



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION



UN-OHRLS

United Nations Office of the High Representative for  
the Least Developed Countries, Landlocked Developing  
Countries and Small Island Developing States

# 8<sup>th</sup> MINISTERIAL CONFERENCE OF THE LEAST DEVELOPED COUNTRIES

THE EMIRATES PALACE, ABU DHABI, UNITED ARAB EMIRATES | 2 NOVEMBER 2019

**Accelerating industrialization in LDCs:**  
Integrating lessons learned and innovative approaches

**MINISTERIAL DECLARATION**



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**General Conference****Eighteenth session**

Abu Dhabi, 3–7 November 2019

**Annex I****Next decade of the 2030 Agenda for Sustainable Development**

1. We reaffirm our commitment to the implementation of the 2030 Agenda and achieving its 17 SDGs remains as a paramount objective of the LDCs. The respective national development plans and visions of LDCs would continue to gain from the global consensus on the pressing development challenges of LDCs, which are well reflected in the 18 LDCs related targets of relevant SDGs. As we move towards the new decade of the LDC programme of action which is also corresponding with the final decade of SDGs, we urge global development partners, United Nations System Agencies, DFIs, other bilateral and multilateral institutions to strive for building effective partnerships and achieving results as planned;
2. We welcome the efforts to reform the United Nations system and commit ourselves to effectively guide and use the Resident Coordinator Office (RCO) and place industrial development as an important theme during the United Nations Sustainable Development Cooperation Framework formulation process/Common Country Assessment (CCA) and throughout its implementation. Such a reform should not negatively impact field offices and technical cooperation. By taking note of the opportunities offered by the reinvigorated UNRC system, we urge the United Nations system agencies and other development actors to enhance country level partnerships;
3. We take note of the new UNSDCF and its comprehensive programmatic approach and we highlight the need for a programmatic approach by the respective United Nations system agencies in achieving SDGs at the country level. In this regard, we appreciate UNIDO's implementing modalities such as Programme for Country Partnership (PCP) and Country Programme (CP) frameworks as effective tools to translate ISID into concrete actions and in view of mobilizing effective partnerships to mobilize resources for LDCs;
4. We appreciate the contribution of the development partners made towards the achievement of the Sustainable Development Goals (SDGs), the progress achieved by several least developed countries (LDCs) so far and emphasize that much more is required in order to achieve the SDGs across all LDCs. Considering this challenge, revitalizing structural transformation, building productive capacities, promoting industrialization, enabling sustainable economic growth and creating decent employment, are indispensable to achieve the SDGs in the LDCs;
5. We reiterate that SDG 9 and related goals are of utmost important for LDCs as industrialization is recognized as an engine of economic growth and national development. Therefore, accelerating ISID would unleash greater momentum in national transformation leading to LDCs' graduation. Moreover, the spillover effects



of inclusive and sustainable industrialization could lift the country as a whole – leaving no one behind and leaving no country behind;

6. We recall the target of the IPoA to double the manufacturing value added (MVA) share in GDP in LDCs to achieve higher growth and employment as well as the SDG9. We are concerned of the limited progress made towards this important goal, which necessitates to reinforce our efforts to achieve higher MVA and reach the SDG targets through increased multi-stakeholder partnerships to mobilize resources for inclusive and sustainable industrial development;

#### **Climate change and industrial development challenges**

7. We continue to identify and alarmed of the growing danger of climate change as it impacts disproportionately burden the LDCs and acknowledge the challenge is primarily to take effective measures to strengthen the resilience against the inevitable impacts of climate change. As industry and energy plays a greater role in mitigation and adaptation, we request UNIDO to promote green industry models and low carbon renewable energy solutions in LDCs consistent with countries' national priorities.

8. We reiterate the call of ministerial declaration on IPoA in New York on 26 September 2018 and urge all international partners to provide financial and technical support and technology transfer to LDCs to ensure that all LDCs can engage effectively in low emission and climate resilient development that will protect the lives of our populations, economies and systems;

9. We welcome the agreement, reached in Katowice, on rules to implement the Paris Agreement, in particular on ways to measure and report on countries' emission-cutting efforts and stress the necessity of developed countries and leading carbon emitting developing countries must continue undertake major efforts for climate change mitigation. In this regard, we take note of the pledges made many countries on new contributions to the Green Climate Fund and commitment announced by private sector during the Secretary General's Climate Action Summit and the 74th General Assembly of the United Nations;

