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Statement to be delivered by

H.E. Dr. Mwaba Kasese Bota, Ambassador and Permanent Representative of the Republic of Zambia to The United Nations as Chair of The Global Bureau for the Group of Land Locked Developing Countries

on Agenda 23 b Group of Countries in Special Situations:

(b) Follow Up to The Second United Nations Conference on Land Locked Developing Countries.

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THERESA LOSWili CHANDA

Counsel (Economic)
I thank you for giving me the floor.

I have the honour to deliver this statement on behalf of the 32 countries of the group of Landlocked developing countries.

Let me start by expressing gratitude to the Under-Secretary General for his presentation of the report on the implementation of the VPoA. We further thank the Under-Secretary General and his Office for the commitment and continued effort to support the group of LLDCs on the implementation of the Vienna Programme of Action. I also want to thank him and his team for the collaboration with the Government of the Republic of Zambia in organizing the High-level follow up meeting in Livingstone in June, 2015, which resulted in an outcome entitled;  *Livingstone Call for Action* for the accelerated implementation of the Vienna Programme of Action for Landlocked Developing Countries, adopted on 4 June 2015 in Livingstone, Zambia.

The Secretary General report’s indicate that the LLDCs as a Group, continued to experience annual GDP growth rates that were slightly higher than global average from 2013. If sustained, this trend would translate to gains in real incomes and reduction in poverty levels. We applaud the report for positively and strongly bringing out infrastructure development as cardinal to the development of the LLDCs. The report has therefore brought out as profound measures taken by the seven LLDCs to upgrade and extend their railway network in effort to improve transport infrastructure.

Mr. Chairman,

The same report has reminded us of LLDCs plight as they continue to face unacceptably higher cost of transaction and delays compared to their maritime
neighbours. It further highlights new and emerging challenges such as climate change, external shocks, increasing economic structural constraints such as low productivity and lack of competitiveness as compounding constraints to LLDCs development aspirations.

The report acknowledges that LLDCs have inadequate infrastructure, and relatively poor road networks with greater missing links when compared to transit developing neighbours. It further shows that the dire need for prioritising Energy as only 42 percent of our populations have access to electricity compared to the global average of 81 percent and 73 percent for transit developing countries. Furthermore, transport costs for energy import and export remain more than twice those of transit neighbours - a situation that impedes our ability to gainfully participate in global trade.

The report further demonstrates that a majority of populations in LLDCs have limited access to broadband internet and is relatively costlier than that for maritime countries. It also shows that premature de-industrialization of LLDCs continues unabated. Furthermore, lack of diversification has been noted in a majority of LLDCs. The report mentions that LLDCs’ economic growth is bound to suffer due to the contracting global prices of commodities including global fuel prices.

We are cognizant that a year of implementing the VPoA is still too soon to start seeing change, however we should begin to count on progress of the lowest hanging deliverables by now.

Mr Chairman

I would like to thank the international community for highlighting and recognising once again, the special needs and challenges that LLDCs face in the Addis Ababa Action Agenda and the 2030 Agenda for Sustainable Development, with the
emphasis on the six priority areas of the Vienna Programme of Action and their associated actions and objectives.

Allow me now to highlight what in our view, are the most pressing issues of our time:

On the implementation, Paragraphs 74 and 77 calls for the mainstreaming of the VPoA into country level plans and policies, as well as in the work of the United Nations system organization, including the World Bank, UNCTAD, and Regional Economic Commissions. We are of the view that VPoA is yet to be fully understood, and appreciated by all stakeholders. We thank the Secretary-General for his letter on this matter.

In my statement at the beginning of the year during the stocktaking event in ECOSOC, we requested the United Nations to develop and share a guidance note on how this integration could be achieved by member States as well as United Nations system organizations.

We wish to once again request, as a matter of urgency, comprehensive guidelines that would show how different stakeholders such as LLDCs, transit countries, development partners, UN system and other international and regional organizations, and the private sector could deliver on their commitments. We also remain confident that the Secretariat would provide us a set of indicators for benchmarking and assess progress for LLDCs.

