STATEMENT OF THE
REPUBLIC OF SERBIA

TO THE SECOND UNITED NATIONS CONFERENCE ON
LANDlocked COUNTRIES

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Vienna, 3 – 5 November 2014
THE SECOND UNITED NATIONS CONFERENCE ON LANDLOCKED DEVELOPING COUNTRIES

STATEMENT OF THE REPUBLIC OF SERBIA

Mr President of the Second United Nations Conference on landlocked developing countries,

Your Excellency Secretary General of the United Nations,

Your Excellency President of the Economic and Social Council,

High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States,

Distinguished delegates,

Ladies and Gentlemen,

The Republic of Serbia expresses its gratitude to the Republic of Austria for being the host and Chairman of the Second United Nations Conference on landlocked developing countries. We are confident that under your able chairmanship, Mr President, this conference will address the crucial issues and impediments that landlocked developing countries are facing and that a new action oriented framework will be developed to enhance the trade, transport and transit potential of countries that do not have direct access to the sea as we approach the new Global Sustainable Development Agenda Post 2015.

Serbia, as a middle income candidate to accede to the EU that is still developing is itself facing the challenge of being landlocked. We are fundamentally aware of the barriers and impediments that landlocked countries face. Without direct access to the sea landlocked developing countries are confronted with higher transportation and transit costs that affect their ability to trade efficiently and expeditiously which has a direct bearing on their growth and development. It takes more time for landlocked countries to get their products to global markets and the financial burden is higher. Being landlocked is a handicap and it is clear that the international community has an obligation to help developing countries who are in that position. It is evident that the fulfilment of the Millenium Development Goals and the Global Sustainable Development Goals are much more difficult to be reached by landlocked countries so they like small island states are in a special unique situation.

It is encouraging that some progress has been achieved over the last decade in the realisation of the Almaty Programme of Action that established a global framework for transit and transport cooperation for landlocked developing countries. In the last ten years GDP average growth of LLDCs increased from 4.5% to 6.3%. Exports have also increased due mainly to the price rise of commodities. Official development assistance has doubled from US $12.2 billion in 2003 to US $25.9 billion in 2012 even though the allocation of ODA is uneven. Only 5 OECD DAC country donors have, however, reached the 0.7% per cent gross national income target of development aid to developing counties which is a cause of concern.
Despite some progress landlocked developing countries are still not fulfilling their potential in upgrading existing road, rail and air infrastructure and are lagging behind other developing countries in developing telecommunications infrastructure. By and large the barriers to development, marginalisation, remoteness and lack of full integration in global value chains of landlocked countries remains a reality that must be reversed. It is of particular concern that landlocked countries are vulnerable to climate change, land degradation, drought as well as flooding. This spring unprecedented devastating floods hit Serbia and the neighboring region. The floods caused serious damage. Over thirty thousand people had to be evacuated from their homes. Losses to infrastructure and agriculture are estimated to be approximately 2 billion euros.

The international community recognised the need to address the specific challenges facing landlocked countries at the United Nations conference on sustainable development in Rio de Janeiro when the document “The Future We Want” called for speeding up further implementation of the specific actions in five priorities of the Almaty Programme of Action in a better coordinated manner. The special needs of LLDCs were also recognised by the Open working group on sustainable development goals and the Intergovernmental Committee on sustainable development financing. This conference in Vienna is a unique opportunity to give a new impetus to the alleviation of poverty and sustainable development of LLDCs and to engage strong collaborative efforts in multi transport infrastructure development as well as the mobilisation of innovative sources of financing and the provision of technical assistance.

The problems of landlockedness is present in the European continent as well. Four European countries are inscribed in the list of landlocked developing countries and Serbia shares many of their concerns and predicament. The European transport and transit network is not fully integrated and a lot remains to be done.

Road and rail infrastructure in Serbia remains insufficiently developed and the process of modernisation is being undertaken. In line with the Serbian strategy for rail, road, water, air and intermodal transport efforts are being made to complete the projects of the reconstruction and modernisation of the unfinished parts of the rail and road corridors as well as the adaptation of national legislation to the European union Aquis Communautaire in the field of transport. Infrastructure projects which are now in the phase of implementation are being carried out on the rail and road corridor 10 which together with route 4 connects Central and South East Europe to the Mediterranean and Asia. Significant infrastructure projects are being realised on the water Corridor 7 that is part of of the Rhine-Danube corridor of the TransEuropean network of the European union (TEN T) that is so far the only visible EU corridor transiting through Serbia. In cooperation with neighbouring countries, member countries of the EU and CEETO Serbia is making efforts so that other sections of the transport network of South East Europe become visible and identified on the TEN T map.

The total present volume of investment in the construction, rehabilitation and modernisation of road and rail corridors in the Republic of Serbia amounts to 1.5 billion Euros for road and 1 billion Euros for rail infrastructure. Financial needs for the future modernisation of railway infrastructure are assessed at 4.5 billion Euros. About 90% of these funds are loans that place a great stress on the national budget. IPA (Instruments of preaccession) funds of the EU are important for the preparation of technical documentation and supervision of infrastructure works. We are looking forward to utilising a greater volume of IPA funds for infrastructure projects themselves.
The ministry of civil engineering, transport and infrastructure of the Republic of Serbia is preparing a Book of projects that will be a document containing a review of infrastructure projects that are being implemented, planned projects for which funding has been secured and planned projects for which funding has not been found. Two important projects for which funding has not been obtained are the road connection from Belgrade to Vrsac and the Romanian border and the preparation for the technical documentation for the reconstruction and modernisation of the rail line Belgrade Vrsac. When completed this project will be a part of the road and rail route 4 connecting Europe and Asia.

Serbia is open and ready to find partners and investors including in the private sector for the development of its transport infrastructure. The Serbian Government is determined to further enhance the investment climate and enabling environment that will allow a greater inclusion of foreign partners in our overall development.

Mr President, the Republic of Serbia is fully aware that as a landlocked country it must commit substantial efforts with the help of its partners to integrate fully into European and Euroasian transport and transit networks. Historically the quickest transport and transit routes between Central and South East Europe and the Middle East and Asia have traversed Serbia. Serbia is determined to retain that comparative advantage.