HIGH-LEVEL MEETING ON SUSTAINABLE TRANSPORT OF LANDLOCKED DEVELOPING COUNTRIES

Venue: Los Tajibos Hotel, Santa Cruz, Bolivia

Date: 13-14 October 2016

Concept note

International context

The Second United Nations Conference on Landlocked Developing Countries (LLDCs), held in Vienna in November 2014 reinvigorated the commitment of the international community to addressing the needs and challenges of the LLDCs. The Conference adopted the Vienna Programme of Action for the LLDCs for the Decade 2014-2024 (VPoA). The VPoA is a comprehensive and action-oriented development agenda, with an overarching goal to address the special needs and challenges of LLDCs in a more coherent manner and thus contribute to sustainable development and poverty eradication. It underscores the commitment of the international community to support the world’s 32 LLDCs in dealing with challenges related to landlockedness, remoteness and geographical isolation. The VPoA’s six priority areas include: (i) fundamental transit policy issues, (ii) infrastructure development and maintenance, (iii) international trade and trade facilitation, (iv) regional integration and cooperation, (v) structural economic transformation, and (vi) means of implementation. The VPoA demonstrates the renewed and strengthened partnerships between LLDCs, their transit neighbours and their development partners, while also calling for strengthened partnerships within the context of South-South and triangular cooperation and partnerships with the private sector.

As follow-up to the VPoA, the High-Level Follow-up Meeting to the Second United Nations Conference on the LLDCs was held in Livingstone, Zambia from 2 to 4 June 2015. The Livingstone Call for Action for the Accelerated Implementation of the VPoA, adopted at the conclusion of the Conference, stresses the key actions required to ensure the implementation of the VPoA.

In September 2015, world leaders committed themselves to promote an equitable global economic system in which no one is left behind when they adopted the 2030 Agenda for Sustainable Development. The 2030 Agenda acknowledges that the most vulnerable countries, including LLDCs deserve special attention, while supporting the full implementation of relevant strategies and programmes of action, including the VPoA. The 17 SDGs are relevant for the LLDCs in their pursuit of
achieving sustainable development. The outcome of the Third International Conference on Financing for Development, held in July 2015, the Addis Ababa Action Agenda (AAAA) strengthens the framework to finance sustainable development and the means of implementation for the 2030 Agenda. Both the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda recognize the special challenges and needs of LLDCs and support the implementation of the Vienna Programme of Action. They also contain commitments with regard to infrastructure development including transport infrastructure that are of critical importance to the LLDCs.

More specifically, SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation, includes a target to develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure to support economic development and human wellbeing, supported through enhanced financial, technological and technical support to, amongst others, LLDCs. Furthermore, SDG 11 includes a target to provide, by 2030 access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations. SDG 3 on health includes a target on road safety to by 2020 halve the number of global deaths and injuries from road traffic accidents. In addition to these direct references, other SDGs, including those on food security, gender equality, education, sustainable economic growth, and others, will be achieved only with real progress in sustainable, accessible and equitable transport systems.

The AAAA recognizes the special challenges and needs of the LLDCs and reaffirms the need to address the special challenges and needs of LLDCs in structurally transforming their economies, harnessing benefits from international trade and developing efficient transport and transit systems. It stresses that technical assistance and improvement of trade-and transit-related logistics are crucial in enabling LLDCs to fully participate in and benefit from multilateral trade negotiations, effectively implement policies and regulations aimed at facilitating transport and trade and diversify their export base. The AAAA also encourages multilateral development banks, including regional banks, in collaboration with other stakeholders, to address gaps in trade, transport and transit-related regional infrastructure, including completing missing links connecting LLDCs within regional networks.

In addition, the AAAA called for the establishment of a global infrastructure forum, led by the multilateral development banks to help bridge the infrastructure gap and provide a platform for building and enhancing multilateral collaborative mechanisms on infrastructure. It will encourage a greater range of voices to be heard, particularly from developing countries, to identify and address infrastructure and capacity gaps in particular in LDCs, LLDCs, SIDS and African countries. The inaugural 2016 Global Infrastructure Forum was jointly organized by the multilateral development banks (MDBs) in partnership with key UN agencies and development partners at the World Bank on 16 April 2016. At the Forum, the MDBs and development partners committed to undertaking actions to improve data and information on infrastructure; promoting compatible, efficient approaches; strengthening project preparation and promoting financing for infrastructure.