10. We appreciate the official announcement of the launch of Climate Investment Platform during the Secretary-General's Climate Action Summit 2019. We take note of its objective of seeking direct mobilization of US\$ 1 trillion in clean energy investment by 2025 in 20 Least Developed Countries in its first year and reiterate the commitment made for USD 100 billion per year under the Paris Agreement;

#### **Technical cooperation and policy advisory service**

11. We acknowledge that Technical Cooperation by the United Nations development system agencies is a major vehicle of delivering services for capacity-building in LDCs, particularly the new approach on the humanitarian development nexus, and we commit its effective facilitation as an integral part of our national development priority;

12. We underscore the importance of UNIDO services in the areas of creating shared prosperity, advancing economic competitiveness, safeguarding the environment, and strengthening knowledge and institutions for building productive capacities and facilitating structural transformation in LDCs. Acknowledging such significant role of UNIDO, we urge the organization to continue pursuing its technical cooperation programmes, advisory services and global forums to accelerate and enlarge inclusive industrialization in LDCs; in particular we urge UNIDO to expand its programmatic frameworks such as the CP and PCP approach and call on governments to actively lead the programming and funds mobilization;

13. While taking note of the new UNSDCF and the envisioned coherent approach by the UNDS at the country level, we encourage UNIDO to continue with the programmatic approach. In this regard, we appreciate UNIDO's efforts to expand the

PCP model to Cambodia, Rwanda and Zambia and further request that UNIDO expands and/or mainstreams its PCP model, initiated and piloted in Senegal and Ethiopia, to other LDCs in all regions, upon their request, taking into account lessons learnt from the mid-term evaluation and best practices;

14. We congratulate those LDCs – Vanuatu, Angola, Bangladesh, Bhutan, São Tomé and Príncipe and Solomon Islands – which are gearing up for graduation in the coming years and emphasize the importance of tailor-made TC support services from the United Nations Development System, enabling them to continue developing their productive capacities. In this regard, we look forward to and express our commitment to the important role to be played by the inter-agency task force on graduation, led by the UN-OHRLLS.

15. We recognize that a key structural challenge in most of the LDCs is to raise the share of manufacturing output in gross domestic product (GDP). We would therefore further strengthen our efforts to accelerate capital accumulation, knowledge development, technology acquisition, and diffusion, expansion of higher-value-addition and employment creation in manufacturing sectors. We will also reinforce efforts to stimulate productive capacity-building in labour-intensive manufacturing industries, with the objective of raising output and increasing the quality of those goods that are already produced and maximizing direct employment creation. In this regard, we request UNIDO to look into the strength and effectiveness of the national policies and institutional capacities of LDCs, to promote staple crop processing zones, SMEs with a special emphasis on production value chain, and to provide advisory support to fine tune industrial policy frameworks for the future as requested by the countries;

16. We underline the necessity for multilateral trade agreements to support the design of effective production and export initiatives of goods and services in LDCs in order to accelerate and foster their graduation process, and we congratulate the establishment of the African Continental Free Trade Area (AfCFTA) under the auspices of African Union (AU) and the support it attracted from the international community;

17. We identify that LDCs are still further away from the target of 2 per cent of global exports called for in the Istanbul Programme of Action and target 17.11 of the Sustainable Development Goals, therefore, with a view to realizing the SDG target of doubling the least developed countries' share of global exports (by 2020) we commit to work with the international partners to ensure market access as well as transforming the LDCs' comparative advantage into competitive advantage;

#### **Partnership-development**

18. We take note with appreciation of the Secretary-General's report on Progress towards the Sustainable Development Goals 2019, and we are concerned of the limited progress made by LDCs, which necessitates to redouble our efforts to achieve the SDGs. To gather adequate financial, technical and institutional resources, we need to strengthen multi-stakeholder partnerships, focused in particular on building productive capacities, eradication of poverty, and promotion of inclusive growth and implementation of social protection systems, particularly for the poorest and most vulnerable;

19. We reiterate that the collaboration between member States, UNIDO, the United Nations Secretariat, and in particular UN-OHRLLS, United Nations sister agencies, financing institutions and other development partners/donors, plays an important role in supporting LDCs on their path to graduation. In particular by intensifying technical assistance and capacity-building activities, while identifying innovative finance and investment schemes/mechanisms that will facilitate the implementation objectives and actions towards graduation of LDCs and actively driven by the host governments;

