

The COMMITMENT

July 2008



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Landlocked countries still marginalized

The main reason for the marginalization of landlocked countries in international trade is excessive transit transport costs. Geographical realities coupled with a lack of critical transport infrastructure and additional border crossings entailing complex procedures often pose more significant impediments to trade for landlocked developing countries than tariffs

By Derrick Bwalya, UN-OHRLLS

Despite the gains brought by the international trading system, landlocked developing countries remain marginalized and their share of world trade remains miniscule.

This, says Cheick Sidi Diarra, the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, makes the Aid-for-Trade initiative all the more important.

“Aid-for-Trade has the great potential to help landlocked developing countries to build their supply-side capacity, trade-related infrastructure and strengthen their negotiating capabilities at the multilateral trade talks”, he says.

The main reason for the marginalization of landlocked countries in international trade is excessive transit transport costs. Geographical realities coupled with a lack of critical transport infrastructure and additional border crossings entailing complex procedures often pose more significant impediments to trade for landlocked developing countries than tariffs.

The establishment of viable transit transport systems, export capacity building, trade facilitation schemes at both national and regional levels should be considered priority areas for assistance to landlocked developing countries under the Aid-for-Trade initiative.

According to Mr. Diarra, the exhaustive procedural requirements, documentation and contracts have a negative impact on external trade performance in landlocked and transit developing countries.

“Exporting and importing take 52 and 65 days for landlocked developing countries as a group against 30 and 39 days spent by transit developing countries”, he says.

He urges landlocked and transit developing countries to aggressively pursue implementation of bold trade facilitation measures, including at the World Trade Organisation (WTO) negotiations on trade facilitation.

He advises landlocked developing countries to strengthen their collective bargaining capability at the WTO talks to advance their common cause in the context of Aid-for-Trade and trade facilitation.

Turkey increases support for African LDCs

Turkey has announced additional US\$50 million for the financing of development projects in African countries over the next five years



Turkish Ambassador
Baki İlkin

Making the announcement at a special event at the UN Headquarters in New York at the end of March, Kenan Tepedelen, Coordinator for Turkey's Relations with the Least Developed Countries (LDCs) told a meeting at UN Headquarters in New York that the world cannot be a safe place to live unless equitable and sustainable development for all was ensured.

“One part of the globe cannot advance and benefit from globalization, when the other parts are suffering from its consequences”, Mr. Tepedelen told the special follow-up meeting to the Ministerial Conference on “Making Globalisation Work for the Least Developed Countries” that was held in Istanbul, Turkey from 9 to 11 July 2007.

He said that meeting the formidable challenges facing the LDCs in particular and enabling them to enjoy sustainable development become a collective responsibility for the entire international community. It is with this conviction, he explained, that Turkey has decided to pursue an active and robust foreign policy geared towards developing its relations with the LDCs, including through exploring and putting in place mutually beneficial projects of cooperation. With a particular focus on the LDCs, Turkey had already

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United Nations Office of the High representative for Least Developed Countries, Landlocked Developing Countries and Small Island Developing States

established a fund of US\$15 million for the implementation of projects in the LDCs, Landlocked Developing Countries (LLDCs) and Small Island Developing States, (SIDS). Furthermore, during the Istanbul Conference of last year, the country had also earmarked another US\$5 million in order to provide financing for small and medium scale regional development projects solely in the LDCs.

Later on in September last year, Turkey pledged US\$1 million at the Stockholm International Donor's Conference for "Enhanced Integrated Framework Fund" which was set up to support efforts to improve the trade capacities of the LDCs. Mr. Tepedelen told the meeting that this very recent funding and the decision to couple it with the opening of new diplomatic missions will allow Turkey to have a more balanced allocation of its LDC-focused assistance, given that a greater number of the LDCs are from the African continent.

He said it is the Turkish government's firm intention to continue its assistance programmes by funding further development projects of the developing countries beyond Africa. Similarly, Turkey is also committed to increase the number of its diplomatic missions in the LDCs and is hoping to announce decisions to that effect in the near future.

