



Statement

by

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**Regional Review Meeting on the Implementation of the Almaty
Programme of Action in Latin America**

ECLAC/OHRLLS/Government of Paraguay

Asuncion, Paraguay, 19 November 2013

Excellency Minister of Foreign Affairs of Paraguay,
Excellency Ambassadors,
Distinguished Delegates,
Ladies and Gentlemen,

Allow me at the outset to express my sincere thanks to the Government of Paraguay for the warm welcome and gracious hospitality extended to me and my delegation since our arrival in your beautiful city of Asuncion, as well as for the excellent and efficient arrangements made for this meeting.

Let me start by recognizing the leadership role played by the Government of Paraguay in the promotion of common position and interests of the Group of landlocked developing countries. It coordinated the Group of LLDCs in New York as the Chair during 2010 and 2011 and is currently member of the Bureau of the Group of LLDCs. Paraguay is also coordinator of the Group of the LLDCs on matters related to trade and development in Geneva. I am grateful for Your personal involvement Excellency Eladio Loizaga in the LLDC issues since 1995 as Permanent Representative of your country to Geneva and WTO, and later, as Permanent Representative to the United Nations in New York. We are glad to have you now to advocate for the cause of landlocked developing countries in your capacity as Minister of Foreign Affairs.

I would also like to recall that the first regional preparatory meeting for Latin America of the Almaty Conference of Landlocked Developing Countries was held in this capital in March 2003. Two years later, in August 2005, Ministers from landlocked developing countries in charge of trade adopted the Asuncion Platform for the Doha Development Round, in which Ministers articulated their common position and priorities for all landlocked developing countries for the Sixth WTO Ministerial Conference to be held in Hong Kong.

I commend the Government of Paraguay for these initiatives and leadership in advancing the agenda of landlocked developing countries, at regional and global levels.

I am also appreciative of the excellent partnership and support of the United Nations Economic Commission for Latin America, in organizing this event. ECLAC has always been a key partner in advancing and coordinating the implementation of the Almaty Programme of Action in the Latin America Region.

I would like to sincerely thank the representatives from Bolivia and Paraguay as well as, those representing transit countries and development partners for your participation. My deep appreciation goes also to all the representatives of UN system and other international and regional organizations for their tireless, concrete efforts and contributions towards the implementation of the Almaty Programme of Action.

Excellency,

Ladies and Gentlemen,

This Regional Review meeting presents a unique opportunity for Latin American landlocked developing countries, transit countries and development partners to critically assess the implementation of the Almaty Programme of Action in the region and define a new, action-oriented strategic framework for the next decade.

The geography of landlocked developing countries, their small domestic purchasing power and their remoteness from international markets and lack of direct territorial

access to the sea ports have put them at a disadvantage in fully harnessing their potentials to support their sustainable development efforts. Landlocked developing countries also lack the necessary financial and technical capacities to overcome the geographical handicaps. This is the reason why landlocked developing countries need a global partnership with special measures and support that could assist them to end their marginalization in the international trading system. Transport is a lifeline to the modern economy. Its smooth and efficient functioning determines the speed and scale of integration and thus benefits generating from it.

High transport costs have also negative impact on economic development of landlocked developing countries. They reduce competitiveness of exports, enhance cost of imported inputs for manufacturing, and reduce the level of investment, both directly through increasing the costs of imported capital and indirectly through reducing the level of total savings that is available for investment. Both have a negative impact on growth in the long run. Countries with high trade transaction costs are less likely to attract export-oriented private capital.

Excellency,

Ladies and Gentlemen,

The Almaty Programme of Action, adopted in 2003, set the parameters for a global partnership to address these challenges with clear undertakings in transit policy issues, infrastructure development and maintenance, international trade and trade facilitation, regional integration and international support measures. Since then, landlocked developing countries made remarkable progress, including boosting economic growth, increasing trade, rehabilitating and construction of transport infrastructure, improving connectivity, building capacities and reduce poverty in some areas.

The last ten years have also seen stronger support from development partners towards transport infrastructure development, and trade facilitation, and support from transit countries to harmonize transport and transit policies, simplify border controls and

procedures and facilitate trade. The same is the case for this region. The South-South cooperation is also playing a major role in some key areas such as capacity building and sharing of best practices and experiences.

Nevertheless, the persist challenges of efficient trade and smooth transit facilities are affecting their competitiveness. moreover, emerging challenges continue to impede the full implementation of the objectives set up in the Almaty Programme of Action. The process of globalization continues to affect landlocked developing countries in many ways, often increasing their vulnerability. World market prices have increased sharply, draining precious foreign exchange and making it even more difficult for companies based in landlocked developing countries to compete internationally. In addition, landlocked developing countries` economies lack diversification and depend on a few sectors such as agriculture and minerals, -sectors where revenues are affected negatively by the exchange rate volatility that has prevailed during economic and financial crisis.

We have a long way to go to make sure that progress in some key areas are consolidated so that we create a conducive atmosphere for rapid, inclusive and sustainable development. The fact that many of landlocked developing countries are still at the bottom of the development ladder indicates that we need to consolidate and amplify the positive impacts of such developments and reduce negative externalities for the benefit of the people in these countries.

As the United Nations Secretary General indicated in his remarks at the opening ceremony of the Annual Ministerial meeting of Landlocked Developing Countries, last September 2013, in New York, "Since the establishment of the Almaty Programme of Action, in 2003, much has been done. We are seeing concrete actions by landlocked developing countries, partner countries, international and regional institutions. However, much remains to be done". Indeed, an important achievement of the Almaty Programme of Action to date has also been the universal recognition of

the special needs of the landlocked developing countries, which generated tangible actions by not only the transit countries and the landlocked developing countries themselves, but also by the partner countries, international and regional institutions.

