

**Welcoming Remarks by Ms. Ahunna Eziakonwa, UNDP Africa Director and Assistant  
Secretary General  
At the  
Ambassadorial Retreat on the Comprehensive High-level Midterm Review on the  
implementation of the Vienna Programme of Action (VPOA) for the Decade 2014–2024**

**HNA Palisades Premier Conference Center, Palisades, New York  
7 May 2019**

**Opening**

The High Representative for UN-OHRLS, **Ms. Fekitamoeloa 'Utoikamanu**

**H.E. Ms. Inga Rhonda King**, President of ECOSOC and Permanent Representative of Saint Vincent and Grenadines

**H.E. Mr. Julio Cesar Arriola Ramirez**, Permanent Representative of Paraguay to the UN, Chair of the LLDC Group

Permanent Representatives to the UN present here

Excellencies

Ladies and Gentlemen

Let me start by thanking our hosts for this timely retreat to prepare for the Mid-term review of the VPOA which is an important programme of action that seeks to remove structural constraints that Land Locked Developing Countries (LLDCs) have due to their remoteness and infrastructure gaps limiting their participation in international trade.

One only has to look at the development progress of this group of countries to appreciate the immense challenges that LLDCs have. As a group, LLDCs have an estimated total of **480 million**<sup>1</sup> people that literally depend on other countries to sustain their livelihoods and national development with **63% (303 million)** of that population concentrated in Sub Saharan Africa alone. And yet, this is a region with the lowest human development indicators (0.537) in the world and huge infrastructure gaps requiring up to **\$170 billion/year**; reinforcing the vicious cycle of under development. **This is sobering.**

**LLDC Capacity challenges:**

While a few LLDCs have managed to overcome their structural challenges and are enjoying higher levels of growth, **the majority are not**. Their financing needs to support implementation of the VPOA are huge - running into trillions of dollars contributing in part, to the debt build-up that we have begun to see in a lot of countries, recently.

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<sup>1</sup> UNDESA 2015: <https://population.un.org/wpp/Download/Standard/Population/>

Today, 40% of LDCs and LLDCs are assessed to be in debt distress or at a *high risk* of debt distress<sup>2</sup> including **Afghanistan, CAR, Chad, Ethiopia, Mali, South Sudan, Zambia** and **Zimbabwe**. These trends are particularly unsettling for Sub Saharan Africa which has more countries with higher debt burdens compared to other regions of the world.

On a positive note, most of these countries have used government borrowing to finance infrastructure investments (including through BRI) which have higher multiplier effects on overall development as seen in **Ethiopia, Rwanda, Mongolia** and **Lao PDR**. The Belt and Road Initiative (BRI) spanning across 70 countries holds some promise, although countries need to proceed with caution to ensure that they benefit fully from this initiative.

While debt financing remains an important means of implementation for most countries, **the recent trends are a cause for concern**. Debt service obligations compete directly with other critical public expenditure for available resources leaving countries to make hard choices with far reaching implications on their overall development.

#### **A call to action:**

Our collective efforts and continued support to LLDCs in mobilizing the means of implementation to implement transformative actions like the VPOA, **needs to be brought to scale**, faster.

The Addis Ababa Action Agenda (AAAA) provides a blue print for supporting LLDCs implement transformative priority actions. There is an urgent need to follow up on the financing for Development compact (FfD) in order to fill the huge gaps in development financing for countries that need it the most.

The VPOA is a **game changer** as it speaks to the heart of structural issues that LLDCs and a lot of developing countries need to overcome. Spanning from infrastructure development, trade facilitation, regional integration and mobilizing the means of implementation for all these critical actions. This requires our collective efforts.

UNDP on its part, continues to advocate for leveraging all existing and potential funding flows considering the huge resource needs and gaps in LLDCs. In this regard, we are supporting countries to have the right policy frameworks to respond global development frameworks through multiple instruments and initiatives.

First, is our policy work which seeks to generate and share knowledge to inform national and regional development frameworks using the SDGs as an entry point. We have so far, supported at least **11 LLDCs** globally to mainstream SDGs into their national frameworks with structural transformation as a key lever for development.

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<sup>2</sup> As of January 31, 2019, and based on the most recently published data, 7 countries are in debt distress, 25 countries are at high risk, 26 countries are at moderate risk, and 14 countries are in or at low risk of debt distress. <https://www.imf.org/external/Pubs/ft/dsa/DSAlist.pdf>

We also continue to use targeted platforms such as the International Conference on Africa's Emergence (ICEA); African Economic Conference; the International Think Tank for Landlocked Developing Countries<sup>3</sup> headquartered in Mongolia as relevant initiatives in support of the VPOA priority actions.

At a programmatic level our work on the Tax Inspectors Without Borders (TIWB) which has facilitated the mobilization of domestic resources of about **\$414 million** across several countries is a good example. We are also supporting countries to undertake Development Finance Assessments (DFA) to provide a comprehensive mapping of all public and private finance flows that countries can tap into including through South-South Corporation. We hope that our newly formed Finance Sector Hub will also bring financing options including private sector financing to scale in most countries.

UNDP supports LLDCs efforts to strengthen trade institutions and develop trade capacity. In partnership with the Enhanced Integrated Framework, UNDP worked alongside the Government and other stakeholders in **South Sudan** in the formulation of a Trade Policy Framework to take update policy orientations considering the country's accession to the East African Community. In **Paraguay** through the Green Commodities Programme (GCP), UNDP is facilitating government-led dialogue throughout the country to develop consensus on improving sustainability of the soy and beef industries. Through platforms of dialogue and cooperation involving government, private sector, farmers' groups, civil society, etc. the GCP is supporting the roll out of good agriculture practices to increase industry's productivity and make recommendations for regulatory reform.

### **Closing:**

In closing, while these actions are important, I believe that we can do more as a global community in advocating for other critical actions on catalytic financing for private sector investments, reduction of remittance costs, curbing illicit financial flows and the sharing of knowledge as expanded means of implementation.

I would like to reiterate UNDP's strong commitment to work with governments, international financial institutions, other UN Agencies, the private sector and other stakeholders in order to ensure that the VPOA is implemented in LLDCs, so that they can become land-linked and benefit from global development processes.

I wish you fruitful deliberations in the retreat and looking forward to your ideas on accelerating actions on this critical programme of action.

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<sup>3</sup> For more details, please visit: <http://land-locked.org/>