

**Draft Statement by H.E Mr. Workneh Gebeyehu,
Minister of Transport of the Federal Democratic Republic of
Ethiopia**

**at the Second International Conference on Landlocked
Developing Countries (LLDCs)**

3-5 November 2014

Vienna, Austria

Mr. President,

UN Secretary General Ban Ki Moon,

Mr. Sam Kutesa, the President of the General Assembly,

The Secretary General of the LLDCs Conference,

Excellencies,

Ladies and gentlemen,

Let me first of all congratulate you, Mr. President, on your assumption of the chairmanship of this conference which has paramount significance to the development of LLDCS. I wish to take this opportunity to express my delegation's sincere appreciation to the government and people of Austria for the warm welcome and kind hospitality accorded to us since our arrival in this beautiful city.

Mr. President,

As pointed out earlier by the distinguished representatives of Bolivia, speaking on behalf of the group of 77 and China and Zambia speaking on behalf of LLDCs and with whose statement Ethiopia aligns itself, the special needs of LLDCs for sustainable development is well established and cannot be questioned. This is evident from the decision arrived at 10 years ago when the first conference on landlocked developing countries was held in Almaty, Kazakhstan. Addressing the special needs of LLDCs was also reiterated in 2005 and 2010 world summits on the MDGs and" the outcome document of Rio +20, "the future we want.

Our task during this meeting is I believe, to assess the achievements made since the international community first discussed the challenges relating to LLDCs,

address the gaps which need to be filled and examine how these can be tackled in a renewed spirit of genuine partnership.

Mr. President,

We in Ethiopia have set a vision to become a lower middle income in ten years from now, and then in subsequent three decades, to move up to upper middle income and eventually transform our country to an advanced high income industrial economy.

As far as implementation of the Almaty Program of Action is concerned, priority areas of the APOA are all included in the three successive development plans of my country and being implemented since 2003. During implementation period of the program, Ethiopia experienced increased economic growth and encouraging progress has been achieved in our country's economic and social development. GDP grew on average by 11% for the past 10 years, which is well above the target set of 7% average GDP growth rate required for developing countries to achieve the MDG to reduce poverty by half in 2015.

In relation to transit policy issues, at the national level, legislative acts issued which include, among others: national laws regulating multimodal transport of goods, dry port services enterprise establishing regulations, regulations on freight forwarding and shipping agency service provisions, enabling legislation for the establishment of Maritime Affairs Authority and now for the establishment of Ethiopian Shipping and Logistics Services Enterprise, which is the amalgamation of three government transit and transport logistics companies.

At the regional, sub-regional and bilateral levels, Ethiopia has taken part in the development and finally adoption of the African Maritime Transport Charter.

Ethiopia is also actively participating in the COMESA Transport initiatives. In its bilateral relations with the neighboring transit countries, namely the Sudan, Djibouti and Yemen, agreements have been reached on port utilization and services to import/export cargoes and, establish maritime transport cooperation.

In addition, since 2002/2003 encouraging achievements have been recorded in other physical and economic infrastructural developments. The national level road length has increased from 37,018Km in 2002/03 to 100000km in 2011/12. Road density increased from 33.65km/1000km² in 2002/03 to 90.9km/1000km² in 2011/12. As a result, the average travel time to all-weather roads declined to 1.8 hours. In the Growth and Transformation Plan (GTP), a total distance of 2,395km of railway network being underway throughout the country including a 34km Addis Ababa Light Rail Transit (LRT) project. Of the 2,395km of railway network, which is under construction, 756km is being constructed from Addis Ababa to the nearest sea port of Djibouti, which will have a significant impact in reducing transportation cost by transporting a bulk of export and import goods. With regard to telecommunication services, the number of fixed telephone subscribers increased from 410,630 in 2004/05 to ----- in 2012/2013 while the number of mobile subscribers increased from 620,000 in 2004/05 to **23.76** million in 2012/13. At the same time, the number of Internet service subscribers increased from 17,375 in 2004/05 to **4.43 million** million in 2012/13.

