Statement

By

Mr. Anwarul K. Chowdhury
United Nations Under-Secretary-General
And
High Representative for the
Least Developed Countries, Landlocked Developing Countries and Small Island Developing States

at the

Second Committee of the
60th Session of the UN General Assembly
on agenda item 55 (b): Groups of countries in special situation: Almaty Programme of Action

New York
10 November 2005
Mr. Chairman,

It is a pleasure for me to introduce the report of the Secretary-General on agenda item 55(b) on progress in the implementation of the Almaty Programme of Action. The report is contained in document A/60/287. I am happy to report that the Almaty Programme of Action is being implemented at an enthusiastic pace, with all parties involved showing strong commitment to its effective follow-up.

Particularly, significant progress has been made in the implementation process at four levels: first, coordination and broad-based involvement of UN system organizations; second, active involvement of regional and sub-regional organizations; third, greater support of the international financial institutions, including the World Bank and regional development banks in the implementation of the Programme; fourth, landlocked developing countries articulated their common platform for their effective integration into the multilateral trading system as “small, vulnerable economies”.

The report of the Secretary General provides a detailed account of specific measures undertaken in five priorities of the Almaty Programme. It also provides a glimpse of analysis of the overall socio-economic situation of landlocked developing countries in its introduction and with its statistical tables.

The economic situation of landlocked developing countries reveals the negative impact that their geographic locations have on their level of development and on their ability to reduce poverty. The marginalization of the group of LLDCs has continued unabated, and is all too apparent in the slow growth of their collective per capita GDP of 1.5 per cent increase in 2003 compared to 2.3 per cent in 2000. The low return on investment and slow export growth have been the key causes for the build up of unsustainable external debt for these countries. The LLDCs have an external debt-to-export of merchandise ratio of 221 per cent and external debt-to-GDP ratio of 67 per cent in 2003. Remoteness from major markets and inadequate transit transport systems make them less attractive to foreign investors. In 2003, the 31 landlocked developing countries received total about USD 8 billion in foreign direct investment, only 1.4 per cent of total world investment flows.

Mr. Chairman,

In implementing priority one on transit policy, various landlocked and transit developing countries have formulated or implemented transit policy reforms aimed at streamlining transit transportation into a more efficient and effective process. This in turn will reduce the transportation costs of their exported goods and make them more competitive. In this regard, regional and sub regional organizations in Africa, Asia and Latin America play a catalytic role. For example, COMESA is aggressively focusing on the reform of transit regulatory frameworks in Southern and Eastern Africa. This has been done by harmonizing transit charges, utilizing modern technologies, standardizing facilities & services, and introducing greater participation by the private sector. In Asia, the effective implementation of the Basic Multilateral Agreement on International
Transport for Development of the Europe-Caucasus-Asia Corridor has resulted in two and a half fold increase of transit traffic in 2004 compared to 1999.

The development of a reliable and efficient transport infrastructure is a key area of the Almaty Programme. The lack of infrastructure has proven to be a constraint for LLDCs wanting to engage competitively in international trade. Only about 42 per cent of a combined road network of LLDCs is paved. Also, LLDCs as a group have a very poor rail line network totaling approximately 40,571 km which services a combined area of over 16,313.3 thousand square km.

In Asia and Africa, the African Development Bank and Asian Development Bank, as well as the World Bank, have responded to this challenge and are very much involved with the development of transit transport infrastructure. They have financed a large number of projects to improve transit infrastructure. Significantly, the World Bank has indicated to focus on African infrastructure development. It has recently revealed its plan to finance the construction of a Trans-African highway.

Trade and trade facilitation is a key priority of the Almaty Programme. Currently, 9 of the 31 landlocked developing countries and 5 of the 34 transit developing countries are not members of the WTO. High trade transaction costs, caused by their geographical location, reduce the competitiveness and participation of landlocked developing countries in the international trade. In 2003, the share of landlocked developing countries in world exports and imports remained very small at 0.57 per cent and 0.64 per cent, respectively.

Such realities served as an impetus for the August 2005 Trade Ministers Meeting in Paraguay which resulted in the adoption of the Asuncion Platform for Doha Development Agenda for the upcoming WTO Ministerial Conference in Hong Kong, China. It is encouraging that the Asuncion meeting has signaled a move by landlocked developing countries to form an organized group to strengthen their collective bargaining power in the international trade negotiations. As agreed in the Almaty Programme, the international community should pay particular attention to the special needs of landlocked developing countries during the current negotiations on market access and trade facilitation.

Mr. Chairman,

Financial and technical assistance is an important priority of the Programme. As table 3 of the report of the Secretary-General shows, in 2003, net official development assistance received by landlocked developing countries, as a group, reached US$ 11.5 billion, 13 per cent increase as compared to 2002. About 2.4 per cent of the total ODA received in 2003 by them was allocated to transport and communications infrastructure. LLDCs stand to benefit from recent commitments to increase official development assistance, including those of the European Union and the G-8. The report lists specific support measures undertaken by the donor countries and international financial and development institutions.
Mr. Chairman,

The role of the United Nations agencies and other multilateral organizations in this endeavour can not be emphasized enough, as they have provided enormous resources and expertise, as well as technical support, towards the Programme’s implementation. The Roadmap for the implementation of the Almaty Programme of Action that was endorsed at the Inter-Agency Meeting in February 2004, served as guidance for our joint efforts. The UN-OHRLLS has made significant progress in its mobilization and coordination of the international financial and development institutions, regional, and sub-regional organizations for the implementation of the Almaty Programme. Particular attention has been given to the World Bank, Regional development banks, regional integration organizations, namely ECOWAS, COMESA, EAC, Eurasian Economic Community, MERCOSUR, IGAD, and SADC. In fact, it is a fair assessment to say that one of our major achievements this year has been the establishment of working relationships with such organizations in the field.

To further strengthen global partnerships, the UN-OHRLLS organized the High-Level Meeting on the Role of International, Regional and Sub-regional Organizations for the Implementation of the Almaty Programme in March this year. Senior officials from about 30 major international organizations participated in this meeting and adopted a Joint Communiqué to scale up their coordinated and coherent follow-up activities to assist landlocked and transit developing countries.

Mr. Chairman,

In conclusion, the Office of the High Representative is committed to supporting landlocked developing countries in overcoming their geographical impediments through their increased participation in global trade, and in their on going fight against poverty, as we forge ahead to achieve the Millennium Development Goals.

I would like to emphasize the importance of the outcome of the 2005 World Summit, where the world leaders “reaffirmed their commitment to urgently address the special needs of landlocked developing countries through the full, timely and effective implementation of the Almaty Programme of Action”. This is a very important commitment. It mandates the UN system organizations to give renewed attention to the issue. The world leaders also requested us to continue our efforts to develop a set of indicators to measure the progress in the implementation of the Almaty Programme.

I thank you and distinguished delegates very much for your attention.

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