Report of The Inaugural Intergovernmental Meeting of the International Think Tank for LLDCs

Ulaanbaatar, Mongolia
11-12 June 2018
Note

This report contains the proceedings of the Inaugural Meeting of the International Think Tank for LLDCs which includes written statements and summaries of PowerPoint presentations that were delivered.

The views expressed therein are those of the presenters and do not necessarily reflect the views of the United Nations.
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<td><strong>ADB</strong></td>
<td>Asian Development Bank</td>
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<td><strong>AI</strong></td>
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<td><strong>AP-IS</strong></td>
<td>Asia-Pacific Information Superhighway</td>
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<td><strong>ARDI</strong></td>
<td>Access to Research for Development and Innovation</td>
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<td>Baku-Tbilisi-Ceyhan Pipeline</td>
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<td><strong>ECOSOC</strong></td>
<td>United Nations Economic and Social Council</td>
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<td><strong>FDI</strong></td>
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<td><strong>GCF</strong></td>
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<td><strong>GDP</strong></td>
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<td><strong>GNI</strong></td>
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<td><strong>HLPF</strong></td>
<td>High-Level Political Forum</td>
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<td><strong>ICT</strong></td>
<td>Information and Communications Technology</td>
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<td><strong>IP</strong></td>
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<td><strong>IRU</strong></td>
<td>International Road-transport Union</td>
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<td><strong>IT</strong></td>
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<td><strong>M&amp;E</strong></td>
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<td><strong>PDR</strong></td>
<td>People’s Democratic Republic</td>
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<td><strong>RECTs</strong></td>
<td>Regional Electronic Cargo Tracking System</td>
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<td><strong>SCT</strong></td>
<td>Single Customs Territory</td>
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<td>Sustainable Development Goals</td>
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<td><strong>SITC</strong></td>
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<td><strong>TANAP</strong></td>
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<td><strong>TASIM</strong></td>
<td>Trans-Eurasian Information Super Highway</td>
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<td><strong>TDB</strong></td>
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<td>Trade Facilitation Agreement</td>
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<td><strong>UN</strong></td>
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<td>United Nations Conference on Trade and Development</td>
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<td><strong>UN-OHRLLS</strong></td>
<td>United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States</td>
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<td><strong>VPOA</strong></td>
<td>Vienna Programme of Action for the LLDCs for the Decade 2014-2024</td>
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<td><strong>VNR</strong></td>
<td>Voluntary National Review</td>
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<td><strong>WCO</strong></td>
<td>World Customs Organization</td>
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Message of the United Nations Secretary General to the Inaugural Meeting of the International Think Tank for Landlocked Developing Countries

I congratulate the Governments of the landlocked developing countries for the inauguration of the International Think Tank for LLDCs.

I also commend the Government of Mongolia for hosting the Think Tank and for its leadership in operationalizing this important endeavour. The establishment of the Think Tank as the first intergovernmental body dedicated to landlocked developing countries is a milestone in efforts to address their special needs.

The Think Tank aims to be a centre of excellence for research and policy advice, and to strengthen the analytical capacities of LLDCs on issues of critical importance to their development. In so doing, the Think Tank will foster informed solutions, promote national ownership, and help accelerate implementation of the 2030 Agenda and the Vienna Programme of Action.

The United Nations stands ready to work closely with the Think Tank and all landlocked developing countries as we strive together to achieve the Sustainable Development Goals and a better future for all. I wish you a successful meeting.
EXECUTIVE SUMMARY

The inaugural meeting of the International Think Tank for LLDCs took place in Ulaanbaatar, Mongolia on 11-12 June 2018. The meeting was organized by the Government of Mongolia, the International Think Tank for LLDCs, and UN-OHRLLS.

The 32 Landlocked developing countries (LLDCs) face development challenges owing to their geographical disadvantage of lacking direct territorial access to the sea and their remoteness and isolation from world markets. The LLDCs agreed to establish an International Think Tank for LLDCs through a UN Treaty - Multilateral Agreement for the Establishment of an International Think Tank which came into force on 6 October 2017. To date, 12 LLDCs ratified the Agreement and are members of the think Tank: Afghanistan, Armenia, Bhutan, Burkina Faso, Ethiopia, Kazakhstan, Kyrgyzstan, Lao PDR, Mongolia, Nepal, Paraguay, Tajikistan. The Think Tank has been working under an interim management in Ulaanbaatar, Mongolia with the financial support of the Government of Mongolia. Following the entry into force of the agreement, the Think Tank held its first Board of Governors’ meeting on 21 and 22 May 2018 that established the secretariat and made important decisions about the operations of the Think Tank.

The Think Tank is the first intergovernmental body of the LLDCs that will help them to build their capacities to address their special needs. The goal of the International Think Tank for LLDCs is to use top-quality research and advocacy to improve the ability of LLDCs to address their special needs with a view to having them benefit from the international trade system, reduce poverty, and for overall achievement of the Sustainable Development Goals. It also aims to strengthen the collective voice of LLDCs at global level, including at the UN, to defend their interests. The knowledge generated will help inform the formulation and monitoring of policies aimed at accelerating the implementation of the 2030 Agenda and the Vienna Programme of Action.

Following the first Board of Governors’ meeting of the Think Tank, the inaugural meeting of the International Think Tank for LLDCs was held. The main goal of the inaugural meeting was to formally launch the operation of the ITT for LLDCs and provide a platform to the LLDCs to have an opportunity to express areas of interest that can shape future collaboration with the ITT for LLDCs. The Meeting through thematic multilateral discussions identified the special needs of LLDCs, challenges and international development issues that could be considered for future work and suggested some recommendations. The meeting adopted an outcome document the Ulaanbaatar Declaration that contributes to the future work of the ITT and would contribute to the Midterm Review of the Vienna Programme of Action.

