Republic of Botswana

Statement

By

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Permanent Representative of Botswana to the UN and other International organizations in Geneva,

at

The Fourth Meeting of Trade Ministers of Landlocked Developing Countries (LLDCs)

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Almaty, Kazakhstan
1. At the outset, Mr. Chairman, allow me to express my delegation’s gratitude to the Government of the Republic of Kazakhstan for the splendid hospitality, as well as for making this event possible. By hosting this meeting for the second time, the country demonstrates the importance it attaches to the development issues of Landlocked Developing Countries.

   Mr. Chairman,

2. The theme “Unlocking the Trade Potential of LLDCs” is instructive as we prepare for the comprehensive 10 year review conference of the implementation of the Almaty Programme of Action in 2014. It is our hope that the review will lead to a strengthened, a more comprehensive, and an action-oriented successor plan for the next decade that will lead to the realisation of the full potential of LLDCs. My country commits to the preparatory process of the conference and indeed to the Review Conference.

   Mr. Chairman

3. It has been eight years since the launch of the Almaty Programme of Action. Thus it is not too early to reflect on the road travelled. Whilst effort has been and continues to be expended towards the realisation of the goals of the programme, results are still not impressive. The challenges as identified years ago continue to persist. Our economies are still disproportionately reliant on agriculture and mining for exports. Transport costs in comparison to the coastal economies are on the increase, and trade volumes continue to be low.

   Mr. Chairman

4. These challenges continue to undermine our development efforts, and as such, as LLDCs, we continue to do poorly on the social development sphere, making the attainable of the Millennium Development Goals uncertain.

   Mr. Chairman,

5. Whilst as a group, we have realised economic growth in recent years, this growth is undoubtedly unsustainable. Economic growth attributed to rising commodity prices can only be celebrated with caution as commodity prices are prone to price volatility. In this regard, the continued over-reliance of our economies on commodities renders them extremely vulnerable. On the other hand, the agriculture sector, which is also the mainstay of most of our economies, is threatened by climate change. The looming uncertainties in the global economy also continue to undermine efforts made by Landlocked Developing Countries.

   Mr. Chairman,

6. We agree that weak transport infrastructure in both transit as well as in LLDCs, increases the costs of and time associated with importing needed production inputs and the exportation of final products. This effectively increases the economic distance between the LLDCs and the world markets. This situation makes the LLDCs unattractive to Foreign Direct Investment. This is evident in the key reports that analyse the competitiveness of economies. For example, according to The World Bank Doing Business and the World Economic Forum Global Competitiveness Reports, LLDCs continue to record unimpressive results. The unattractiveness of LLDCs to investors negatively affects the overall sustainability of our economic development.
Mr. Chairman,

7. The establishment of a secure, reliable and efficient transport system, which is the overarching goal of the Almaty Programme of Action, remains critical for LLDCs, if they are to boost their competitiveness. Complementary to building secure transport infrastructure, other reforms like harmonisation and standardisation of border controls and procedures, simplification of customs documentation, automation of border clearance procedures, amongst others, are also significant. As noted in the background documents, undertaking these projects requires heavy investments. And what with all the competing priorities at national level. In this regard, continued smart partnerships between the LLDCs, transit countries and development partners remains critical.

Mr. Chairman,

8. It should be acknowledged that, whilst the development of infrastructure is critical and remains necessary, it is by no means the solution to all the challenges of LLDCs. The diversification of our traditional exports cannot be over-emphasised. The creation of competitive advantage in areas that are not sensitive to transport cost remain critical. The processing of primary commodities at source not only adds the much needed value, but may also reduce their bulkiness and associated transportation costs.

Mr. Chairman,

9. Achieving the much need diversification, may not be easy in the current state of the Multilateral Trading System, which is characterised by imbalances. Tariff peaks, tariff escalations, Non Tariff Barriers, and subsidies amongst others, impedes the efforts by LLDCS to diversify from their traditional exports. Thus, the expedited conclusion of a fair and balanced DDA, that takes into account the special needs of LLDCs, is ever more urgent.

Mr. Chairman,

10. Similarly, the building of Information Communication Technology (ICT) infrastructure, strong technological and research base, functional Intellectual Property Systems, amongst others, remain fundamental to our advancement. These initiatives not only require huge financial investments, but they also need legal and regulatory reforms, institutional and administrative overhaul, and as such, the call for international support to LLDC in these areas should not be surprising.

Mr. Chairman,

11. Botswana’s remains committed to the implementation of the Almaty Programme of Action. Like some countries, we are at once landlocked and a transit country.

12. Botswana continues to make efforts to implement projects that are intended to facilitate quicker and efficient movement of goods across its border. Transport infrastructure development claims the second largest allocation of the development budget. Currently major projects include, the construction of a rail/road bridge between Zambia and Botswana along the North-South Corridor – being a collaboration efforts with Zambia. Two major railway projects which are still at planning stage - the Trans-Kalahari Railway and Coal Port Project, which is a bilateral project between Namibia and Botswana; and the Ponta Techobanine Railway and Port project, which is a tripartite project between Mozambique, Zimbabwe and Botswana.

13. Botswana has also secured a dry port in Walvis Bay, Namibia, for which we remain grateful to Namibia. Plans are afoot to establish One-Stop Border Posts, one with Namibia and another with Zambia. This is to mention but just a few major initiatives undertaken in collaboration with neighbours which are within the spirit of the Almaty Programme of Action.

Mr. Chairman,
14. At regional level, there are several initiatives that are being undertaken at the level of Southern African Development Community (SADC), Southern African Customs Union (SACU) and at the tripartite level (ECA, SADC, and COMESA). Building synergies at regional level will aid the achievement of our goals, hence the funding of projects at that level remains critical and is encouraged. In this regard, we express our appreciation for the continued support and encourage increased funding of regional projects and programmes.

Mr. Chairman,

15. Before I conclude, let me take this opportunity to make an appeal to our development partners on the issue of immediate withdrawal of assistance following graduation from the Least Developed Countries category. Our experience is that this act undermines the efforts achieved to reach the classification of middle income. As LLDCs and countries with special needs, the support of development partners remains critical even after graduation as our economies remain fragile. The immediate withdrawal of financial assistance and the effective marginalisation which occurs undermines implementation of the Almaty Programme of Action.

16. In conclusion, let me express our appreciation to the international donor community and international organisations for their continued support for our development effort in general.

17. I thank you for your attention.