Madam Chairperson,

We thank the Secretary-General for his reports on the agenda item under consideration today. We would also like to associate ourselves with the statement made by the distinguished representative of South Africa on behalf of the Group of 77.

Madam Chairperson,

The Almaty Programme of Action provides a framework for developing efficient transit transport systems in landlocked and transit developing countries. It recognises the fact that for meaningful and viable solutions to the transport problems of landlocked developing countries, it would be necessary to address the constraints and challenges faced by their transit developing countries in a holistic and integrated manner. Building of roads, railways and ports as well as maintaining physical infrastructure involves high costs. It is imperative that the international community and the donor countries commit additional financial resources and technical assistance for capacity building in physical infrastructure. We trust that the General Assembly will keep the implementation of the Almaty Programme of Action under review. The proposed mid-term review in 2008 would no doubt provide an impetus to the implementation of goals and commitments contained in the Almaty Programme of Action.

While transit developing countries face many challenges, they take on additional costs of providing transit transport facilities to landlocked countries even
when areas in their own countries remain as remote from the sea as those of landlocked countries. The transit developing countries undertake this in a spirit of co-operation and friendship. India enjoys close and historical links with both its landlocked neighbours, Bhutan and Nepal. India accords the highest priority to enhancing its friendly and good neighbourly relations with them, including through the strengthening of trade relations and cooperation on transit transport issues. The result is evident. The largest share of foreign investment in one of our landlocked neighbours is from India; and, as per a report of the UNCTAD Secretariat, the transport costs for one of the landlocked neighbours is about one third the average for landlocked countries and half of that for developing countries.

Madam Chairperson,

The Brussels Programme of Action provides the framework for addressing the multifarious challenges confronting Least Developed Countries [LDCs]. Reports considered in the preparatory process for the mid-term review of the Brussels Programme of Action, while recognizing that many LDCs have achieved relatively high rates of economic growth, stressed the need for developing productive capacities in the LDCs for sustained economic growth. UNCTAD’s Least Developed Countries Report 2006 underlines that the sustainability of the recent growth performance would depend in particular on the extent to which existing and additional ODA and FDI are channeled into productive investment, while noting that the recent increases in the ODA were largely directed towards debt relief and emergency assistance. It is no coincidence that the mid-term review recognised that the situation in the least developed countries required continued attention of their development partners in the implementation of the Brussels Programme of Action. The development partners thus need to move vigorously in supporting the efforts of LDCs and other developing countries in achieving higher growth rates, improving service delivery and reducing poverty with more and better aid, debt relief and improved market access.

ODA disbursements to LDCs are more than a third short of the agreed target. While private sector investment is important, in several LDCs the physical and social infrastructure is too weak to attract any. Therefore, sequencing is important and fulfilment of the commitment by the developed countries to meet the 0.15-0.20 percent target for ODA to LDCs remains crucial.

The issue of debt is critical for many LDCs. We welcome the Multilateral Debt Relief initiative and look forward to the G-8’s political intentions being fully converted into unqualified commitment. India, on its part, has demonstrated its commitment to help LDCs, which are in a particularly difficult position, in reducing their external debt burden by writing off the debt owed by seven Highly Indebted Poor Countries [HIPC's] who had reached their ‘decision points’.
Debt relief through HIPC initiative or MDRI alone is not sufficient unless accompanied with efforts to improve debt management capacity and a proactive approach to assist achieve higher growth, enhanced exports performance and revenue mobilization through better market access and enhanced trade related opportunities. We welcome the steps taken by some development partners to open up their markets to exports from LDCs. The expansion in trade between LDCs and other developing countries has been significant in recent years. The share of LDC exports to other developing countries reached 34 percent in 2002, an increase of 20 percent in less than 15 years. The share of other developing countries in LDC imports increased during the same period by almost 25 per cent and reached 56 percent. These figures are an eloquent testimony to the potential for enhanced South-South cooperation. The launching of the third round of negotiations for the Global System of Trade Preferences holds promise in terms of immensely benefiting both LDCs and other developing countries. India is also in the process of finalising a package for preferential market access for LDC products.

India has been a strong votary of South-South cooperation. We have constantly tried to increase mutually beneficial economic cooperation with all LDCs in general, and with those in our extended neighbourhood, in particular. We have had a programme of economic and technical cooperation for more than four decades, involving the training of many nationals from these countries in Indian institutions and the dispatch of Indian experts in identified areas to them. Africa has always been a high priority for India and we are strengthening our cooperation through NEPAD and through other efforts such as TEAM-9 for Western Africa. Our commitment in terms of lines of credit and other concessional financial assistance add up to almost US$ 1 billion. We are also working on a Pan-African Network which would be a major satellite and fibre optic connectivity mission that would cover the entire continent of Africa, enabling a network linking learning centres, universities, hospitals in every country in Africa with counterpart institutions in India that have a proven expertise in these fields.

Thank you, Madam Chairperson.