Speaking at the same event, Cheick Sidi Diarra, Under-Secretary-General, Special Adviser on Africa and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, lauded Turkey's recognition of the plight of the world's poorest countries and said the presence at today's meeting of a team of senior officials from the Turkish Government's Ministry of Foreign Affairs, including Hasan Gögüs, Director-General for Multilateral Political Organizations, Kenan Tepedelen, LDC Coordinator, and Musa Kulaklikaya, President of the Turkish International Cooperation and Development Agency (TIKA) was further testimony to the Turkey's commitment and support of continuing cooperation with LDCs, LLDCs and SIDS.

Mr. Diarra said the purpose of the special meeting, organized by UN-OHRLLS in partnership with the United Nations Development Programme (UNDP) and the Permanent Mission of Turkey to the UN, was to share the outcome of the Istanbul Conference with a broader audience as well as to brief you on the Government of Turkey's cooperation with LDCs, LLDCs and SIDS, particularly on the Trust Funds for the three groups of countries announced by the government during last July's conference.

Also present at the meeting were Baki İlkin, the Permanent Representative of Turkey to the United Nations, Ismat Jahan, the Chair of the LDC Group and Permanent Representative of Bangladesh to the United Nations and UNDP Administrator Kemal Dervis who also launched the publication "Making Globalization Work for LDCs" which illustrates the results of the 2007 Istanbul conference.



High Representative for LDCs, LLDCs and SIDS, Cheick Sidi Diarra

Vulnerable countries falling back in the race to achieve the MDGs

While the rest of the world has made significant progress towards the achievement of the MDGs, the three groups of countries, particularly the Least Developed Countries, continue to lag behind

The Millennium Development Goals and the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States



By Cheick Sidi Diarra, High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States

When world leaders assembled for the Millennium Summit at the United Nations in September 2000 and vowed to “spare no effort to free our fellow men, women and children from the abject and dehumanizing conditions of extreme poverty,” they recognised that special measures would be required for the weakest members of the international community to achieve this goal.

Thus the eighth Millennium Development Goal – developing a global partnership for development – gave consideration to the special needs of the Least Developed Countries. It called for tariff- and quota-free access for their exports; enhanced debt relief for heavily indebted poor countries; cancellation of official bilateral debt; and more generous official development assistance for countries committed to poverty reduction. It also addressed itself to the special needs of the Landlocked Developing Countries and the Small Island Developing States. Together, these countries constitute nearly half the membership of the United Nations. Meeting the targets of the Millennium Development Goals (MDGs) at the global level therefore requires progress in these countries.

One of the main obstacles to the achievement of the MDGs in the Least Developed Countries is the high population growth rate. Although they account for 12 percent of the world's population, the 50 Least Developed Countries will absorb a quarter of the world's increase in population between now and 2015

The attainment of the MDGs is a central pillar of the programme of action for the three groups of countries – the Brussels Programme of Action for the Least Developed Countries (2001), the Almaty Programme of Action for Landlocked Developing Countries (2003) and the Mauritius Strategy for the Implementation of the Barbados Programme of Action for Small Island Developing States (2005). At a minimum, the three programmes can be viewed as international frameworks for the achievement of the MDGs in the respective groups of countries.

But while the rest of the world has made significant progress towards the achievement of the MDGs, these groups of countries, particularly the Least Developed Countries, continue to lag behind.

According to the latest United Nations Millennium Development Goals Report 2007, the number of people living on less than one dollar a day in developing countries dropped by 270 million between 1990 and 2004. In 2004, 20 percent of the population in the developing countries were living in extreme poverty compared to 32 percent in 1990. Enrolment in primary education increased from 80 percent in 2001 to 88 percent in 2005. Child mortality also declined. These successes call for celebration, as they demonstrate that with the right policies and necessary international support, the Millennium Development Goals can be achieved.

Unfortunately, the same level of progress has not been reflected in the majority of the Least Developed Countries. Going by current trends, the number of people living in extreme poverty in the Least Developed Countries is project to rise from 340 million, or 45 percent of the population in 2000, to 470 million, or 50 percent of the population by 2015, the date for achieving the MDG targets. The other MDG targets will also be missed in a number of Least Developed Countries, especially in sub-Saharan Africa where the majority of them are located.

