



UN-OHRLLS

Statement

**Ms. Fekitamoeloa Katoa ‘Utoikamanu,
High Representative
and
Under-Secretary-General
Least Developed Countries, Landlocked Developing Countries and Small
Island Developing States**

2020 LLDCs Ministerial Meeting

Virtual Meeting

**Agenda Item 2: An overview of progress in implementing the Vienna
Programme of Action for LLDCs and impact of COVID-19**

23 September 2020, 08:00-11:00AM

Your Excellency Mr. Mukhtar Tleuberdi, Minister of Foreign Affairs for Kazakhstan and Global Chair of the Group of LLDCs,
Honorable Ministers,
Excellencies,
distinguished delegates,
Colleagues,
Ladies and gentlemen,

First, thank you Your Excellency Tleuberdi, for inviting me to this meeting.

I also wish to express appreciation for Kazakhstan's leadership and commitment to the work of the Group of LLDCs.

The theme of

“Partnering for accelerated implementation of the Vienna Programme of Action and achieving sustainable development in LLDCs in the era of COVID-19” is timely and relevant.

Few of us reckoned last year with how 2020 would unfold.

The midterm review held in December 2019 had already called for accelerated implementation of the VPoA in its remaining 5 years.

With the manifold, many not yet even known and still continuing COVID-19 pandemic impacts, we must more than ever come together to find innovative strategies to achieve this mandate and the SDGs in LLDCs.

Excellencies,

LLDCs make efforts to address their development challenges but they remain behind in achieving the SDGs and the objectives of the Vienna Programme of Action.

Progress has been realized in some SDGs and VPoA targets.

Overall, LLDCs lag behind the averages of all the developing countries and of the world on many socioeconomic development indicators.

LLDC average growth in real per capita GDP declined from 2.3% in 2018 to 1.4% in 2019.

The unemployment rate stood at an average 4.5% in 2019. Youth and women are disproportionately affected.

Food insecurity indicators continue to exhibit deteriorating trends.

Between 2015 to 2018, we saw a quite modest decline of about 3 percentage points in the population living below the international poverty line of US\$1.90.

Such health-related indicators as maternal, under-five and infant mortality, to HIV incidence, and vaccinations also recorded a modest progress. Now, COVID-19 threatens to reverse this very limited progress.

We all know of the high vulnerability of LLDCs to the negative impacts of climate change, especially drought, desertification, land degradation and the melting of glaciers.

This continues to be of serious concern. Land covered by forests has declined from 17.2% in 2015 to 16.8% in 2020.

LLDCs and their transit neighbors continue to make efforts to implement the much needed regional and sub-regional initiatives to facilitate transit.

The COVID-19 pandemic threatens to also reverse progress in this area.

Countries continue to impose border restrictions in their efforts to combat the spread of the virus.

LLDCs' share of global merchandise trade remained low at about 1 percent in 2019. Their exports continue to be concentrated on very limited products with 26 of the LLDCs dependent on primary commodities for more than 60% of their exports.

The impact of COVID-19 on the commodities markets and thus the commodity dependent countries accelerates the looming LLDCs debt crisis. Thirteen LLDCs are already classified as Highly Indebted Poor Countries. In some countries, the level of external debt exceeds gross national income.

Very little progress has been achieved in the much needed structural economic transformation.

LLDC's share of manufacturing value added in GDP stagnated at about 10 percent in 2019. The share of services value added in GDP declined from 47.3% in 2017 to 46.6% in 2019.

This limited diversification of economic activity leaves LLDCs more vulnerable than ever to new shocks and disruptions including from COVID-19.

Many times we have recalled that we must address the high trade costs faced by LLDCs.

It is indeed encouraging that all LLDCs that are WTO members have ratified the WTO Trade Facilitation Agreement.

Implementation, however, remains low at about 35%.

This limited and slow progress is now threatened by the introduction of measures aimed to curb the spread of COVID-19.

Enhanced support is needed to build the capacity of the LLDCs and transit developing countries to implement initiatives aimed at facilitating trade.

