

**Sixty-ninth session**

Agenda item 22 (b)

**Groups of countries in special situations: follow-up to the second
United Nations conference on landlocked developing countries****Outcome of the second United Nations Conference on
Landlocked Developing Countries****Report of the Secretary-General***Summary*

The present report is submitted pursuant to General Assembly resolution 68/225, in which the Assembly requested the Secretary-General to submit at its sixty-ninth session a report on the outcome of the 10-year review conference on the implementation of the Almaty Programme of Action. The second United Nations Conference on Landlocked Developing Countries, held in Vienna from 3 to 5 November 2014, adopted the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024 and the Vienna Declaration. The present report contains an assessment of the main elements of the outcome document and suggestions on the way forward for the implementation of the Vienna Programme of Action.



I. Overview of the second United Nations Conference on Landlocked Developing Countries

1. The General Assembly, in its resolution 66/214, decided to hold a comprehensive 10-year review conference on the implementation of the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries and, in its resolution 68/270, decided to hold the second United Nations Conference on Landlocked Developing Countries from 3 to 5 November 2014 in Vienna. The mandate of the Conference was: (a) to undertake a comprehensive appraisal of the implementation of the Programme of Action; (b) to identify effective international, regional, subregional and national policies in the area of international trade and transit transport cooperation and to review the current situation of transit transport systems in the light of new and emerging challenges, partnerships and opportunities and the means to address them; (c) to reaffirm the global commitment to addressing the special development needs of and the challenges faced by the landlocked developing countries as called for at major United Nations conferences and summits; and (d) to mobilize international support and action by and in favour of the landlocked developing countries and formulate and adopt a renewed development partnership framework for the next decade.

A. Preparatory process

2. The preparatory process was undertaken in an inclusive and action-oriented manner under three tracks, namely the intergovernmental, United Nations inter-agency and private sector tracks. Under the intergovernmental track, 26 of the 32 landlocked developing countries undertook self-appraisals and prepared and submitted national reports on the implementation of the Almaty Programme of Action. Those reports were an important input to the global review. Furthermore, regional review meetings were successfully conducted in the Euro-Asian, Latin American and African regions. At those meetings, outcome documents containing assessments of the implementation at the regional level of the Programme of Action were adopted, and a number of priority areas identified and recommended for inclusion in the outcome document of the Conference.

3. With regard to the inter-agency track, five consultative meetings were held on the substantive and organizational preparations for the Conference, including the modalities for the Conference, key elements for the new programme of action and preparations for side events at the Conference.

4. A total of 18 substantive pre-conference events were successfully organized, with a focus on major issues crucial to landlocked developing countries, including international trade, trade facilitation and aid for trade, road and rail financing, transport infrastructure development, the role of services, and the vulnerability of landlocked developing countries to climate change, desertification and external shocks. The pre-conference events were instrumental in deepening knowledge and understanding of the development challenges in the respective thematic areas and identifying priorities for the next programme of action. The outcomes and

substantive documents of the events were a useful basis for preparing the outcome of the Conference.

5. As regards the private sector track, a Steering Committee was established, which held regular consultations to build a common position and prepare substantive inputs for the success of the Conference. The private sector participated actively in all the preparatory events and organized side events and a high-level private sector forum during the Conference.

6. Two intergovernmental Preparatory Committee sessions were held, on 12 and 13 June and on 2 and 3 October 2014. The first session focused on collecting inputs for the final outcome document from all stakeholders. The negotiations for the draft outcome document of the Conference were held through informal consultations between the two sessions of the intergovernmental Preparatory Committee, during the second session and during the final days leading to the Conference.

B. Summary of Conference proceedings

7. The second United Nations Conference on Landlocked Developing Countries was held in Vienna from 3 to 5 November 2014. Similar to the preparatory process, the Conference was held under several tracks, including an intergovernmental track, under which an inaugural ceremony was held, followed by a general debate in plenary meeting and the Committee of the Whole; a business and investment forum of the private sector track; and high-level thematic round tables and side events. The Conference was attended by high-level officials from 129 States Members of the United Nations, including Heads of State and Government, ministers, officials and representatives from the private sector, academia and civil society, as well as representatives from the United Nations system and other international organizations.

C. Plenary meetings and general debate

8. During the opening plenary meeting, a select number of high-level officials made opening statements. During all three days of the Conference, Heads of State, ministers and high-level officials of Member States, landlocked developing countries, transit countries and development partners, as well as representatives of United Nations organizations and the private sector, also delivered their statements in plenary meeting.

9. Delegations acknowledged and commended the progress made during the 10 years of implementation of the Almaty Programme of Action. In particular, they underlined efforts made towards building and improving infrastructure, including transport, energy and information and communications technologies (ICTs), national laws and reforms regulating the multimodal transport of goods and dry port services, and the harmonization of legal frameworks. They noted that development partners supported those efforts through increased official development assistance (ODA) and aid for trade, as well as by supporting the capacity-building programmes of landlocked developing countries. Many transit countries reaffirmed their support in the areas of trade facilitation and transit cooperation. Despite the progress achieved, delegations recognized that landlocked developing countries still faced enormous challenges to overcoming the disadvantages arising from landlockedness

and attaining sustainable economic growth and social development. Trade volumes of landlocked developing countries were still low, while transport costs were high, compared with transit countries. The global trade share of landlocked developing countries was only 1.2 per cent, with exports comprising mainly primary commodities that showed little value addition. Furthermore, landlocked developing countries continued to face the negative impacts of climate change, land degradation and drought and were vulnerable to external shocks, including of an economic and financial nature. In view of the foregoing, it was observed that progress was insufficient and uneven and needed to be strengthened.