The meeting started off with the opening session where the following presented: H.E. Deputy Prime Minister of Mongolia; Ambassador of Paraguay and Chair of the Group of LLDCs; the Under Secretary-General and High Representative who all presented statements that welcomed the establishment of the International Think Tank for LLDCs and stressed its importance in addressing the special needs of the LLDCs. They all acclaimed that the Think Tank is the very first intergovernmental body of the LLDCs and this marked a major milestone. The statements also highlighted the need to look at issues affecting LLDCs such as climate change, desertification, land degradation, migration and others.
The message of the United Nations Secretary General was read in this session by Mr. Sandagdorj Erdenebileg, Chief, Policy Coordination, Development, Monitoring and Reporting Service, UN-OHRLLS. The message indicated that the ITT by becoming a centre of excellence for research and policy advice, and to strengthen the analytical capacities of LLDCs on issues of critical importance to their development, will foster informed solutions, promote national ownership, and help accelerate implementation of the 2030 Agenda and the Vienna Programme of Action.

**Introduction of the International Think Tank for LLDCs**

This session included a presentation provided by the Executive Director of the ITT. He provided an overview of the journey towards the establishment of the ITT from the time the idea was first proposed by the President of Mongolia in 2006 in Havana to date. The presentation also highlighted the achievements that have been accomplished under interim management and highlights of the future vision.

The Chairperson of the Board of Governors of the ITT for LLDCs presented the outcome of the first meeting the Board of Governors that was held last month including the relevant decisions, on Draft General Principles and Rules of Procedure for the operation of the International Think Tank, Draft Host Country Agreement, Financial and budgetary issues including setting-up a Trust Fund of the International Think Tank, the election of the Executive Director of the International Think Tank for LLDCs. She also indicated that the Governors also agreed that the next session of the Board should be held in the fourth quarter of 2019.

In the ensuing discussion, member states expressed their readiness to collaborate with the Think Tank. Participants stressed the following points:

- The ITT should ensure that member country specific research should be undertaken.
- The ITT should link up with domestic/national Think Tanks and try to find homegrown solutions.
- The ITT should conduct research that includes transit countries.

**Future collaboration within the framework of the ITT for LLDCs**

Presentations in this session were made by the following member states Bhutan, Kazakhstan, Paraguay, and Azerbaijan, and UNDP and UN-OHRLLS. In the ensuing discussion several Member States made interventions including Nepal, Ethiopia, Afghanistan, Lao PDR and Mongolia and WIPO. The key issues that were raised include the following:

- The ITT, should augment the analytical capabilities of LLDCs, especially, in the six specific areas of the VPoA (1) fundamental transit policy, (2) infrastructural development, (3) international trade and trade facilitation, (4) regional integration and cooperation; (5) structural economic transformation and (6) means of implementation).
- The ITT should better prepare LLDCs community for the High-Level Comprehensive Mid-term Review of the Vienna Programme of Action in 2019 – it should be involved in the preparations of the VPoA.
- The ITT should facilitate sharing of success stories on regional integration and conduct regional studies on issues relevant to LLDCs. It should also look at ways the LLDCs could foster cooperation between LLDCs and transit countries and how to improve regional connectivity.
- The ITT should work on areas to support the full implementation of the SDGs by the LLDCs.
- LLDCs need more entrepreneurs who can export, the ITT should address this.
• The ITT should do country specific research.
• Research should focus on infrastructure development, trade expansion, trade facilitation and regional integration.
• The ITT should cooperate with regional organizations.
• The ITT should carry out in-depth research on converting “landlockedness” into “landlinkedness” and on various ways the LLDCs can diversify their economies.
• It is also important that ITT should focus on attracting more FDI by conducting more research on building capacities, raising confidence of investors through minimizing risks and creating more conducive domestic environment.
• The Think Tank should share results of studies with the concerned member states before finalizing.
• The International Think Tank, as an intergovernmental organization, should be actively engaged with relevant UN intergovernmental bodies, including GA, ECOSOC, HLPF, UNCTAD Trade and Development Board and other organizations.
• The ITT should request the Global Chair of the LLDCs to submit a draft resolution to seek observer status of the Think Tank at the UN General Assembly.
• The ITT should obtain membership or observer status from these and other intergovernmental bodies.
• The ITT should also harmonize its theme of research and policy analysis with the international development agenda and the work of these bodies so that LLDCs use its research and assessment as reference points for their negotiations.
• The ITT should cooperate with the LLDCs in New York and in Geneva.
• The knowledge generated by the ITT should help inform the formulation and monitoring of policies aimed at accelerating the implementation of the 2030 Agenda and the Vienna Programme of Action.
• Think Tank Member States are encouraged to contribute to the financial needs of the Think Tank.
• The ITT should make efforts for resources mobilization.

