peace, social justice, and the environment, which makes vulnerabilities even more multi-dimensional. This coupled with the general lack of diversification and dependence on volatile commodities, such as oil, copper, and cotton, contributes to the complexity of the problem. As a result, LDCs face difficulties accessing dedicated ISMs such as preferential market access and certain development finance instruments, limiting their ability to address the fundamental issues of structural vulnerabilities and productive capacity.

It is also uncertain how the key sectors of LDCs, typically agriculture, manufacturing, or commodity export, will fare once the countries graduate from the LDC category, and eventually lose LDC preferential treatment. Additionally, and in response to current challenges, ongoing shifts towards green and digital transitions, call for additional support measures beyond traditional ones, new partnerships as well as additional tracking efforts.

This session aims to better understand the usefulness and the need for adaptation of the ISMs and new partnerships to support LDCs' policy efforts, as well as additional tracking efforts, by hearing directly from LDCs' representatives on their specific concerns in a highly vulnerable, complex, and interconnected world.

Moderator: **Kunal Sen**, Director, UNU-WIDER

- 11:15 – 12:30
- **Daphine Muzawazi**, Senior Programme Officer: Institutional Development, AUDA-NEPAD
 - **Federica Irene Falomi**, Officer-in-Charge, UN Technology Bank for LDCs
 - **Taufiqur Rahman**, Director, Trade and Development, WTO
- To hear specific concerns related to losing special treatment upon graduation
 - To identify suggestions for additional support and new partnerships

- Representative from partner countries (**inc. Türkiye, Finland, France**)
- **Sosso Feindouno** and **Matthieu Boussichas**, Researcher at FERDI
- To identify needs for additional tracking of existing and new support

Reactions from:

- **Rose Kayi Mivedor-Sambiani**, Minister of Commerce, Crafts and Local Consumption, Togo
- **Lawrence Mafuru**, Executive Secretary of the Planning Commission in the President's Office, Tanzania
- **Saif Uddin Ahammad**, Joint Secretary Trade Support Measures Wing, Ministry of Commerce, Bangladesh
- **Rolinho Manuel Farnela**, Vice Minister, Ministry of Labour, Employment and Social Security, Mozambique

Open discussion with participants

Session 3: Reflection on the way forward

Moderator: **Federico Bonaglia**, Deputy Director, OECD Development Centre

12:30– 12:50

Closing

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| 12:50 – 13:00 | <ul style="list-style-type: none">▪ Federico Bonaglia, Deputy Director, OECD Development Centre▪ Kunal Sen, Director, UNU-WIDER▪ Patrick Guillaumont, President, FERDI | <ul style="list-style-type: none">▪ To summarise the discussion and set the way forward as well as the next steps |
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Lunch

13:00 – 14:00

* In process of confirmation of participants