STATEMENT BY MR ARA PETROSYAN
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Mr. Chair, honorable colleagues, it is my great pleasure to speak on behalf of the Republic of Armenia in this Meeting. Firstly, I would like to express my gratitude to the organizers of this event and my admiration to the Kazakh people for their warm hospitality.

The absence of sea, remoteness from markets, week transport infrastructure, cumbersome customs and border crossing administration and procedures, and high transportation costs remain a real challenge for Landlocked developing countries on their way to integration to global markets and benefiting from international trade. It became normal that transportation costs put landlocked countries, indeed, in a relatively disadvantaged position compared with the countries that have a continuous access to the sea. In this context it is important here to stress the key role of the First International Ministerial Conference of Transit Developing Countries and Development Partners held in Almaty in 2003, when Almaty Programme of Action was developed. It is a unique tool that established a multilateral platform for landlocked developing countries to address their specific constrains and find beneficial solutions.

The mitigation of negative effects resulting from having no access to the sea is still an ongoing priority for the Armenian Government. In this regard, trade liberalization, infrastructure development, capacity building activities, business climate improvement and active participation in facilitating international trade are considered to be the major instruments in achieving the general goal.

In 2003, Armenia acceded to the World Trade Organization, which was an essential step in trade liberalization and involvement in the multilateral trading system. Due to generally accepted WTO rules and principles, Armenian economic operators are given wider market access opportunities on MFN bases and avoid unnecessary obstacles during exportation.

Meanwhile, strengthening of bilateral trade cooperation and facilitation of trade between countries has been emphasized. Armenia has concluded Free Trade Agreements with CIS countries (Kazakhstan, Moldova, Russia, Turkmenistan, Ukraine, Georgia, and Kyrgyz Republic). Armenia has also launched negotiations with the EU to establish Deep and Comprehensive Free Trade Area, which will enable 95% of Armenian goods to be exported to the EU duty free. Currently, Armenia benefits from the GSP treatment granted by the European Union, the United States, Canada, Norway, Switzerland and Japan.

By the way, the external turnover of Armenia in 2011 was 26.9 % of the total with CIS Countries, while it was 32.4 % of the total with the EU countries. In 2011, the major five trading partners were Russia, China, Germany, Iran and Bulgaria.

In recent years, business climate improvement activities have been enhanced. Due to regulatory reforms aimed at streamlining such processes as starting a business, registering property, dealing with construction permits, protecting investors, facilitation and simplification of procedures of
customs and taxation administration, Armenia has been continuously improving its ranking and is now the 55th according to the World Bank’s Doing Business 2012 report.

The global financial and economic crisis adversely affected landlocked developing countries, including Armenia. Nevertheless, since 2010, Armenian economy began to recover from the crisis, and GDP growth reached to 2.2% and subsequently 4.7% in 2011.

The major challenge for landlocked countries’ trade and access to new markets is the inadequate transport infrastructure. In this area, one of the ongoing projects of Armenia is the construction of the so-called North-South road corridor. It envisages the reconstruction of the operating roads and their correspondence with the first category international standards. It is planned to reconstruct 556km of roads in the framework of the project. After reconstruction, these strategic roads will provide facilitated traffic from Armenia’s southern border to the Georgian boarder, and further on to the Black Sea ports.

In 2012, the Republic of Armenia approved the concept on Rehabilitation and Reconstruction of the Main Transit Highways of the Republic of Armenia. The concept envisages the rehabilitation of the three main roads connecting Armenia to its Northern neighbor Georgia with a total length of about 550km.

Mr. Chairman, as we can conclude, a number of measures have been taken, but still there is a need for cohesive efforts and engagement of human and financial resources of all partner countries and international donor organizations.

It is critically important that the interests and concerns of landlocked developing countries be fully taken into account, while establishing new transit systems.

Meanwhile, regional and sub-regional cooperation and integration can play an important role for addressing specific problems of transit transport. In this context, support from existing sources, mechanisms of regional dialogue and integration among landlocked countries is essential. Assistance in the area of trade facilitation within the WTO framework should be enhanced for landlocked countries.

Finally, I would like to mention that the Government of the Republic of Armenia is looking forward to the Ten-Year Review Conference of the Almaty Programme of Action to be held in 2014. It will give us an opportunity to thoroughly review the implementation of the Almaty Programme of Action and assess its effectiveness for landlocked developing countries.

Thank you Mr. Chair