

**STATEMENT BY MR. A.R. GHANASHYAM JOINT SECRETARY, MINISTRY
OF EXTERNAL AFFAIRS DURING THE GENERAL DEBATE, FIRST
PREPARATORY COMMITTEE MEETING OF THE FOURTH UN-LDC
CONFERENCE IN NEW YORK ON JANUARY 10, 2011**

Mr. Chairman,

Allow me to reiterate our appreciation for your stewardship of the Inter-governmental preparatory process of the 4th UN-LDC Conference to be held in Istanbul. As a Bureau member of the Preparatory Committee, you can count on India's full support and understanding as we collectively prepare for the success of the conference.

At this juncture, my delegation would like to endorse the views expressed by Yemen on behalf of G-77 and Nepal on behalf of LDCs.

Mr. Chairman,

There is no denying that LDCs today represent the most vulnerable and poorest segment of the international community. In the age of globalisation, where peace and progress, and prosperity and security belong to a common space shared by all nations, there is little option for us but to accord the development of LDCs the highest global priority.

Our collective attention to the cause of LDCs so far has not been commensurate to the urgency of the situation. The situation has in fact further deteriorated: the number of LDCs which was 25 in 1971 has gone up to 48 in 2011. The Brussels Programme of Action met with only partial success.

For far too long we have studied and analysed the problems facing the LDCs, ranging from their structural weaknesses; lack of productive capacities, infrastructure, institutional strength and domestic resources; extreme poverty to vulnerabilities to external shocks.

It is time now to focus on the solutions. We must concentrate our efforts on strengthening international support measures in favour of development of LDCs and how domestic actions by LDCs themselves could lead to economic transformation.

Building productive capacities and infrastructure through fulfilment of ODA commitments which are clearly lagging behind, bilateral and multilateral technical and financial assistance, south-south cooperation and international trade measures should be our priority. Addressing fragmentation of ODA, improving quality of aid and directing it to productive sectors such as agriculture and income generating activities would be helpful in this regard.

The private sector has an important role to play in generating growth and opportunities in LDCs. The onus to create a domestic environment conducive to private enterprise and attracting foreign investment lies with the LDCs themselves. Economic policies followed by LDCs in Sub-Saharan Africa, who in spite of the multiple crises, have registered decent economic growth could be an exemplar for others to look at.

Mr. Chairman,

Due to their narrow or weak domestic market LDCs rely on international trade for growth. However, in spite of the duty free quota free market access to LDCs, their share in global trade continues to be below 1%. We must look at the impediments to the preferential market access including Rules of Origin provisions, erosion of preferential access and also ways and means to address supply side constraints.

The conclusion of Doha Development Round would help in integrating LDCs into the multilateral trading network. There is a sense of urgency among nations to conclude the Round in 2011. We must seize the opportunity.

The 4th Programme of Action for LDCs must necessarily emphasize on building resilience to new and emerging global challenges such as food security, energy security, climate change adaptation and mitigation, and economic volatility.

With majority of LDCs being net importers of food, improving agricultural productivity through enhanced investment, scientific inputs and market and credit access must be accorded high priority to ensure long term food security.

There is a strong case for assisting LDCs in technological leapfrogging to ensure energy security through clean technologies, overcoming climate change concerns and helping them to follow a sustainable path of development. The success of mobile telephony and solar energy programmes in several LDCs could be a guiding factor in this regard.

Mr. Chairman,

India fully supports the multi-stakeholder nature of engagement proposed for the Istanbul Conference. The presence of Parliamentarians, in particular, would add significant value in strengthening international support measures for LDCs.

India has been a steadfast supporter of LDCs. Our developmental assistance to LDCs is aimed at building productive capacities, institutional strength and technical expertise to create long term sustainability in these countries. Our private sector has invested more than US\$ 15 billion in recent years in LDCs. We have extended Lines of credit of over US\$ 4 billion to LDCs since 2004.

South-South Cooperation in recent times has become a major source of development assistance, investment and international trade for LDCs. It will be our endeavor to further strengthen this trend.

In the run up to the 4th UNLDC Conference, we would be hosting an India-LDC Ministerial Conference in cooperation with the UN-OHRLLS during 18-19 February 2011 in Delhi, where we are inviting the LDC Foreign Ministers and their Permanent Representatives in New York. We have also contributed US\$ 250,000 to the UN Trust Fund to provide for travel of participants to the Istanbul Conference.

Mr Chairman,

The Istanbul Conference is an opportunity for the global community to demonstrate its highest political commitment to the cause of LDCs and to put the LDCs' development at the forefront of the global agenda. Let's work towards this objective.

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