10. Delegations called for a comprehensive and results-oriented new programme of action with clear priorities and a concrete time frame that would address the structural transformation of landlocked developing countries, improve their economic diversification and boost agricultural productivity, value addition, export capacity and connectivity to global value chains. They stressed the need for some landlocked developing countries that were dependent on commodities to integrate into the global value chains. They also urged that the new programme of action be mainstreamed into the national strategic development plans of landlocked developing countries, including poverty eradication strategies, and that the interests of landlocked developing countries be brought into sharper focus at the international level.

11. Delegations underscored the importance of regional integration as a key driver to unlock the potential of landlocked developing countries and integrate them into the world markets, in particular the need to maintain close and sustainable relations with neighbours, including through the strengthening of trade relations and cooperation on transit issues, South-South cooperation and the promotion of regional transport and trade connectivity. It was stated that regional integration would strengthen trade ties and transform countries from being landlocked to being land-linked.

12. Delegations also highlighted the importance of the Agreement on Trade Facilitation of the World Trade Organization (WTO) and stressed the need for its early implementation.

13. The importance of the private sector's contribution was underlined. In particular, delegations called for the creation of an enabling environment for increasing private sector investment and fostering inclusive and sustainable development, including through foreign direct investment (FDI) and public-private partnerships. It was observed that the full participation of a strong private sector would facilitate job creation and innovation.

14. Delegations recalled the need to integrate the priorities and needs of landlocked developing countries as outlined in the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024 in all international development frameworks, including in the formulation of the post-2015 development agenda and the sustainable development goals.

15. Representatives of transit countries reaffirmed their continued support to landlocked developing countries through the improvement of trade facilitation measures, the strengthening of regional cooperation and the harmonization of legal frameworks. They highlighted that most transit countries also faced significant development challenges and constraints, which had ramifications on their support to

landlocked developing countries. They requested that due attention thus be given also to their challenges.

16. Development partners reaffirmed their commitment to working with landlocked developing countries and their neighbouring transit countries to mitigate the unique geographical challenges faced by landlocked developing countries through continued financial and technical assistance. They stressed their support to the Agreement on Trade Facilitation, the Aid for Trade initiative, the Enhanced Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries and other mechanisms that could help landlocked developing countries to better integrate into the world market. The role of the United Nations in helping landlocked developing countries with policy reforms, addressing key issues related to trade and competitiveness, helping countries to diversify their export products, using trade opportunities to advance human development and ensuring the sustainable development of landlocked developing countries was underlined.

D. High-level thematic round tables

17. Four high-level thematic round tables, held in parallel to the plenary meetings, brought together Heads of State and Government, ministers and other senior officials, heads of agencies and senior experts from various international and regional institutions and representatives from the private sector, civil society and academia to engage in multi-stakeholder discussions on themes of particular importance to landlocked developing countries. The round tables were rich, focused and centred on the structural transformation of landlocked developing country economies, regional integration and transit cooperation, the priorities of landlocked developing countries in the post-2015 development framework, and international trade and investment for the development of landlocked developing countries.

18. The first round table focused on structural transformation. During the discussions, structural transformation was defined as a process by which countries move away from activities that have low value added and low-productivity activities to those that add more value and boost productivity. With structural transformation in motion, countries export high-value and low-bulk goods, which helps them to not only move up the regional and global value chains but also reduce their carbon footprint. Structural transformation also moves goods and workers out of the informal economy and into the markets.

19. The first round table also highlighted a series of key actions and measures required to adequately promote structural transformation in landlocked developing countries. They include supportive and home-grown policies sustained by a strong leadership and a clear vision. It was emphasized that strong leadership should go hand in hand with robust accountability systems. Other important ingredients for sustained structural transformation include private sector development, technology and innovation, peace and security, peer learning and exchange of good practices, and global partnerships.

20. Discussions at the second round table, on regional integration and transit cooperation, underlined the important role of regional integration and transit cooperation in improving connectivity for landlocked developing countries and the significant contribution of regional economic communities and regional economic commissions in this context. Regional and subregional transit and transport

agreements were seen as important tools for the harmonization of policies, standards and procedures at the regional level and, therefore, as a powerful instrument in support of improving connectivity. In this regard, there was a view that acceding to and implementing international conventions and agreements on transit and transport would go a long way towards reducing transport costs, reducing delays and ensuring the smooth and efficient flow of goods. Discussions also stressed the role of corridors and multi-modal transport, including the development of dry ports, in moving goods efficiently from ports to their destinations.

21. Discussions highlighted success stories in reducing the cost and time of trading within regions, including through the introduction of one-stop border posts. Such an improvement in soft infrastructure should be complemented by investment in physical infrastructure and transit system development and maintenance. In addition, it was noted that technical assistance should be provided to enhance capacities in landlocked developing countries.

