Excellencies,

Ms. Fekitamoeloa Katoa ‘Utoikamanu, United Nations High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States,

Very distinguished delegates,

Welcome to the United Nations Economic and Social Commission for Asia and the Pacific.

I am delighted to be with you and to be opening this Midterm Review of the Implementation of the Vienna Programme of Action for Landlocked Developing Countries, or LLDCs, in Asia and Europe. I am pleased we can make common cause in our efforts to support the integration of landlocked developing countries into the global economy.

When considering how we do so, it is important to acknowledge these countries’ diversity. Different economic systems, natural resource endowment and levels of development make for a heterogenous group. Yet landlocked developing countries do face a common set of challenges.
Due to geographical constraints, these economies face rising transaction and transport costs. This impacts negatively on the competitiveness of their manufacturing sector, prevents structural economic transformation, and stands in the way of the regular productivity improvements which countries depend on to move up global value chains. Put simply, being landlocked makes it harder to effectively access the global economy.

Asia’s LLDCs global merchandise exports is lower than the international average and has decreased in recent years. Exports remain highly concentrated in a few commodities, something which has not changed since 2000. This means structural economic transformation is not occurring rapidly enough to diversify exports or ensure competitiveness in a fast-moving international market place.

The Vienna Programme of Action for Landlocked Developing Countries for 2014-2024 was developed with these challenges in mind. Its comprehensive review lies in your hands, but I would like to briefly touch on areas where progress has been made in Asia and the Pacific.

There have been encouraging developments in transit polices, and infrastructure development and maintenance. Intergovernmental agreements on the Asian Highway Network, the Trans-Asian Railway Network, and on Dry Ports have provided impetus to the planning, development and maintenance of transport infrastructure essential for further intraregional trade. ESCAP’s recently agreed digital trade treaty should effectively complement this hard infrastructure to support the electronic exchange of data and documents for smoother commercial exchanges.
ESCAP has also driven forward norm setting and policy advisory work of which a central objective is to provide support for our region’s LLDCs.

- The Intergovernmental Agreement on International Road Transport along the Asian Highway Network between China, Mongolia and the Russian Federation grants traffic rights for international road transport operations on the sections of the Asia Highway connecting these countries, reducing transport costs.

- A clear mandate has been given for work to enhance the access of LLDCs to the sea through international railway networks – with a focus on supporting the electronic exchange of information between railway operators and harmonising customs formalities to make the transport of freight by rail more cost effective.

Many LLDCs in our region have strengthened their efforts to support the soft infrastructure required to facilitate trade - and attract the investment, finance, technology and services needed to improve productive capacity. Eight of the twelve LLDCs in Asia and the Pacific are members of the World Trade Organisation. Kazakhstan and Afghanistan have joined since the Vienna Programme of Action was adopted. The implementation of WTO Trade Facilitation Agreement measures is under way and the rate of implementation is commendable.

All these efforts should contribute to strengthening LLDCs’ connectivity and integration into the region’s economy. Yet there remains great potential to deepen this integration by harmonising policies to improve transit connectivity and support the creation of regional markets.
The midterm review of the implementation Vienna Programme of Action provides a valuable opportunity to take stock, share best practice and develop recommendations to strengthen the hard and soft infrastructure needed to quicken the pace of economic integration for LLDCs.

The United National Economic and Social Commission for Asia and the Pacific is committed to working with all landlocked developing countries, transit countries and international organisations to see the Vienna Programme of Action fully implemented. We are looking forward to hearing more about the initiatives and innovative approaches which many of you have worked on. My hope is that we can build on these to agree tangible recommendations to accelerate progress and shape the deliberations of the global midterm review of the Vienna Programme of Action.

Thank you for your attention. I wish you successful deliberations.