Although, at the current pace, the majority of the Least Developed Countries would not achieve the MDGs, there have been encouraging signs in the last few years. Economic growth has averaged 6.5 percent per annum since 2001, and some LDCs have achieved impressive results in certain areas of human development, such as primary school enrolment (Uganda, Tanzania); controlling Malaria (Niger, Togo, Zambia) and increasing access to water and sanitation (Senegal, Uganda). However, these achievements have been uneven across countries and across the eight MDGs. So while attaining the MDGs is certainly possible, a number of critical issues need to be effectively tackled to expand and accelerate these gains.

One of the main obstacles to the achievement of the MDGs in the Least Developed Countries is the high population growth rate. Although they account for 12 percent of the world's population, the 50 Least Developed Countries will absorb a quarter of the world's increase in population between now and 2015. Nine out of the 10 countries with the highest average population growth rate between 2005 and 2010 will be Least Developed Countries. Fertility rates have been declining in developing countries in

The achievement of the MDGs in the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States requires significant investments in basic social services, physical infrastructure and human resources. In particular, more attention needs to be paid to the agriculture, energy, transport and communication sectors, as well as to building institutional and technical capacities

general, but in 13 of them – all Least Developed Countries except for one – the high fertility rates show no sign of tapering off. Aside from eroding the impact of economic growth, these trends also have a negative impact on prospects for achieving the MDGs, especially eradication of poverty and hunger, improving maternal and child health, and controlling HIV/AIDS and other diseases.

Lack of access to family planning services is one of the main explanations for this worrisome situation. Increased access to reproductive health services and empowerment of women would help reduce the high fertility rates, maternal and child mortality and, ultimately, the very high population growth rates. Reducing the number of unwanted births would also help reduce poverty, but this would certainly not be enough by itself. Bolstering economic growth, creating jobs and increasing the incomes of the poor are just as crucial.

The achievement of the MDGs in the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States requires significant investments in basic social services, physical infrastructure and human resources. In particular, more attention needs to be paid to the agriculture, energy, transport and communication sectors, as well as to building institutional and technical capacities. The resources needed for these investments are beyond the means of these countries, hence the crucial importance of international support. In general, international support to the vulnerable countries has improved in recent years, but more efforts are needed to achieve the agreed targets of 0.15 – 0.2 percent of the Gross National Income of the developed countries in aid to the Least Developed Countries; and 0.7 percent for other developing countries. Equally important is enhancing the capacity of the vulnerable countries to generate their own resources, including through increased investment and equitable participation in international trade.

As the United Nations Secretary-General Ban-Ki Moon has stated, "The MDGs are still achievable if we act now. This will require inclusive sound governance, increased public investment, economic growth, enhanced productive capacity, and the creation of decent work." For the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, the full and timely implementation of their respective programmes of action is a solid path to this objective.

Pacific islands need insurance against disasters

The UN envoy for the world's most vulnerable countries has called for an insurance scheme to aid island developing states in the Pacific, Indian and Atlantic oceans in times of natural catastrophe.

Addressing a meeting of Pacific Island Developing States in April in Bangkok, the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, Mr. Cheick Sidi Diarra, said the insurance scheme would provide participating governments with immediate access to liquidity in case of a natural catastrophe.

Such a scheme was established by the World Bank for the Caribbean islands in June 2007. The Caribbean Catastrophe Risk Insurance Facility is the world's first ever multi-country catastrophe insurance pool.

Mr. Diarra, who is also the UN Special Adviser on Africa, said that as one of the most vulnerable groups of countries, Small Island Developing States (SIDS) require special attention and support of the international community.

“Besides the challenges posed to the sustainable development of SIDS by their small size and geographic remoteness, environmental risks and vulnerability to natural disasters hamper their long term development,” he said. He commended the United Nations Economic and Social Commission for Asia and the Pacific for the special role it is playing in these countries to assist to overcome their economic, social and environmental vulnerabilities.

The UN envoy called for an international consensus on the demand by small islands that are also Least Developed Countries (LDCs) that graduating from the list of LDCs should take into full account the threat posed by extreme environmental challenges to the economic and social gains they would have made.

“This is a compelling concern that deserves the attention of the international community. My Office is ready to facilitate the necessary debate on the matter with a view to reaching a consensus,” he said, adding that the question was even more urgent in the context of the growing appreciation of the dangers posed by climate change.

Last year, Cape Verde graduated from the list of LDCs, becoming only the second country to do so since the category was established. Samoa has been considered for graduation in 2010, and the Maldives should be graduating in 2011.

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