



# **MONGOLIA**

## **PERMANENT MISSION TO THE UNITED NATIONS**

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### **STATEMENT BY H.E. MR. ENKHBAYAR NAMBAR, PRESIDENT OF MONGOLIA**

### **AT THE HIGH-LEVEL PLENARY MEETING DEVOTED TO THE MIDTERM REVIEW OF THE ALMATY PROGRAMME OF ACTION**

**2 October 2008  
New York**

**STATEMENT BY HIS EXCELLENCY Mr. NAMBAR ENKHBAYAR,  
PRESIDENT OF MONGOLIA AT THE OPENING SESSION  
OF THE HIGH-LEVEL PLENARY DEVOTED  
TO THE MID-TERM REVIEW  
OF THE ALMATY PROGRAM OF ACTION**

**New York, 2 October 2008**

**Mr. President,  
Mr. Secretary-General  
Honorable Ministers,  
Ladies and Gentlemen,**

**I am pleased to address the opening session of the High-level meeting of the General Assembly devoted to the Mid-term Review of the Almaty Program of Action (APA). I wish to strongly commend the leadership of Secretary-General Ban Ki-moon in galvanizing the activities of the UN system organizations in our concerted efforts to implement the Program. Mongolia also extends its high appreciation to High Representative Cheick Diarra and his Office for the coherent coordination of all the preparatory activities in the lead-up to this high-level review.**

**Over the coming two days we will engage ourselves in an extensive discussion to take stock of the progress achieved so far in moving forward the implementation of the Almaty Program of Action, to share the lessons learned and identify future actions to speed up its realization through addressing the still persistent constraints.**

**It is gratifying to note that over the last 5 years, the landlocked and transit developing countries with the support of their developed partners have registered certain headway in all five priority areas of the Program. They strengthened their policy reform efforts, including the liberalization of transit and transport services, increased accession to relevant international conventions, the establishment of regional inter-modal transport corridors and harmonization of common rules and standards.**

**The international community have come to better recognize that high transit transport costs represent a more important barrier than most favoured nation tariffs for landlocked developing countries. As a result it is encouraging that there is a much broader recognition of the special needs of landlocked developing countries *per se* and a stronger engagement of development partners with respect to transport infrastructure development and trade facilitation, as well as aid, debt relief and market access. Multilateral and development institutions and regional organizations also tend to allocate greater attention and resources to the establishment of efficient transit systems. All these efforts are encouraging and ought to be further consolidated for the effective and full implementation of APA.**

**Mr. President,**

**Last few years have been somewhat favorable for the overall economic development and growth of landlocked developing countries as a**

group. According to the Secretary-General's report (A/63/165) GDP of LLDCs grew annually by almost 8 percent for the period 2003-2006. Foreign direct investment has also seen a certain increase over the same period. In addition, as of 2006 more than 90 percent of exports of LLDCs to developed markets enjoy duty-free access, a significant increase from 70 percent back in 2003.

Despite these positive developments LLDCs continue to face considerable challenges inherently linked to their geographical handicap. Over the past decade, the share of LLDCs in world exports remains unacceptably dismal - well below 0.6 percent, with commodities accounting for the bulk of exports. In our case transit transport costs through Russia and China amount up to 8% of our GDP. Hence, with a view to promoting a comprehensive sub-regional agreement designed to harmonize transit regulations and reduce transit transport costs, Mongolia has initiated a Tripartite Framework Agreement on Transit Transportation with its two neighbors. The draft agreement was agreed in principle and negotiations continue on annexes. The agreement, once concluded, will provide a legal framework for efficient transit systems to and through Mongolia by allowing freedom of transit by all modes of transport and promoting simplification, harmonization and standardization of customs, administrative procedures and documentation.

Sub-regional and regional cooperation and integration of LLDCs and their transit neighbors play an important role in effectively addressing cross-border trade and transit transport problems. In this context, we welcome the regional initiatives aimed at promoting the development of regional rail and road transit transport networks, including the Asian Highway and Trans-Asian Railway Agreements, to which Mongolia has already become a party to.

Mr. President,

LLDCs' continued marginalization from the international trading system prevents them from fully using trade as an instrument for achieving the respective MDGs. It is disheartening that the UNDP Human Development Report (2007/2008) shows 10 out of 20 lowest-ranking countries in the human development index were LLDCs. Their situation is being further exacerbated by the current global food, energy and financial crises. In this regard, we need to cease this opportunity of reviewing the implementation of APA to explore new avenues of how to urgently respond to these global development challenges, both existing and emerging.

Increased international assistance for export diversification, infrastructure development, institutional capacity-building and better market access are essential for LLDCs. As high transaction cost represents main cause for the marginalization of LLDCs from the international trading system the current negotiations on market access for agricultural and non-agricultural goods should, in our view, give particular attention to products from LLDCs. In addition, trade facilitation negotiations, especially the part on GATT Article V, present an opportunity to set internationally applicable rules and standards that are most urgently needed. In this respect, I wish to reiterate my earlier proposal voiced at the Ulaanbaatar thematic meeting last

year to consider negotiating a separate, multilateral agreement on issues covered by GATT Article V on Freedom of Transit.

The Ulaanbaatar meeting on trade and trade facilitation along with the Burkina Faso meeting on infrastructure development constitute an important part of the substantive preparations in the run-up to this mid-term review. I gather that the publications on the outcome of these thematic meetings are being launched these days by the Office of the High Representative.

Mr. President,

With a view to maximizing the efficiency of our coordinated efforts in promoting the interests of LLDCs, including effective and full implementation of the Almaty Program of Action I recently proposed to set up an international think-tank and offered to host it in Ulaanbaatar. I am pleased that this initiative has enjoyed active support from our fellow members of the group. We are also hopeful that the relevant organizations of the United Nations system, international and regional financial institutions along with our development partners will step in to ensure its efficient and effective functioning.

Mr. President,

As for the national implementation of the Almaty Program of Action, Mongolia has introduced several innovative measures to build policy framework and to promote public-private partnership.

At my initiative, the MDG-based National Development Strategy – a comprehensive mid- and long-term development blueprint was approved earlier this year. The Strategy places human development and modernization of infrastructure as a key priority for making Mongolia a middle-income country by 2021.

Furthermore, a National Committee on Trade and Transport Facilitation was set in motion since 2005 entrusted with a mandate to serve as a nation-wide coordinator for the APA implementation. It is composed of representatives of government, private sector, academia and NGOs to ensure broad-based partnership. Also with active participation of all stakeholders Mongolia has developed a comprehensive sector development program called “Transit Mongolia” incorporating all APA priorities and Mongolia-specific goals. Hence, we believe that creation of a designated institutional mechanism along with the relevant plan of action lays sound foundation for the effective implementation of APA. In addition, active engagement of investors, both foreign and national, and local business community help to better mobilize the needed resources, both financial and human.

Finally, Mr. President, I wish to emphasize the crucial role of regional and international cooperation in ensuring effective implementation of APA. In this regard, my delegation fully endorses the related provisions in the draft Outcome document to be adopted at the end of our review meeting. Here, we commend the considerable efforts exerted by the UN

**organizations, in particular that of the Office of the High Representative in coordinating system-wide activities towards APA implementation. We would also like to acknowledge the important work and support provided by our development partners, both bilateral and multilateral, including UNCTAD, UNIDO, the Regional Commissions, the World Bank and the regional development banks.**

**I thank you for your kind attention and wish successful review with a productive outcome.**