Foreign Direct Investment and Economic diversification of LLDCs

Five presentations were made that covered global, regional and national experiences on the impact of FDI on diversification. After the presentations several countries and organizations made observations and contributions. Some highlights of the session:

• LLDCs need technical support to create conducive business environment needed to attract FDI - investment facilitation
• Technical and capacity building assistance need to be increased – contracts, bankable projects, on investment facilitation or on preparing investment briefs.
• LLDCs need assistance to design strategic diversification approaches that includes use of industrial policies --- the selective promotion of certain targeted economic activities over others.
• The government should nudge private sector towards targeted economic activities that are more likely to increase productive activities and diversify the economy, with clear benchmarks for success so that there is a sunset timeframe for infant industry protection.
• International investment agreements can help balance the rights and obligations of states and investors, which could help negate some negative impacts of FDI.
• Science, technology and innovation are important in achieving structural economic transformation, productive capacity development and value addition in LLDCs,
• Possible area of future research is impact of Belt and road initiative on international business and trade facilitation.
• National security is important for promoting diversification.
• There is need to explore what countries with little diversification should do – maybe they should focus on trade expansion.
• Countries fail to diversify because of high trade costs – it’s important to include looking at transit countries in order to find ways of improving diversification.

ICT-Connectivity and LLDCs
The session had 4 panelists followed by interactive discussion. Some of the highlights that are of relevance to the LLDCs and ITT include:

• Promote strategies to increase international bandwidth – missing or lack of access to international fibre-optic cables, (infrastructure sharing and co-deployment and financing of ICT infrastructure development).
• Support conducive regulations for development of ICT infrastructure; and resilient ICT infrastructure (E-resilience);
• Support access to affordable and reliable energy sources;
• Experience sharing on technology leapfrogging which is a means of achieving the cutting edge in connectivity and ICT development.
• How can FDI be attracted to ICT.
• Undertake ICT requirements & gaps study, then make an integration between related LLDC’s.

Infrastructure Development, Transit Transport Corridors and trade facilitation: Challenges and opportunities of LLDCs
Five presentations were made followed by a discussion. Key highlights include
• Many countries are concerned whether their airlines and company can survive with liberalization – LLDCs should be encouraged to liberalize their airspace.
• It is important to establish cargo connectivity.
• Modern, efficient and resilient transport infrastructure is important. Promote sharing of transport, energy and ICT should share
• Closing the existing infrastructure gap is critical
• Resource mobilization for infrastructure development is important from all sources
• Capacity building or skills development for both infrastructure development and trade facilitation
• Corridor approach important
• Rapid Implementation of the WTO TFA is crucial
• Capacity to effectively implement multilateral, regional and bilateral transport and trade agreements such as WTO TFA
• Increased cooperation between LLDCs & transit countries necessary - for infrastructure and trade facilitation.
• Data collection critical and Maintain strong M&E mechanisms to assist policy makers on informed decisions.
• Sharing of experiences
• Cooperation between LLDCs and their transit neighbors - Continuously negotiate collaborative and mutually beneficial transit-transport agreements with transit neighbors.
• Trade facilitation and export diversification should go hand in hand;
- Promote greater use of ICTs in customs modernization and clearance systems
- Harmonizing and streamlining of policy, legal framework and regulations.
Ulaanbaatar Declaration of the Inaugural Conference of the International
Think Tank for LLDCs, June 11-12, 2018

We, the Ministers of the Landlocked Developing Countries (LLDCs), having met for the
Inaugural Conference of the International Think Tank for LLDCs in Ulaanbaatar, Mongolia,
on 11 and 12 June 2018:

Recalling and emphasizing the importance of the 2030 Agenda for Sustainable Development,
the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-
2024, the Addis Ababa Action Agenda, and the UN General Assembly resolution 72/232 that
convenes a high-level comprehensive midterm review of the Vienna Programme of Action,

Reaffirming the overarching goal of the Vienna Programme of Action of addressing the special
development needs and challenges of LLDCs arising from their landlockedness, remoteness
and geographical constraints in a more coherent manner and thus contributing to an enhanced
rate of sustainable and inclusive growth, which can contribute to the eradication of poverty in
all its forms and dimensions, including extreme poverty.

Taking note of the Astana Declaration adopted at the Ministerial Meeting of LLDCs on Trade
and Transport held in Astana, Kazakhstan on 16 and 17 May 2018.

Have adopted the following:

1. We recognize that the lack of territorial access to the sea, aggravated by remoteness from
world markets and by high transit costs and risks, imposes constraints on the export earnings,
private capital inflow and domestic resource mobilization of LLDCs and therefore adversely
affects their overall growth and socioeconomic development;

2. We emphasize that the establishment and maintenance of secure, reliable, efficient and
quality infrastructure and transit transport systems remains critical for LLDCs to enable them
to reduce transport and trading costs, enhance their competitiveness and become fully
integrated in regional and global markets;

3. We stress the importance of building infrastructure that is resilient to natural disasters and
strengthening of infrastructure sharing between transport, energy and ICT sectors, to leverage
synergies;

4. We emphasize that trade facilitation is critical to address the high trade costs faced by the
LLDCs, and call for a rapid ratification and implementation of the WTO Agreement on Trade
Facilitation, where applicable. We encourage the LLDCs and transit countries that have not yet
notified their category C measures and their capacity needs to do so to take advantage of the
technical assistance opportunities. We urge members to continue to provide technical, financial
and capacity-building assistance to LLDCs, on a sustainable basis, for the effective
implementation of the Agreement;

5. We invite the LLDCs that have not done so to accede to and ratify, as appropriate, relevant
international, regional and sub-regional conventions and other legal instruments related to trade
facilitation and ensure their effective implementation, with a view to reducing trade costs and delays for the LLDCs\(^1\);

6. We reaffirm our commitment to intensify our efforts to build productive capacities, pursue structural economic transformation, encourage export diversification and integrate into the global and regional value chains. In doing so, we will lay the foundations for poverty eradication, employment generation and inclusive economic growth;

