

**Statement by
H.E. Mr. Saleumxay KOMMASITH
Ambassador, Permanent Representative
of the Lao People's Democratic Republic to the United Nations
Chair of the Group of Landlocked Developing Countries
at the 6th session of the Open Working Group on Sustainable Development Goals
Needs of countries in special situations, African countries, LDCs, LLDCs, and
SIDS as well as specific challenges facing the middle-income countries
New York, 11 December 2013**

Distinguished co-chairs,
Distinguished Representatives,
Ladies and Gentlemen,

I have the honor to deliver this statement on behalf of the Group of Landlocked Developing Countries (LLDCs).

At the outset, I would like to commend the Technical Support Team for preparing a comprehensive issues brief on the landlocked developing countries. I would also like to thank the keynote speakers for their insightful presentation on the needs of countries in special situation.

Our Group would like to associate itself with the statement delivered by the Distinguished Permanent Representative of Fiji on behalf of G77 and China.

Mr. Co-Chair,

The group of Landlocked Developing Countries has long been recognized by the UN system as one of the most vulnerable groups of countries in special situations due to their special needs and challenges. They have been reflected prominently in the United Nations Millennium Declaration in 2000 and the outcome documents of the follow-up summits, the Rio+20 Conference and other processes.

In 2003, the international community held the International Ministerial Conference in Almaty, Kazakhstan, which adopted the Almaty Programme of Action (APoA), the first global framework aimed at supporting the LLDCs to address their special needs. Since then, addressing those needs and challenges of LLDCs has become international obligations. Over the past decade, with the implementation of such global framework the landlocked developing countries as a group have managed to improve their socio-economic situation. Nevertheless, they remain highly vulnerable due to geographical challenges and various economic constraints

associated with status of landlockedness compounded by the new and emerging challenges linked to the global crises, including the recent financial and economic crisis as well as the negative impacts of climate change, desertification, land degradation and drought.

Mr. Co-Chair,

For LLDCs, infrastructure gaps form significant barriers to growth and competitiveness. Transport costs borne by LLDCs remain very high and have on average increased in the landlocked developing countries. According to the World Bank's Doing Business 2013 Report, the average costs of exporting a container for landlocked developing countries increased from US\$ 2200 in 2006 to US\$ 3000 in 2013, while transit developing countries are only paying 50 percent of this cost.

As 16 out of 31 LLDCs are LDCs, LLDCs are also facing limited productive capacity, other supply-side constraints including non-tariff barriers, high vulnerability to external and internal shocks and limited market access for some of their products. Total value addition from agriculture for landlocked developing countries declined from 23 per cent in 2001 to 18 per cent in 2011. Value addition from manufacturing has also faced similar situation.

It is clear that much remain to be done to continue helping the LLDCs to bridge the gap with other developing countries. The OWG on SDGs should clearly address the development needs and concerns of the LLDCs. Our preparatory process for the ten-year review conference on the implementation of the Almaty Programme or the second UN conference on LLDCs in 2014, which is underway has provided us with key preliminarily priority areas for LLDCs that should be taken into due consideration in the elaboration of the SDGs.

Let me highlight the following priority areas, Mr. Co-Chair.

First: Accelerated reduction of the high transport and trade transaction costs for LLDCs, which is vital for improving their competitiveness can be achieved through improved transport, energy and communication infrastructure development. The SDGs should ensure that the LLDCs are supported to establish efficient transit transport systems through increased investments into transit transport, energy and information and communications technology infrastructure and border crossing projects. We therefore propose a stand-alone goal of efficient and reliable infrastructure for access to transportation, energy and communication.

Second: Enhancing international trade, trade competitiveness and trade facilitation is important for achieving greater integration of LLDCs into the world trade and into global value chains. Increased market access is important for significantly increasing the share of LLDCs' in world trade. Increased support to assist LLDCs to diversify their production and export base is very essential. Enhanced trade facilitation is vital if LLDCs are to reap the full benefits from international trade. Provision of technical assistance and support for capacity building remains vital in enabling LLDCs to fully participate in and benefit from multilateral trade negotiations and effectively implement policies and regulations aimed at facilitating transport and trade.

Third: Structural transformation, enhanced productive capacities and building the resilience of LLDCs' economies to shocks are important for their achievement of a sustainable economic growth. Structural transformation with an emphasis on industrial revolution, value-addition, value chains and institutional and human capacity development is very important. Enhanced development of human skills and education in particular post-primary education are critical for improving the services and industrial sectors and technological innovativeness in LLDCs. In addition, there is a need to build a vibrant and competitive private sector, including building the supply side capacity and supporting the growth and competitiveness of SMEs in LLDCs that is capable of boosting diversification, stimulating job creation, driving innovation, economic activity and outreach to global markets.

Fourth: Deepening of regional economic integration at sub-regional, regional and broader levels can facilitate LLDCs integration into the global trading system by, inter alia, increasing the size of markets, improving their competitiveness, and enhancing regional connectivity and intra-regional trade and this should be included in the new SDGs.

Fifth: Since LLDCs are highly vulnerable to natural disasters, it is important that the new development framework includes a goal which addresses climate change, desertification, land degradation and droughts. LLDCs require support in the form of financial and technical assistance for climate change adaptation, and support to address desertification, land degradation and drought.

I thank you, Mr. Co-Chair.