Annual Ministerial Meeting of Foreign Ministers of Landlocked Developing Countries

28 September 2018  
10:00am - 1:00pm  
Conference room 5  
UN Headquarters, New York

Concept Note

Theme: Revitalizing partnerships to enhance the implementation of the VPoA and the 2030 Agenda for sustainable Development
Background

The LLDCs are faced with challenges related to their geography that deprive them of direct access to seaborne trade, compounded by the long distance from major international markets, cumbersome transit procedures, inadequate transport infrastructure and dependence on the political stability, infrastructure and institutional quality of coastal transit countries. LLDCs, face substantially increased total expenses for transport and other transaction costs because of the additional border crossings and long distances from major markets. The high cost of trade is a major stumbling block to LLDCs’ equitable and competitive access to global markets and their ability to fully harness their trade and overall sustainable development potential. These challenges have major implications on economic growth, and social and environmental aspects of development including the achievement of the SDGs.

To address the challenges of the LLDCs, the international community adopted in 2014 the Vienna Programme of Action (VPOA) for Landlocked Developing Countries for the Decade 2014-2024. The VPOA, which is also an integral part of the 2030 Agenda for Development, offers a holistic approach to improving the integration of LLDCs into the global economy through the following priority areas: Fundamental Transit Policy Issues; Infrastructure Development and Maintenance; International Trade and Trade Facilitation; Regional Integration and Cooperation, Structural Economic Transformation, and Means of Implementation. The full and effective implementation of the VPOA is critical for LLDCs in achieving the Sustainable Development Goals (SDGs).

Over the years, noticeable progress has been made in raising awareness of the special needs of the LLDCs. The 2030 Agenda for Sustainable Development, and the Addis Ababa Action Agenda recognizes the special needs of the LLDCs. The three UN Regional Commissions (ECA, ESCAP and ECLAC) have adopted resolutions on mainstreaming of the VPOA for the LLDCs at national level and in their work. UNCTAD, ITC and UNECE also have specific programmes focused on LLDCs. There has also been noticeable inclusion of LLDCs in key resolutions, high level outcomes and declarations of the General Assembly as well as in ECOSOC. Whilst there is increased visibility, recognition of the specific challenges of the LLDCs as well as putting in place programmes for the LLDCs, more remains to be done to achieve sustainable development by the LLDCs. There is therefore the urgent need to translate the VPOA and other decisions and plans into tangible results which can facilitate the achievement of the SDGs.

Real GDP growth for the LLDCs (based on 2010 constant USD) continued to decline to 2.76 per cent in 2016, its lowest level since 1998. The thirty-two (32) LLDCs account for less than 1% of global merchandise trade and the exports of LLDCs remain concentrated in very limited number of products and their trade structures have not become more diversified over time, in comparison to global average. LLDCs’ combined impact on world manufacturing is negligible. As measured by their share of world manufacturing value added and of world manufacturing trade, LLDCs accounted for only 0.39% and 0.31%, respectively. This suggests that LLDCs have very limited capacity to produce and export manufactured goods. Foreign direct investment is a vital component of development finance for landlocked developing countries. The share of FDI flow into landlocked developing countries account for less than 2% of global inflows. In 2016, FDI flows to the 32 landlocked developing
countries amounted to $24.3 billion. The decline in FDI flows to landlocked developing countries, which began in 2012, continued for the fifth consecutive year. According to UNCTAD, FDI inflows in 2016 fell by 14 per cent to $7 billion in 16 African landlocked developing countries. Whilst e-commerce continues to grow and transform the trade landscape and opening of international trade opportunities, the LLDCs are left behind leading further marginalisation. This is due to, amongst other challenges the continue high costs for broadband. Whereas the monthly fixed broadband price is 1 per cent of per capita monthly gross national income (GNI) in developed countries and 22 per cent in transit developing countries, it is 108.8 per cent in LLDCs. Similarly, the average price of a mobile cellular sub-basket in 2016 is much higher in landlocked developing countries in comparison with transit and developed countries.