Achieving an enabling environment for private sector development remains a challenge in many LLDCs. Almost a third of LLDCs ranked in the bottom quarter of ease of doing business according to the 2020 edition of the World Bank's Doing business.

On infrastructure development, LLDCs have made progress in expanding their road and rail networks. This is of course costly, it takes time and challenges include missing links, operational limitations and limited funding.

Regarding energy, in 2018, the average proportion of population with access to electricity in LLDCs increased from 56.3% in 2017 to 58.7% .

Yet, LLDCs still lag behind the world average of 89.6% and there is still a wide rural-urban gap.

On ICT, the proportion of individuals using internet was estimated to be 25.3% in 2018 which is way below the world average of 51.4%.

The high costs for broadband continue to be a challenge. Digital connectivity has proven to be indispensable during this time of COVID-19 and therefore investments and support are urgently needed to reduce the digital divide.

To sum it up, it is NOW that the LLDCs need enhanced support to achieve the VPoA objectives and the SDGs.

It is thus of great concern that ODA to LLDCs continues to decline.

In 2018, ODA to LLDCs decreased from \$29.2 billion in 2017 to \$28 billion, in 2018. Also, ODA remains concentrated in a few LLDCs.

FDI flows also declined and are concentrated on few LLDCs and their extractive sectors.

Excellencies,

It is NOW that faster and enhanced multilateral effort and greater cooperation at regional and sub-regional levels are needed.

To play their part, 40 UN system agencies and relevant international and regional organizations contributed to the development of the Roadmap for Accelerated Implementation of the VPoA at the request of the Chair of LLDCs.

This is a sign of the strong and lasting commitment of the UN system and other international and regional organizations to support the implementation of the VPoA and help address the challenges of LLDCs.

OHRLLS not only facilitated the development of the Roadmap but continues to provide substantive support, including advocacy, for enhanced support to LLDCs.

We stepped up all these efforts in light of the devastating impact of COVID-19.

OHRLLS organized several events. The topics pertained to :

addressing sovereign debt distress;

Food Security;
universal Access to Resilient Connectivity.

OHRLLS in collaboration with WCO issued a joint statement calling for trade and transit facilitation to and from LLDCS during the Pandemic.

OHRLLS, UNCTAD, UNECA, UNECE, UNECLAC and UNESCAP issued a joint call for Smooth Transit and Transport Facilitation to and from LLDCs.

OHRLLS also published a report on effective Transit Transport Corridor Development and Management: Report on Best Practices.

The role of LLDCs is fundamental to achieving full implementation and the VPOA. Once more, I call on the LLDCs to redouble domestic efforts to implement the VPoA including by mainstreaming its priorities into national development strategies and sectoral plans.

The support of UN Resident Coordinators is fundamental in this regard.

Excellencies,

The COVID-19 pandemic has exposed the great divide of our times, inequality and so many other vulnerabilities. It has deepened existing vulnerabilities.

The LLDCs are no exception to this.

The LLDCs need faster, deeper and greater cooperation at all levels to address COVID-19 and mitigate its impact.

There is need for LLDCs and transit countries to enhance cross-border collaboration.

They must ensure coordinated interventions between national border agencies.

Facilitating the smooth movement of goods and keeping borders open for trade is fundamental.

In this regard it is important for Governments and organizations in the regions to collaborate to keep cross-border transport corridors and regional transport networks open while protecting public health.

Governments around the globe must go beyond just minimizing disruptions to international transport. We must view the crisis as an opportunity to reorient international freight transport operations towards a more sustainable path.

Strengthening regional cooperation between LLDCs and transit countries, in particular on transit and transport along important corridors and promoting public and private partnerships is now more critical than ever.

We all must come together and strengthen multilateral capacity to provide dedicated support to what is the most vulnerable group of countries and people.

Once again , I assure you that OHRLLS will continue to advocate for enhanced support to the LLDCs especially during these challenging times. We are in this together and it is indeed only together that we can lay the foundations for the future people want.

I thank you.