



Statement

by

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**Under-Secretary-General
and High Representative
for the Least Developed Countries, Landlocked Developing Countries
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at

**Panel Discussion “Transport and Transit Corridors: Time for Action”
organized by at the Permanent Mission of Turkmenistan to the United
Nations and the International Road Transport Union (IRU) to be held in**

**Conference Room 6 at the United Nations Headquarters, New York
25 February 2015 from 3:00 p.m. to 5:00 p.m.**

**Madame Chair, Her Excellency Ambassador Aksoltan Ataeva,
Mr. Igor Rounov, Under Secretary General of IRU
Excellencies Ambassadors,
Ladies and Gentlemen,**

It is my pleasure to speak to you today at this important and timely event. I want to thank Turkmenistan for organizing this programme in collaboration with IRU. This event is organised as a follow up to the resolution contained in A/69/468, the “Role of transport and transit corridors in ensuring international cooperation for sustainable development”, which Turkmenistan initiated. It is so fitting given the successful holding of the Ashgabat conference last year on transit and regional cooperation. The close and organic relationship between transit, transport and sustainable development especially for the landlocked countries is obvious to us all. Therefore, I appreciate the proactive role Turkmenistan has also played in bringing these issues on the forefront.

Let me reiterate here that the Second UN Conference on Landlocked Developing Countries which was successfully held in Vienna three months ago with the Vienna Programme of Action for LLDCs for the decade 2014-2024, emphasizes sustainable economic development in landlocked developing countries, in particular through transit transport and infrastructure development. The UN system and other financial institutions give due priority to the issues of LLDCs and the importance of cooperation on transport and transit issues. The fact that the UN Secretary-General took part personally in the Second UN Conference on LLDCs in Vienna together with many other heads of State and Government and Ministers, as well as the fact that the Secretary-General has established the High-Level Advisory Group on Sustainable Transport are all reflective of the high level of commitment of the United Nations and the leaders on these issues. Formation of the Group of Friends of Sustainable Transport is yet another important contribution focusing on transport and sustainable development issues.

The LLDCs are confronted with a number of development challenges linked to their geographical landlockedness and distance from global markets. The Secretary General’s report on the Ten-year review of the implementation of the Almaty Programme of Action highlighted that landlockedness continues to hinder the full participation of LLDCs in international trade and their ability to achieve sustainable development.

Since the adoption of the Almaty Programme of Action in 2003, LLDCs have registered faster economic growth and increased trade. However, progress has been uneven and is not shared by all equally. LLDCs remain fragile because of their vulnerability to external shocks, given their limited export diversification and competitiveness, limited productive capacities and high transport and transit costs.

In fact, a study by my Office revealed that LLDCs’ trade was just 61% of the trade volume of coastal countries and transport costs for LLDCs were 45% higher than for a representative coastal economy. Furthermore, these costs have increased over time. These high transport costs erode the competitive edge of LLDCs and constitute the greatest impediment to increasing trade volumes and reaching equitable access to global markets. Overall, due to their landlockedness, the level of development in LLDCs is on average 20% lower than what it would be were the countries non-landlocked.

These challenges need to be addressed if LLDCs are to achieve sustainable development and overcome the negative effects of their geographic constraints. The Vienna Programme of Action aims to do just that, by addressing the special needs and challenges of LLDCs in a more

coherent manner. The Second UN Conference on LLDCs was a successful conference from the perspective of high level participation, substantive and multi-stakeholder discussions but also in terms of a forward looking outcome document.

The Vienna Programme of Action is a holistic, forward looking and action-oriented agenda for the next decade with 6 priority areas, specific goals and time-bound results-oriented objectives that seek to achieve rapid, inclusive and sustained economic growth along with poverty reduction for more than 450 million people in LLDCs. The fact that the transit and transport related challenges impinge on overall economic growth hence on poverty reduction and sustainable development was made very clear by the Vienna Programme of Action.

The Vienna Programme of Action proposes renewed and strengthened genuine partnerships involving LLDCs, transit developing countries and their development partners, including international organizations. It seeks to enhance LLDCs' international trade performance, trade facilitation, productive capacity building, economic diversification, value-addition in manufacturing and agriculture, increased connectivity to regional and global value chains, greater regional integration, and strengthened collaboration with the private sector.

