Milan Declaration for the Graduation of African LDCs

1. **We, Ministers and representatives of the least developed countries (LDCs) of Africa**, have met in Milan (Italy), from 08 to 10 June 2015 to examine issues related to "Structural Transformation, Graduation and the Post-2015 Development Agenda" in the context of the EXPO Milano 2015 on the theme “Feeding the Planet – Energy for Life”;

2. **We welcome** the participation of development partners, organizations of the United Nations system, including Enhanced Integrated Framework (EIF), Food And Agriculture Organization (FAO), International Fund For Agricultural Development (IFAD), International Labour Organization (ILO), International Trade Centre (ITC), Sustainable Energy for All (SE4All), United Nations Capital Development Fund (UNCDF), United Nations Conference On Trade And Development (UNCTAD), United Nations Economic Commission For Africa (UNECA), United Nations Educational, Scientific And Cultural Organization (UNESCO), United Nations Development Programme (UNDP), United Nations Department Of Economic And Social Affairs (DESA), United Nations Population Fund (UNFPA), United Nations Industrial Development Organization (UNIDO), World Intellectual Property Organization (WIPO), and World Trade Organization (WTO), the private sector, academia and civil society at the ministerial meeting jointly organized by the Government of Italy and UN-OHRLLS;

3. **We acknowledge** that the meeting enabled the sharing of experiences and best practices among LDCs and their development partners. We also emphasize that graduation should not be seen as an end goal, but should rather be regarded as a means to achieve structural change, poverty eradication and economic diversification in African LDCs and thereby contributing to the achievement of the Post-2015 development agenda in an accelerated and effective manner;

4. **We stress** the importance of enhancing graduation from the LDC category in line with the overarching goal of the Istanbul Programme of Action for the LDCs for the Decade 2011 to 2020. We underline that this goal is consistent with the aspirations set in Agenda 2063. We recall the graduation of Botswana and Capo Verde and we are encouraged by the commitment of Equatorial Guinea and Angola. We stress the importance of smooth transition for countries graduating from the LDC category. We also stress that efforts towards graduation need to be underpinned by ownership and leadership of the LDCs, as the primary responsibility for development lies with the countries themselves. We underline the need for LDCs to be supported by concrete and substantial international measures in a spirit of shared responsibility and mutual accountability;
5. **We underscore** that the modernization of agriculture is essential for food security and nutrition in Africa and can unleash a virtuous circle of growth for sustainable eradication of hunger and also induce structural transformation if coupled with higher access to energy and technology, enabling African countries to make great strides towards meeting the graduation criteria;

6. **We emphasize** that graduation from the LDC category is a major milestone. Its achievement requires that each country mainstreams the goals, targets and actions of the IPoA into national development strategies. We also underscore that LDCs need to identify key drivers of graduation based on their national development strategies. In this regard, we call upon our development partners to provide adequate incentives and support measures to countries in the process of graduation and in the aftermath thereof in order to accelerate progress in a sustained manner, including the achievement of the MDGs and SDGs;

7. **We reaffirm** the decision of the General Assembly that all relevant organizations of the United Nations system, in liaison with the Office of the High Representative for LDCs, LLDCs and SIDS, should continue to extend necessary support to countries aspiring to graduate in preparing their national graduation into the group of emerged countries, endowed with a vibrant prosperous and inclusive economy that is resilient to shocks and can prevent the relapse of the graduated countries in poverty. In this regard, we call for increased resources for projects and programmes dedicated to LDCs carried out by UN agencies, especially for capacity building;

8. **We underscore** the critical importance of the mid-term review of the IPoA to be held in 2016. We appreciate the decision of the General Assembly to welcome the generous offer of Turkey to host the Comprehensive High-Level Mid-term Review Conference in Antalya. In this regard, we take note of the decision of the UN General Assembly on the modalities of this conference and urge all Member States, the UN system, and all other stakeholders to ensure the full success of the mid-term review and also to contribute to the graduation process of LDCs in a more coherent manner. In this respect, we call upon development partners to provide additional, enhanced, preferential, concessional and most favourable treatment in the areas of finance, technologies, know-how and other resources to LDCs. We further call upon development partners to accord LDCs differential and flexible treatment to enable them to meet their development priorities;

