UN-OHRLLS

Statement

Ms. Fekitamoeloa Katoa ‘Utoikamanu

High Representative
and
Under-Secretary-General
Least Developed Countries, Landlocked Developing Countries and Small Island Developing States

Midterm Review of the Implementation
of the Vienna Programme of Action for LLDCs for the Decade 2014-2024 in the Africa Region

Opening Session

18 March 2019, 9:00-10:00
HE Ms Mounia Boucetta, Secretary of State to the Minister of Foreign Affairs, and International Cooperation of the Kingdom of Morocco,
Excellencies Permanent Representatives to the UN & Resident Heads of Embassies,
Mr Philippe Poisot, UN Resident Coordinator, Morocco,
Mr. Philippe Poinsot, Resident Coordinator of the United Nations Development Representatives of regional and international organizations,
Senior Government Officials,
Distinguished delegates,
colleagues and friends

It is my privilege to be here with you today.

I sincerely thank you for participating in this meeting and I am very encouraged to see this great participation and interest.

I wish to convey a sincere appreciation to the people and the Government of the Kingdom of Morocco for this warm welcome to your beautiful country and to the historic city of Marrakesh.

I also thank UNECA for the excellent partnership you extend to my Office and for your collaboration in organizing this meeting.

The Regional Commissions are indeed vital partners in the implementation of the Vienna Programme of Action.

Ladies and Gentlemen,

2019 is an important milestone in the implementation of the Vienna Programme of Action for the LLDCs.

We are halfway through an ambitious yet essential journey. A journey of caring to leave no one behind.

While we now should take time to look back, see what worked, what did not work, where the gaps are, the critical task is to look forward. It is the task of mapping how to travel forward in our shared journey so we deliver together on the promise we made to people.

Almost five years into the implementation of the VPoA, LLDCs have exhibited some progress in working toward achievement of the SDG targets.

Yet, progress remains slow if not too slow.

LLDCs, in too many instances, continue to lag behind the averages of developing countries and certainly global macro averages.

Real GDP growth for LLDCs declined to 3% in 2016.
This is its lowest level since 1998!

Yes, there was recovery to 4.5% in 2017 and this trend is expected to last to 2020. Yes, poverty levels in LLDCs have declined but they do remain higher than world average. And as we all know, averages only show part of the picture and do not account for variations.

The impacts of climate change, especially drought, desertification, land degradation and melting of glaciers disproportionately impact the LLDCs.

All this combined is of serious concern. I am especially concerned about the climate change impact on LLDCs’ food security and the many ramifications stemming from lack of food security for development and peace.

In a snapshot, VPoA implementation has shown some progress however this progress is not sufficient to enable the LLDCs to meet the SDGs.

One of the VPoA goals relates to the LLDCs’ global merchandise trade participation as a vehicle for growth.

That share, ladies and gentlemen, remains below 1 percent. Exports continue to be concentrated around a very limited number of products. The issue of the high trade costs so fundamental for the LLDCs has hardly improved.

Trade facilitation and what can be done in that area continues to be important.

To date, 24 out of 26 LLDCs that are WTO Members have ratified the WTO Trade Facilitation Agreement.

This is a good start and demonstrates the LLDCs commitment to tackling high trade costs.

But, it is the implementation of the Trade Facilitation Agreement that lags behind.

Much more needs to be done - and it needs to be done faster - to build the capacity of the LLDCs to implement the TFA.

In this context, I must commend the efforts made at regional, sub-regional and national levels aimed at facilitating trade. Just to mention a few examples – some countries in the region such as Botswana, Lesotho, Zimbabwe and all countries in the East African Community have established Online Trade Information Portals to provide a single point of access to trade information.

One-Stop Border Post such as in Kenya and Uganda have been established and I also must mention the on-going efforts by the East African Community to establish One-Stop border posts in the East African region. I am aware that several countries are also in the process of implementing National Single Windows. These are right steps in the right direction.
As the VPoA foresaw, efficient transit is vital to integrate the LLDCs into regional and global trade and in reducing trade costs.

A sticky point is now the ratification of relevant international conventions that can contribute to efficient transit. The rate has been relatively low over the review period.

Again on the plus side, LLDCs have become more active participants in regional trade agreements and economic groupings.

Initiatives such as the African Continental Free Trade Area and Programme for Infrastructure Development in Africa bring positive prospects for African LLDCs’ and their further integration into regional and global networks.

Another key driver in realizing the goals of the VPoA is infrastructure development and particularly transport, energy and ICT.

The LLDCs clearly lag behind. They do continue to make but generally it is lack of relevant capacity constituting a key hurdle to overcome.

In light of this situation, it is encouraging to note that infrastructure development is top priority for the African continent.

The Programme for Infrastructure Development in Africa (PIDA), a continental initiative which covers transport, ICT, energy and water infrastructure development stands out.

Hopes are high that the programme will help address the infrastructure deficit that severely hampers Africa’s competitiveness and that its implementation will greatly benefit the African LLDCs.

I applaud the progress already achieved in the implementation of the PIDA. I have been made aware that several roads along various corridors have been rehabilitated and these include the Lusaka-Chirundu Highway in Zambia, roads along the Lobito corridor in Angola, linking DRC and Zambia. I am told work is also ongoing to close the missing links. Railway infrastructure projects like the Addis-Ababa-Djibouti railway line are also very promising developments.

