Remarks

for

H.E. Mr. Gyan Chandra Acharya

Under-Secretary-General
and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States

At the Financing Sustainable Transport Infrastructure for enhanced connectivity of landlocked developing countries

17:00-18:30 Saturday 26 November 2016
Ashgabat, Turkmenistan
Honorable Ministers,

1. H.E. Mr. Brian Mushimba, Minister of Transport and Communications of the Republic of Zambia and Global Chair of the LLDC Group
2. H.E. Mr. Milton Claros Hinojosa, Minister of Public Works and Housing Services, Bolivia
3. Mr. Umberto de Pretto, Secretary General, International Road Transport Union
4. Mr. Toru Hasegawa, Deputy Director, Economic Development, Air Transport Bureau, International Civil Aviation Organization (ICAO)
5. Mr. Soteri Gatera, Chief of Industrialization and Infrastructure Section, UNECA

Excellencies and distinguished delegates,

Ladies and gentlemen,

It is an honour and pleasure for me to welcome you to this side event where we will discuss Financing Sustainable Transport Infrastructure for enhanced connectivity of landlocked developing countries and will look at how we can foster stronger global partnerships and enhance international support.

Historically all over the world, economic growth and development have been fueled by transport, energy, ICTs and innovation supported by institutional development. This process cannot be different in LLDCs. On the contrary, the LLDCs are faced with a number of development challenges that are linked to their geographical position resulting in them incurring high trade and transport costs.

The VPoA provides a comprehensive framework to tackle LLDCs’ structural limitations through mutually reinforcing 6 priority areas on fundamental transit, infrastructure, international trade, regional integration and cooperation, structural
economic transformation, and means of implementation. The 2030 Agenda for Sustainable Development, the Addis Ababa Action Agenda, the Paris Agreement on Climate Change and the Sendai Framework for Disaster Risk Reduction underscore the importance of sustainable transport in development. The 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda reaffirm that the most vulnerable groups of countries, including LLDCs, face special challenges in the pursuit of sustainable development and therefore deserve special attention from the international community.

For LLDCs’ full integration into the regional and global market, the establishment of a secure, reliable and efficient transit transport system is crucial. Having sustainable and efficient multi-modal transit transport systems, with effective trade facilitation measures and supportive energy and ICT infrastructure, is critical in this endeavour. This will help create development corridors.

There is need to close the transport infrastructure gap, the missing links, expand and upgrade all modes of transport infrastructure needed in the cities and rural areas and to connect the LLDCs to sea ports and to build transport infrastructure that is resilient. Transport systems need to be sustainable to avoid the negative environmental, social and economic impacts of unsustainable transport such as air pollution and harmful greenhouse gas emissions. This way, with collective work of all of us, we can transform landlocked countries into land-linked countries.

The investment needs are therefore high. And resources and capacity are limited. The need for higher level of infrastructure financing is critical in terms of both quality and quantity. The Addis Ababa Action Agenda notes that the annual infrastructure gap in developing countries is about $1 trillion to $1.5 trillion (including for transport, electricity, and water). The international community
agreed to bridge this gap through enhanced financial and technical support. More resources are needed to support the LLDCs to make transport systems sustainable.

The importance for greater partnerships cannot be overemphasized - Governments, the private sector, regional, international organizations, civil society, North-South and South-South cooperation are all important. Public resources, including ODA, need to be used in a catalytic way to attract and leverage sufficient investment.

The role of multilateral and regional development banks, in providing financing as well as technical capacity building for infrastructure development is crucial. The efforts that the financial institutions are currently undertaking are acknowledged and greatly appreciated. However more is needed including in the form of dedicated infrastructure funding for the LLDCs and special instruments and vehicles that can help them de-risk investments, attract new finances including through blended finances.

The global infrastructure forum requested in the Addis Ababa Action Agenda, held an inaugural session early this year. The Forum will be hosted in the future by different development banks and I strongly encourage the LLDCs to actively participate in the Forum and to advocate for dedicated funding or special facilities to help bridge the infrastructure gap.

Capacity building support particularly in developing bankable projects and implementing them and in developing the relevant policies and regulatory reforms to nurture a strong enabling environment that can encourage greater investment is critical in supporting sustainable transport in LLDCs and the international community is called upon to support the LLDCs in this regard.
Today’s meeting is an opportunity to highlight the importance of prioritizing support towards financing of sustainable transport infrastructure for the LLDCs. Last month OHRLLS in cooperation with DESA and the Government of Bolivia organized a high-level meeting on sustainable transport for LLDCs. Participants in the meeting stressed the need to share experiences particularly on the topic of transit facilitation as well as financing infrastructure development. I hope that this meeting provides a unique platform to share experiences and identify concrete recommendations, and how all the stakeholders can support efforts by the LLDCs.

I thank you for your kind attention.