9. **We underline** that the issues discussed at the African regional review meeting, which took place in Algiers on 5 May 2015, such as agricultural
development, food security and access to sustainable energy are crucial for the development and graduation of African LDCs. In these areas, we underline the need for international support to our efforts in further strengthening regional integration to accelerate progress. In this respect the cooperation with the regional economic communities should be strengthened;

10. **We acknowledge** that building productive capacity is essential to foster structural transformation for accelerated and inclusive growth, employment generation and poverty eradication, and thus should be at the center of national policies and international support measures for graduation and smooth transition;

11. **We reaffirm the following comprehensive vision** on accelerated graduation of the African LDCs:

   i) **Enhancing** productive capacity, which is the first priority area of the IPoA, is crucial for graduation. This includes capacity building, education, skills development – especially vocational and managerial training, infrastructure development, access to reliable, modern energy, and an enabling environment for the private sector, with the aim to enhance agricultural productivity, inclusive and sustainable industrialization and moving towards higher value added services. Together with the integration of African producers into global value chains, for example in agro-processing, this can foster diversification and structural transformation.

   ii) **Instituting** good governance, inclusiveness and transparency as well as domestic resource mobilization and inclusive and responsive global finance are critical for the acceleration and sustenance of the development process of the least developed countries. These efforts need to be given concrete and substantial international support in a spirit of shared responsibility and mutual accountability through a renewed and strengthened global partnership. In this context the interlinkages between development and security also have to be taken into account.

   iii) **Prioritizing** LDCs with respect to ODA, market access, investment promotion and access to technology and provision of concrete timetables for their implementation by development partners are needed in the Outcome Documents of the Third Financing for Development Conference to be held in Addis Ababa as well as the Summit on the Post-2015 Development Agenda. Development partners should also fulfill all their ODA commitments to the least developed countries, and consider further enhancing the resources for the acceleration of their sustainable development.
iv) **Fulfilling** ODA commitments is crucial. ODA to African LDCs, which still forms a major flow towards their development expenditure, needs to increase. In this regard, the development partners should ensure that they provide 0.20% of their GNI to LDCs by 2020 and 0.25% of their GNI to the LDCs as ODA by 2030 and/or at least provide 50% of net ODA to LDCs.

v) **Promoting** food security and agricultural development are crucial for African LDCs, as the majority of the population lives in rural areas and agricultural productivity is lower than in other regions. Thus concrete initiatives to eradicate hunger through enhanced agricultural productivity and rural development are needed.

vi) **Achieving** access to modern energy in African LDCs through a special focus throughout the United Nations Decade of Sustainable Energy for All (2014-2024) is needed, with a view to ensuring the realization of the objective of universal access to energy for all by 2030, as well as other energy related goals and targets set out in the Istanbul Programme of Action and the Post-2015 development agenda.

vii) **Enhancing** investment in infrastructure is also required for structural transformation. This issue was rightly addressed in the Dakar Agenda for Action (DAA) for Moving Forward Financing for Africa’s Infrastructure, which stated that its development presents significant opportunities to foster poverty alleviation, food security, job creation and wealth creation. Yet the LDCs are bypassed by investment flows and hampered in their efforts to attract FDI by an overstated risk perception. LDCs should be supported by the establishment of an infrastructure facility, especially dedicated to them and managed by the Regional Development Banks, to leverage larger resources for meeting the needs in this field.

viii) **Improving** the monitoring of the implementation of the IPoA as well as the SDGs and other international development goals requires statistical capacity building in LDCs. This would also enable evidence based policy making;

12. **We express our profound gratitude** to the Government of Italy for providing financial support, hosting this meeting and for the generous hospitality extended during our stay in Milan. We also thank the Honorable Minister of Foreign Affairs of Italy for attending the meeting. Furthermore we thank the Office of the High Representative for LDCs, LLDCs and SIDS for supporting the organization of this meeting and for its substantive contributions.

**Milan, 9 June 2015**