We remain greatly concerned that FDI flows to LLDCs continue to decline at a time when ODA is yet to fully recover to its 2010 levels. This problem is further compounded by currency crisis and the weakening of global demand for LLDCs primary exports. It is clear that the success of the VPoA depends on new sources of resources as well as the strengthening of existing sources of financing and partnerships. Official Development Assistance and FDI remain central to the development of LLDCs.
Mr. Chairman,

As Landlocked developing countries seek financial and technical assistance from new, more innovative sources, we call upon development partners to meet their commitments that are related to the VPoA, which include but not limited to: providing financial and technical support, mobilizing private sector resources, opening up their markets to LLDC exports, and undertaking capacity building activities in LLDCs.

On monitoring and review, there is need to share best practices and experiences on how the implementation of the VPoA would be monitored at the country level. To be specific, LLDCs and transit countries would need assistance to support country efforts to formulate and establish effective national coordination mechanisms as called for in Paragraph 74.

We are of the opinion that this is an issue that demands our immediate attention. The LLDC Group also finds it important to implore ECOSOC to incorporate the LLDCs Agenda in its programmatic cycle that includes the High-Level Political Forum (HLPF), the Annual Ministerial Review (AMR), and the Development Cooperation Forum (DCF).

On the World Trade Organization trade negotiations, LLDCs would like to call for the conclusion of the Doha Rounds, and on the WTO to fully deliver on its development-oriented mandate, with a focus on sectors that hold the greatest benefits to developing countries, including LLDCs. We also call upon the support of the development partners to facilitate LLDCs accession to WTO, and in meeting commitments and obligations that are related to their membership.

We continue to urge the WTO to grant special recognition to LLDCs and to provide adequate treatment of their specific needs in multilateral negotiations. We urge for the ratification of the Trade Facilitation Agreement of 2013, whose provisions are of great significance to our Group.
On capacity-building efforts, the VPoA underscores the need to support LLDCs to develop the capacity to prepare bankable, large-scale infrastructure projects and to explore innovative financing mechanisms for those projects, including public-private partnerships. The Addis Ababa Action Agenda acknowledges that insufficient investment in many developing countries, including LLDCs is partly due to inadequate infrastructure plans and well-prepared investable projects, risk perceptions of investors along with private sector actors not capable to undertake long-term projects.

Excellencies,

This is just one of the many areas that LLDCs manifest serious capacity shortfalls, and for which development partners and the multilateral institutions are to provide the needed support. We are cognizant that UNCTAD and other UN System organizations have long records of conducting extensive work on policies and strategies for promoting structural economic transformation for vulnerable economies. For the VPoA, Capacity-building is one of the means of implementation that is demand-driven. We call upon the development partners, the United Nations system and other international organizations to enhance their capacity-building efforts in favor of LLDCs.

We also call for immediate establishment of the promised new investment vehicles such as development-oriented venture capital funds, blended finance, risk mitigation instruments, and innovative debt funding structures with appropriate risk management and regulatory frameworks. Noting the pervasive institutional and human shortfalls in LLDCs, we call for the international community to fulfill their pledge to support LLDCs' capacity in this area. Such vehicles would be critical in bridging funding shortfalls in infrastructural development and maintenance, among others.
We emphasize the urgency of establishing, as outlined in the Addis Ababa Action Agenda, an effective and inclusive global infrastructure forum, with a clear mandate to align and coordinate established and new infrastructure initiatives as well as identify and address infrastructure and capacity gaps in vulnerable countries.

As indicated in the Addis Ababa Action Agenda, we call upon multilateral development banks to develop instruments that would channel resources of long-term investors towards sustainable development, including green bonds, focusing on the development and maintenance of the physical links of LLDCs that are in line with national priorities to the regional transport infrastructure network.

Excellencies,

In conclusion, let me once again thank the Under Secretary-General for his statement and for the report. The international community has finally managed to deliver an ambitious global agenda for the next 15 years. We are confident that the 2030 Agenda for Sustainable Development and the Vienna Programme of Action would steer our countries to economic prosperity. Since these two programmes are complementary to each other, we are keen to seek and exploit points of convergence and synergy. We are grateful for the support of our development partners, transit countries, private sector, the United Nations system and other international and regional organizations.

I thank you.