7. We stress the need for renewed and strengthened partnerships for development to support LLDCs in diversifying their economic base and enhancing value addition to their exports through the development of productive capacities, including through private sector involvement, and the development of small and medium-sized enterprises;

8. We underline the prominent role that foreign direct investment plays in accelerating development and poverty reduction through employment, the transfer of managerial and technological know-how, on mutually agreed terms, and non-debt-creating flows of capital and call upon LLDCs to promote an enabling environment to attract foreign direct investment and private sector involvement;

9. We recognize the opportunities provided by digital technologies, including space technology in facilitating trade, regional and global integration including through the use of electronic commerce and call on development partners, and multilateral development banks to enhance financial and technical assistance to the LLDCs in order to develop the necessary hard and soft ICT infrastructure as well as the necessary legal framework and policies;

10. We welcome the inauguration of the International Think Tank for LLDCs on 11 June 2018. The International Think Tank will enhance the analytical capabilities of the LLDCs, provide home-grown research to cater for their specific needs, promote the interests of the LLDCs as well as strengthen their collective voice at global level including at the UN;

11. We encourage the International Think Tank for LLDCs to undertake research and capacity development for the LLDCs and to strengthen research collaboration with relevant international organizations including UN-OHRLLS, UNCTAD, UNDP, WTO and others, and with research institutions, think tanks, and other stakeholders in all the 6 priority areas of the Vienna Programme of Action including: fundamental transit policy issues, infrastructural development and maintenance, international trade and trade facilitation, regional integration and cooperation, structural economic transformation, and means of implementation and foster coherence in the implementation of the Vienna Programme of Action with the Sustainable Development Goals;

12. We further encourage the International Think Tank for LLDCs to undertake research in areas that are of key importance to the LLDCs including climate change, desertification, agriculture, digital economy and others;

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13. We call upon all the Member States, including LLDCs, transit countries and development partners, United Nations system organizations and other stakeholders including the private sector and foundations to provide voluntary contributions to the International Think Tank;

14. We urge all LLDCs that have not yet ratified the Multilateral Agreement for the Establishment of an International Think Tank for LLDCs to do so at their earliest convenience;

15. We call for the successful preparation of the comprehensive high-level midterm review of the implementation of the Vienna Programme of Action for LLDCs in accordance with the General Assembly resolution 72/232;

Acknowledgements
16. We thank the Government of Mongolia for its generous financial support and for hosting this Conference, in collaboration with the International Think Tank for LLDCs, and for its hospitality extended to us during our stay in Ulaanbaatar;

17. We express our sincere appreciation for the efforts undertaken by Paraguay in its capacity as the Global Chair of the Group of LLDCs and in its capacity as Coordinator for trade and development issues of the Group of LLDCs in Geneva;

18. We express our gratitude for the substantive support and financial contribution of the UN Office of the High Representative for LDCs, LLDCs and SIDS (UN-OHRLLS) to the organization of this Conference;

19. We also express our appreciation to the active participation and substantive contributions of the development partners, UN system organizations, international and regional organizations, the private sector, civil society and other stakeholders.
Introduction

The Inaugural Intergovernmental Meeting of the International Think Tank (ITT) for Landlocked Developing Countries (LLDCs) took place in Ulaanbaatar on 11th and 12th June 2018. The Meeting was organized by the Mongolian Ministry for Foreign Affairs, the International Think Tank for LLDCs, and the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS).

The meeting brought together ministers and senior government representatives from all the LLDCs and developed countries; and representatives from the UN and other international organizations, international financial institutions and representatives of the private sector. It consisted of an opening ceremony and 3 thematic sessions involving interactive discussions, and concluded with a closing ceremony. At its conclusion, the meeting adopted an outcome that will contribute to the development of a roadmap for the priority areas of the ITT for LLDCs and will provide inputs to the Midterm Review of the VPoA. The Declaration raises pertinent issues crucial for successfully harnessing the trade potential of the LLDCs to accelerate the implementation of the Vienna Programme of Action and the 2030 Agenda for Sustainable Development.

The objectives of the meeting were to provide the LLDCs with the possibility to attend the first inaugural meeting of the ITT, and to have an opportunity to express areas of interest for future collaboration with the ITT for LLDCs. This occasion not only marked the historic inauguration of the ITT for LLDCs, but also provided an outlet for the facilitation of information and experience sharing through interactive discussions among government officials of LLDCs, donor countries and international experts during the thematic sessions. Thematic topics discussed included: Foreign Direct Investment and Economic diversification of LLDCs; ICT- Connectivity and LLDCs; and Infrastructure Development, Transit Transport Corridors and trade facilitation: Challenges and opportunities of LLDCs.

The meeting also informed attendees about the ITT for LLDCs, whose work centers on utilizing top-quality research and advocacy to improve the ability of landlocked developing countries to build their capacities with a view to benefiting from the international trade system, including WTO negotiations, with the aim of raising human development and reducing poverty and achievement of the Sustainable Development Goals. Throughout the meeting, LLDC Member States and all stakeholders identified priority areas of interest for future collaboration with the ITT for LLDCs, enhanced networking via a fruitful exchange of ideas, and shared knowledge and relevant experiences on what needs to be done to effectively and sustainably tackle the challenges faced by LLDCs.
Opening Session

H.E. Mr. Enkhtuvshin U., Deputy Prime Minister of Mongolia; H.E. Mr. Raul Silvero, Ambassador of Paraguay to Mongolia, Global Chair of the Group of LLDCs; and Ms. Fekitamoeloa Katoa ‘Utoikamanu, Under Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States presented statements. Mr. Sandagdorj Erdenebileg, Chief. Policy Coordination, Development, Monitoring and Reporting Service, UN-OHRLLS read the message of the United Nations Secretary General.

