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**High Level Plenary Meeting devoted to the
Midterm Review of the Almaty Programme of Action**

Opening Statement by

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Mr. President,
Mr. Secretary General,
Excellencies,
Ladies and Gentlemen,

First of all, I would like to express my sincere gratitude for the opportunity to address the Assembly on this debate on Landlocked Developing Countries which I consider not only timely, but also of the utmost importance.

Despite real progress towards the implementation of the MDGs, especially in the area of poverty reduction, it is still the least developed countries, the landlocked developing countries and the small island states that are the most adversely affected. They need our first and foremost attention, as the relevant reports on the implementation and progress of the MDGs point out.

The year 2008 has seen a number of important events on development cooperation with participation at the political level, including many Heads of States and Governments, all determined to give new impetus to reach the Millennium Development Goals by 2015: I personally attended UNCTAD XII and the High Level Meeting on Aid Effectiveness, both held in Accra earlier this year, which demonstrated that the group of States, which we are addressing today, requires our special attention. I also recall the Africa and MDG-summits of the General Assembly a few days ago, which the Austrian Federal President and the Austrian Federal Chancellor attended. Moreover, we are currently preparing the Doha Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus which will take place at the end of November/beginning of December 2008.

All these meetings, all these important discussions of Heads of States and Governments, of Heads of Agencies, of ministers, would have been of no avail if not followed by concrete action. Therefore, it is high time now to substantially increase our common efforts - developed and developing countries alike - in order to reach the MDGs for all countries and peoples in the world!

Mr. President,

Austria views the Almaty Programme of Action as a significant landmark in the recognition of the special needs and problems of landlocked developing countries. Our common goal must be to effectively integrate them into the world economy. In this respect, infrastructure connections like transport corridors or electricity networks are crucial and necessary for growth, private sector development and trade. The improvement of access to reliable and affordable infrastructure services is a precondition for poverty reduction and achievement of the MDGs.

At the midpoint of the Almaty-Programme of Action it is about time to take stock where we stand in our common efforts to support landlocked developing countries in overcoming their development-constraints.

31 landlocked developing countries in the world continue to face serious constraints in their efforts to achieve the goals of fighting poverty and elevating the living standards of their population. According to the 2007/2008 Human Development

Index rankings, eight of the twelve countries with the lowest Human Development Index scores are landlocked, 10 landlocked countries are classified as among those with 'low human development' and not a single one of the non-European landlocked countries is classified as among those with 'high human development'.

One reason, why economic and human development indicators for landlocked countries are generally so much worse than those for their maritime neighbours, is based on their dependence on other countries' transit routes for access to overseas markets. While the relatively poor performance of many landlocked countries can be attributed to their distance from the coast, several aspects of dependence on transit neighbours are also important. This especially holds true for their neighbours' infrastructure, sound cross-border political relations and the political situation of bordering countries with focus on peace and stability as well as their administrative practices.

Landlocked developing countries in sub-Saharan Africa are especially adversely affected: the isolation from world markets, poor infrastructure, communication problems and logistics delays significantly increase the costs for African firms and impose an additional burden on their economies. Internal transport costs are at least twice as high as those in Asia and Latin America. Energy costs for African firms are 6% of total costs, six times more than in emerging countries such as China. The cost penalties borne by the private sector, particularly for transport and energy, are daunting, more than wiping out any comparative advantages these countries might have, for example lower labour costs.

Mr. President,

Allow me to share with you Austria's experience as a landlocked, predominantly mountainous country in the middle of Europe. Her geopolitical situation after World War II – at the border between two different political and economic systems proved to be an obstacle to trade and economic integration. The fall of the Berlin Wall and the removal of the iron curtain in 1989, Austria's membership in the EU (1995) and the enlargement of the European Union towards Eastern Europe provided Austria with unprecedented economic opportunities and welfare for its population.

Our example shows that not only the right economic and social environment, but also enabling geopolitical conditions are required to further regional integration and cooperation. In our case, this was the key to overcome the geography - related problems. Today, as a member of the EU, Austria has access to all ports of EU member states across streets, railways and inland navigation. Transit and access to the Black Sea ports is ensured on the basis of the Danube convention which regulates and guarantees free traffic on the Danube.

During the third United Nations Conference on the Law of the Sea (UNCLOS III), which took place from 1973 through 1982, Austria chaired the group of the so called geographically disadvantaged states, most of them landlocked developing countries. In this position, Austria represented the interests of these countries which mainly concentrated on participation in research regarding the use of marine resources, the representation in the entities of the United Nations Convention on the Law of the Sea (UNCLOS) and the question of transit-rights and access to the sea. The resulting Law of the Sea Convention defined the rights and responsibilities of nations in their

use of the world's oceans and established guidelines for the business-sector, the environment and the management of marine natural resources.

For Austria, the chosen way to deal with the problem concentrates on supporting a shift from road- to rail traffic and, where possible, to shipping. In this respect, European Integration provided valuable assistance to us: a joint planning of transport facilities and routes as well as collective financial aid to support projects in the sector of infrastructure makes it possible to combat the negative environmental effects of transit traffic. In its role as a transit-country, Austria has also deep understanding for the situation of transit-developing countries.

Because of its own history and experience, Austria focuses its development cooperation with partners in landlocked developing countries like Burkina Faso, Uganda, Ethiopia, Bhutan, Moldova and the Former Yugoslav Republic of Macedonia. A special emphasis is attached to support regional infrastructure development in Sub-Sahara Africa and to contribute to the EU-Africa Trust Fund on Infrastructure. This innovative Trust Fund is providing grants and loans for the realisation of crucial transboundary projects in the field of energy, transport, telecommunication and water.

Finally and certainly not least important, there is another aspect I would like to highlight: Regional integration - its significance cannot be stressed enough. It provides security and peace, and prevents crisis through a common political and economical stability and a common legal framework, which constitute the basic prerequisites for transit and free access to the sea.

With this in mind, let me conclude, Mr. President, by wishing you – and us all – a successful meeting.

Thank you all very much for your attention!