Please check against delivery



UN-OHRLLS

Statement by

Under-Secretary-General

Ms. Rabab Fatima

High Representative

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

at the

LLDC dedicated session during the WTO Public Forum

Theme "Enhancing integration of Landlocked Developing Countries (LLDCs) into global trade for sustainable covid-19 recovery: The role of digital technology"

29th September 2022 15:45 to 17:00 HRS (Geneva time)

- Distinguished Chairperson,
- Excellencies,
- Dear participants,

It is a pleasure to join the co-organizers in welcoming you to this event.

The world is becoming more closely connected by the day.

This closeness has enormous benefits – socially, culturally, and economically.

But for those left behind, they remain isolated and offline.

When it comes to LLDCs, they can be both physically and digitally isolated.

The COVID-19 pandemic exposed and exacerbated the connectivity constraints of the LLDCs.

Over the last two years we witnessed severe disruptions of supply chains. This greatly affected the LLDCs.

Their trade fell drastically.

Their merchandise exports decline by 11.2 per cent in 2020, far above the 7.4% for the rest of the world.

The overall share of their global merchandise exports remains below 1 per cent.

One of key factors impeding their integration into global trade is their relatively high trade costs and lack of economic diversification.

Excellencies,

Information communications and technology (ICT) offers a great opportunity to address these long standing issues.

Properly utilized, ICT can support LLDC integration into global trade, contribute to their recovery from COVID-19, and ensure they are more resilient for future emergencies.

LLDCs and their neighbours stand to greatly gain from the enhanced use of digital tools and technologies to facilitate trade

Today, the use of Global Value Chains has become a prominent feature of the international production landscape.

Production and sale of low bulk, high value products such as IT components to global value chains and other new technologies, contribute to increased trade capacity of LLDCs.

Beyond facilitating trade in goods, digital technologies can improve the LLDCs' capacity to boost trade in services.

During the pandemic we saw a rise in the use of e-commerce.

Retail e-commerce sales worldwide are estimated to have grown to US\$ 5.21 trillion in 2021 and US\$5.72 trillion in 2022.

Although this should represent a major opportunity for LLDCs, they currently find themselves left behind, as they have not been able to ride the same wave of digitalization.

There are a number of hurdles for the LLDCs to navigate before these opportunities can be realized.

According to ITU, only 34% of the LLDCs population had access to internet in 2021.

This limited access is mainly due to relatively high costs and limited affordability.

More needs to be done to support LLDCs to enhance their connectivity.

Let me briefly touch upon three key issues that are of critical importance for enhancing integration of LLDCs into global trade.

First - The investment needed to close the LLDCs ICT infrastructure gap, both hard and soft, far outweighs the resources available from any single source.

Attracting finance from many sources is therefore fundamental.

LLDCs require targeted support for policy development, financing, new technologies, innovation, and capacity building to achieve effective connectivity.

A regional approach to addressing connectivity challenges can reduce the financial burden on individual countries.

Enhanced cooperation between LLDCs and their transit neighbors is critical to ease access to submarine communication cables.

Second - LLDCs must seek to create an enabling environment to support the development of ICT. I was pleased to see that this was underlined in a recent meeting of the LLDCs Ministers of Foreign Affairs.

Third - All stakeholders should act on the call by the LLDCs to enhance support towards ICT connectivity.

Excellencies,

The 2030 Agenda for Sustainable Development defines international trade as "an engine for inclusive

economic growth and poverty reduction, [that] contributes to the promotion of sustainable development."

The continued marginalization of LLDCs from global trade is a clear indication that we will not achieve the SDGs.

Their continued marginalization is also denying LLDCs the opportunity to use trade to "build back better" in the wake of the pandemic.

Excellencies,

I wish to conclude by bringing to your attention that the United Nations General Assembly has decided to convene the Third United Nations Conference on LLDCs in 2024.

The Conference will provide the opportunity to address these long-standing issues and enhance global commitments towards the LLDCs development.

I call on all partners present here today to remain engaged in the preparatory process to ensure an impactful outcome.

Let us work harder to deliver on the development priorities of the LLDCs, especially those relating to ICTs and digital technologies. The benefits of this are clearly evident to all.

Thank you.