22. The third high-level thematic round table concerned the priorities of landlocked developing countries in the post-2015 development framework. Discussions underlined that the post-2015 development agenda should give due consideration to efficient transport infrastructure, fundamental transit policies, structural transformation and economic diversification, integration in international trade and regional integration. During the discussions, it was observed that several focus areas of the sustainable development goals proposed by the Open Working Group on Sustainable Development Goals were particularly relevant to the new programme of action for landlocked developing countries. Those areas include inclusive and sustainable industrial development, sustainable energy, good governance, resilient infrastructure, gender equality and the empowerment of women, and combating climate change and addressing its impacts. The discussions emphasized the linkages that existed or could exist between the new programme of action and different global development agendas, such as the United Nations Framework Convention on Climate Change process, the Doha Development Round of WTO, and financing for development. It was recommended that the special challenges of landlocked developing countries be fully considered in all those processes.

23. Several sources of financing were discussed, with the aim of highlighting the need to support landlocked developing countries in gaining access to them. In this context, it was highlighted that remittances and other private flows represented an important opportunity for landlocked developing countries with substantial remittance receipts. Increased support in the areas of domestic resource mobilization, ODA, aid for trade, FDI, debt cancellation and innovative blended financing were identified as being crucial in the implementation of the new programme of action, as well as of the post-2015 development agenda. The leaders of landlocked developing countries were urged to demonstrate strong and effective engagement during the third International Conference on Financing for Development, to be held in Addis Ababa.

24. The fourth round table delved into harnessing international trade and investment for the development of landlocked developing countries. Discussions highlighted that trade and investment constituted a major engine of and enabler for growth and development. Unlocking such a potential required a holistic approach to trade and investment combined with improved trade governance and access to trade

finance. The holistic approach to trade and investment should rest on the pursuit of adding and trading value, which implied relieving supply constraints, including through improved infrastructure, moving up regional and global value chains and promoting private sector development, in particular the development of small and medium-sized enterprises. In this context, discussions underscored the importance of investing in the services sector to improving connectivity.

25. Discussions also touched upon the international dimension of harnessing trade and investment for the development of landlocked developing countries, in particular the need for enhanced and supportive trade governance and improved access to trade finance. Discussions underlined that much could be achieved if existing global agreements were implemented. Discussions also highlighted good lessons on how the removal of non-tariff barriers resulted in a significant decline in transport and other trade transaction costs, therefore boosting trade and investment. Discussions also emphasized how improved trade finance could boost intraregional trade and development. In addition, discussions underlined the need to put in place an enabling environment to attract FDI in sectors with high value added and development potential.

E. Side events

26. A total of 18 side events were organized on the margins of the Conference by Member States, United Nations agencies and programmes and Secretariat departments, as well as other international organizations. The events covered a range of important issues relevant to landlocked developing countries. The events gathered ministers and high-level government officials of landlocked developing countries, transit developing countries and their development partners, along with heads of United Nations agencies and representatives from international organizations, academia and the business community. The speakers and participants shared their views and experiences on how to enhance the economic diversification of landlocked developing countries and increase their competitiveness in global markets through: strengthened investments and policy measures in the areas of transport infrastructure development and trade facilitation, sustainable energy and sustainable transport; partnerships on vocational training; increased regionalization of aid for trade; and, particularly for the landlocked least developed countries, the Enhanced Integrated Framework. Other topics covered by side events were climate-smart agriculture, connectivity challenges, preparedness for climate change, the role of migration and the special challenges of mountainous landlocked developing countries. The presentations given by participants at the side events and brief summaries of the main messages and deliverables announced are available from the Conference website.

F. Business and investment forum

27. A business and investment forum was held on 4 November 2014 and was co-organized by the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, the United Nations Global Compact and the International Chamber of Commerce. The full-day event featured an opening and closing plenary meeting, four thematic sessions and a high-level luncheon.

28. The first session, on enabling environments for businesses through good governance and the rule of law, demonstrated the importance of good governance, sound policies and strong institutions in creating a conducive business environment. It was concluded that Governments that were receptive to the needs of entrepreneurs and small and medium-sized enterprises, as well as the right policies for regional trade integration, stimulated private sector growth.

29. The session on transit transport, infrastructure and ICT covered such areas as the high cost of transport and trade transactions in landlocked developing countries due to inadequate transit and ICT infrastructure. The long routes to landlocked developing countries and remoteness from world markets were identified as reasons for the high cost of developing transit and ICT infrastructure in those countries, and the growing importance of regional connectivity and energy was highlighted. Greater private sector participation in funding and delivering infrastructure, energy and related services in landlocked developing countries was identified as a way to speed up local connectivity and local business growth. Examples of projects from private sector representatives brought to life the impact that the private sector, in partnership with Government, was already making.

30. The session on turning commodity dependence into sustainable and inclusive growth revealed how, in general, landlocked developing countries were highly dependent on commodities, and the need for those countries to diversify and structurally transform their economies. The discussions focused on how the private sector could help landlocked developing countries to diversify beyond extraction to manufacturing secondary commodities with added value. Strong leadership, capacity-building, good governance and partnerships were recognized as essential to attracting investors and improving trade agreements between landlocked developing countries and neighbouring countries and to increasing the domestic value addition of exports and creating decent jobs.

