Introduction of the Report of the Secretary-General

by

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

at the

Second Committee of the
Sixty-first Session of the General Assembly

under

Agenda Item 56 (b)
Implementation of the Almaty Programme of Action

New York, 8 November 2006
I have the pleasure of introducing the Report of the Secretary-General on agenda item 56(b) on progress in the implementation of the Almaty Programme of Action, contained in document A/61/302. The report provides account of the specific measures undertaken in five priorities of the Almaty Programme. Selected development and transport indicators are also shown in the annex of the report.

The Secretary-General emphasizes that the weak economic performance of landlocked developing countries reflects the direct and indirect impact of geographical factors on key macro-economic variables. Additional border crossings and excessive distances to major markets, coupled with cumbersome procedures and inadequate infrastructure, substantially increase the total costs for trade of landlocked developing countries. Transport costs present a tremendous trade-reducing effect. Reduced trade flows impact GDP directly and negatively. High transport costs reduce purchasing power and consumption levels, affect the activities of producers relying on imported materials and are likely to spur inflation. High transport costs related to geographical locations decrease the rate of capital return.

Under priority one of the Almaty Programme, landlocked and transit developing countries continued to implement transit policy reform measures in transit trade. Especially, they made special efforts to further strengthen the legal frameworks governing transit transport. A number of bilateral, sub-regional and regional agreements have been concluded and acceded to major international conventions in transit transport. Regional and sub regional organizations played a catalytic role. For example, the Maritime Organization of West and Central Africa introduced the use of sealed grid for the regional road transport. This simple innovation made the implementation of the TIR Convention, the most important international instrument regulating cross border truck transport, possible in West and Central Africa. African regional integration organizations have been instrumental in further developing transit corridor development strategy and monitoring corridor performance through transport observatories. Private sector is playing increasingly important role in transit corridor management and transport infrastructure development and management in Southern Africa.

Priority two of the Almaty Programme is infrastructure development and maintenance. Lack of infrastructure development continued to be the major bottleneck for the economic
development of LLDCs and their integration into the world economy. Only about 46 per cent of a combined road network of LLDCs is paved. Also, LLDCs as a group has a very poor rail line network totaling approximately 40,000 km which services a combined area of over 16.3 billion square km. Landlocked developing countries are also lagging behind the world in communication infrastructure, particularly phone and internet connectivity.

In Asia and Africa regions, the African Development Bank and Asian Development Bank, the World Bank, as well as the UN Regional Commissions have responded to this challenge and are actively involved with the development of transit transport. For instance, the UNESCAP is making tremendous efforts for the coordinated transport infrastructure development in the region. During these days, transport ministers of the Asia and the Pacific countries are meeting in Busan, South Korea to formalize a vision for the development of the Asian transport sector including the establishment of an Asian Conference of Ministers of Transport, and to also sign the Intergovernmental Agreement on the Trans-Asian Railway Network.

Trade and trade facilitation is a key priority of the Almaty Programme of Action. Due to their geographical handicaps the share of landlocked developing countries in world exports and imports is very insignificant. This year, the Secretary-General’s report gives particular emphasis to trade facilitation. The report underlines that the customs procedures and transport represent the single greatest cost in external trade and are higher than import tariffs for the goods of landlocked developing countries. The 2004 Economic Report of Africa estimated that average customs procedure in Africa involved 20-30 different parties, 40 documents and 200 data element and the re-keying of 60-70 per cent of all data at least once. To complete the numerous procedural stages, worldwide importing and exporting required 31.9 and 39.9 days respectively. These figures rise to 57.3 and 72.3 days for landlocked developing countries. The average for transit developing countries is 23 and 29 respectively. Landlocked and transit developing countries have to make serious efforts to ease these bottlenecks.

International support measures are an important priority of the Programme. As table 2 of the report shows, in 2004, net official development assistance received by landlocked developing countries, as a group, increased to US$ 13.8 billion. About 7 per cent of the total ODA received in 2004 was allocated to transport, storage and communications infrastructure. The United
Nations agencies and other international organizations continue to provide considerable resources and expertise in this matter. The UN-OHRLLS has made significant progress in the 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, OSCE and regional integration organizations.

In conclusion, I would like to draw the Committee’s particular attention to the conclusion and recommendations contained in section IV of the report. The Almaty Programme of Action was adopted in 2003. It generated enormous momentum in addressing special needs of landlocked developing countries, as called for in the Millennium Declaration. Worthwhile progress has been made. But, much needs to be done. The United Nations system organizations, the UN-OHRLLS in particular, stand ready to assist landlocked and transit developing countries in enhancing this positive momentum.

The first-ever Summit of the Landlocked Developing Countries held on 14 September 2006 has given us the political guidance and leadership to support more effectively the implementation of the Almaty Programme and the United Nations in very encouraged by that.