Corresponding with the increased international attention that transport has been gaining, the first ever Global Sustainable Transport Conference, convened by the United Nations Secretary-General is scheduled to take place on 26-27 November 2016 in Ashgabat, Turkmenistan. The Conference will be dedicated to the role of transport in ensuring international cooperation, stability and sustainable

---

1 Based on A/RES/70/197.
development, focusing on all modes of transport, including rail, road, air and sea and all regions and parts of the world and financing for sustainable transport.

The High Level Advisory Group on Sustainable Transport (HLAG-ST) established by the United Nations Secretary-General and launched in August 2014 will also produce the first global sustainable transport outlook report. The Advisory Group represents all modes of transport including road, rail, aviation, marine, ferry, and urban public transport providers, along with Governments and investors. The outlook report is to include concrete recommendations for more sustainable transport systems that can address rising congestion and pollution worldwide, particularly in urban areas, and are actionable at global, national, local and sector levels. The launch is being envisaged for the end of October 2016 at the UN Headquarters in New York.

The importance of transport for the LLDCs

Owing to their long distances from the sea, landlocked developing countries face disproportionately high transport and transaction costs, which intensify their comparative disadvantages relative to other developing countries. According to World Bank data, the LLDCs pay trade costs that are more than twice that of the transit countries and these costs have been increasing over time. In 2014, the average cost for LLDCs to export and import a container was $3,443 and $4,343, respectively, compared with $1,301 and $1,559 for transit developing countries. The real costs of trade, including transport and other costs of doing business internationally, are important determinants of a country’s ability to participate fully in the world economy. Accordingly, LLDCs’ share of global exports was estimated to have been less than 1 per cent in 2015. These unique challenges of LLDCs are stemming from their geographical location, as well as being further exacerbated by inadequate physical infrastructure, lack of effective implementation of a conducive legal framework on transit transport, low productive capacities and low diversification and value addition of their economies and exports.

Given their geographical location, increasing connectivity is a critical objective for the LLDCs in order to reap the benefits of globalization. Establishment of integrated, sustainable and efficient transport systems is a critical element in this endeavour. Priority 2 of the Vienna Programme of Action (VPoA) focuses on infrastructure development and maintenance, with transport infrastructure as one of the sub-priorities. The specific objectives of the Vienna Programme of Action on transport infrastructure development are: (a) to significantly increase the quality of roads, including increasing the share of paved roads, by nationally appropriate standards; (b) to expand and upgrade the railway infrastructure in landlocked developing countries, where applicable; and (c) to complete missing links in the regional road and railway transit transport networks. Furthermore under its priority area on fundamental transit policy issues, the VPoA sets the ambitious specific objectives of reducing travel time along corridors with the aim of allowing transit cargo to move 300-400 kilometres per 24 hours; significantly reducing the 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. In order to achieve these specific goals within the ten years of implementing the VPoA, it is important that the transport infrastructure is well developed to reduce trade transaction costs and transport costs.

Transport infrastructure in LLDCs is typically inadequate to support their greater integration into regional and global trading networks. As measured by the World Bank Logistics Performance Survey based on surveyed opinions of transport and logistics professionals, the quality of trade and transport-related infrastructure in LLDCs, while increasing since 2007, has always been lower than that of the transit developing countries and developed countries. While road transport system is the leading mode
of transport for most LLDCs, available data indicates that LLDCs have relatively poor road networks compared with their transit country neighbours\(^2\). The road system in LLDCs is generally characterized by missing links and poor maintenance and the percentage of paved roads is still low. Even though LLDCs made much effort to expand and upgrade their road transport infrastructure, those efforts need to be accelerated. It is also important to establish or improve railway networks in LLDCs since transport via railways is a low-cost option suited to the export needs of LLDCs and also generates less carbon emissions and congestion than road transport. In addition, transport systems today also need to be sustainable. Yet, many LLDCs are ill equipped for developing sustainable transport. The LLDCs therefore need to have transport systems that are sustainable, efficient, reliable and have seamless connectivity.

For LLDCs, close cooperation with transit countries in their respective regions on transport is a necessity for enhancing their connectivity and competitiveness. An important area for promoting regional integration is through regional infrastructure activities and the development of transport corridors, which have the potential to address the challenges arising from a fragmented approach to national transport policies. Indeed, Governments and multilateral funds and programmes have invested in the development and enhancement of corridors in order to stimulate regional economic development. The Trans-Asian Railway, Asian Highway network and Trans-African Highway for example connect many LLDCs to internationally recognized regional corridors.