Excellency,

Ladies and Gentlemen,

It is true that robust and prudent national efforts and vision are indispensable to promote growth and reduce poverty; it is also incumbent upon international community to come up with comprehensive and coherent support measures in favor of landlocked developing countries. Genuine partnership is a key to success.

This brings me to the issue of the significance of the present meeting. It is being held as part of the preparatory process for the Ten-Year Review Conference on the implementation of the Almaty Programme of Action for Landlocked Developing Countries, decided by the United Nations General Assembly in its resolution 66/214. The Conference and its preparatory process offer a critically important and timely opportunity for the landlocked developing countries and transit developing countries, and their development partners to assess, in depth, progress made and the constraints encountered in the implementation of the Almaty Programme, looking in particular, at its best practices, areas of weaknesses and the way forward.

In Latin America region, it is encouraging to note that both the Pluri-national State of Bolivia and Paraguay have made substantive progress in various aspects of the Almaty Programme of Action, including economic growth and poverty eradication, trade performance, investment in transport infrastructure and connectivity, transit issues and regional integration. These two countries are also facing challenges of low diversification of their production, high logistics costs, insufficient investment in physical infrastructure and development of human capital.

The preparatory process of the Conference is being organized in three tracks: the intergovernmental track (national, regional and global levels), the UN Inter-Agency track and a private sector track.

With regard to national level review, all member countries have been requested to submit reports on the implementation of the Almaty Programme of Action by individual countries. These reports will contribute to the enrichment of the preparation of the outcome document of the conference.

With regard to regional reviews, this meeting rightly marks the last of the three regional reviews that are being held in the preparatory process. Euro-Asia regional review meeting was held early this year, in March 2013, in Vientiane, Laos PDR. The regional review meeting for Africa was held in July 2013, in Addis Ababa, Ethiopia. The meeting in Asuncion, today, is then for Latin America. Through the regional review meetings, we are gathering crucial inputs relating to the regional perspectives of the development needs of landlocked developing countries. I would like to stress that the regional level meetings are critical for the preparatory process as they will come up with very strong, practical and comprehensive suggestions that will feed into the global meetings, starting in 2014 through the two sessions of the Intergovernmental Preparatory Committee, and reaching the final stage of the Conference, planned towards the end of 2014.

In the UN Inter-Agency track, partners of the inter-agency group have agreed to hold several pre-conference events on different issues that are of importance to landlocked developing countries. They are in areas such as infrastructure development, climate change, desertification and land degradation, commodity dependence, enhancing productive capacities, including human resource development, international support measures and south-south cooperation. The inter-agency partners also agreed to prepare special analytical reports focusing on development issues of landlocked developing countries.

With regard to the private sector track, I would like to underscore the importance of the involvement of the private sector, which is crucial for the success of the conference. One major purpose of the conference is to focus on improving trade competitiveness of landlocked developing countries, in other words to address the

issue of how to improve the efficiency of traders from landlocked developing countries, who are mostly the private sector. The private sector provides trade related services in most countries through services of freight forwarders, insurance providers, transport providers, banking services, etc. The private sector is also an important source of both domestic investment and foreign direct investment and crucial for formation of public-private-partnerships especially on infrastructure development. It is therefore important that the views of the private sector be heard and reflected in all the preparatory process and at the conference in 2014.

Excellency,

Ladies and Gentlemen,

The expectations of landlocked developing countries from the Conference are high. The positive outcome of the conference will definitely galvanize international recognition and support in favor of the landlocked developing countries. Therefore, these countries need to make concerted efforts to adopt a new programme of action that takes into account challenges facing them, but also capitalize on opportunities.

During various meetings and conferences organized as preparatory to the LLDC Conference, we received several pertinent inputs. In particular, it was stated that the new development agenda for the LLDCs must not be designed simply as a sectoral programme, but must concretely address LLDCs' challenges in a more holistic manner, with measurable targets and indicators. While the new programme should focus on addressing social and economic development, poverty reduction and sustainable development, it must retain international trade, transport and transit issues at its core and emphasize industrial development. The issue of value addition from manufacturing and agriculture was also raised as a key concern for landlocked developing countries.

Other experts reiterated the value of constructing a multilateral trading system that is non-discriminatory, balanced and rule-based in order to foster an international

economic environment that promotes growth and sustainable development equally in all regions. In this context, they further urged developed countries to honor their commitments outlined in the Monterrey Consensus and Doha Development Declaration pertaining to providing financial and technical assistance to developing countries, especially landlocked developing countries. In this context, we do hope that the upcoming 9th World Trade Organization Ministerial meeting to be convened in Bali, Indonesia, in December 2013, will deliver positive results, including on trade facilitation measures in the context of the Doha Development Round.

The above shows that expectations from landlocked developing countries of a new development programme of action for the next decade are very high. A new programme of action, more robust and comprehensive and capable of providing results on the ground is expected. It is also expected that special needs and concerns of landlocked developing countries will be adequately reflected in the Post-2015 development framework.

The United Nations Secretary General is aware of the high expectation of these countries. He is committed to extend full support of the UN system to the conference. He has entrusted me, in my capacity as the Secretary General for the Conference, to mobilize all parts of the United Nations and make sure that we will have a well-coordinated and enhanced level of support from within the UN system and outside for a forward looking and successful outcome of the conference.

I wish a great success of this regional meeting. I thank you for your kind attention.