

Statement of the Group of LLDCs on the Zero draft of the 2017 ECOSOC Forum on the Financing for Development follow-up Outcome to be delivered by Ms. Christine Kalamwina, Deputy Permanent Representative for Zambia for the meeting held on 2nd May 2017

Co-facilitators,

I have the honour to deliver this statement on behalf of the group of 32 Land locked developing Countries (LLDCs).

At the outset I wish to express the group's appreciation to the co-facilitators for the preparation and timely release of the Zero draft outcome document of the 2017 ECOSOC Forum on the Financing for Development follow-up. The LLDCs view is that the document forms a good basis to start the discussions. We also wish to register our support to you Co-facilitators throughout the consultative process and to engage constructively in the group's contribution to the detailed discussions in order to achieving a comprehensive and well balanced outcome.

The group of Land Locked Developing Countries (LLDCs) in particular are faced with specific challenges, acknowledged and recognised in both the 2030 Agenda for Sustainable Development and in the Addis Ababa Action Agenda that are linked and that their potentials are limited by the fundamental geographic obstacles. These issues, among others, includes, remoteness from the major markets, inadequate transport infrastructure and the high transport costs which result in exorbitant trade costs. Due to these challenges the LLDCs remain marginalised from global trade in particular and perform poorly in attracting and hosting Foreign Direct Investment. These challenges continue to greatly affect the socio-economic development of the LLDCs and undermine our efforts to reduce the poverty and eradicate extreme poverty. Thus, the LLDCs requires more financial resources to support their development needs.

The Vienna Programme of Action, which forms an integral part of the 2030 Agenda for Development, reflects a holistic approach to the challenges faced by the LLDCs that are linked to the landlockedness through the six priority areas of fundamental transit policy issues; infrastructural development and maintenance; international trade, and trade facilitation, regional integration and cooperation, structural economic transformation and means of implementation. It is important to note that both the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda recognize the special challenges and are crucial for LLDCs to become fully integrated into the global market and for their success in achieving the SDGs. These documents underscores the importance of implementing the VPoA to adress needs of LLDCs.

Cofacillitators,

Our preliminary views are that the LLDCs issues as part of countries in special situations need to be sufficiently addressed in the outcome document to ensure that the LLDCs achieve the SDGs and are not left behind. We welcome in particular the mention of and reference to the LLDCs in paragraphs 3, 11, 14 and 16 of the zero draft, however it is our view that the coverage of the LLDCs issues needs to be enhanced to achieve a more balanced outcome document through maintaining a full contextual reference of the 7 action areas as well as the progress made on deliverables of the AAAA.

The following key issues remain important to address the challenges of the LLDCs and for achieving sustainable development in the LLDCs and poverty eradication and therefore the Group wishes to see them reflected adequately in the zero draft.

- There is need for the draft to have or maintain focus of the AAAA whose balance was delicately reached and should ensure to have a clear reference on enhancing quality infrastructure development and construction in the LLDCs particularly in transport, energy and information communication technology;
- The scale of investment that is needed to meet the infrastructure gap and to ensure the connectivity of the LLDCs is high. All sources of finance – public and private, domestic and international, including new and innovative financing tools—are essential, and they should be complementary and mutually-reinforcing.
- LLDCs need enhanced capacity to develop bankable projects and for the design public policies that can support sustainable infrastructure investments particularly in the transport and transit systems, energy, ICT and water sectors.
- Mobilising domestic resources remains a priority for the LLDCs however, domestic resources remain inadequate to meet the developmental needs of the LLDCs. ODA therefore remains an important source of financing for LLDCs and should be enhanced to support the achievement of the SDGs by the LLDCs. The group would need to see the language strengthened in that area.
- Development banks, including multilateral financial institutions and regional banks, should address gaps in transport and transit related regional infrastructure in LLDCs and provide the LLDCs with special windows or specific trust funds to meet their needs. They should consider special instruments and vehicles that can help the LLDCs de-risk investments, attract new finances including through blended finances and targeted long-term concessional loans for critical infrastructure.
- The draft could outline linkages with progress on deliverables of the AAAA that is not adequately addressed. In this connection, the Global Infrastructure Forum should give due priority to the transit transport infrastructure development concerns of the LLDCs and their neighbours and come up with innovative solutions to meet the infrastructure needs of the LLDCs. In this view, there is need to mention and emphasise the importance of enhanced partnerships in financing development as a key step in making progress.
- Reducing trade costs and promotion of export diversification and value addition are critical for integration of the LLDCs into the global trade. It is therefore imperative that trade facilitation is strengthened in LLDCs and in transit countries so that the burden of trade procedures is reduced and the positive effects of trade are enhanced. The rapid implementation of the WTO's Trade Facilitation Agreement that recently entered into force is now a priority. It is important that LLDCs and their neighbouring countries are provided with the necessary capacity-building assistance to implement the Agreement.
- In addition, enhanced market access for LLDCs, reduction and elimination of the unjustifiable Non-tariff barriers (NTB), technical and capacity building, Aid for Trade and other similar measures are critical for the integration of the LLDCs into the global trade. Partners should refrain from imposing protectionist measures as these have undesirable impact on the global trading environment and in the vulnerable economies like the LLDCs.
- ODA for research and development need to be enhanced to facilitate economic diversification in LLDCs.
- The LLDCs are greatly affected by the adverse impact of climate change, in particular, desertification, land degradation and droughts. These have the negative impact on development progress achieved by LLDCs over the years. There is therefore the need for

enhanced climate finance, action and support to the LLDCs, in particular need for more resources to climate change mitigation and adaptation.

I wish to thank you and reassures the Co-facilitators of our continued positive engagement and need to work in collaboration with all other groups and delegations to reach favourable outcome of this important process especially when we move to working on paragraph by paragraph basis.

I thank you