Statement by Mr. Raul Silvero, Ambassador of Paraguay to Mongolia, Global Chair of the Group of LLDCs

Today, on behalf of the Government of the Republic of Paraguay, I join the Government of Mongolia and the International Think Tank for Landlocked Developing Countries in celebrating the inauguration of the International Think Tank for the Landlocked Developing Countries – bringing one of the aspirations of our Group into reality.

The International Think Tank for Landlocked Developing Countries aims to become a Centre of excellence for economic research and policy advice, benefiting landlocked developing countries in our efforts to address the specific development constraints and challenges. Also, we must use the Think Tank as a centre who will help us to improve our negotiating capacity as well as our ability to conduct top researches in different fields of the global economy, particularly in those common issues that matter the most for LLDCs, like trade facilitation, infrastructure, digital economy, connectivity, among others.

The International Think Tank for the Landlocked Developing Countries is being formally launched when we are four years into the implementation of the Vienna Programme of Action and in the third year of the 2030 Agenda for Sustainable Development. The timing is good as we are trying to foster coherence in the implementation of the Vienna Programme of Action and the 2030 Agenda.

We are also trying to ensure successful integration of the Vienna Programme of Action in the implementation of the other Development Frameworks including the Addis Ababa Action Agenda, the Paris Agreement, the Sendai Framework for Disaster Risk Reduction, the WTO Trade Facilitation Agreement and others.

The Landlocked Developing Countries face various challenges which are directly related to the inherent lack of territorial access to the seas. This situation profoundly increases our transaction costs for our imports and exports as compared to our coastal neighbours. This has consequently eroded our competitive edge, slowed economic growth and ultimately, negatively affected our capacity to promote sustained socio-economic development. High transport costs remain a key obstacle to our equitable access to global markets. Our economies remain highly vulnerable to commodity price volatility, and experience impact from other pressures, such as climate change, desertification, land degradation and drought.
To succeed in achieving the SDGs and to ensure that we leave no one behind, we will need to ensure that the Vienna Programme of Action is fully implemented since the Programme is also integral to the 2030 Agenda.

This International Think Tank is the first intergovernmental organization of the landlocked developing countries marking our commitment to work together to address our specific challenges.

The International Think Tank on the LLDCs will strengthen not only our analytical abilities but will also strengthen our coordination and common voice in global dialogue especially at the United Nations, at the World Trade Organization and in regional meetings.

The work of the Think Tank contributes to the effective implementation of the Vienna Programme of Action and the achievement of the SDGs by the LLDCs. I wish to recognize the extensive work that the Think Tank has already undertaken under interim management.

In my capacity as Chair of the Landlocked Developing Countries, allow me to convey the deep appreciation of my group to the Government of Mongolia for hosting the Think Tank and for its generous support. I also commend UN-OHRLLS for its hard work in providing necessary support.

I also wish to encourage and invite more LLDC members to ratify the agreement in addition to those who have already done so. I call on the LLDCs, development partners, international organizations, foundations, and the private sector to financially and technically support the Think Tank.

Opening Remarks by Ms. Fekitamoeloa Katoa ‘Utoikamanu, Under Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States

I have been looking forward for a long time to be with you! I thank you for your very warm welcome to all of us. Ever since my arrival, I have enjoyed the beauty of your capital and the vast expanses of nature surrounding it as I could see it from the flight. I am also told you have a vibrant cultural life and marvelous painters! So, I am truly honored to be with you.

This is a very important inaugural meeting. Today, you inaugurate not just the International Think Tank for Landlocked Developing Countries - you inaugurate the first intergovernmental body of the LLDCs Group. My sincerest appreciation goes to the Government of Mongolia and the International Think Tank for your invitation to OHRLLS to co-organize this event.

It is our great honor to share with you the celebration of the operationalization of the Think Tank. The call for a Think Tank was first proposed by the Government of Mongolia at a meeting of heads of state of landlocked developing countries in Havana in 2006. In 2007, the Government of Mongolia hosted the Meeting of Trade Ministers of LLDCs. Here in Ulaanbaatar you then issued a declaration where the LLDCs agreed to consider setting up an International Think Tank. It took a while for the vision to turn into reality.
I sincerely thank the Government of Mongolia for nurturing this vision, for agreeing to host the Think Tank and supporting the interim management. The Think Tank would not have got off the ground without your generous support. Your continuous, consistent commitment and generosity to the LLDCs is widely recognized within the United Nations system. I am encouraged to see and deeply appreciate the presence of Ministers and senior officials from the LLDCs and the partners of the LLDCs who have come here to witness this important milestone.

Geography being geography, it is the lack of territorial access to sea routes of the LLDCs, compounded by remoteness from world markets and thus associated with very high transit costs and risks, constraining export earnings, private capital inflow and thus domestic resource mobilization. Yes, the very geography does adversely affect overall growth and socioeconomic development. Thus, the Vienna Programme of Action for LLDCs for the decade 2014 to 2024 recognizes that. The program is a holistic and results-oriented programme and reflects an international commitment to addressing the challenges of the LLDCs in a more coherent manner. The 2030 Agenda for Sustainable Development recognizes the special needs of the LLDCs, and the Vienna Programme of Action is an integral part of the Agenda. Only the effective implementation of the Vienna Programme of Action can lay the ground for the attainment of the SDGs.

