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## **Press Release**

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#### **COLLECTIVE EFFORTS CAN RESOLVE UNDERDEVELOPMENT, SECRETARY-GENERAL SAYS**

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Following is the text of Secretary-General Kofi Annan's speech to the Tenth Annual Ministerial Meeting of the Least Developed Countries:

This ministerial meeting is both timely and crucial.

It comes in the wake of the Millennium Summit, at which the leaders of the whole world resolved to address the special needs of the least developed countries. And we have just six months left to prepare the Third United Nations Conference on the Least Developed Countries, whose success the world's leaders said they would endeavour to ensure.

Its success cannot be taken for granted. Alas, the resounding commitments to vigorous action in favour of least developed countries, given at the previous two conferences, have gone largely unfulfilled. In the age of globalization, the least developed countries are, for the most part, more marginalized and impoverished than ever before. As a group, they have not met any of the targets set for this year -- the year 2000 -- by the major world conferences of the past decade.

Whatever is said in Brussels next May, therefore, we shall have difficulty in persuading the peoples of your countries to take seriously. How can we make this conference different from previous ones?

First, it is clear we can no longer afford to treat the problems of least developed countries in relative isolation from the rest of the world. Globalization, by deepening interdependence and widening interconnection among nations, has made the development process much more complicated. Even though they have been unable, so far, to play any significant role in globalization, and, therefore, are denied most of its benefits, many people in your countries feel threatened by the unpredictable forces it has unleashed. They are afraid, understandably enough, that they will lose out even further. That fear

was voiced by many of your heads of State and government during the Millennium Summit.

Removing the grounds for this fear must be the central task of the Brussels Conference. Clearly, that will require efforts on both the domestic and the international levels. We must forge a more genuine partnership between the least developed countries and the international community. Within that partnership, the primary responsibility rests with you - your governments and your peoples. No amount of outside help can develop a country, unless its people are given the chance to develop themselves.

In the last resort, it is the efforts of ordinary people that will reduce poverty and inequality. The task of government is to adopt policies, and to provide an institutional and legal framework, as well as physical infrastructure, which give people the chance to do that.

Governments must give all sectors of society the chance to play a free and effective role in making those policies, and to win their fair share of the benefits. And they must remember that development has to provide not only a livelihood for the present generation, but a sustainable one for their children and grandchildren.

But, of course, least developed countries cannot be expected to accomplish all this alone. They need real help, not just advice and sympathy, from the world community. It is shameful that official assistance flows to least developed countries continue to decline. It is deplorable that those countries' efforts to meet their people's needs are hampered by a crushing burden of debt. It is disheartening that they still depend on a limited number of primary exports.

The fundamental values of freedom, equality, solidarity and shared responsibility, which all the world's leaders have just declared essential to international relations in the twenty-first century, demand that the affluent do not leave the less fortunate behind.

It is, therefore, surely reasonable to insist that the industrialized countries come to the Brussels Conference, ready to agree on duty-free and quota-free access for all exports, including manufactured exports, from least developed countries -- and that they commit themselves to starting a genuine "development round" of world trade negotiations without further delay. Need I repeat that, in doing so, they would actually be doing themselves a favour, since current protectionist arrangements cost their peoples many billions of dollars each year, both as consumers and as taxpayers?

The least developed countries also need help in positioning themselves to make best use of the opportunities that trade can bring them. That is the purpose of the "integrated framework" on which the United Nations Development Programme (UNDP) and the United Nations Trade Conference on Trade and Development (UNCTAD) have been working, together with the World Bank, the World Trade Organization and other agencies. Ensuring that that framework really delivers what it promises must be an important item on the Brussels agenda.

It is not only reasonable but essential to insist that, by the time of the Brussels Conference, the rich countries implement the enhanced programme of debt relief for heavily indebted poor countries. More than that, they should agree to cancel all official debts -- bilateral and multilateral -- of poor countries that make demonstrable commitments to reduce poverty among their people. And I hope they will also agree to accept a more equitable process for arbitrating or mediating in disputes between creditors and sovereign debtors.

But let us not forget the third panel of the triptych: financial flows. While asking industrialized countries to encourage and promote private flows and foreign direct investment in least developed countries, we must also

persuade them to take more seriously the targets for official development assistance to which they committed themselves long ago. In this respect, the pledge given by the Irish Prime Minister at the Millennium Summit was very encouraging. How excellent it would be if a whole series of ministers from industrialized countries came to Brussels ready to make similar commitments!

Finally, the conference will have to deal with two great scourges that afflict a significant number of least developed countries, particularly those in sub-Saharan Africa, with consequences going far beyond their national boundaries. I refer, of course, to conflict -- especially internal conflict - - and pandemic disease, especially HIV/AIDS.

Extreme poverty aggravates the impact of both, and they, in turn, make the battle against poverty far harder. It is the classic vicious circle. Every development strategy, national and international, must make it a priority to prevent, contain and reverse the spread of these twin evils. At stake is the very survival of many African societies.

The challenge is enormous. But some least developed countries have succeeded in improving their economic performance -- by embracing democracy, by involving people in decisions that affect their future, and by raising the status of women. I am convinced that all of them can do so if we all pull together -- governments, regional organizations, private corporations and civil society in all its forms. That will be the aim of the United Nations in preparing for the Conference, and in helping the least developed countries to do so.

I am impressed by the preparatory work done so far, especially at the first session of the Preparatory Committee, which augurs well for Brussels. Let me assure you that the Secretariat will spare no effort to give you the support you need.

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