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Statement by

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for the Least Developed Countries, Landlocked Developing Countries and Small Island
Developing States**

at the LLDC Annual Ministerial Meeting

20 September 2017, 15:00 – 18:00

Conference Room 6

H.E. Harry Kalaba, Minister of Foreign Affairs of the Republic of Zambia and The Chair of the Group of LLDCs;
Ms. Amina Mohammed, Deputy Secretary General
Honourable Ministers,
Excellencies,
Ladies and Gentlemen,

Let me begin by expressing my and my office's sincere appreciation to His Excellency Minister Kalaba and the Government of Zambia for your strong leadership to the LLDCs. I also wish to express my gratitude for the leadership Ambassador Kapambwe exercises here in New York.

It is both my duty and honour to update you on the implementation of the Vienna Programme of Action for Landlocked Developing Countries for the decade 2014-2024.

I may only recently have taken up my function but we already find ourselves in the third year of implementing the Vienna Programme. That means roughly 30 per cent of the time that we have to implement this important and strategic declaration have passed.

The good news is that progress can be noticed. BUT, countries do continue to face development challenges associated with their geography.

Allow me to share with you salient issues which I firmly believe are all issues for us to redouble efforts on.

Let us not forget that some 480 million people live in LLDCs and ought to be given the opportunity to participate in and benefit from the results this declaration and the SDGs hope to trigger.

GROWTH: as a group, the LLDCs have experienced a decline in annual GDP growth from 6.9% in 2013 to 2.6% in 2016.

Let me say a word on structural economic transformation. It is important for us to note that the trends in the value-added of agriculture and manufacturing sectors as a percentage of GDP in the LLDCs have actually continued to decline ! This, we believe, underscores the need to build productive capacities and nurture industrialisation benefitting all.

On the **PUBLIC HEALTH** front, steady improvement can be recorded in reducing under-five mortality rates; stemming HIV, malaria and tuberculosis. Yet, average rates for LLDCs remain above the average of the developing world.

On the **GENDER** front, LLDCs have made some progress in enhancing participation of women in public life. The proportion of seats held by women in national parliaments has slightly increased from 23.7% in 2014 to 25.9% in 2017.

With regard to **POVERTY**, although the proportion of the population living below the international poverty line has declined since 2002, we remain at about 30 per cent.

These few indicators show us the urgency to scale-up efforts if LLDCs are to eradicate extreme poverty by 2030 in line with the declaration and the SDGs. This also implies that we collectively have to redouble with urgency our actions and support.

I now wish to turn your attention to critical policy issues we need to deal with if we are to achieve the goals of the Vienna declaration and those that the SDGs enshrine.

Transit policy issues remain at the top of the agenda. We have seen some increased ratification of relevant international conventions on transport and transit. Transit remains key to growth.

Notably, the WTO Trade Facilitation Agreement entered into force in February this year. The LLDCs have a lot to benefit from this agreement and I would like to encourage WTO Member States that have not yet done so to consider ratifying the agreement. Its effective implementation is now crucial.

Second, the World Customs Organization recently launched transit guidelines that will assist countries in harmonizing policies and procedures to enhance transit at border crossing points.

We at OHRLLS will continue, and I say we will continue with passion, to support you in this critical issue. We will make every effort to mobilise partner support.

Many LLDCs and transit countries, with support from development partners are continuing to implement initiatives to speed up transit and border-crossing such as One Stop Border Posts, Electronic Single Windows, TIR carnets, and others. However, despite positive changes in this area, LLDCs still experience high costs of trade. More need to be done on trade facilitation.

Third, infrastructure development and maintenance remain a key priority. Efforts are underway to expand and upgrade road and rail transport infrastructure in all the regions with LLDCs. Several countries and sub-regions have commissioned and launched new highways and railway networks.

I do not need to tell you about the strategic role infrastructure plays in growth and equitable development.

However, missing links remain and we must together make every effort to close them while also not omitting to take care of maintaining the infrastructure that exists.

Overall, infrastructure development and maintenance needs thus remain high. National efforts need to be commended; the efforts of the multilateral and regional development banks, and other financial institutions; the development partners; China's Belt and Road Initiative; and other stakeholders including the private sector all have shipped in.