Mr. President,

Though encouraging progress has been registered, in the implementation of IPOA we continue to face serious constraints and challenges in the areas of trade, transit, and overall socio-economic development. These priorities remain valid today as challenges has increased rather than mitigated over time.

Ethiopia, as landlocked developing country, faces number of challenges, including High transit transportation costs, limitation of technical and technological capacity, imported inflation, limited investable resources and low mobilization of domestic financial resources to finance the massive investment requirement for rapid growth, implementation and management capacity are some of the key problems that need to be addressed. Most importantly, lack of productive capacity, human and financial resources and lack of technical and institutional capacity are the major development gaps that require immediate solution.

The pressing global challenges, particularly economic and financial crisis, volatility of food prices, energy insecurity and climate change have undermined our national efforts for development. Although we have made considerable progress, this has negatively affected our attempts to attain all the internationally agreed development goals.

Mr. President,

A number of national review, regional consultations, preparatory conferences and retreats on Almaty Program of Action held during the implementation period have also identified LLDCs value addition from agriculture and manufacturing continues to diminish and then remain reliant on a few commodities which often have low value addition. Increased value addition, higher value and low bulk exports and economic diversification and productive capacity building are key to the structural economic transformation. In this context, it is important to place proper emphasis on manufacturing, agriculture and services sector development including tourism finance and ICT and improved market access.

We need to critically consider the unique challenges that LLDCs face due to their geographical disadvantage in holistic manner. While the transport sector is definitely important for improving trade and the greater integration of LLDCs in to international market, it is also very critical to addresses supply constraints of LLDCs through diversification of their economies.

It is thus important for LLDCs to undertake measures that could promote structural economic transformation to address their development challenge, overcome the impact of landlockeness and external shocks, achieve poverty eradication, create jobs and ultimately lead to rapid, inclusive and sustainable development.

Coordinated efforts are also required to ensure sustainable development of the LLDCs in the area of trade and development. Last December's Bali 9th WTO ministerial meeting outcome is potentially a major progress in this area. The agreement could yield benefits to LLDCs, as it seeks to drive customs efficiency, lower trade costs and reduce delays at border crossing. It will improve transparency, consistency and predictably which are the necessary ingredients for making trade faster and more efficient. There for, we all must strive to ensure realization of the full benefit of the Bali package.

It was well noted in the Almaty Program of Action that LLDCs, like Ethiopia, cannot by their own fulfill the resources for the projects to develop all infrastructural facilities to solve some of the problems faced by being landlockedness. We must be firm in our assertions that even though the primary responsibility for implementing the Program of Action rests within ourselves, our efforts won't be effective unless it is supplemented with the necessary international support measures , including through ,South-South and triangular

cooperation. We believe that the effective and close cooperation and collaboration at all levels can also greatly contribute to overcome the challenges that we face today.

I would like to emphasize here that Ethiopia, despite its enormous efforts and the allocation of huge portion of its GDP on infrastructural development like the construction of roads, railways, dry port facilities, telecom and power along the transit routes, needs for a sizable financial and technical assistance of the development partners to adequately attain transit transport system.

We are convinced that there must be a linkage between the LLDCs program of action and the global development agenda and this conference presents an extraordinary opportunity to do so. I therefore urge the international community to be innovative and forward looking in addressing the concern of developing countries, particularly LLDCs priorities, as set out in this program of action be included and effectively addressed in the post-2015 Development Agenda. Moreover, international attention to LLDCs should not end with the conclusion of this conference.

Mr. President,

The moment for action is upon us. The true test of partnership will be how we as LLDCs collectively and with other members of the international community take this moment forward to achieve concrete results.

On our part, we stand ready to fulfill our commitments to accelerate the actions at the national level for the effective implementation of the new Program of

Action and other related programs and activities. In this connection, a stronger framework of international cooperation that includes ODA for the LLDCs is vitally important and we must pursue this more vigorously with our partners.

Finally, Mr. President, let me commend the key role that the United Nations System has played and continues to play through the Office of the High Representative Least Developing States, Landlocked Developing Countries, and Small Islands Developing States to mobilize international support and resources for the implementation of the Program of Action.

I thank you.