

Session 6

ENHANCING PARTNERSHIPS AND THE MEANS OF IMPLEMENTATION

BACKGROUND

The overall weak transport and insufficient infrastructure in LLDCs including inadequate human capacity and the LLDCs reliance on transit through neighbouring countries are the reason for high levels of transport and trade transaction costs. These challenges substantially erode LLDCs' opportunities to competitively integrate into global trade. Improved infrastructure development and maintenance and regional integration underpin economic development and achievement of overall sustainable development in the LLDCs. The financing needs for infrastructure development and maintenance are however exorbitant for LLDCs to manage on their own given their level of development.

cooperation on infrastructure projects; increased foreign direct investment; strengthened South-South and triangular cooperation and enhancing the role of the private sector in infrastructure development have been emphasised as being important to closing the infrastructure financing gap faced by LLDCs and their transit developing countries. Other financing mechanisms including the use of Public-Private Partnerships (PPPs) and infrastructure bonds have also been highlighted as well as exploring new and innovative sources of development finance for infrastructure development.

Despite the huge financing gap faced by the LLDCs, sources of external financing including ODA, FDI and remittances have been showing a fluctuating and a downward trend. In 2014, net ODA to LLDCs decreased slightly by 1.1 per cent over 2013, from \$26.2 billion to \$25.9 billion. FDI inflows to landlocked developing countries also fell by 3 per cent, to \$29.1 billion in 2014 and 67 per

The VPoA reiterates the importance of physical infrastructure in forging the overall development of the LLDCs. It recognises that development and maintenance of transit transport infrastructure, ICT and energy infrastructure are crucial for LLDCs and should be given special attention. The VPoA underscores the need to improve all forms of transport infrastructure including rail, road and inland waterways, within the LLDCs and across the borders. In this regard, the VPoA sets specific objectives of significantly increasing the quality of roads, including increasing the share of paved roads; expanding and upgrading the railway infrastructure in LLDCs, where applicable; and completing missing links in the regional road and railway transit transport networks. On energy and ICT infrastructure, the VPoA underscores their importance of improving connectivity and sets the following specific objectives: require the LLDCs to expand and upgrade, as appropriate, infrastructure for supply, transmission and distribution of modern

and renewable energy services in rural and urban areas; make broadband policy universal; promote open and affordable access to Internet for all; and address the digital divide.

Closing the infrastructure financing gap to achieve seamless connectivity of the 32 LLDCs would require a huge amount of resources. While the Vienna Programme of Action recognizes that the development of any country is the primary responsibility of the country itself, it underscores the importance of strengthened and expanded partnerships among landlocked developing countries, their transit neighbours, their development partners and other stakeholders for the successful implementation of the Programme of Action. In this regard, enhanced domestic finance and harnessing of remittances; enhanced Official Development Assistance (ODA); forging sub-regional and regional



Photo: Vietnam, Nathalie Capitan, Flickr.

further dropped in 2015 from \$29.1 billion to \$24.5 billion. Remittances to landlocked developing countries also fell by 6 per cent, to \$29.8 billion in 2014.

The Livingstone Call for Action for the Accelerated Implementation of the VPoA adopted at the High-Level Follow-up Meeting to the Second United Nations Conference on the LLDCs held in Livingstone, Zambia in June 2015 stresses the key actions required to ensure that the VPoA's priority areas of infrastructure development and maintenance and regional integration are successfully achieved. It stresses that the international community should work towards at-least doubling annual investments for infrastructure development in the LLDCs from all sources, domestic resources, official development assistance, north-south, south-south and triangular cooperation and public-private partnerships and national and multilateral development banks, in order to bridge the infrastructure gap and close the missing links.



AIM OF THE SESSION:

This session will discuss and share experiences on how to enhance partnerships and international initiatives and means of implementation to support strengthening of cooperation between the LLDCs and transit countries to increase their trade potential and overall sustainable development.

ISSUES TO BE DISCUSSED:

- How can the LLDCs effectively mobilise resources including ODA, aid for Trade, technical and capacity building support for effective implementation of the VPoA?
- How can the LLDCs strengthen South-South and triangular cooperation and private sector collaboration to achieve the objectives of the VPoA?
- How can the region build on the existing collaboration and cooperation initiatives to further enhance regional connectivity?
- What are some of the best practices for public-private partnerships, particularly for infrastructure investment?
- What are some of the initiatives that LLDCs can use to attract more diversified FDI with that aim of enhancing productive capacity, transit transport infrastructure?



UN-OHRLLS



@UNOHRLLS



<http://unohrlls.org>