31. At the second afternoon session, on sustainable and responsible investments, private sector representatives spoke on the importance of leveraging local private sector resources, particularly microenterprises and small and medium-sized enterprises, and of diversifying the source of financing for landlocked developing countries. Effective partnerships with Government and responsible investment frameworks were identified as crucial in creating a positive and enabling business environment which attracts more private finance flows to landlocked developing countries. Creating opportunities for youth, empowering women and bringing the informal sector in landlocked developing countries to the formal sector with the right policies were also highlighted as a way to enhance local growth.

32. One of the major private sector events was the well-attended high-level luncheon hosted by the Austrian Federal Economic Chamber. It included government leaders and ministers, the business sector and representatives of United Nations and international organizations. The critical role that the private sector plays in driving progress and reducing poverty in landlocked developing countries and the opportunity for the United Nations and Governments to partner with the private sector were emphasized in the opening remarks. A lively discussion ensued on the need to find innovative and sustainable financing for landlocked developing countries, followed by remarks from the President of the General Assembly and private sector representatives who presented examples of Government fostering private sector investment and development in landlocked developing countries.

33. The business and investment forum shed light on the key issues surrounding landlocked developing countries and on the positive contribution of the business community in implementing a new programme of action for landlocked developing countries. The private sector representative presented a summary of the forum at the closing plenary meeting, on the last day of the Conference.

II. Main features of the Vienna Programme of Action

34. The second United Nations Conference on Landlocked Developing Countries adopted the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024 and the Vienna Declaration. The Vienna Programme of Action contains sections on: the review of the Almaty Programme of Action; renewed and strengthened partnerships; objectives; the six priority areas of fundamental transit policy issues, infrastructure development and maintenance, international trade and trade facilitation, regional integration and cooperation, structural economic transformation, and means of implementation; and implementation, follow-up and review.

35. The Vienna Programme of Action succeeded the Almaty Programme of Action as a development blueprint for landlocked developing countries for the period 2014-2024. Whereas the principal focus of the Almaty Programme of Action was on transit transport cooperation between landlocked and transit developing countries, infrastructure development and international trade, the Vienna Programme of Action is a holistic and results-oriented programme with an overarching goal, specific goals and time-bound, specific, results-oriented objectives in the six priority areas to achieve rapid, inclusive and sustained economic growth along with poverty reduction for more than 450 million people in the 32 landlocked developing countries. The Vienna Programme of Action reflects a deeper understanding of the challenges that landlocked developing countries face and contains a call for enhancing international trade performance, trade facilitation, productive capacities, economic diversification, value addition in manufacturing and agriculture, increased connectivity to regional and global value chains, regional integration and collaboration with a vibrant private sector based on expanded partnerships.

A. Partnerships

36. The Vienna Programme of Action demonstrates the renewed and strengthened partnerships between landlocked developing countries, their transit neighbours and their development partners. Partnership between landlocked developing countries and transit countries is important for the improvement and maintenance of their infrastructure connectivity and of technical and administrative arrangements in their transport, customs and logistic systems. It is also critical for regional policy coherence, especially for the development of shared transit transport networks, such as border points, ports, highways and transport corridors. Good governance and institutional efficiency are also identified in the outcome document as being of great importance in such partnerships.

37. Given the enormity of the development challenges faced by landlocked developing countries, partnership with and the support of their development partners are crucial in the full implementation of the Vienna Programme of Action. In

particular, financial and technical support from the international community, including financial and development institutions, multilateral organizations and agencies and donor countries, is paramount.

38. Furthermore, and as a demonstration of solidarity with landlocked developing countries, developing countries, consistent with their capabilities, are requested to provide financial and technical support as well, in mutually agreed areas of cooperation within the framework of South-South cooperation. The private sector and civil society, important agents of development, have a role to play in the implementation of the Vienna Programme of Action, including through their participation in transparent, effective and accountable public-private partnerships.

B. Objectives

39. The overarching goal of the Vienna Programme of Action is to address the special development needs and challenges of landlocked developing countries arising from landlockedness, remoteness and geographical constraints in a more coherent manner and thus contribute to an enhanced rate of sustainable and inclusive growth, which can contribute to the goal of ending extreme poverty. In addition to focusing on efficient transit systems, transport development and the expansion of trade, the Programme of Action will concretely attempt to address landlocked developing countries' competitiveness, structural transformation and regional cooperation, build resilience, bridge economic and social gaps and ultimately help to transform landlocked developing countries into land-linked countries.

40. The Vienna Programme of Action has six specific goals, namely: (a) to promote unfettered, efficient and cost-effective access to and from the sea by all means of transport, on the basis of freedom of transit, and other related measures, in accordance with applicable rules of international law; (b) to reduce trade transaction costs and transport costs and improve international trade services through the simplification and standardization of rules and regulations, so as to increase the competitiveness of exports of landlocked developing countries and reduce the costs of imports, thereby contributing to the promotion of rapid and inclusive economic development; (c) to develop adequate transit transport infrastructure networks and complete missing links connecting landlocked developing countries; (d) to effectively implement bilateral, regional and international legal instruments and strengthen regional integration; (e) to promote growth and increased participation in global trade through structural transformation related to enhanced productive capacity development, value addition, diversification and reduction of dependency on commodities; and (f) to enhance and strengthen international support for landlocked developing countries to enable them to meet the challenges arising from landlockedness in order to eradicate poverty and promote sustainable development.