20. We take note of the progress that has been made in the implementation of the Third Industrial Development Decade for Africa (IDDA III) under the leadership of UNIDO as required by Resolution A/RES/70/293 of the United Nations General Assembly passed on the subject matter in 2016. Appreciate, in particular, the various initiatives undertaken by the Secretariat including the development of a Joint Roadmap for the implementation of IDDA III to ensure higher development impact; the launching of the IDDA III Champions Initiative comprising Heads of State from Côte d'Ivoire, Kenya, Niger, Senegal, South Africa, Zambia, Egypt and Malta and which initiative serves as a high level platform for the promotion of Africa's industrialization including LDCs therein; the institutionalization of IDDA III focal points in various United Nations agencies, intergovernmental and regional African institutions including African Union Commission and Regional Economic Institutions, as well as development finance institutions and business sector for enhanced cooperation on IDDA III activities; the implementation of various concrete industrial development programmes including the Programmes for Country Partnerships in various African countries. In this regard, we call upon UNIDO to further enhance its work within the IDDA III Framework to support industrialization in Least Developed Countries;

#### **South-South and Triangular Cooperation**

21. We take note with appreciation that a growing number of developing countries provide some form of development cooperation. As southern partnerships and southern solutions for southern problems are acknowledged as cost effective, the outcome document of the second High-level United Nations Conference on South-South Cooperation underlined the importance of South-South cooperation;

22. We acknowledge that South-South cooperation is an important element of international cooperation for development as a complement to, not a substitute for, North-South cooperation, and is becoming more diversified while identifying new partnerships and forms of cooperation. However, we strongly acknowledge the need to deepen and upscale North-South, South-South, and triangular cooperation, through a more innovative approach to collaboration that will positively impact the implementation process of the IPoA and the future programme of action for LDCs. In this regard, we request to identify successful models and best practices of south-south and triangular industrial cooperation – with emphasis to models of infrastructure development, transit transport cooperation, productive capacity-building, energy, science and technology, trade, and investment – and to integrate it for future replication in LDCs;

23. We highlight the importance of the south-south cooperation initiatives like the recently founded LDCs Universities Consortium on Climate Change (LUCCC) is a long-term capacity-building platform comprised of 10 universities. LUCCC as an LDC-wide initiative has been endorsed by the LDC Ministerial in Addis Ababa in October 2018;

#### **Investment-promotion and financing for industrialization**

24. We emphasize the important role of multi-stakeholder partnership building in the area of investment-promotion. In this regard, we take note with appreciation of the Capacity Development Programme for the investment promotion agencies of LDCs, developed by UN-OHRLS jointly with UNCTAD, UNIDO, ILO, EIF and WAIPA; Moreover, we request contribution from all partners in order for Investment Promotion Agencies to attract, diversify and retain sustainable Foreign Direct Investment (FDI) and derive maximum benefit from it and, to foster private sector development in LDCs, thereby contributing to their sustainable graduation;

25. We take note of the Secretary General's report – on the follow-up to and implementation of the outcomes of the International Conferences on Financing for Development – and the challenges and opportunities it identified. However, we are concerned that as noted in the outcome document of the 2019 forum on financing for development, parts of the multilateral system are under strain, and on the current

trajectory, it will not be possible to meet the aspirations of the 2030 Agenda. Based on this cautionary assessment by the forum, we request renewed efforts and commitment from the development partners to follow the decision contained in the Addis Ababa Action Agenda and the 2030 Agenda for Sustainable Development to adopt and implement investment-promotion schemes for LDCs and organizing investment forums, noting the special needs of post-conflict countries;

26. We commit to strengthen the underlying investment climate, with enhanced support provided by development partners and international financial institutions, including organizing donor conferences, improving predictability, governance, and transparency, as well as in procurement practices and policies, without interfering with national sovereignty and territorial integrity. We noted that providers are increasingly focusing on the ability of official development finance to mobilize additional commercial financing, often referred to as “blended finance”. However, experience shows that so far it largely bypassed the least developed countries, owing to barriers in the enabling environment, such as macroeconomic, governance and other risks, and at the project level, such as small project size and difficulties in project preparation. We commit ourselves to address these challenges to gain from this avenue of financing and requesting the assistance of United Nations system agencies which contributed to the Capacity Development Programme;

#### **Energy, infrastructure, innovation and adaptation of new technologies**

27. We express the need with concern that universal access to modern energy by 2030 remains a daunting challenge for the LDCs. Sustainable energy, encompassing its three dimensions of access, efficiency, and renewable energy, is a key development enabler for many SDGs. In this, we call upon the partners and request greater contribution in the form of technology, investment and resource support;

