Ad Hoc Expert Meeting on

# Addressing the Transport and Trade Logistics Challenges of the Small Island Developing States (SIDS): Samoa Conference and Beyond

11 July 2014

## **Opening address**

by

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Director Division on Technology and Logistics, UNCTAD

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### Ad Hoc Expert Meeting on Addressing the Transport and Trade Logistics Challenges of the Small Island Developing States: Samoa Conference and Beyond Geneva, 11 July 2014

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Madam Chair,

Distinguished delegates,

Ladies and gentlemen

It is a great pleasure for me to welcome you to the UNCTAD Ad Hoc Expert Meeting on "Addressing the Transport and Trade Logistics Challenges of the Small Island Developing States (SIDS): Samoa and Beyond". I would like to extend a special welcome and thanks to our distinguished speakers who came from Geneva and abroad and agreed to share with us their knowledge, insight and expertise.

Since their recognition at the 1992 United Nations Conference on Environment and Development (the Earth Summit) as a distinct group facing unique vulnerabilities and challenges, SIDS have been repeatedly considered as a special case in terms of sustainable development. Relevant occasions include, in particular the 1994 Barbados Programme of Action (BPoA), the 2005 Mauritius Strategy for Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States (MSI), and more recently, the Rio+20 Conference, which have also emphasised the importance of transport for SIDS

and the need to address the related challenges, including their relatively high transport costs. While the hurdles undermining the transport of SIDS have been identified decades ago, they nevertheless remain ever more present today and are exacerbated by concurrent trends such as globalisation, environmental degradation, climate change and limited financial resources for infrastructure development and maintenance.

This meeting is taking place at a pivotal moment for SIDS given the various landmark events shaping the year. First, 2014 was designated by the United Nations as the "International Year of SIDS". Secondly, the Third International Conference on the Small Island Developing States will take place in less than two months from now in Samoa, and finally, the Post-2015 Development Agenda negotiating process is currently underway with the "Zero Draft" on the proposed goals and targets including explicit reference (goals 9.1 and 9.2) to the need to "support the development of quality reliable, safe, sustainable and resilient infrastructure for energy [...] transport, ports [...]".

Bearing in mind these milestones this meeting provides an opportunity to revisit and strengthen the sustainable development agenda of SIDS and underscore the role of transport. Not only is transportation an economic sector in its own right that generates revenue, income and employment, it is also a critical component essential to the performance of other key sectors, namely external trade, tourism and fisheries. A case in point is the transport-trade nexus as SIDS are heavily reliant on transport-intensive imports for meeting much of their consumption needs, including food and fuel. In Cape Verde for example, over 90%<sup>1</sup> of all food consumed is imported while 50% of Tonga's imports is accounted for by fuel imports.<sup>2</sup> The

<sup>&</sup>lt;sup>1</sup> WTO. Trade Policy Review for Tonga. 2014

<sup>&</sup>lt;sup>2</sup> United States Department of State. Briefing. August 2012f

close connection between transport and tourism is another example. Tourism – which accounts on average for up to 50% of  $GDP^3$  - and air travel in particular are inextricably linked, and the role of transport as a key enabling factor cannot be overemphasised.

As structured, the meeting reflects these various considerations. **Session 1** will provide an overview of key transport-related challenges of the SIDS, some relevant response measures, as well as the perspective and experiences of SIDS. **Session 2** will focus on climate change impacts and the need for adaptation, climate proofing and resilience building in transport, in particular seaports and airports, the main lifelines of SIDS. Addressing these challenges and harnessing opportunities and gains require adequate strategies but more importantly the requisite financial resources. With financing and being crucial, including for the transition towards more sustainable transportation systems, the critical issue of how to scale up the levels of funding and diversify their sources will be addressed in **Session 3**.

UNCTAD is well positioned to help advance the SIDS transport agenda and reflect on how best to deliver on the principles laid down in BPoA, MSI, and the Rio+20 Conference. UNCTAD has a long established expertise in the field of transport and trade logistics, in particular maritime transport and is increasingly focusing attention on the special needs of SIDS. Recent relevant mandates, in this respect, include the Accra Accord (2008), which requires UNCTAD to , "through its research and policy analysis,[...] help developing countries make informed policy choices to address the environmental challenges in relation to transport strategies and to help identify associated capacity-building needs and appropriate regulatory responses" (para.168) as well as the Doha Mandate (2012) which directs UNCTAD to "advise SIDS on the design and implementation of policies addressing their

<sup>&</sup>lt;sup>3</sup> UNCTADStat. 2014

specific trade and trade logistics challenges linked to their remoteness and geographical isolation" (paragraph 56(j), also paragraphs 6 and 48).

I am pleased to note that we in DTL have been very active in carrying out our mandate in the field of transport and trade facilitation, including in relation to SIDS (as set out in DTL activity report 2013). Some concrete and recent activities with a direct relevance include in particular the following:

1) A *dedicated Special Chapter in this year UNCTAD Review of Maritime Transport (2014)* which focuses on maritime transport situation of SIDS. As you may be aware, the Review is a highly-regarded flagship report and a long-standing UN publication (published since 1968). It serves as a reference in the field and in many cases, informs relevant national transport analyses and policies. Last year's special chapter of the RMT 2013 was dedicated to the LLDCS and their transport issues, in view of the 10 year Review of the Almaty Programme of Action;

2) A *substantive report is being prepared* on the topic of this meeting with a view to its submission at the Samoa Conference. In this respect, your views and guidance will be very useful in informing the report and helping shape the way forward and articulate some relevant concrete next steps and actions, including for UNCTAD. Thus, the outcome of our discussions today will, as appropriate, feed into UNCTAD's substantive contribution to the Samoa Conference;

3) A *side event at the Samoa Conference*, involving cross-divisional cooperation with colleagues in DITC. The event will feature the importance of harnessing the potential of trade and oceans economy as well as enabling sustainable and resilient maritime transport; and

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4) **Two technical assistance projects** under the UN Development account are designed so as to (1) strengthen the capacity of policy makers, transport planners and transport infrastructure managers in the Caribbean SIDS to (a) understand climate change impacts on coastal transport infrastructure – in particular seaports and airports - and (b) take appropriate adaptation response measures as well as (2) to strengthen capacities of policy makers, transport operators and key financial institutions in developing countries, to promote and finance sustainable freight transport development. My colleagues from the Trade Logistics Branch will provide further detail about these two projects in **sessions 2 and 3**;

5) A session dedicated to SIDS and issues relating to their transportation during the third Session of the Multi-year Expert Meeting on Transport and Trade Facilitation, scheduled to take place in November of this year.

Ladies and gentleman, we need to further clarify the exact nature of the challenges currently facing the transport of SIDS, take stock of what has been achieved so far in response to these hurdles and consider ways in which these can be further and more effectively addressed. Responding to the challenges requires that we also consider the relevant opportunities that may be currently unfolding as part of the current debate on the ocean-based economies or "blue growth".

I have no doubt that the deliberations at this meeting and insights gained will contribute positively to advancing the overall objective of achieving more sustainable and resilient transport systems in SIDS.

Madam Chair, Ladies and gentlemen, I would like to thank you for your attention and wish you a successful meeting.