

Ministerial Level Exchange of Views on National Experiences on improving transport connectivity and trade facilitation for the achievement of the SDGs: BHUTAN

Mr. Chairman,
Hon'ble Ministers,
Excellencies,
Distinguished participants,
Ladies and Gentlemen.

First of all, I want to thank UN-OHRLLS and the Gov of Kazakhstan for organizing this important meeting on LLDCs and for making excellent arrangements.

The achievement of the 2030 Sustainable Development Goals are imperative for every country and in particular, for the Land Locked Developing Countries, in order to end poverty, promote equality, protect the planet and ensure prosperity for all. Bhutan became one of the early mover countries in Asia Pacific region for SDG localization into mainstream development plans recognizing its importance. Improving transport connectivity and

enhancing trade facilitation plays a vital role in achieving the SDGs.

Bhutan, a small country of less than 1 million people, is almost engulfed by two giant neighbours, India and China which together has 2.7B people, and therefore, our trade facilitation and transit arrangements is mainly dependent on regional and bilateral trade agreements which require the member states to work on harmonization of standards, customs clearance procedures including customs classification and promote transit facilities for efficient intra SAARC trade, especially for the landlocked member countries. Accordingly, all relevant agencies in the country are actively involved in the regional trade talks and technical working groups on trade facilitation and transit issues under the South Asian Free Trade Agreement, SAFTA framework.

Excellencies, Ladies and Gentlemen;

Landlocked Developing Countries around the globe are associated with the lack of direct territorial access to the sea and

remoteness from world market. Our dependence on other countries for international trade via transit is an element that adds on to these various challenges. Kazakhstan, as the largest landlocked developing country, has taken lead for the landlocked developing countries. Almaty Programme of Action and the Vienna Programme of Action has brought these developing countries together, under UN umbrella, for our own good. Bhutan recently became a member of the Thinktank for Landlocked Developing Countries initiated by Mongolia. All these are positive developments for landlocked developing countries.

For Bhutan, India is the single transit country that connects us to the global market through its access to the nearest Indian seaport, Kolkata. The bilateral free trade agreement with India confers transit rights for Bhutanese exports and imports without customs duties or trade restrictions of the Government of India. Annual bilateral consultations between the two countries are held regularly to review and address any trade impediments and bottlenecks. Bhutan also signed an agreement with Bangladesh for the use of their river transport for export of Bhutanese goods into Bangladesh and outside via Chittagong port.

In addition, the South Asia Sub regional Economic Cooperation (SASEC) Program which aims to promote regional prosperity by improving cross-border connectivity, boosting trade among member countries has started bringing some tangible benefits through trade facilitation and transport projects in Bhutan. As part of the SASEC project, the National Transport and Trade Facilitation Committee was instituted in 2013, which now serves as an important body for coordination of trade and transport related matters in the country.

Some of the notable projects geared towards improving connectivity and facilitating cross border trade under SASEC include construction of the country's first Mini dry port facility and a land customs station near our most important Industrial estate bordering India. Several entry/exit land customs stations have been opened in the last few years to ease the flow of trade between Bhutan and India, and Bhutan and the rest of the world through India.

On the Air Transport Connectivity, three new domestic airports have been established in central, eastern and southern parts of the

country. Initiatives to improve infrastructure including runway asphalt overlay, all-weather access roads, security infrastructure, flood protection, terminal expansion, hillside leveling and runway strip drainage repairs have been undertaken in all the airports. We have expanded direct air routes to several Indian cities, to Bangkok in Thailand, to Dhaka in Bangladesh, to Mangmar, to Singapore, to Kathmandu in Nepal, and we have signed air service agreements with other countries.

Several other Road Network Projects were also initiated which includes construction and improvement of national highway sections, bypasses and also feeder roads for communities to be accessible to the motorized transports. During this 5-year plan period, the Government focused on connecting regions, districts and the previously unconnected, through road network spreading across all over the country.

In addition, there are several feasibility studies and the related analytical studies for improving trade and transport. Moreover, with the mainstreaming of trade into the national development agenda, trade facilitation programme is now reflected as an

annual plan of action under all relevant Departments and Ministries.

Thank you.