INTERVENTION

BY

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PRIME MINISTER AND HEAD OF GOVERNMENT
OF THE KINGDOM OF LESOTHO

AT THE

HIGH-LEVEL MEETING OF THE LANDLOCKED DEVELOPING COUNTRIES: Linking Landlocked Developing Countries to Global Opportunities

28 SEPTEMBER 2015
NEW YORK

Please check against delivery
Excellencies,

Distinguished Delegates,

Ladies and Gentlemen,

The Vienna Programme of Action has called for renewed and strengthened local and international partnerships for development. The Land Locked Developing Countries (LLDCs) partnership with transit countries and development partners is indispensable for achieving meaningful development. Strengthened partnerships in the context of South-South Cooperation, triangular cooperation, partnership with international and regional organizations, as well as between public and private sector actors are also key to realizing the objectives of the Vienna Programme of Action. The importance of the private sector lies in the indispensable role which it plays in creating entrepreneurship, and in generating innovations that produce economic transformation and diversification of production.

It is the view that is strongly held by the Lesotho Government that, in order for the LLDCs to participate effectively in international trade and attain sustainable development through full implementation of the Vienna Programme of Action, the following need to be taken into consideration:

- First, there must be Aid for Trade, which is required by the LLDCs for investing in trade-related infrastructure and subsequently for increasing the competitiveness of their products in the global and regional value chains.
- Second, our partnership with our development partners must pay more attention to the promotion of Foreign Direct Investment (FDI). We believe that it is through increased FDI that value addition to natural resources will be promoted. This will lead to the creation and expansion of activities outside of the natural resource sector, create jobs and tackle the intractable challenge of poverty eradication in the LLDCs.
• The third issue is the need for our development partners to increase the Official Development Assistance (ODA) which remains the main source of external financing for many LLDCs. The ODA flows to LLDCs have declined in recent times. As elaborated in the Vienna Programme of Action, it is important to urgently fulfill the existing ODA commitments which have been made by our development partners and to make ODA more equitable.

• The fourth consideration is the need to give the LLDCs a special preferential and differential treatment. Trade and transit issues are inextricably linked, hence, the need for the enhancement of trade facilitation, increased international assistance for export diversification, enhanced market access and efficient customs control. The Special Programme of Work of WTO should take into consideration the LLDCs priorities of Transit, Trade and Trade Facilitation because of their vulnerability resulting from the geographical disadvantage.

The United Nations System, regional and sub-regional organizations should support efforts meant to achieve structural transformation of the LLDCs economies. Most importantly, a special fund for infrastructure development and productivity enhancement must be established for LLDCs. These initiatives should complement the national efforts of the LLDCs.

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In an attempt to address some of the many challenges enunciated above, Lesotho has developed a policy framework for coordination and management of development cooperation to ensure greater government ownership and leadership. This policy document is also meant to accelerate progress towards policy coherence in our relationship with development partners,
and should increase transparency and accountability to our citizens too, we consider this a best practice and we would be happy to share our experiences thus far.

The new Coalition Government of Lesotho has vowed to be a reformist government and has set out its priorities on the reform of key sectors that drive economic growth and create a conducive environment for development. These include the judiciary, parliament and the public service. In this context government has opted for a “Lesotho now” approach to drive economic development.

Indeed, Lesotho still remains one of the most disadvantaged of the thirty-two LLDCs, due to her unique geographical situation of being completely surrounded by one Country. Lesotho is, therefore, no stranger to the adverse effects of being landlocked. The burden of transit costs, and cumbersome and slow export processing procedures contribute to the slow trade development in Lesotho. In this regard, increased international assistance for export diversification, infrastructure development, institutional capacity building and better market access, are essential for true integration into the global trading system.

We have, however, made notable strides towards the achievement of some of the set priorities which have been integrated into our national development framework, in particular the five-year National Strategic Development Plan (NSDP). The objective is to transform the economy in order to reduce poverty and attain sustainable development.

To achieve this, the NSDP has strategically prioritized, amongst others, developing key infrastructure in rural and urban transportation systems; improving access to main towns and key border posts, improving transport safety and climate-proof infrastructure. Some of these priority areas can only be achieved through strengthening cooperation and enhancing partnership with our neighbouring transit country, the Republic of South Africa. In general, we underscore the importance of establishing and effectively implementing the already existing bilateral agreement between

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LLDCs and transit neighbouring countries in the spirit of lasting partnership.

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As I conclude, let me reiterate that the Vienna Programme of Action is an important development blueprint that seeks to promote an enhanced rate of sustainable and inclusive growth, along with poverty reduction for the more that 440 million people in the LLDCs. The entire programme of action is centered on competitiveness of trade and economic growth through addressing barriers that have continued to perpetuate lower productivity and inhibit industrial growth of the LLDCs. These problems are further compounded by new and emerging challenges such as climate change and external shocks.

We need to join hands and work collectively to advance the promotion of prosperity, equitable sharing of the world’s common wealth and a sustainable future for our citizens. We can do this by turning LLDCs into “land-linked countries,” that are integrated with the global economy.

I THANK YOU