C. Priorities for action

41. The Vienna Programme of Action has six priority areas for action. Three priorities previously found in the Almaty Programme of Action, namely fundamental transit policy issues, infrastructural development and maintenance, and international trade and trade facilitation, were qualitatively enhanced to reflect the

new situation of landlocked developing countries. In particular, infrastructure development and maintenance was expanded to encompass energy and ICT infrastructure, which are critical growth enablers in any modern economy. International trade and trade facilitation was substantially improved with a view to significantly increasing the value added and manufactured component of exports from landlocked developing countries, taking note of the importance of the WTO Agreement on Trade Facilitation and its timely implementation. In addition, the Vienna Programme of Action contains three new priorities: regional integration and cooperation, structural economic transformation, and means of implementation, which will help to make the Programme more holistic.

42. Each priority area of the Vienna Programme of Action has several specific objectives that need to be achieved through specific actions to be taken by landlocked developing countries, transit developing countries and development partners. In total, the Programme includes 20 time-bound specific objectives, 23 actions by landlocked developing countries, 9 actions by transit developing countries, 25 joint actions by landlocked and transit developing countries and 30 actions by development partners.

43. Regarding fundamental transit policy issues, the important role played by freedom of transit and transit facilities in providing the landlocked developing countries with access to the sea and in helping them to fully integrate into the global trading system is stressed in the Vienna Programme of Action. It is underscored that the harmonization, simplification and standardization of rules and documentation should be promoted, along with the full and effective implementation of international conventions on transport and transit and bilateral, subregional and regional agreements. It is stressed that cooperation on fundamental transit policies, laws and regulations between landlocked developing countries and their transit neighbours is crucial for an effective and integrated solution to cross-border trade and transit transport problems. The importance of promoting free movement of people between landlocked developing countries and their transit neighbours through the development and implementation of simplified and harmonized visa systems for drivers involved in international transport is also underlined in the Programme of Action.

44. The Vienna Programme of Action sets out the specific objectives of reducing travel time along corridors; significantly reducing time spent at land borders; and improving intermodal connectivity so as to ensure efficient transfers from rail to road and vice versa and from port to rail and/or road and vice versa.

45. In the Programme of Action, landlocked developing countries and transit countries are called upon to endeavour to accede to and ratify relevant international, regional and subregional conventions and other legal instruments related to transit transport and trade facilitation, one area in which progress was slow.

46. Development partners are also called upon to assist landlocked and transit developing countries in establishing multilateral sustainable and efficient transit transport regimes involving public and private stakeholders and to encourage and support the sharing of best practices related to experiences, policies and initiatives. As in the Almaty Programme of Action, the importance of the role of the private sector is underscored in the Vienna Programme of Action.

47. With regard to infrastructure development, the importance of physical infrastructure in reducing the cost of development for landlocked developing countries is reiterated in the Vienna Programme of Action. It is also stressed that, in addition to the development and maintenance of transit transport infrastructure, ICT and energy infrastructure is crucial for landlocked developing countries and should be given priority. The need to raise adequate financing to expand and upgrade the transport, energy and ICT infrastructure is also emphasized.

48. With regard to transport infrastructure, the need to improve all forms of transport infrastructure, including rail, road and inland waterways, within the landlocked developing countries and across borders is underscored in the Vienna Programme of Action. It sets out the specific objectives of significantly increasing the quality of roads, including increasing the share of paved roads; expanding and upgrading the railway infrastructure in landlocked developing countries, where applicable; and completing missing links in the regional road and railway transit transport networks.

49. The landlocked and transit developing countries are called upon to develop and implement comprehensive national policies for infrastructure development and maintenance encompassing all modes of transportation, to collaborate in promoting sustainable and resilient transit systems, to harmonize gauges and facilitate regional railway connectivity and to develop international logistic hubs, dry ports and inland transport networks, including ancillary infrastructure. Development partners are called upon to support efforts by landlocked developing countries in the field of infrastructure development and maintenance, including closing missing links and sharing experiences on transit transport development.

50. In the Vienna Programme of Action, it is noted that the resources required to invest in infrastructure development and maintenance are substantial and that forging international, regional, subregional and bilateral cooperation on infrastructure projects, allocating more from national budgets, effectively deploying international development assistance and multilateral financing in development and maintenance of infrastructure, and strengthening the role of the private sector are required. Landlocked developing countries and transit countries are called upon to develop the policies and regulatory frameworks necessary to promote private sector involvement in infrastructure development and promote an enabling environment to attract FDI.

51. Regarding energy and ICT infrastructure, its importance in improving the connectivity of the landlocked developing countries, reducing delays and enhancing their productive capacities to achieve sustained economic growth and sustainable development is underscored in the Vienna Programme of Action. The specific objectives require the countries to expand and upgrade, as appropriate, infrastructure for the supply, transmission and distribution of modern and renewable energy services in rural and urban areas; to make broadband policy universal; to promote open and affordable access to the Internet for all; and to address the digital divide.