Infrastructure development and maintenance is one of the six priority areas of the new Programme of Action for LLDCs, together with fundamental transit policy issues, international trade and trade facilitation, regional integration and cooperation, structural economic transformation and means of implementation. The fact that infrastructure remains one of the priority areas for LLDCs, just as was the case in the Almaty Programme of Action, points to the important role that infrastructure plays in the economic development of LLDCs.

We all know that efficient transport infrastructure is crucial for improving connectivity, stimulating regional integration, facilitating trade, driving effective integration into the global economy and development of global and regional supply chains.

On transport infrastructure, the Vienna Programme of Action includes specific objectives to significantly increase the quality of roads, to expand and upgrade railway infrastructure and to complete missing links in regional road and railway transit transport networks. Specific actions by LLDCs and transit countries towards achieving these objectives include for example implementing national policies on infrastructure development, collaborating to promote sustainable and resilient transit systems, harmonizing gauges to promote regional connectivity, liberalizing road transport services, and developing international logistical hubs.

At the same time, in addition to inadequate physical infrastructure, LLDCs also face non-physical barriers, delays and inefficiencies associated with border crossings, including cumbersome procedures and documentation requirements and inefficient logistics systems that hinder efficient transit transport. Therefore, improvements in soft infrastructure and trade facilitation are equally important to stimulate faster and more efficient trade for LLDCs and smooth functioning of transit corridors.

In this regard, the Vienna Programme of Action calls on LLDCs and transit countries to endeavour to accede to, ratify and implement relevant international, regional and sub-regional conventions and agreements on transit transport and trade facilitation. These are the main vehicle by which harmonization of cross-border rules and procedures can be achieved, thus leading to faster and cheaper trade. There has been increased adoption and implementation of regional and sub-regional transit facilitation agreements where LLDCs and their neighbouring countries are pursuing harmonisation of transport and transit policies and practices in order to

reduce trade transaction costs and delays at border crossing points. However, accession to the key international legal conventions remains low.

Other actions include enhancing coordination and cooperation of border and customs agencies, promoting simplification of regulations and documentation related to transit, promoting transparency and information sharing, developing effective logistics systems, implementing trade facilitation initiatives and integrated border management systems, to name a few.

I hope that we can all see the links between improved transport infrastructure development and trade facilitation on one hand and increased regional integration on the other hand. Strengthening regional trade, transport, communication and energy networks, harmonization of transport and transit policies, and border agency cooperation on transit issues all promote greater regional integration. In the same vein, regional trade and transport agreements expand regional markets, allowing LLDCs the opportunity to access more easily the global trading system.

Excellencies,

The implementation of the specific actions of the Vienna Programme of Action would, amongst other things, facilitate establishment of efficient transit transport systems, increase regional integration and help integrate LLDCs into the global trading system. The General Assembly Resolution 69/213 of 19 December 2014 can be seen as contributing to the implementation of the Vienna Programme of Action. Many of the efforts called for in the resolution go hand in hand with the specific actions of the Vienna Programme of Action.

Effective implementation will be key in the near future. Given the expanded nature of the VPoA, renewed and strengthened partnerships between LLDCs, transit countries and development partners, and between public and private actors, as well as support from development partners are necessary to effectively implement the Vienna Programme of Action. ODA certainly plays a very important role, but it will not be enough to address the transport and energy infrastructure needs. Practical implementable mechanisms, in collaboration with all actors, including international and regional organizations, will be crucial.

As we are coming closer to the finalization of the post-2015 development agenda, we must ensure that the LLDCs agenda is integrated into the SDGs, as well as other global processes, such as financing for development, climate change discussions and multilateral trade negotiations.

The post-2015 agenda needs to pay greater attention to the needs of LLDCs to develop efficient and sustainable transport infrastructure, promote industrialization and diversification, structurally transform their economies and build capacities. The Vienna Programme of Action provides important recommendations and commitments in this regard. The resolution will provide further push to all these efforts. My office is working with other agencies and organizations to make sure that these issues remain high on the agenda.

Thank you for your attention.