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**Statement by Ambassador Magzhan Ilyassov, Chair of the Group of Landlocked Developing Countries at the UNCTAD Briefing on Building Productive Capacities in LDCs: Preparatory Meeting on the Road to UNCTAD15 and LDC5**

11 May 2021, 9.30-11.30, New York, virtual platform

*Time: 5.5 minutes*

**Mr. President** (*of UNCTAD Trade and Development Board*),

**Madam High Representative,**

**Excellencies, Ladies and Gentlemen,**

It is my honour to address this meeting, as Chair of the Group of Landlocked Developing Countries, in preparation for the 15th Conference of UNCTAD and for the 5th UN Conference on Least Developed Countries focused on building productive capacities.

The convergence of the timeframe and goals is significant between the Decade of Action, instituted last year, as well as the new Plan of Action for the Least Developed Countries to be adopted next year. They both aim to accelerate fair globalization, economic growth, reduction of gross disparities, and conflict prevention and resilience in fragile societies.

Therefore, the outcome of the UNCTAD15 Conference, to be held in October this year in Geneva, will also serve as a benchmark for the LDC5 deliberations because as many as 17 of our 32 countries are in the category of the most vulnerable countries in the world.

Simultaneously, the priority areas of the Istanbul Programme of Action, and its future successor to be adopted in January 2022 in Doha, will coincide with the targets of the Vienna Programme of Action for LLDCs.

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The December 2019 UN Midterm Review of the Vienna Programme of Action for LLDCs assessed that the progress and pace of measures to reach the goals of the Programme were lagging, which in turn, would also retard reaching the 17 SDGs by 2030. The commonality in the challenges encountered by LLDCs and LDCs is clear: deeper extreme poverty compared to the world average; low integration in global trade - only at 1.1%; huge deficits in transport, ICT and energy infrastructure; and an overwhelmingly devastating impact of climate change; massive deficits in foreign direct investment (FDI) flows, to mention a few.

Last month, the UNCTAD Secretariat briefed our Group on its efforts to enhance our productive capacities by establishing a solid basis for transport, transit and integrated trade systems. These measures are recognized as most important for the special Roadmap which the LLDCs adopted last September to accelerate implementing the six priorities of the VpoA, and

reaching Agenda 2030. It is thus with great appreciation that we appeal to UNCTAD for further assistance by:

- undertaking substantive research on issues affecting LLDCs with pointers on the progress made, and guidelines regarding the measures that UNCTAD can launch primarily through mobilizing greater UN funding, FDIs and ODA;

- providing technical and capacity-building support to achieve structural economic transformation and higher productivity through more means such as, harnessing natural resources, land, capital labour, and know-how, which would then move us away from agricultural and traditional services;

- reducing our commodity dependence and facilitating trade with other countries;

- developing a strategic plan for accelerated progress by overcoming and transcending the three limiting characteristics/criteria of LDCs, namely, low per capita gross national income (GNI), restricted human assets, and high economic vulnerability to external shocks;

- ushering in a digital revolution and also bridging the gender gap;

- revitalizing the “Aid Effectiveness Agenda 2.0” of UNCTAD.

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**Distinguished colleagues,**

Unfortunately, today the LLDCs and LDCs have been the hardest hit of all countries by the COVID-19 pandemic. We would therefore like to draw attention that while UN projects are developed on individual country-specific basis, numerous challenges faced by LLDCs and LDCs are transboundary in nature. So, building back economies better would require greater innovative outreach strategies, while mutually cooperating with transit countries.

We thus call for greater consultations, coordination and streamlining within the UN system for greater coherence to avoid duplication and ensure better utilization of human and financial resources.

In the final analysis, building productive capacities is the only long-term solution, especially when the challenges of landlockedness will still persist even when the 17 landlocked LDCs will eventually graduate from their current status. In short, we must reduce high costs of services, increase digital literacy rates and cut internet access costs for the LLDCs to fully benefit from the increased productive capacities, which are the true drivers of development.

It would be equally helpful for us to hear from UNCTAD the obstacles it is facing while assisting LLDCs to build their productive capacities. Such feedback will enable us to make sufficient efforts domestically to help UNCTAD deliver more efficiently.

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To conclude, I reiterate the commitment of the LLDCs to address the challenges of the least developing countries by rendering full support during the preparation of their Fifth UN Conference. It will therefore be our great privilege to continue this dialogue from hereon and collaborate closely with UNCTAD, to which we are most grateful for its outreach to us.

Thank you.

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