



PRESS RELEASE



UN OFFICE OF THE HIGH REPRESENTATIVE FOR THE LEAST DEVELOPED COUNTRIES,
LANDLOCKED DEVELOPING COUNTRIES AND SMALL ISLAND DEVELOPING STATES

UN ENVOY HAILS EU FUND FOR INFRASTRUCTURE DEVELOPMENT IN AFRICA

New York, 14 February 2006: The United Nations envoy for the Least Developed Countries, Anwarul K. Chowdhury, has commended the recent launch by the European Union of a trust fund to finance infrastructure development in Africa.

The fund, announced by the European Commission and the European Investment Bank, will finance large transport, telecommunication and energy projects.

“This is an important initiative that can go a long way in boosting production and trade in poor African countries, especially the Least Developed Countries, who lack the resources to invest in major infrastructure projects,” the UN High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States said. “Poor transport and communication networks are one of the main causes of the marginalisation of Least Developed Countries in international trade.”

Latest figures indicate that the share of Least Developed Countries in international trade is a mere 0.5 percent though they account for 12.5 percent of the world’s population. Thirty-four of the 50 Least Developed Countries are African.

Mr. Chowdhury said that the development of an efficient transport and communication network in Africa would improve least developed and landlocked developing countries’ access to international markets and enhance the competitiveness of their products by reducing transport, transaction and, in the case of the landlocked countries, transit costs. There are 15 landlocked countries in Africa, 12 of which are also Least Developed Countries.

“With its focus on regional projects, not only will the Trust Fund for Africa enhance the integration of African least developed and landlocked countries in the global economy, but it will also promote regional trade, an important export market that remains underutilised largely due to physical barriers,” Mr. Chowdhury said.

The UN envoy observed that both the Programme of Action for the Least Developed Countries and the Almaty Programme of Action for Landlocked Developing Countries highlight infrastructure development as a major pre-requisite for trade, economic growth and sustainable development in those countries. It is also one of the central pillars of the New Partnership for Africa's Development (NEPAD) initiative of the African Union.

At the meeting of African ministers of transport and infrastructure development held in Addis Ababa, Ethiopia, in April 2005, Mr. Chowdhury said that the future of Africa was closely linked to the establishment of a viable regional transport network. He pledged to spare no efforts in highlighting the transport needs of African countries.

In its start-up phase running to 2007, the trust fund for Africa would receive EUR60 million (\$72 million) in grants from the European Commission and EUR260 million in European Investment Bank loans. European Union countries have also been invited to make additional contributions. Mr. Chowdhury urged European Union countries to support the trust fund generously.

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