It thus is very important that the support for infrastructure development is enhanced to close the still huge gaps.

Yes, the exorbitant costs associated with infrastructure development remain a huge challenge. But this is a challenge we all as partners must take up.

There certainly is a need to provide technical support to assist countries to develop bankable projects. This has been identified as one of their key capacity challenges.

Given this situation, it comes hardly as a surprise that there has been limited progress in the priority area of structural economic transformation.
The LLDCs economies continue to be driven by primary commodities. Manufacturing as a percentage of GDP was about 10% for Sub-Saharan Africa in 2016. For several African LLDCs this figure was even around just 6%.

A huge push is needed to channel productive resources towards higher value added and high-productivity sectors and activities.

To achieve this, there is need for enhanced support including through training, skill development, and technology transfer. The LLDCs on their part need to undertake the necessary policy changes required to achieve this shift.

While initiatives such as establishing special economic zones for priority subsectors can be explored, there is no way around investing in skills. The services sector is a low-hanging fruit and can also be tapped into. But again, this also requires enabling policies and regulatory frameworks being in place and implemented.

Such path will also demand enhancing investment in research, science and technology.

The ability to attract and retain investment, including FDI, remains a challenge for the LLDCs.

Most of the FDI going to the LLDCs is directed towards the extractive sector.

This sector neither generates the sufficient levels of much-needed employment, often has very limited linkages with the rest of the economy and is limited in skill building.

This therefore affects the ability of countries to diversify away from the dependence on primary commodities and the associated revenue streams.

Thus, generating sufficient levels of resources to diversify economies remains a considerable challenge for most of the countries.

Ladies and Gentlemen

Halfway through the VPoA, can we just accept this situation?

The persistent challenges the LLDCs are confronted with do call for innovative ideas and action above all!

We must collectively work towards ensuring the LLDCs and their peoples are not once again left behind!

We truly need to notch up our partnership work - as the saying goes “nobody can go it alone”- it will truly take a village!

Yes, I just confronted you with some hard truths. But the midterm review offers us the great opportunity to see how by working together we can move forward with impact for people.
The LLDCs need a leap and business as usual will not achieve this.

Today, we will have the chance to listen to detailed accounts on the experiences in implementing the VPoA in this region.

We will look at what has worked well and where the gaps persist.

We will deliberate on what are key actions for accelerating progress.

We are gathering crucial inputs relating to the regional perspectives of the development needs of the LLDCs to feed into the outcome document for the global midterm review.

This is not just any other odd meeting or discussion - this is a day to lay groundwork for the outcome document! It is very critical work.

Ladies and Gentlemen

This is the moment to now share with you about the process leading to the High-level Comprehensive midterm review to be held in December 2019 in New York.

The President of the General Assembly has appointed the Permanent Representatives of Bhutan and Austria to the UN in New York as co-facilitators for the midterm review.

Excellencies, I am so very glad that you as co-facilitators are present in our meeting today. Thank you!

We also have with us a member of the Bureau of the LLDC Group in New York from this region, his Excellency the Ambassador of Burkina Faso.

We also have with us His Excellency the Permanent Representative of Burundi.

And last but certainly not least, some members of the core group of negotiators for the LLDC Group are with us.

The presence of the co-facilitators, the Bureau members and the core group of negotiators will ensure that the discussions we have here are fully brought into the intergovernmental negotiations in New York.

On national level preparations, we have so far received national reports on the implementation of the VPoA from 17 LLDCs, including 6 from the Africa region.

I strongly appeal to the remaining countries to submit their national reports. These reports are a significant input for the global preparations.
As part of the preparatory process, the UN is also organizing thematic events on different issues that are of importance to LLDCs. So far, we have organized the Ministerial Meeting of LLDCs on Trade and Transport in Kazakhstan which kicked off the preparatory process.

We had the Inaugural Conference of the International Think Tank for LLDCs.

A number of LLDCs specific side events took place during major global fora focused on key concerns such as energy, aviation, foreign direct investment, climate change.

We held workshops on transit and border cooperation.

UNESCAP, UNECE, UNCTAD, the International Think Tank for LLDCs and other organizations have also organized LLDC focused pre-conference events.

In collaboration with partners, we are planning to organize additional pre-conference thematic events during this year. The topics will include trade facilitation; ICT connectivity; science, technology and innovation for structural transformation; and trade and transport corridors.

My Office also plans to organize a dedicated retreat in New York bringing together LLDCs, transit countries, development partners and international organizations to consult on the outcome document of the Midterm Review.

Ladies and gentlemen,

As we travel this critical process, I can only again call for your full participation and support to ensure that the outcome is relevant, actionable and comprehensive.

Within the UN-system, OHRLLS will continue to mobilise the collective strength of the UN system to support the LLDCs. It is more important than ever for the entire UN system to better serve the needs of the Member States and deliver more effectively and efficiently.

The High-level Midterm Review of the VPoA truly is your chance to take stock, to get heard and to focus on the actions that MUST take place during the remaining five years of implementation of VPoA.

In closing I wish to acknowledge the support of the governments of China and India that has enabled this regional consultation to take place.

I now look forward to listening to you, to active discussion and thank you for your kind attention.