28. We stress the importance of building resilient infrastructure, including renewable energy and information and communications technology for productive purposes, along with fostering innovation through the transfer of knowledge and technology, which are critical to effectively engage in the new industrial revolution (Industry 4.0), allowing LDCs to prosper and progress on their path to graduation;

29. We recognize the importance of digital technologies and the opportunity it could provide in the realm of trade and committing ourselves to explore this option through the promotion of e-commerce/ e-services in LDCs. We reiterate the call made by the Ministerial Declaration dated 25 September 2019 on developed country Members to provide preferential market access to all business to consumer goods and services originating from all LDCs that are exported using an e-commerce-platform directly from LDCs suppliers. In this regard, we look forward to intensified and concerted action of the G20 countries to enhance the ability of least developed countries to more fully engage in digital trade, as committed in the G20 Summit in Germany in 2017;

30. We welcome the analytical work that UN-OHRLLS and other United Nations entities have undertaken with respect to enhancing access to sustainable energy in LDCs and call for stronger partnerships and new financing models to push forward sustainable energy- transition in a way that enables LDCs to develop and deploy new and cost-effective energy sources and technologies;

31. We appreciate the progress made so far in the work of the Technology Bank for LDCs and appreciate the critical contributions by UN-OHRLLS and the Government of Turkey towards its operationalization in 2017. We further call upon other development partners to make substantial contributions to enlarge its operational activities and particularly we are using this opportunity to highlight the need for UNIDO to associate with the Technology Bank to contribute in the areas of sustainable industrial development and to develop policies and strategies on technology and innovation in LDCs. We also use this opportunity to commend the empirical study undertaken by the OHRLLS and the International Telecommunication

Union on the economic impact of broadband in LDCs, LLDCs and SIDS and commit ourselves to improve broadband connectivity to advance the 4th industrial revolution (Industry 4.0), in LDCs;

32. We take note of the need to strive towards circular economic production in order to design products for durability and recyclability with the view to mitigating industrialization's environmental impacts, and to engage in new transformation methods;

33. We underline the necessity for multilateral trade agreements to support the design of effective production and export initiatives of goods and services in LDCs in order to accelerate and foster their graduation process;

#### **Youth, women, and entrepreneurship**

34. We acknowledge the necessity to foster the inclusion of vulnerable segments of our populations, especially youth and women, who represent untapped potential which needs to be actively involved in the inclusive and sustainable industrial development of our countries, with the objective to contribute to the acceleration of our graduation from the LDC category;

35. We take note of the changes happening in the realm of technology, environment, and infrastructure. While advances in technology, such as artificial intelligence, big data analytics and digital interconnectedness, are accelerating and facilitating progress, the rapid pace of change can exacerbate technology and digital skills gaps across countries and constrain the diffusion of technology across regions, especially in the LDCs;

36. We are aware of the possibility that increasing automation of routine and some non-routine cognitive tasks has the potential to make millions of workers redundant. Taking into account of these changes, we acknowledge the important role of training the youth, women and persons with disabilities to adapt and gain from the opportunities created by the change and requesting greater cooperation from the development partners. In this regard, we encourage and pledge to support the striving youth, and female entrepreneurs in LDCs to assume their role as agents of development, change, and modernity, thus accelerating sustainable development;

#### **Food security, Resilience building and Post conflict recovery**

37. We are deeply concerned that globally, more than 113 million people across 53 countries experienced acute hunger requiring urgent food, nutrition and livelihoods assistance in 2018 which is primarily fueled by conflict, record-high food prices and abnormal weather patterns including prolonged drought conditions. Out of 53 countries facing Crisis food insecurity or worse, 29 are LDCs with a combined population of around 80 million. This is disheartening – to note that in our previous declaration made in 2017, the figure was 71 million and now it is increased to 80 million people who are subjected to this harsh reality. We call upon our development partners, to enhance their financial and in-kind support to address this emergency;

38. We note that food insecurity is a result of low agricultural productivity. We thus call upon the international community, especially our development partners and the private sector, to elevate their partnership efforts and build more synergies to help increase agricultural productivity and rural incomes in order to eliminate emergencies once and for all;

39. Taking note of ensuring food security as a major responsibility towards our populations, we commit ourselves to strengthen our institutional capacities and requesting United Nations development System agencies to accelerate and enlarge the provision of knowledge, technology and skills enabling the LDCs not only to increase agricultural productivity but also to improve storage, process and transport of agricultural produce; In this regard, we encourage United Nations System Agencies

to work together to create synergies, and using this opportunity to highlight some of the best practices benefitting the LDCs such as the Joint FAO-IAEA programme for food and agriculture, the FAO, IFAD, WFP and UNIDO cooperation to promote sustainable, inclusive business opportunities through agri-business and agro-value chain development;

