



Press Release

Global partners support new agreement to help Landlocked Developing Countries harness trade

Ulaanbaatar, 4 June 2014 – Over one hundred senior officials and representatives have called for the speedy ratification of an agreement which will help boost trade and make it easier for Landlocked Developing Countries (LLDCs) to participate competitively in global markets.

The call came at a high-level workshop in Mongolia which assessed how LLDCs can benefit from the World Trade Organization's new agreement on trade facilitation, a mechanism which simplifies and streamlines the procedures and controls that govern the movement of goods across borders.

High trading costs are a critical challenge for LLDCs striving to improve their participation in international trade. Compared to countries with access to sea ports, LLDCs currently pay more than double in transport costs and incur significant time delays in sending and receiving merchandise overseas.

The Trade Facilitation Agreement discussed in Mongolia, which will enter into force once 2/3 of the WTO members ratify it, seeks to drive customs efficiency, lower trade costs, and reduce delays at border crossing. The Agreement contains detailed provisions that are of interest to LLDCs such as freedom of transit, transparency, border agency cooperation, expedited shipment and international support to strengthen the capacity of LLDCs needed for the implementation of the agreement. Enhanced trade facilitation is also likely to increase the flow of foreign direct investment and enhance economic development. This in turn will help the LLDCs to grow from being land-locked into being land-linked, said Mongolia's Minister of Foreign Affairs Mr. Luvsanvandan Bold at the event.

The high-level workshop comes at a time when the international community are preparing for the Second United Nations Conference on Landlocked Developing Countries in November in Vienna.

"As we look towards the Vienna conference, it is clear that we need to identify a development framework for LLDCs that can truly help them achieve rapid, inclusive and sustainable economic growth. Trade facilitation measures are of critical importance for LLDCs and their coastal neighbours in order to ensure quicker, easier and less costly transactions," said Mr. Gyan Chandra Acharya Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and Secretary-General of the Vienna Conference.

The Trade Facilitation Agreement is binding for all World Trade Organization members and also contains a reduction in inspections and required documentation, one stop border post controls and an alignment of working days and hours. A capacity building element to the agreement also ensures that LLDCs' neighbors and trading partners will be expected to reach similar customs and border standards while also providing LLDCs with the necessary assistance.

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