

OHRLLS' Statement at

**UNECE (WP.5) Working Party on Transport Trends and Economics
(35th session), 5-7 September 2022**

***Item 8 (c) iii: Technical assistance to countries with economies in
transition - Support for LLDCs***

7 September at around 15:45pm (Local time in Geneva)

Thank you Chair for giving me the floor, and for this opportunity to update the Working Party on Transport Trends and Economics (WP.5) on item 8 of the agenda related to landlocked developing countries (LLDCs).

My statement will focus on three points.

First, I will provide a quick review of progress on the implementation of the Vienna Programme of Action for LLDCs - the 2014-2024 action plan aimed at accelerating sustainable development in LLDCs.

As you know, transit transport is of critical importance for LLDCs compared to other countries because of their geographical location, and their high dependence on external trade.

However, critical infrastructure deficiencies, long distances to ports, difficult terrain, road and railway conditions, and poor trade facilitation in transit result in high transport and overall trade costs. The LLDCs pay more than twice what transit countries pay in transport costs and it takes a longer time for LLDCs to send and receive merchandise and other essential commodities from overseas markets.

The high transport costs erode LLDCs' competitive edge, discourage investors, and reduce economic growth. Such a situation is unfavorable for trade and the economy, and it limits the capacity of LLDCs to achieve sustainable development.

To address this issue, the Vienna Programme of Action for LLDCs (VPoA) put an emphasis on transport through its various priority areas, including on transit policy and infrastructure development.

However, despite some progress, the 2019 Midterm Review of the VPoA revealed that those progress were insufficient.

And more recently, the COVID-19 pandemic and the difficult geopolitical and global macroeconomic outlook have further compounded this already challenging situation. As such, pandemic-related restrictions on cross-border and transit freight transportation resulted in major trade bottlenecks, leading to high costs, supply chain disruptions and increased transportation times for landlocked developing countries.

Rising fuel costs are further constraining container-shipping capacity, resulting in higher transport costs for landlocked developing countries, especially those in Central Asia.

And to add to this already challenging situation, LLDCs are likely to be disproportionately impacted from the transboundary nature of climate change since they are dependent on imports and on cross-border trade for their food and economic security.

These challenges, among others, were discussed during the Ministerial Transport Conference of LLDCs that took place on 15-16 August in Awaza (Turkmenistan). Organized by OHRLLS in collaboration with the Government of Turkmenistan, the Conference focused on the theme ‘Financing for Better Connectivity,’ and brought together Ministers and high-level representatives from LLDCs. It also involved the

participation of other relevant stakeholders including representatives from transit developing countries, development partners, United Nations, international, regional and sub-regional organizations, regional development banks, think tanks and the private sector.

The Conference resulted, in an outcome, in the ‘Awaza Summary Statement,’ and I would like to highlight, here, a few key actions from this outcome, which will bring me to my **second point on LLDCs’ needs for further support.**

In the Awaza Summary Statement, LLDC Ministers emphasized the crucial importance of the following elements:

1. Greater collaboration on capacity building, data use, road safety, formulating bankable infrastructure projects, and the greater use of information and communication technologies in transport and transit systems.
2. Urgently mobilizing investments, technologies, and capacity-building for sustainable transport and for the use of pandemic recovery funds to be disbursed in favour of development of physical infrastructure for sustainable transport in LLDCs and transit countries.
3. Leveraging investment and financing for LLDCs’ transport infrastructure from all available sources, especially from development partners, international and regional financing institutions, and the private sector.
4. Increasing investment and partnerships in climate resilient infrastructure and increasing the sustainability and resilience of transport systems in LLDCs and transit countries.

5. Enhancing the implementation of the World Trade Organization Agreement on Trade Facilitation and other international and regional trade and transport-related conventions, regulations, and agreements by LLDCs, transit countries and their trade partners. Those include the United Nations inland transport conventions such as the TIR Convention and the CMR Convention, and are fundamental for improving transit and decreasing costs.

The Awaza Statement and other background documents and presentations are available online on the Conference's website, and I invite you to consult these documents for a more detailed overview of LLDCs' needs regarding inland transport.

It is also important to note that the Awaza Summary Statement will be an important contribution to the preparatory process of the Third UN Conference on LLDCs that will take place in 2024, as decided in UN General Assembly resolution 76/217 of December 2021.

The Conference will provide the opportunity to learn from the last decade and to renew and enhance global commitments towards the LLDCs.

Although the UN General Assembly has not decided yet on the Conference's modalities, it is expected to take a decision on organizational aspects of the Conference - including its venue, duration and specific dates - during its 77th session this fall.

With this in mind, I would like to **conclude with my last point that seeks to update you briefly on activities undertaken by our office in collaboration with partners to advance progress on transport in LLDCs.**

1. In our role as the facilitator of the implementation of the Vienna Programme of Action, we developed the Roadmap for Accelerated Implementation of the Programme. The Roadmap was adopted by the LLDC Ministers in 2020.

The Roadmap seeks to help LLDCs advance progress towards the VPoA and the SDGs, and to leverage capacities and build synergies between more than 50 UN and other international and regional organizations that are members of the Inter-Agency Consultative Group on LLDCs, including UNECE. Based on the latest update of the Roadmap, published in July on the OHRLLS Inter-Agency Consultative Group website, the Roadmap includes more than 430 initiatives, about a quarter of which focus on transit transport, trade and infrastructure. It also includes several initiatives supported by UNECE, including in the area of transit, trade and infrastructure development.

2. On upcoming activities:
 - a. OHRLLS is working with the Global LLDC Chair to prepare for the Annual Meeting of Foreign Ministers of LLDCs on the theme: ‘Accelerating implementation of the Vienna Programme of Action in the aftermath of the COVID-19 pandemic and building momentum towards the Third United Nations Conference on Landlocked Developing Countries’. The meeting will discuss transport and transit issues among others. It will take place in person on 22 September from 10:00 am- 1:00 pm (NY time) and will adopt a Ministerial Declaration.

- b. Also in September, together with the International Think Tank for LLDCs and the LLDC Coordinator, OHRLLS will be organizing a dedicated session on ‘Enhancing integration of LLDCs into Global Trade and the Role of Digital Technology’ during the WTO Public Forum on 27 September.

- c. And finally, in collaboration with the WTO Secretariat, UNECE and UNCTAD, our office is embarking on a mapping study of transit corridors that serve LLDCs. This project will help assess the extent to which the WTO Trade Facilitation Agreement provisions have been implemented on existing corridors and how much they have enhanced trade facilitation.

OHRLLS stands ready to join hands with all stakeholders, to support enhancing inland transport, including transport connectivity of LLDCs and the sustainable recovery of LLDCs from the COVID-19 pandemic. In the coming months, as we start preparing for the Third UN Conference of the LLDCs in 2024, we also intend to step up our efforts to engage and collaborate further.

I thank you for your attention.