It is, however, critical to close the missing links in road and rail networks in regions with LLDCs to improve connectivity for those countries and reduce their transport costs. Closing the existing infrastructure gap in LLDCs, and transit developing countries, is central to the successful implementation of the 2030 Agenda and the VPoA. It will require financing from all sources, including public, private, public-private partnerships, ODA, South-South and Triangular cooperation and innovative sources. Increased efforts will be needed, from all sources, to close the infrastructure financing gap. There are some existing sources of infrastructure financing for LLDCs at the regional level, such as for example the Initiative for the Integration of Regional Infrastructure in South America (IIRSA), the Programme for Infrastructure Development in Africa (PIDA) or the Central Asia Regional Economic Cooperation (CAREC) programme of the Asian Development Bank.

Yet, given the large infrastructure gaps, the role of development partners and global and regional financial institutions is critical in order to leverage more resources in the infrastructure sectors. New sources of financing for infrastructure development have also emerged. These include for example the New Development Bank BRICS (NDB BRICS), the Asian Infrastructure Investment Bank (AIIB), the Infrastructure Fund of the Association of Southeast Asian Nations, the Global Infrastructure Hub and the World Bank’s Global Infrastructure Facility. The latter was launched in 2014 as a partnership among governments, multilateral development banks, private sector investors and financiers—designed to provide a new way to collaborate on preparing, structuring and implementing complex projects that no single institution could handle on its own. LLDCs need to be supported to take full advantage of these and other opportunities, including the Global Infrastructure Forum, for securing funding for infrastructure development.

During the Second UN Conference on LLDCs in Vienna in November 2014, His Excellency Evo Morales Ayma, President of the Plurinational State of Bolivia announced the intention of the Government of Bolivia to host a high-level meeting on landlocked developing countries.

\(^2\) A/70/305
It is in this context that the Government of Bolivia, UN-OHRLLS and UN Department of Economic and Social Affairs (UN-DESA), are organizing the High-level meeting on sustainable transport of landlocked developing countries, in partnership with other development partners, including ECLAC, World Bank, UNCTAD, UNDP and others.

Objectives of the Meeting

The objectives of the meeting include:

i. To review the progress made by LLDCs, as well as challenges, in the development and maintenance of efficient transport systems;
ii. To review the linkages between the Vienna Programme of Action and the 2030 Agenda for Sustainable Development in the area of transport;
iii. To share ideas, lessons learned and good practices on how to improve transit transport infrastructure and sustainable transport systems for increased connectivity of the LLDCs, and on how to enhance mobilization of financing for infrastructure development and maintenance;
iv. To identify strategies, new measures and recommendations on how to further improve transport infrastructure development and maintenance in LLDCs and how to strengthen cooperation on transport for the benefit of LLDCs;
v. To contribute the perspectives of the LLDCs to the global conference on sustainable transport to be held in November 2016 in Turkmenistan.

Participation

The Meeting will be attended by Ministers of Transport from the 32 landlocked developing countries. Ministers of transport of transit developing countries, selected development partners, as well as representatives of UN system programmes, agencies and departments, other international, regional and sub-regional organizations and financial institutions, private sector representatives, non-governmental organizations, the academia and other stakeholders will also be invited to participate at senior official level.

Expected outcomes

1. Define new strategies, cooperation initiatives and policy recommendations on how to develop and further improve transport systems for the benefit of the LLDCs and how to promote sustainable transport in the LLDCs.
2. Strengthen capacity of government officials to implement strategies and policies related to transport issues to achieve the 2030 Agenda and the SDGs as well as VPoA.
3. Increase awareness of the Ministers and senior officials of the VPoA and the 2030 Agenda and their implementation.
4. Share knowledge and experience on how to improve transport and connectivity among landlocked developing countries and transit countries.
5. The report of the meeting will provide a tool for lobbying and advocacy on transport issues for the LLDCs.
6. The conclusions and recommendations of the meeting are expected to feed into the first global sustainable transport conference to be held from 26-27 November 2016 in Turkmenistan.
Co-organizers

The Government of Bolivia, UN-OHRLLS and UN DESA will co-organize the High-level meeting on sustainable transport of landlocked developing countries, in partnership with other development partners, such as ECLAC, World Bank, UNCTAD and UNDP. These organisations are being consulted.

Format

The High-level meeting on sustainable transport of landlocked developing countries will be a two-day event, consisting of an opening ceremony, an interactive debate, thematic sessions and the closing ceremony. At its conclusion, the meeting will adopt a Communiqué of the Ministers of Transport of LLDCs.