



Agenda item: 7

General debate

Statement by:

**Mongolia on behalf of the Group of Landlocked
Developing Countries**



UNITED NATIONS
UNCTAD

Statement by H.E. Ms. Battsetseg Batmunkh, Minister for Foreign Affairs of Mongolia, on behalf of the Group of Landlocked Developing Countries at the General Debate of the 15th session of the United Nations Conference on Trade and Development (UNCTAD XV), 3-7 October 2021

Honorable President of the UNCTAD XV,
Madame Secretary-General,
Excellencies,
Ladies and Gentlemen,

I have the honour to deliver this statement on behalf of the Group of Landlocked Developing Countries.

The LLDC Group expresses its sincere appreciation and gratitude to the people and Government of Barbados for the excellent arrangements made to support a successful hybrid organization of UNCTAD XV.

The LLDC Group would like to congratulate Madam Grynspan for taking over the role of Secretary-General of UNCTAD and wishes her every success in leading this very important organization.

Honorable President,

I do believe that due note has been taken of the Ministerial Declaration adopted by the LLDC Group on the margins of UNCTAD XV on 2 September. In line with this Declaration and on behalf of the LLDC Group, I would like to reiterate the following points:

First, the COVID-19 pandemic has exposed many global fragilities and vulnerabilities, not only on the sphere of health, but also in the economy, which require urgent attention. In this regard, the UNCTAD XV conference provides an occasion to deliberate on the policies and measures needed to overcome the crisis, build resilience, and achieve the SDGs. We do believe that the particular needs of the LLDCs should be fully reflected in this debate.

Second, available data on existing key health care resource indicators shows lack of adequate necessary healthcare resources, equipment, and hospital capacities in LLDCs that are much lower than world average. In many LLDCs the people vaccinated account for less than 1% of the whole population of the country. In this regard, the international community should give LLDCs special treatment in accessing and distributing vaccines against COVID-19, given the logistics, transport and transit-related challenges they face due to their specific geographical challenges as well as budgetary constraints.

Third, LLDCs were already among the most disadvantaged countries in the world economy before the crisis, and hence the pandemic has further exacerbated their vulnerabilities. Average growth rates in landlocked developing countries have slowed since 2014. Similarly, the share of landlocked developing countries in global merchandise exports has fallen, rather than doubled, compared to 2014.

Fourth, our geographical position and dependence on transit transport as well as multiple border crossings continue to pose obstacles to our socioeconomic development. High trade costs remain a defining common challenge of landlocked developing countries, reducing the competitiveness of our exports on world markets and raising import prices. In this regard, UNCTAD should help to explore innovative approaches to treat in a holistic manner the issues of transit, transport and trade facilitation.

Fifth, 26 of the 32 LLDCs depend on commodities for more than 60% of their export earnings. As a result, our economies are prone to boom-and-bust cycles in line with commodities prices. Commodity-dependence can also lead to overvalued currencies and unequal growth patterns. Overcoming commodity-dependence and achieving sustained and inclusive growth requires efforts to diversify exports and achieve structural transformation. In this regard, the Group welcomes the new policy tool of the Productive Capacities Index (PCI) developed by UNCTAD and call on UNCTAD to develop a dedicated programme or center on productive capacities.

Sixth, UNCTAD should intensify its vital support for LLDCs to enable them to foster productive capacities and structural economic transformation as well as build competitiveness. In this regard, we request UNCTAD to carry out productive capacity gap assessments in LLDCs, and to identify policies and measures that would support LLDCs in building productive capacities.

Seventh, official development assistance flows remain a major source of external financing for many landlocked developing countries. It is important to urgently fulfil existing official development assistance commitments, and such assistance to landlocked developing countries should fully take into account the specific situation of each country.

Eighth, the Group wishes to call on development partners to substantially increase the allocation of Aid for Trade funds to landlocked developing countries with a focus on sectors of significant potential for export diversification, value addition and jobs creation. We further call on the international community to support our countries and transit neighbours with the implementation of the WTO Trade Facilitation Agreement.

Ninth, since its birth in 1964, UNCTAD has been serving as the focal point in the United Nations for the integrated treatment of trade and development and interrelated issues in the areas of finance, technology, investment and sustainable development. In this regard, we call on UNCTAD XV to enhance the mandate of the Organization, maintain the integrity and independence of its research and policy analysis as well as technical cooperation and intergovernmental consensus building. Strong UNCTAD with enhanced mandates is vital for developing countries particularly weaker and vulnerable economies such as LLDCs.

Honorable President,

The LLDCs are indeed among the most vulnerable countries, and their special needs should continue to be addressed by the international community.

As we enter the final years of the Vienna Programme of Action, we call on UNCTAD to expand its support to the LLDCs in the key areas under its mandate, including transport and trade logistics, investment promotion and facilitation, productive capacities, digital transformation, electronic commerce, and trade and trade negotiations. In this

regard, we underline the importance of strengthening the Division for Africa, Least Developed Countries and Special Programmes, in particular the landlocked developing countries section.

I wish to conclude by expressing LLDC Group's appreciation to UNCTAD's continued support for the development of our countries. We hope that the outcome of this Conference would fully capture the call for further strengthening of UNCTAD's work for LLDCs in next four years under your able leadership.

Thank you.