52. Landlocked and transit developing countries are called upon to enhance their collaboration in promoting cross-border energy trade and energy transit through transmission lines to third countries, to develop national energy and broadband policies and to promote digital bridges so that countries far from the sea cables also have access to affordable broadband. The development partners are called upon to

support efforts by landlocked developing countries to develop their energy and ICT sectors and policies, and to support the efforts of landlocked developing countries, with the respective transit developing countries, to facilitate access to ICTs and the transfer of relevant skills, knowledge and technology, on mutually agreed terms, for the development, maintenance and sustainability of infrastructure.

53. Regarding international trade, the need to diversify the export structures of landlocked developing countries, increase the value added and manufactured component of their exports, strengthen intraregional linkages and trade and enhance their productivity and competitiveness in order to take full advantage of the multilateral trading system and achieve greater integration into world markets is recognized in the Vienna Programme of Action. Given the growing linkages between trade, investment and production, linking to global value chains presents a particular opportunity for landlocked developing countries to achieve greater trade and economic integration. Furthermore, services are recognized as important enablers of trade and effective participation in trade and value chains, as well as reducing the cost of doing business and enhancing productivity.

54. In the Vienna Programme of Action, it is recognized that enhanced and predictable market access for exports from all developing countries, including landlocked developing countries, is important and that full attention should be given to the needs and interests of those countries in the Doha Development Round, in accordance with existing commitments.

55. There are four specific objectives related to international trade: first, to significantly increase the participation of landlocked developing countries in global trade, with a focus on substantially increasing exports; second, to significantly increase the value added and manufactured component of those countries' exports; third, to strengthen economic and financial ties between landlocked developing countries and other countries in the same region so as to increase the share of the former in intraregional trade; and fourth, to invite Member States to consider the specific challenges and needs of landlocked developing countries in international trade negotiations.

56. Actions by landlocked developing countries include developing a national trade strategy and promoting national policies and measures that would increase export diversification and value addition, fully leverage bilateral and regional preferential trading arrangements and assist national firms in integrating into global and regional value chains and participating better in international trade.

57. The role of other developing countries as export destinations for the products of landlocked developing countries, with improved market access and without non-tariff barriers, is also stressed in the Vienna Programme of Action. Transit developing countries also committed to promoting investment in landlocked developing countries with the aim of promoting the productive and trading capacity of the latter and supporting them in their participation in regional trade arrangements.

58. Support by development partners focuses on addressing non-tariff measures and reducing or eliminating non-tariff barriers that are not in conformity with WTO rules, promoting the integration of small and medium-sized enterprises in landlocked developing countries into international trade, promoting the diffusion and uptake of appropriate technologies on mutually agreed terms and supporting the

landlocked developing countries' own efforts to diversify their exports and achieve better integration into the multilateral trading system.

59. Regarding trade facilitation, the specific objectives of the Programme of Action are to further simplify, harmonize and streamline border crossing and transit procedures and improve transit facilities and their efficiency with the aim of reducing port and border delays and transaction costs for landlocked developing countries. The third objective on trade facilitation is to ensure that all transit regulations, formalities and procedures for traffic in transit are published and updated in accordance with the WTO Agreement on Trade Facilitation.

60. In order to achieve the objectives, actions to be undertaken by landlocked and transit developing countries, supported by development partners, include scaling up and implementing trade facilitation initiatives; effectively implementing integrated border management systems and striving to establish one-stop border posts; further harmonizing, simplifying and standardizing border crossing and customs rules and procedures and documentation requirements; enhancing collaboration and cooperation among various customs and border crossing agencies; fully utilizing the tools for trade facilitation developed by international organizations to build national capacity; and encouraging the sharing of experiences and best practices related to trade facilitation at all levels.

61. Landlocked developing countries also committed to establishing or strengthening national committees on trade facilitation, ensuring the full and inclusive representation of the private sector in trade facilitation policy and initiatives and developing the regulatory framework necessary to promote private sector involvement. On their part, transit developing countries committed to ensuring transparency and according non-discriminatory treatment so that freedom of transit of goods to landlocked developing countries was guaranteed.

62. Under the trade and trade facilitation priority, the importance of the WTO Agreement on Trade Facilitation and its timely implementation in the context of the Bali package for facilitating trade for landlocked developing countries is noted. Development partners agreed to support landlocked and transit developing countries in the area of trade facilitation, in accordance with the Agreement, and to encourage international organizations to help landlocked developing countries to assess their needs in terms of implementing the Agreement.

63. Furthermore, it is recognized in the Programme of Action that human and institutional capacities in landlocked developing countries are not adequate in many areas. Development partners committed to offering appropriate technical and capacity-building assistance to landlocked developing countries in completing their WTO accession process, fulfilling their commitments and integrating into the multilateral trading system; to supporting capacity-building in the areas of customs, border clearance and transport; and to continuing to provide aid for trade to landlocked developing countries, consistent with WTO guidelines, while encouraging its regional nature.

