

GENERAL DEBATE

DRAFT INTERVENTION BY THE CHAIR OF THE LLDC's GROUP

Thank you Mr. President,

1. As Landlocked Developing Countries our growth and progress toward development goals are largely dependent on our ability to advance in physical and virtual connectivity projects, as well as in the structural transformation of our economies. Therefore, I would like to stress the need for continuous and expanded support to landlocked developing countries so that they can structurally transform their economies and develop efficient transport and transit systems.
2. The 2030 Agenda emphasizes the importance of international trade as a driver of inclusive economic growth, poverty reduction, and as an important tool to achieve the Sustainable Development Goals (SDGs). For its part, the Vienna Program of Action is an integral part of the 2030 Agenda for Sustainable Development, which in turn has specific objectives on the subject we will deal with today. We need to continue working to reinforce the linkages between the implementation of the Vienna Programme of Action and the 2030 Agenda for sustainable development. We on our part are determined to implement priority areas agreed in the context of the VPoA as part of our domestic trade and development policies and strategies.
3. It is worth noting that the Vienna Program of Action identifies the fundamental issues of transit policy, infrastructure development, international trade and trade facilitation, regional integration, structural economic transformation and means of implementation as priority areas for action.

4. Specifically, in its priority area on key issues of transit policy, it sets ambitious goals to reduce travel time along corridors; significantly reducing the time spent at land borders; and improve multimodal connectivity.
5. In addition, the Vienna Program of Action reiterates the importance of physical infrastructure for reducing commercial costs, and emphasizes its development and maintenance, both in landlocked developing countries and in transit countries. On the other hand, we must not forget also the importance of promoting the development of information and communication technology, and energy infrastructure.
6. In that sense, closing the infrastructure gap in landlocked developing countries and in transit countries is critical for the successful implementation of the Vienna Program of Action; this requires all financing sources of infrastructure, including public-private partnerships, official development assistance and innovative sources of financing, such as infrastructure investment funds.
7. The recently established International Think Tank for Landlocked Developing Countries (ITT for LLDCs), based in Ulaanbatar will be a great resource for LLDCs, as it will help to provide much needed support in order to tackle persisting and emerging development challenges that our countries face.

Mr. President,

8. I would also like to refer briefly to the importance of international trade as a key means of achieving the SDGs, through the generation of export and import revenues;

mobilization of private sector financing and foreign direct investment; bridging the technological divide, among others.

9. As noted by the report prepared by the Secretariat, which will be presented under agenda Item 8, our lack of direct access to the sea makes us dependent on transit countries to access global markets effectively. This alone has resulted in a loss of trade for our countries, which the Secretariat has estimated at 30% less than coastal countries. Structural transformation is also key for LLDCs, as our countries are highly dependent on the export of commodities which makes us vulnerable to external shocks. These two issues have an enormous impact on our capacity to develop.

10. LLDC countries as a group have recently experienced a sharp reduction in average gross domestic product growth, which has slowed from above 7% in 2000–2013 to a meagre 2.8 per cent by 2016. In per capita terms, the rate declined from 3.1 per cent in 2014 to 0.4 per cent in 2016. Such a dismal growth performance has put the chances of LLDCs to meet the goals and targets of the VPoA as well as SDGs at heightened risk

Mr. President,

11. Roughly half of LLDCs have the additional challenge of also being an LDC, and some of these countries are currently facing a debt crisis. This bitter fact combined with a declining trend in ODA further deteriorates their economic condition. We would like to draw attention to this situation. While we commend the support of donor communities, we would like to request that the appropriate measures are taken, including the possibility of financial rescues are carefully analysed, before this situation spirals into a financial crisis.

12. FDI can be a powerful engine for economic development for countries; however, FDI trends have been declining in most LLDCs since the 2008 financial crisis. The lack of physical infrastructure, high transit costs, lack of direct access to the sea, among of other issues, make investors overlook LLDCs as potential destinations for their investments. In this regard, we request that special attention be given to the promotion of FDI related activities, including seminars and workshops to help LLDCs attract investors.

Mr. President,

13. Multilateralism and the international trade rules-based system are facing a crisis, as we constantly hear and discuss. Though we are optimistic about WTO forecasts that global trade will increase by 3.6%, protectionism is on the rise, with restrictive measures being taken by major international trading partners and the installation of a trade war rhetoric. The Group of LLDCs is fully committed to multilateralism and recognizes the importance of global trade rules. We urge all stakeholders to engage constructively to solve the differences within the established rules based frameworks and think creatively and constructively on how to advance, improve and strengthen the multilateral system.

14. To face all these changes, the landlocked developing countries need the support of all donor countries and partners and international organizations, whom we urge to continue working with us, especially in the 2019 mid-term review process of the Vienna Program of Action.

15. The Vienna Programme of Action aims to address the challenges of landlocked developing countries in a coherent manner and to contribute to an enhanced rate of sustainable and inclusive growth and poverty reduction.
16. LLDCs are one of the most vulnerable group of countries, and therefore deserve special attention when it comes to their development needs. In this regard, we believe that the inter-agency work is fundamental to advancing our interests as a group and that strong partnerships are needed between international and financial organizations to optimize the work that the different programs and agencies of the United Nations carry out.
17. The work of UNCTAD and the support from its Secretariat are fundamental for the Group of LLDCs. UNCTAD has an important installed institutional and technical capacities that has helped the Group tackle important issues of concern that feature prominently in its agenda. This important work carried out by the Secretariat will be presented in detail under Item 8 of our Agenda for the current TDB Session.
18. The mandate for this work was given to the Secretariat by the member states, as reflected in the *Nairobi Maafikiano*, which includes specific provisions that refer to LLDCs in topics such as sustainable productive investment, transport, cooperation between LLDCs and transit countries, use of internet and e-commerce, productive capacities and structural economic transformation. We look forward to constant and enhanced engagement of UNCTAD in the implementation of priority areas of the VPoA.
19. In this regard, we request that the TDB and the Secretariat actively support the midterm review process of the implementation of the Vienna Programme of Action, to assess its

progress, identify required priority measures and encourage all relevant stakeholders to strengthen their efforts toward the implementation of the Priority actions set up by the Vienna Programme.

I thank you,