Your Excellency, Mr. Giorgi Margvelashvili, President of the Republic of Georgia,
Your Excellency, Mr. Filip Vujanović, President of the Republic of Montenegro,
Your Excellency, Dr. Wolfang Schussel, Former Chancellor of Austria,
Distinguished Panelists,
Ladies and Gentlemen,

Thank you for the opportunity to participate in this valuable discussion.

It has been eleven years since the world adopted the Almaty Programme of Action.

Over the past decade, we have seen overall improvements in the economies of LLDCs.

There is economic growth overall. The value of merchandise exports is up. The share of global exports has more than doubled. Landlocked developing countries have collectively seen an increase in foreign direct investment.

But not all LLDCs are benefiting from these overall trends. Many landlocked developing countries have highly concentrated export markets and products. All LLDCs face a structural disadvantage in terms of the high import and transport costs.

Even more worrying, the positive trends in growth rates have not brought faster poverty reduction or greater progress in people's lives. Industries in LLDCs tend to be low-tech and with low productivity. Many businesses in these countries are extremely small, and many operate outside of formal markets.

This Forum should examine these problems holistically. We have to do more than address landlocked developing countries in terms of transport and trade. We have to tackle the fundamental problems blocking sustainable growth.

The goal is clear: we must enable LLDCs to consistently achieve high economic growth rates while creating decent jobs and reducing poverty.
Economists would say we have to support them to move away from activities that are low value-added and low-productivity to activities that add more value and boost productivity.

Think of a coffee bean. An LLDC can sell that coffee bean as it is. But it is much more profitable for the country to develop its ability to export processed coffee.

It is the same with unprocessed minerals. They are valuable – but not nearly as valuable as after these minerals are incorporated into more complex products.

Structural transformation makes the difference. With structural transformation, LLDCs can export goods that are low bulk – so they take up less precious transport space – with higher value. That makes good sense all around. It reduces transaction costs – and with the right approach, local production can also benefit the environment.

Structural transformation also moves goods and workers out of the informal economy and into the markets. It creates better jobs and spreads knowledge. It also promotes competitiveness.

LLDCs that want to achieve a structural transformation have to take actions. They need to gear their economies to higher value products. There are challenges to finding the right products and sectors.

The United Nations is here to help LLDCs. We can provide technical assistance, help design public policies and enable all countries to exchange ideas. We are ready to work with LLDCs as well as donors, development finance institutions, businesses and other partners to achieve structural transformation.

The LLDCs can count on the United Nations to transform their geographical disadvantages into platforms for great innovation and progress.

I look forward to your ideas of how we can better support landlocked developing countries – and I pledge our full commitment to this goal.

Thank you.