64. One of the notable improvements in the Vienna Programme of Action relates to regional integration and cooperation, which, for the first time, is a stand-alone priority. The importance of regional integration and cooperation in addressing the challenge of landlockedness and connectivity, the development and maintenance of transit transport infrastructure and corridors and the development of regional

markets has become much more pronounced and self-evident since 2003, when the Almaty Programme of Action was being formulated.

65. In the outcome document, it is observed that close cooperation between landlocked developing countries and their respective transit countries is essential for improved connectivity in transport, energy and ICTs. In addition, infrastructure, trade and regulatory policies, together with the political stability of neighbouring countries, have significant repercussions for the external trade of landlocked developing countries. In view of this, regional integration and coherent and harmonized regional policies provide an opportunity to improve transit transport connectivity and ensure greater intraregional trade.

66. In the Vienna Programme of Action, the promotion of deeper and meaningful regional integration to encompass cooperation among countries in a broader range of areas than just trade and trade facilitation and to include investment, research and development and policies aimed at accelerating regional industrial development and regional connectivity is emphasized. This approach is much broader than that of the Almaty Programme of Action. Regional integration is aimed at fostering structural change and economic growth in landlocked developing countries as a goal, as well as a means of collectively linking regions to global markets. This will enhance competitiveness and help to maximize benefits from globalization.

67. Landlocked developing countries are expected to actively pursue and promote regional integration by strengthening regional trade, transport, communications and energy networks. They also committed to promoting the harmonization of regional policies so as to strengthen regional synergy, competitiveness and regional value chains, as well as strengthen their participation in bilateral and regional integration frameworks.

68. Transit developing countries are called upon to contribute to the deepening of regional integration through the coherent development of regional infrastructure, trade facilitation measures and regional trade agreements, including the establishment of effective and efficient customs guarantee systems. The documentation, sharing and dissemination of best practices are important to allow cooperating partners to benefit from each other's experience.

69. Development partners are required to support the efforts of landlocked developing countries and their transit partners through the development and implementation of key regional transport projects and regional transport agreements for facilitating the cross-border movement of goods and passengers. They are also requested to support ongoing regional integration processes involving landlocked developing countries and to share best practices in promoting regional integration.

70. Priority 5, on structural economic transformation, underscores efforts to address landlocked development issues in a more holistic and comprehensive manner. The review of the Almaty Programme of Action found progress to be limited, and largely unbalanced, with a handful of countries reporting significant gains but a majority not showing any improvement. The incidence of extreme poverty, food insecurity and child and maternal mortality has also remained persistently high, with the rapid growth in gross domestic product not being able to translate to meaningful job creation.

71. In the first paragraph of the introduction, the Vienna Programme of Action states that landlocked developing countries are among the poorest of developing

countries, with limited capacities and dependence on a very limited number of commodities for their export earnings. Furthermore, their low productive capacities and structural weaknesses limit the ability of landlocked developing countries to meaningfully add value to their exports and diversify both their exports and markets. Landlocked developing countries have indeed been experiencing a more rapid rate of deindustrialization, greater economic informality and unmitigated decline in the value of the agricultural sector.

72. In the Vienna Programme of Action, it is recognized that landlocked developing countries thus deserve further global support if they are to fully benefit from globalization and achieve sustained and inclusive economic growth and development, poverty eradication, employment generation and structural transformation.

73. Priority 5 places greater emphasis on the building up of the institutional and human capacities of landlocked developing countries in order to promote value addition, structural economic transformation and diversification, which are prerequisites to achieving rapid, inclusive and sustainable economic growth and development in landlocked developing countries.

74. Clear entry points for structural economic transformation are identified as follows: (a) the industrial sector, in particular the revival and strengthening of the manufacturing sector, and the contribution of landlocked developing countries to regional and global value chains; (b) productivity growth and value addition in the agricultural sector; and (c) the services sector, in particular tourism, finance and ICT. The significant role that a strengthened private sector and science, technology and innovation can play is also underscored in the Vienna Programme of Action.

75. There are four specific objectives for this priority: first, to increase value addition in the manufacturing and agricultural sectors, with the goal of achieving inclusive growth and sustained development; second, to increase economic and export diversification; third, to promote service-based growth, including from tourism, with a view to increasing its contribution to the national economy; and fourth, to encourage the inflow of FDI in high-value added sectors.

76. There are 10 actions specific to landlocked developing countries and 6 specific to development partners for this priority. Landlocked developing countries are expected to develop a structural transformation strategy and innovative solutions that will support the realization of the specific objectives of this priority and an industrial policy that will improve access to capital and human resources. They are also expected to invest in supportive economic infrastructure, an effective competition policy and a conducive environment, including a legal framework, in order to strengthen the private sector and promote the attraction of more and diversified FDI. In addition, the outcome document requires landlocked developing countries to build a critical mass of viable and competitive productive capacities, modernize the service sector and create industrial clusters. The International Think Tank for Landlocked Developing Countries was recognized as having the potential to play an important role in sharing experiences, know-how, research and other issues related to those countries' development.

77. Development partners are expected to support efforts to improve the productive capacities, economic diversification and value addition aspirations of landlocked developing countries. They are also expected to contribute to and share

innovative technologies, scientific knowledge and technical know-how, and best practices. In addition, the Vienna Programme of Action requires the development partners to support landlocked developing countries in building resilience and capacity to respond to external shocks, address specific supply-side constraints, pursue effective partnerships and build up institutional and human capacities.

