



STATEMENT BY HON'BLE MR. ANAND SHARMA, MINISTER OF STATE FOR EXTERNAL AFFAIRS, AT THE HIGH-LEVEL MEETING ON THE COMPREHENSIVE GLOBAL MID-TERM REVIEW OF THE IMPLEMENTATION OF THE PROGRAMME OF ACTION FOR LEAST DEVELOPED COUNTRIES FOR THE DECADE 2001-2010 ON SEPTEMBER 18, 2006.



Madam President,

I would like to congratulate you on your election as the President of the General Assembly and on the successful organization of this important High-level meeting to review the progress made in the implementation of the Brussels Programme of Action for the Least Developed Countries. It is

a privilege to participate in this meeting.

Madam President,

At the outset, I would like to note that the LDCs themselves have been making major efforts for their economic development, including achievement of the goals set out in the Brussels Programme of Action. The Cotonou Strategy

is a testimony of their commitment and determination.

Recent studies have highlighted that many LDCs have achieved relatively high rates of economic growth, though the sustainability of the accelerated growth has a significant element of being contingent on commodity prices. The key to achieving sustained economic growth in LDCs is developing productive capacities. For this, the development partners need to move vigorously in supporting the efforts of LDCs. International organisations can also play an important role by providing replicable models and information, which would help LDCs in building national capacity for domestic resource mobilisation.

The issue of debt is a critical one for many LDCs. We welcome the Multilateral Debt Relief initiative and look forward to the G-8's political intentions being fully converted into unqualified commitment. India, on its part, has demonstrated its commitment to help LDCs, which are in a particularly difficult position, in reducing their external debt burden by writing off the debt owed by seven Highly Indebted Poor Countries [HIPCs] who had reached their 'decision points'.

Debt relief through HIPC initiative or MDRI alone is not sufficient unless accompanied with efforts to improve debt management capacity and a proactive approach to assist achieve higher growth, enhanced exports performance and revenue mobilization through better market access and enhanced trade related opportunities. The launching of the third round of negotiations for the Global System of Trade Preferences holds promise in terms of immensely benefiting both LDCs and other developing countries. India is also in the process of finalising a package for preferential market access for LDC products.

Madam President,

ODA disbursements to LDCs are more than a third short of the agreed target. There is an urgent need for new and additional commitments to fulfil the commitment by the developed countries to meet the 0.15-0.20 percent target for ODA to LDCs. This needs to be without prescribing development modes, policies of actions, either directly or through condition attached to their support, as has been noted by the Secretary-General. Moreover, wherever appropriate, aid should help promote greater foreign and domestic private investments consistent with national

priorities for sustainable development. However, a 'one size fits all' approach for all LDCs is not practical and is unlikely to succeed and while private sector investment is important, the physical and social infrastructure in many LDCs is too weak to attract investment, and therefore requires sequencing.

Madam President,

The issue of good governance has been much in focus in the context of development in developing countries as a whole and LDCs in particular. We believe that good governance at the international level is as essential as at the national level and efforts at domestic resource mobilisation need a supportive international environment that is stable, predictable, and characterised by non-discriminatory trading, monetary and financial systems. LDCs and other developing economies also need to be assisted in capacity-building, particularly in setting up the requisite institutional framework to help prioritise the sources and destination and to attract, evaluate and facilitate, foreign investment inflows.

Madam President,

India has been a strong votary of South-South cooperation. The Indian Technical and Economic Cooperation (ITEC) has, since 1964, provided technical assistance of over US\$ 2.5 billion and more than 5000 representatives of developing countries receive training in over 250 institutions in India every year. We have constantly tried to increase mutually beneficial economic cooperation with all LDCs in general, and with those in our extended neighbourhood, in particular.

We are partnering Afghanistan in a significant manner for infrastructure and capacity building projects and a school children feeding program. With Myanmar, we are cooperating in infrastructure upgrading projects while our endeavours with Maldives include speciality healthcare and assistance for rehabilitation projects after the tsunami disaster.

We have special relationships with Nepal and Bhutan and a deep interest in their development. In the context of recent developments in Nepal, we have offered a significant immediate package of assistance. India is the largest development cooperation partner of Bhutan. Over the past decades we have built a mutuality of interests and

shared economic prosperity with Bhutan.

Madam President,

Africa has always been a high priority for India and we are strengthening our cooperation through NEPAD and through other efforts such as TEAM-9 for Western Africa. Our commitment in terms of lines of credit and other concessional financial assistance add up to almost US\$ 1 billion. We are also working on a Pan-African Network which would be a major satellite and fibre optic connectivity mission that would cover the entire continent of Africa, enabling a network linking learning centres, universities, hospitals in every

country in Africa with counterpart institutions in India that have a proven expertise in these fields.

Madam President,

In our endeavour to attain the Millennium Development Goals globally by 2015, it is imperative that Brussels goals for LDCs are attained by 2010. It is important that the international community comes together to ensure that this happens.

I thank you.

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