The LLDCs continue to make some progress in implementing the Vienna Programme of Action. For example, progress has been made in areas such as acceding to key trade and transport facilitation agreements, including the WTO Trade Facilitation Agreement, and reducing transit travel times. Efforts are also underway to expand and upgrade road and rail transport infrastructure in all the regions with LLDCs. Efforts are underway to improve energy and ICT access. Initiatives to speed up transit and border-crossings between LLDCs and transit countries are being taken. Regional integration efforts are ongoing. In some LLDCs we can see encouraging progress to diversify and transform their economies on the road to sustainable and inclusive development. This is good news.

At the same time, there are areas where we have seen the slipping back of previously-realized advances. For example, we must take urgent note of the declining share of LLDCs in exports. We witness de-industrialization and declining foreign investment trends to LLDCs. LLDCs continue to account for less than 1% of global trade. LLDCs engagement in international trade is roughly 60% of that of their maritime neighbours.

When we add to that a major infrastructure deficit, including in ICT, transport and energy, these challenges render the achievement of the SDGs questionable if not unattainable for the LLDCs. It certainly does not facilitate your and our task that at present high and rapidly changing volatility, a multiplicity of crises, climate and environmental risks, a 6 questioning of the established multilateral order and financial and economic vulnerability seem almost the norm. This surely exacerbates and complicates the challenges LLDCs face from managing pro-actively the impact of climate change, migration and conflicts.

How to manage in this almost “perfect storm”? The “old” ways of doing, and this is a certainty I have, are not what we need to face the challenges of today and tomorrow. We need to collectively
become more creative. We need solid, verifiable, and relevant data, we need cutting-edge research and analysis to unravel challenges and build bodies of integrated policies.

Nothing short of this is what is needed to now accelerate the implementation of the Vienna Programme of Action and the interlinked goals of the 2030 Agenda. Time is not on our side; we must act fast. There must be strongly led national efforts integrated with regional and global support. That also implies that LLDCs have a strengthened capacity to present and negotiate informed positions and drive consensus-building on issues of vital concern to them and speak with one voice in different global fora.

It is against this backdrop where the Think Tank for LLDCs is so critical. The Think Tank is a tool, a concrete action step to provide you with value-added in addressing these areas of need of the LLDCs. The Think Tank is well positioned to generate knowledge by LLDCs for LLDCs. This knowledge has to be owned and national ownership has to translate it into policy action. There is no one-size fits all. Indeed, the knowledge generated will hopefully help inform the formulation and monitoring of policies you will put in place to accelerate the implementation of the 2030 Agenda and the Vienna Programme of Action.

I have no doubt that the Think Tank will contribute to further strengthening capacities of LLDCs and assist in the formulation of joint platforms and common positions for concerted actions. I also believe that the Think Tank will complement the work of the United Nations in support of the LLDCs.

Here, I must express appreciation and thanks to interim management of the Think Tank which has already delivered on some of these areas. OHRLLS has worked closely with the Interim Management and we have jointly organized events such as on national mainstreaming of the Vienna Programme of Action and trade facilitation for LLDCs.

In this context, allow me to also update you on the preparations for the High-Level Comprehensive Mid-term Review of the Vienna Programme of Action. The review meeting takes place in 2019 as called for in the United Nations General Assembly resolution that was adopted last December. The purpose of the review is to assess the progress made in implementing the Vienna Programme of Action, to identify achievements, obstacles and constraints and identify recommendations to accelerate implementation including achievement of the SDGs by the LLDCs. The Ministerial Meeting of LLDCs on Trade and Transport that we held in Astana, Kazakhstan on 16 and 17 May 2018 marked the beginning of the preparatory process for the midterm review meeting. The outcome of that meeting, the Astana Declaration, is an important input to the preparatory process. Our inaugural meeting also is very timely as its deliberations will feed into the preparatory process of the Midterm review.

I cannot stress enough how important it is that all LLDCs prepare national reports on the implementation of the Vienna Programme of Action and do remain fully and constructively engaged in the preparatory process. This is your platform, your voice moment.

Excellencies, in concluding, allow me to simply say that the key promise to all of the 2030 Agenda is to leave no one behind. The SDGs will just remain words if we cannot ensure that the LLDCs
and their peoples are fully included. Ours is important and urgent work ahead. We must ensure that we provide support to the LLDCs that is responsive to your needs and helps end extreme poverty, reduce inequalities and advances an inclusive and sustainable development. I strongly believe the Think Tank will provide you all with tangible and value-added service.

You have my personal assurances that OHRLLS will continue to make every effort to promote the Think Tank. We will also look at ways how we can enhance our collaboration with the Think Tank including through joint activities to address the special needs of the LLDCs. OHRLLS, and as mandated by you the member states, will also intensify our efforts to leverage the entire UN system capacities to ensure a coordinated follow-up on the implementation of the Vienna Programme of Action.

I once more congratulate you all for the hard work over the years so we can inaugurate the Think Tank today and I call for strong financial and in-kind support for the Think Tank’s important service work to you.

I am pleased to inform you that I have received the message of the Secretary General of the United Nations to this meeting. The message is yet another demonstration of the Secretary General’s commitment to the most vulnerable groups of countries, including the LLDCs.

