



Talking Points

For

Ms. Fekitamoeloa Katoa 'Utoikamanu,

High Representative

and

Under-Secretary-General

Least Developed Countries, Landlocked Developing Countries and Small Island
Developing States

**High-Level Event on Enhancing global partnerships for IDDA III
Key for successful implementation of the African Continental Free
Trade Area (AfCFTA)**

26 September 2018, 7:30 - 10:00 a.m.

Delegates Dining Room, UNHQ

Distinguished co-organisers,

I feel very privileged to join you at this important event.

Your plans on how the Third Industrial Development Decade for Africa can contribute to the Africa Continental Free Trade Area are inspiring.

Three words of deep meaning come to my mind: partnerships, sharing and including.

My Office was tasked by member states to support the LDCs, LLDCs and SIDS.

This means the concerns of a total of 91 countries, over a billion people and 40 nations are in Africa, including 33 LDCs.

For these countries to get a fair shot at realizing the hope of the SDGS for their people means building trade relations, including market access and trade facilitation.

Nearly half of these countries are landlocked.

Being landlocked - as we all know- means facing specific challenges.

These relate to achieving structural economic transformation and industrialization. Worse, several LLDCs and LDCs have even experienced de-industrialization.

In turn, the African SIDS display high vulnerabilities beyond their geographic remoteness and small size of their economies.

Their narrow resource base for export opportunities, limited agricultural or mineral production or manufacturing, climate vulnerability all mean a high share of imports in GDP, and a skewed dependence on trade.

Transport connectivity will indeed be central to promoting economic and trade diversification, in attracting investment flows, and boosting trade for these export dependent economies. This will be key to building more inclusive and resilient societies.

This is where I see the implementation of the Istanbul and Vienna Programmes of Action as well as the SAMOA Pathway as critical.

Implementation must be accelerated as it will greatly contribute to unlocking the development potentials associated with the African Continental Free Trade Area (AfCFTA) and accelerating a sustainable industrialisation of the continent.

As I said at the outset - we need partnerships, we need sharing, we need to include just as you see this as cornerstones in your plans.

OHRLLS is all about partnerships and our work is carried out with other stakeholders and partners to support the Third Industrial Development Decade for Africa and the achievement of AfCFTA.

OHRLLS will continue to partner, advocate and collaborate with relevant organisations and development partners to build the capacity of the LDCs, LLDCs and SIDS to achieve structural transformation for a sustainable and inclusive development path.

At a meeting which we co-organised with UNIDO for the LDCs last year a key conclusion was that regional integration has the potential to catalyze progress.

Regional integration was seen as facilitating structural transformation and could be enhanced through collaboration not only in trade and infrastructure but regional initiatives for education, innovation and so on. This was seen as especially critical for small countries.

Similarly, addressing high trade costs and building productive capacities of these groups of countries have repeatedly been identified as key action areas.

Capacity building though will have to be enhanced considerably and much more rapidly so to afford African countries, especially the most vulnerable among them, to participate more in regional trade.

It also is very well accepted by now that we must ensure that there is enhanced investment in both physical and soft infrastructure, specifically in sustainable energy, sustainable transport and access to broadband, which are key enablers not only for the supply of goods and services but also to achieve most of the SDGs.

FDI has the potential to be a key driver in this.

But so far FDI to the most vulnerable countries remains extremely limited and concentrated in resource-intensive industries.

Many factors contribute to this situation, including the limited effectiveness of many LDC Investment Promotion Agencies (IPAs).

Thus OHRLLS, in partnership with UNIDO and other partners, including the World Association of Investment Promotion Agencies (WAIPA) has developed a *Capacity Development Program for Investment Promotion Agencies of the LDCs*.

The program is designed to assist the IPAs of the LDCs with tailored capacity-building activities in line with their diverse needs with respect to FDI attraction and facilitation. The initiative was endorsed at the Ministerial Declaration of the 7th UNIDO Least Developed Countries Ministerial Conference. We are currently fundraising for this project.

I earlier mentioned the high trade costs that continue to be an impediment to achieving structural economic transformation in the LLDCs.

On that front, OHRLLS partners with WTO and other organizations to facilitate the implementation of the WTO Trade Facilitation Agreement. One of the joint activities is a sub-regional workshop on enhancing border cooperation that will be held in Southern Africa in November 2018. The workshop will be replicated in other regions.

Let us partner, share and continue to work together. It is the only way in which we can deliver on the promises of the Third Industrial Development Decade for Africa and the achievement of AfCFTA.

Thank you.