The LLDCs recognise that the development of their countries is their primary responsibility and therefore continue to make concerted efforts to address their developmental challenges to achieve sustainable development. However, lack of adequate financial resources and capacity constraints are some of the biggest challenges facing landlocked developing countries in their efforts to achieve sustained growth and sustainable development. Partnerships are therefore important for the implementation of the Vienna Programme of Action and the 2030 Agenda. The support of development partners is therefore necessary to complement the efforts of landlocked developing countries to establish and maintain effective transit transport systems, integration into the world economy, structural transformation of their economies and enhancement of their productive capacities. The cooperation of the transit countries in developing and maintaining transit infrastructure as well as facilitating the movement of goods in transit is also fundamental. South-South and triangular cooperation also have a role to play in increasing the growth and development of landlocked developing countries through the sharing of best practices, human and productive capacity-building, financial and technical assistance and technology transfer. The private sector has a fundamental role to play in the development of the LLDCs including through infrastructure development, technology and skills transfer, and research and development partnerships. The Vienna Programme of Action also recognises the importance of the organizations and bodies of the United Nation system, relevant international organizations, such as the World Bank, the regional development banks, the World Trade Organization, the World Customs Organization, the common funds for commodities, regional economic integration organizations and other relevant regional and sub-regional organizations in its implementation.

In its resolution 72/232, the General Assembly of the United Nations decided to convene a comprehensive high-level midterm review on the implementation of the Vienna Programme of Action, to be held no later than December 2019. It also decided that the high-level midterm review shall be preceded by regional preparatory meetings and that the Office of the High Representative should coordinate the preparatory process. Relevant United Nations system organizations including the United Nations Conference on Trade and Development, the United Nations Development Programme, the regional commissions and other relevant organizations, within their respective mandates and within existing resources were also invited to provide support to the preparatory process and to the Mid-term review itself. The General Assembly also decided that the midterm review and its preparation shall be conducted within existing resources and that all costs relating to the midterm review and its preparation shall be financed through voluntary contributions.
The mandate of the General Assembly on the comprehensive high-level midterm review on the implementation of the Vienna Programme of Action clearly demonstrates the fundamental role of partnerships in the review process and the implementation of the Vienna Programme of Action. In the run up to the Midterm Review, it is necessary to strengthen these partnerships for effective cooperation to facilitate the Midterm Review and the implementation of the VPoA as well as the outcome of the midterm review. The Ministerial meeting therefore offers an opportunity to bring together the LLDCs, transit countries, development partners, the private sector particularly at the beginning of the process of the midterm review of the VPoA.

2. Objectives

The key objectives of the Ministerial Meeting include the following:
- Review the progress made by the LLDCs in the implementation of the Vienna Programme of Action and the 2030 Agenda for Sustainable Development including identifying the challenges faced;
- Share knowledge, experiences and innovative approaches on implementation of the Vienna Programme of Action and the 2030 Agenda for Sustainable Development;
- Identify recommendations and opportunities for accelerating synergies and implementation of the 2030 Agenda for Sustainable Development and the Vienna Programme of Action at the national level in LLDCs, as well as regional and global levels;
- Provide substantive inputs to the comprehensive High-Level Midterm Review on the implementation of the Vienna Programme of Action; and
- Identify innovative mechanisms for partnership building and resource mobilization to accelerate the implementation of the VPoA and the 2030 Agenda for Sustainable Development by the LLDCs.

3. Expected Outcome

The Ministerial Meeting will reinforce the political commitment to the implementation of the Vienna Programme of Action and is expected to come up with substantive inputs to the comprehensive High-Level Midterm Review on the implementation of the Vienna Programme of Action aimed at accelerating its implementation together with the 2030 Agenda for Sustainable Development. The meeting will adopt a Ministerial Declaration of the Group of Landlocked Developing Countries.

4. Participation

The Ministerial Meeting will be attended by Ministers and High-Level officials from the 32 LLDCs. Ministers and High-Level Officials from transit developing countries, development partners and representatives of UN system and other international and regional organizations will also be invited to participate.

5. Documentation Available online

i) The Vienna Programme of Action for LLDCs for the decade 2014-2024;
ii) Transforming our world: the 2030 Agenda for Sustainable Development;
iii) The Addis Ababa Action Agenda;
iv) The WTO Trade Facilitation Agreement;
v) General Assembly Resolutions on the LLDCs; on the HLPF;
vi) Report of the Annual Meeting of Foreign Ministers of Landlocked Developing Countries held in 2017
vii) Astana Ministerial Declaration
viii) Ulaanbaatar Declaration