With your kind permission, Mr Chair, I would like to invite my colleague Mr Erdenebileg, Chief of Policy development, coordination and reporting service for the LDCs, LLDCs, and SID in my office to read out this message. I thank you.
Introduction of the International Think Tank for LLDCs

Introduction of the International Think Tank for LLDCs by Mr. Odbayar E., Executive Director, ITT for LLDCs

First, let me please congratulate you and us on the inauguration of the ITT for LLDCs. We have come a long way since its initiation, towards the full-scale operationalization of this International Think Tank. Because we have been talking about the history and the building process of the ITT over several years, I would like to give you a presentation that looks at the past, present and future; but mostly the present and future. A main goal of my presentation is not only to showcase what we’ve been doing over the last years, but also to make this presentation a very pragmatic one, and show what kinds of cooperation models we have used over the past couple of years.

I have divided my presentation into five parts, but the achievement part will be the main part, looking at the multilateral agreement and its entry into force, what we have done since the launching, what we are doing now, and looking forward; what I am envisioning for the ITT to accomplish in the next three years. So, I would like to briefly look at our history since 2006 as the distinguished speakers before me mentioned. It was the time of the official initiation by the Government of Mongolia, followed by the Ulaanbaatar Declaration, the launching of the Think Tank in 2009 by H.E. Secretary General Ban Ki-moon, and the 2014 document signing for our project on the operationalization of this International Think Tank with the UNDP and the Government of Mongolia.

On the achievement part, I would like to say that the Interim Secretariat has been working quite actively, not only in Mongolia but also elsewhere in trying to reach out to member states, and doing some advocacy work with the ITT. Here we are standing in Ulaanbaatar at the inauguration ceremony after 16 seminars and 16 workshops and lectures on different topics very important to LLDCs: 8 launching events of high level luncheons; launching events of high quality research papers; participations and attendances in international events and workshops; and I have stopped counting bilateral meetings after 825; so we have gone a long way up to this point.

I would like to introduce to you some of our activities we have organized in the past, starting in 2012 and 2013. All the topics I would like to mention here are selections of international events we have organized in Mongolia, in other hubs, and also in other LLDC capitals. And the Think Tank has always been very active in choosing topics important to member states.

Our first ever workshop we organized here was a lecture on economic development models in landlocked countries, looking at a case study in Lao PDR, with our partner organization, the Japanese External Trade Organization in 2013, followed by a lecture on the law of the sea and the interests of the LLDCs. The first printed publication of the Think Tank was exactly on the topic that Her Excellency, the High Representative, was mentioning, the WTO Trade the Facilitation Agreement. In 2014, it was very special because the Think Tank Interim Secretariat was the first international Secretariat which looked at the implications of the WTO Trade Facilitation Agreement for LLDCs. We have organized a presentation here in Ulaanbaatar, in cooperation with UN-OHRLLS, and we have looked at the impacts and obligations that we would have if we were
to ratify the WTO Trade Facilitation Agreement. As we all know, this has entered into force and member states are joining.

Of course, roundtable meetings with international partners are an essential part of the ITT, and it will still be a very important part of the ITT’s activities in the future to come, because we are an intergovernmental organization dependent on member states and on donors. We have also organized several high-level luncheon events in the capitals of landlocked developing countries, but most importantly in the United Nations Headquarters in New York for the LLDC groups.

We don’t just organize events for high-level dignitaries but also to introduce papers or new publications for the ITT to review or launch. Such high-level luncheons for LLDCs were so far organized in Bangkok, Geneva, and Kenya. A national workshop on the mainstreaming of the Vienna Programme of Action (VPoA), in cooperation with the MFA and also UN-OHRLLS was successfully organized in Ulaanbaatar in 2016, and this was regarded as a very important mainstreaming meeting in Mongolia because we introduced the VPoA with six priority areas, and talked about how to mainstream this Programme of Action of the LLDCs into their national development plans and agenda.

A series of joint seminars on Mongolia’s three policy issues were also an interesting event we held here, where we also invited developing countries in the region, and as you can see, I have selected this activity because we wanted to show that the ITT is open to collaboration with research institutes from the region, global research institutes and think tanks; one of them is ERINA, the Economic Research Institute for Northeast Asia, which is located in Japan, and we also have to look at the best practices of the region and also the sub-region. The next picture shows us the launching data of our handbook, which was the first-ever handbook for LLDCs on multinational trade negotiations. This handbook was launched in 2016 and has become a very famous handbook for practitioners and negotiators of LLDCs when it comes to multilateral trade negotiations in these areas. As the High Representative and the Deputy Foreign Minister were mentioning, capacity-building is a key area for LLDCs and will be a key part of our work in the future at the Think Tank.

Dry ports are also a very important topic. Many member states are also talking about using dry ports. They asked the Think Tank for a comparative study on dry ports regarding which countries are using dry ports and where the bottlenecks are; we are committed to the topic of dry ports for LLDCs and we are beginning to talk about this topic, and have also started some small- and medium-sized research projects regarding this topic. We also organized launching events on our paper which dealt with sea access from Mongolia and other LLDCs. We have looked at the best practices between India and Nepal and Mongolia and China, and it was a comparative legal study that showcased how LLDCs could use foreign ports and where the limitations and possibilities are. There are several examples in Africa which we will look at in the future.

The Think Tank has also worked on its research methods in the past, and we have introduced a geographic assimilation model, which has been used by the IMF and the World Bank, and has also been used by the Institute of Developing Economies of the Japanese External Trade Organization. We have developed a capacity to train our researchers, who are able to use this technology and system of research in order to simulate the impact of economic development, and also infrastructure and FDI, and how these could have an impact on economic development in LLDCs.
We have launched this system in Mongolia for LLDCs in 2016. We have also entered several types of partnership agreements, one of which is with the University of Wollongong in Australia. Another one is with the University of Sydney. We also have our researchers here from Sydney University today, with whom we have researched poverty issues in Southeast Asia.