40. We stress the importance of working together with all stakeholders to further develop and implement concrete measures at the national and international levels in order to build the resilience of LDCs to withstand economic shocks and mitigate their adverse effects to endure and overcome the harsh effects of climate change, to enhance sustainable growth and protect biodiversity, and to withstand natural hazards in order to reduce the risks of disasters, as agreed upon in the IPoA;

41. We take note with appreciation of UNIDO's support to Small Island Developing States (SIDS) to respond to the challenges of climate change and their needs for economic development as demonstrated by the continuous operation of the Pacific Centre for Renewable Energy and Energy Efficiency (PCREEE) Tonga with the support of UNIDO, SIDS DOCK and the Government of Austria. We also take this opportunity to request UNIDO and its partners to expand such programmes and to cover other thematic areas.

42. We stress that the particular challenges faced by some LDCs in post-conflict situations, including human, economic, and social implications, need to be recognized in order to promote and enhance their stability with a view to achieving sustainable development, specifically SDG 16; In this regard, we urge the dire need of supporting the host countries and communities in providing the displaced population with skills development and sustainable livelihood activities as more and more people are displaced due to the protracted conflicts and recurring natural disasters;

#### **Istanbul Programme of Action (IPoA), the new program for 2020-2030 and the way forward**

43. We look forward to the final review of the IPoA and committing ourselves to use this opportunity for the identification of national-level best practices in the acceleration of ISID, SDG 9 and the related goals;

44. We commend UNIDO's efforts to undertake a review of its Operational Strategy on LDCs to capture lessons learned and best practices from among the Organization's portfolio in LDCs while implementing monitoring systems to better track progress towards impact in the future; this is a major contribution to the evaluation of the IPoA and impetus towards the next programme of action;

45. We affirm full involvement in the preparation of the new programme of action for LDCs and integrate the lessons learned from the implementation of IPoA. In this regard, we request the United Nations Specialized Agencies to identify Best Practices grouped into various thematic areas such as Energy, Environment, Food security and safety, Agriculture and Agro-industries, Exports and investment promotion, infrastructure and innovation, youth, women and entrepreneurship, conflict mitigation and resilience building, partnership building and policy advisory services. We take the opportunity to provide necessary support at the national level in gathering relevant data and information as a major step in shaping the programme of action for the next decade for the LDCs;

46. We reiterate the importance of industrial development as an engine for growth, takes this opportunity to request UNIDO to include and integrate the identified best practices and innovative approaches in its review of its LDC strategy, and to provide necessary inputs on the role of industrialization in the graduation of LDCs in cooperation with OHRLLS during the preparation of the new programme of action and the eventual inclusion of its programme for LDCs;

47. We call upon the United Nations System Agencies, and particularly UNIDO to identify innovative approaches including which are already being applied through its interventions in its Member States to be put forward for the consideration of the new programme of action for the LDCs and to benefit the LDCs in their quest of sustainable industrialization;

48. We request all our development partners and international development community to pay attention to the cautionary remark on the financing aspects of the multilateral system as noted in the outcome document of the 2019 forum on financing for development; we strongly call upon all countries and all partners to ensure adequate financing for the development and implementation of country-specific and regional operational strategies, projects, and programmes for the eradication of absolute poverty, climate change mitigation and adaptation in LDCs;

49. Finally, as we review the success, and bottlenecks endured during the implementation of the IPoA, and preparing the way for the new programme of action for LDCs, we commit ourselves to gain from the lessons learned and replicate best practices from the IPoA, and also from the first five years for SDGs implementation in LDCs and other countries. We request the international community including the United Nations system to come together for the successful organization of the Fifth United Nations Conference on LDC to be held in Doha, Qatar in 2021 and preparation of a strong and action-oriented outcome document and plan of action.

*[Adopted in Abu Dhabi, United Arab Emirates, on 2 November 2019]*

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INDUSTRIAL DEVELOPMENT ORGANIZATION

VIENNA INTERNATIONAL CENTRE, P.O. BOX 300, 1400 VIENNA, AUSTRIA  
TELEPHONE: (+43-1) 26026-0, FAX: (+43-1) 26926-69  
E-MAIL: [UNIDO@UNIDO.ORG](mailto:UNIDO@UNIDO.ORG), INTERNET: [WWW.UNIDO.ORG](http://WWW.UNIDO.ORG)