78. Under priority 6, means of implementation, it is recognized that landlocked developing countries have the primary responsibility for their own development and, consequently, need to effectively mobilize adequate domestic and external resources for the effective implementation of the Vienna Programme of Action.

79. It is stressed that the support of development partners is needed to complement the landlocked developing countries' own efforts to establish and maintain effective transit transport systems, integrate into the world economy, structurally transform their economies and enhance their productive capacities. Development partners are encouraged to provide targeted technical and financial support, as appropriate, towards the implementation of the specific actions listed in the Vienna Programme of Action, including through ODA and aid for trade.

80. South-South and triangular cooperation, as a complement to North-South cooperation, and the private sector, including through FDI, also have particular roles to play in contributing to the development of landlocked developing countries. Organizations and bodies of the United Nation system and relevant international organizations are also called upon to provide technical assistance and capacity-building support to landlocked developing countries in the implementation of the Vienna Programme of Action.

D. Implementation, follow-up and review

81. The Vienna Programme of Action contains implementation, follow-up and monitoring measures at the national, subregional, regional and global levels. The monitoring and review process should involve all relevant stakeholders, including the private sector. Governments are invited to mainstream the Programme of Action into their national and sectoral development strategies for its effective implementation.

82. At the subregional and regional levels, monitoring and review is envisaged through existing intergovernmental processes, while regional and subregional organizations are invited to mainstream the implementation of the Vienna Programme of Action into their relevant programmes.

83. At the global level, reviews of the implementation of the Vienna Programme of Action would continue through reports of the Secretary-General to the General Assembly. The governing bodies of organizations in the United Nations system are invited to mainstream the implementation of the Programme of Action into their programme of work and to conduct sectoral and thematic reviews, as appropriate. The Assembly is invited to consider a comprehensive high-level midterm review.

84. The Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States will ensure coordinated follow-up, monitoring and reporting on the implementation of the Vienna Programme of Action and should develop, in collaboration with other

relevant stakeholders, indicators for measuring progress on its implementation in landlocked developing countries.

E. Landlocked developing countries and the post-2015 development agenda

85. It is crucial that the special needs of landlocked developing countries as outlined in the Vienna Programme of Action be clearly reflected in global processes, including the post-2015 development agenda, to ensure improved livelihoods for the people living in those countries.

III. Conclusions and recommendations

86. The second United Nations Conference on Landlocked Developing Countries successfully galvanized international solidarity and partnerships to address the special needs of landlocked developing countries. The adoption of the Vienna Programme of Action is reflective of the solidarity, understanding and spirit of cooperation and collaboration among all stakeholders in supporting the landlocked developing countries in structurally transforming their economies and achieving sustainable development and, thus, overcoming the negative effects of geographic constraints on the livelihood of people. The Programme of Action also contains time-bound, specific objectives under each priority area that will help to ensure the achievement of its goals. Overall, it is a holistic and results-oriented development agenda for the landlocked developing countries for the next decade.

87. The full and effective implementation of the goals and specific objectives and actions in the six priority areas agreed upon in the Vienna Programme of Action will not only facilitate the establishment of efficient transit transport systems in landlocked and transit developing countries, which are inevitably required if landlocked developing countries are to be effectively integrated into the international trading system, but also help them to build their productive capacities, diversify their exports, structurally transform their economies, integrate into the global and regional value chains and achieve more sustained economic growth.

88. The Vienna Programme of Action contains a call for renewed and strengthened partnerships to support landlocked developing countries. In addition to partnerships with transit countries and development partners, landlocked developing countries' strengthened partnerships within the context of South-South and triangular cooperation, as well as with relevant international and regional organizations and between public and private sector actors, are called for in the Programme of Action. Under means of implementation, the importance of mobilizing domestic and external resources, including through ODA, aid for trade, the private sector and South-South cooperation, for the effective implementation of the Programme of Action is recognized.

89. Governments are invited to mainstream the Vienna Programme of Action into their national and sectoral development strategies for its effective implementation. Landlocked and transit developing countries are encouraged to establish national coordination mechanisms, where appropriate. Monitoring and review should involve all relevant stakeholders, as appropriate.

90. It is important that the United Nations system support Member States in mainstreaming the Vienna Programme of Action into their national and sectoral development strategies in order to contribute to the implementation of specific objectives of the Programme of Action. At the regional and subregional levels, regional and subregional organizations, including regional economic communities and regional development banks, are invited to mainstream the implementation of the Programme of Action into their relevant programmes, in coordination with the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and the regional commissions and within their existing mandates.

91. The Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States is urged to ensure coordinated follow-up to and effective monitoring of and reporting on the implementation of the Vienna Programme of Action and to undertake advocacy efforts at the national, regional and global levels. It is also urged to work, in collaboration with other relevant stakeholders, on developing relevant indicators for measuring progress in implementing the Programme of Action in landlocked developing countries.

92. Clear reflection of the interests of the landlocked developing countries in the post-2015 development agenda is also crucial for the successful implementation of the Vienna Programme of Action and coherence with the global process.
