

BACKGROUND

The Istanbul Programme of Action (IPoA), adopted at the Fourth United Nations Conference on Least Developed Countries in Istanbul, Turkey, in May 2011, constitutes the most ambitious attempt by the international community to address structural challenges faced by the LDCs. The overarching goal of the IPoA is to enable half of the least developed countries to meet the criteria for graduation by 2020. The IPoA identifies productive capacity building as the defining challenge and opportunity of rapid, inclusive and sustainable development in the decade to come.

Productive capacity building requires not only investments in health, education and other MDG-related interventions, but also sustained expansion of production and export supply capacities—including physical infrastructure development, improved access to energy, greater access to finance, improved trade facilitation and other private-sector development enablers.

Progress on productive capacity building is essential to transforming LDC economies and moving towards the production of higher added-value goods and services. Enhanced productive capacity in agriculture, manufacturing and services, through private sector development, is therefore essential to benefit from greater integration in the global economy, adapt and build resilience to climate change and other exogenous shocks, foster inclusive and equitable growth, create decent employment and accelerate poverty eradication.

Given the huge financial resource and technical cooperation requirements for the productive capacity agenda, there is a realisation that neither LDCs alone nor the business-as-usual approaches could deliver on this agenda, hence the need to move towards renewed and strengthened partnerships—another novelty of the IPoA. In this regard, international assistance, trade, investment, technology transfer, innovative financing, remittances, North-South and South-South cooperation—both working in synergy—with private sector development and domestic resource mobilisation will be critical.

OBJECTIVE

Cognizant of this, the Ministerial Conference on New Partnerships for Productive Capacity Building in LDCs will identify new and innovative partnerships to support efforts of LDCs to strengthen their productive capacity, based on an analysis of the different factors that affect productive capacity in LDCs. It will also focus on appropriate means of implementation. Some issues, like gender and women's empowerment, employment and sustainable development, will be cross-cutting.

The meeting will make policy recommendations on leveraging development partnerships, including through enhanced contributions of ODA, South-South cooperation, remittance earnings, FDI and other traditional forms of external finance, innovative sources of finance, domestic resource mobilization and private-public partnerships and through harnessing domestic endowments and other potentials. These recommendations are also expected to feed into the discussions on the Sustainable Development Goals (SDGs) and the post-2015 development agenda. Furthermore, the meeting will provide an opportunity to launch concrete and innovative mechanisms to mobilize financial resources for LDCs as well as partnerships for productive capacity.

ORGANIZERS AND FORMAT

The organization of this meeting is led by Benin as chair of the LDC group in close collaboration with the Office of the High Representative for LDCs, LLDCs and SIDS (OHRLLS), which coordinates the contributions of the UN system, and the United Nations Development Programme (UNDP). The substantive sessions of the meeting will be chaired by participating ministers, heads of agencies and internationally reputed persons. Experts, mainly from the UN system, will provide short introductions on the respective topics and the issues to be discussed. Key-note speakers will be drawn among well-known authorities on development and panelists will be drawn among participants. Interactive discussions will focus on concrete examples and best practices will be included in the sessions.