However, we must redouble our efforts in this key area. The mobilization of additional resources for infrastructure development complementing the domestic efforts of the LLDCs will be critical.

Fourth is energy. Progress has been made in improving access to energy as the average proportion of population with access to electricity in LLDCs increased from 42% in 2010 to 49% in 2014. This represents an average annual progress at 1.75 %. But can this leave us satisfied ?

The LLDCs still lag behind the world average and at least two thirds of their population relies on traditional use of biomass for cooking, underscoring the urgent need for improved access to clean and modern cooking energy is evident and also to meet the Paris agreement goals.

Fifth we have ICT. The LLDCs have experienced strong growth in mobile cellular subscriptions and internet use. This is a very welcome achievement but may not be sufficient in a world where access to information; technology and innovation is increasingly key to growth and equitable development. We have to note that the LLDC group lags behind other groups of countries and continues to face the high costs of broadband access.

Sixth, we need to note that the LLDCs remain marginalized in global trade. The group of 32 LLDCs accounted for merely 0.88% of global merchandise exports. This does actually represent a DECLINE from the 1.2% recorded for 2014 !

To compound matters, LLDCs exports remain highly concentrated on just a few commodities making them extremely vulnerable to commodity price volatility. The LLDCs are also not well integrated into the global and regional value chains.

Seventh, we also must look at regional integration and cooperation. LLDCs are party to, on average, 3.7 regional trade agreements which shows their commitment to improved connectivity, market expansion and increased trade potential. It is however important that these regional agreements benefit from effective and expedient implementation.

This brings me to my final observation.

The sad fact is that ODA flows to LLDCs decreased from \$26.1 billion in 2014 to \$24.8 billion in 2015. ODA remains the main source of external financing for many LLDCs, accounting for more than 10% of GNI in 8 of the LLDCs.

It is of equal concern that foreign direct investment flows to LLDCs in 2015 decreased by 18% from \$29.7 billion in 2014 . This marks a decline for the fourth consecutive year.

There is need for all of us in the international community to find ways of working, partnering and supporting better all LLDCs to attract and retain foreign direct investment.

Excellencies, Ladies and Gentlemen,

The Vienna Programme of Action is ambitious but is ambitious for PEOPLE. It is for people that we now must redouble our efforts to fulfill the goals we set ourselves!

This means more collaboration, more partnering. It means: we must work harder. We must work harder because that is what we owe the 480 million people living in LLDCs and who count on us to meaningfully improve their lives and live their dreams.

If we want to live up to leaving no one behind, if we want to live up to what we said when we signed off on the SDGs then we must ensure the effective implementation of the Vienna Programme.

So, how do I see OHRLLS support you in this ?

I see an important element to enhancing the implementation of the Programme. I see this at national levels and it is about mainstreaming of the Programme into national development plans. Some countries have made good progress in that regard and have completed the mainstreaming process.

This is a capacity issue, knowledge exchange issue that I wish to facilitate support for through joining hands with other parts of the UN system.

OHRLLS presently mobilizes the UN system and other international organizations in support of the LLDCs mainly through the Inter Agency Consultative Group on the LLDCs.

I thus am very happy to see and wish to congratulate you for the entry into force of the Multilateral Agreement for the Establishment of the International Think Tank for LLDCs. This agreement represents a milestone achievement by the LLDCs to advance the implementation of the Vienna Programme of Action.

I thank the Government of Mongolia for hosting the Think Tank and supporting its interim management. OHRLLS stands ready to provide support and I encourage other LLDCs to also ratify the Agreement.

Excellencies

Let me conclude by reiterating my full support to you for the effective and efficient implementation of the Vienna Programme of Action. This is and will remain a top priority for the team at OHRLLS.

You have my personal commitment to make every effort to ensure that OHRLLS continues to provide you with relevant substantive support, supports partnership creation, leverages the combined UN system capacities and strives toward coherence with the follow-up and monitoring processes of the program, the 2030 Agenda, the Addis Ababa Action Agenda and our other global agreements guiding us.

Thank you.