I want to add that the range of topics that we must cover is quite large. Of course, we are guided by the six priority areas of the Vienna Programme of Action (VPoA). Based on the requests of member states, we can touch upon those topics, as well as health and ICT topics. These are some examples that we have, and we wanted to show you that the Think Tank has not only been working in Mongolia and New York, but also in regional hubs in Bangkok, Geneva, and Addis Ababa to reach out to member states and launch and disseminate the research work we have done. There are examples from UN ESCAP and Geneva. At ESCAP we are always present at the ESCAP Summit here in May, and organize a LLDC high level luncheon.

We were part of the Almaty Programme of Action review process in 2013, even in our earliest interim management phase. We have been part of several Asia Pacific trade facilitation fora, where the ITT was also invited as an intergovernmental body. The second UN conference in LLDCs in Vienna marked a very important year for the ITT as we had been actively contributing towards the designing of the VPOA and the launching process in Vienna. The international think tank has also become an official observer of the ADB since 2015, and since then we have been participating in the observers’ meetings throughout the world. I just wanted to showcase that the ITT is working with universities, governments, development agencies, and regional and international banks to fulfil its mandate as an intergovernmental body.

At the High-Level Forum for LLDCs, which is convened every year in New York alongside the General Assembly, we have been part of the LLDC Foreign Ministers’ Meeting every year, where we report to member states what we have done and what we are going to do in the next couple years. Ministerial meetings in Nairobi and other regional meetings are also very important for LLDC Think Tank, where we use such opportunities to network and strengthen partnerships, and look for themes and topics important to the member states.

The Logistics Conference for the Northern Region in Seoul for 2016 was also very interesting not only for the ITT but for LLDCs as well. As the ITT must be a center of knowledge and expertise, we must have the information and capacity and knowledge of all regions concerned to LLDCs. I can also say the Ashkhabad Meeting on Sustainable Transport was also a key achievement in terms of participation on the highest level.

Here, I wanted to highlight that in 2013 we launched our website, which has been visited quite actively ever since. In 2013, at the Annual Ministerial Meeting of LLDCs in New York, we launched this website. In 2014 we added an electronic library and forum. This e-library is a valuable library for all LLDCs. We spend a lot of time gathering already-existing material for LLDCs, and get official permissions to publish them on our website. Member states can go there and find publications not only from our website but also from partnerships, universities, and UN bodies that are dealing with the same issues we face. This e-library was created because the ITT is not allowed to duplicate work, so we must know what kind of papers already exist out there. At the same time, we’re helping researchers and partners with our e-library. The forum is a very
modern one; it’s a platform for all member states which can also be used as a closed forum to negotiate and consolidate our opinions and positions. There is also an open forum for researchers to exchange views and data.

These are the publications that we have produced at the ITT over the last 6 years, three of which will be introduced within the framework of the Inaugural Meeting within the 3 Thematic Sessions:

![ITT Publications](image)

The networking of the ITT has always been a key operation of the Think Tank. An international body that has no networking capacities is of course not really successful, so we started networking quite early in 2012. Here are some logos and pictures of our partner organization we already have:

![Network of the ITT for LLDCs](image)
The Multilateral Agreement is the key document of the ITT. The 2010 Ministerial Meeting endorsed the text of the Agreement and Article 12.1 says that it entered into force on the 6th of October 2017; I would like to take this opportunity to call on member states to ratify the Multilateral Agreement and start benefitting from your own Think Tank. The entry into force was last year and we successfully organized a joint press conference in New York with Her Excellency the High Representative and the Chair from Zambia, announcing the agreement has entered into force. After its entry in to force, it was important to organize a first-ever board meeting and establish the board. The meeting of the board of governors was successfully organized on the 21st of May.

Now, I will briefly talk about the way forward. What I want to achieve in the next three years are four things.

Firstly, the ITT needs to be placed on very sound financial footing; this will be an important part of my job in the next 3 years, and includes the setting-up process of the trust fund that we must establish per the Multilateral Agreement.

Second, we must further enlarge and extend the membership of LLDCs.

Third, we must intensify networking and outreach activities; we must strengthen and widen these as we seek more cooperation with partner organizations.

Fourthly, we must execute the ITT’s core mandate; we must deliver and continue to be a think tank and knowledge-based intellectual organization.

Potential cooperation can be covered by the VPoA core areas, but we are not limiting ourselves just with that; development partners and developed countries are also important partners of ITT.

The WTO and ITC are organizations we’d like to approach next year. We have already established cooperation agreements with groups like UNESCAP and ADB, which we will validate in the next couple of months.

Research institutes like ADBI are also core partners of the ITT, as we also seek their support. Universities are also part of our cooperation as we need their capacity and researchers, and international universities can also learn from our experience as an international think tank.

The cooperation modalities can be joint research, joint projects, joint implementation, event planning, joint seminars, workshops and lectures, where we can always gather information and build or capacity.

Statement on the International Think Tank for LLDCs by H.E. Ms. Battsetseg B. Deputy Foreign Minister of Mongolia

It is with great pleasure that I am reporting to you in my capacity as the Chair of the Board of Governors of the International Think Tank for LLDCs. As you are aware, the Multilateral
Agreement for the establishment of an International Think Tank for LLDCs entered into force on October 6, 2017. As of today, Afghanistan, Armenia, Bhutan, Burkina Faso, Ethiopia, Kazakhstan, Kyrgyz Republic, Laos, Mongolia, Nepal, Paraguay and Tajikistan having ratified the Multilateral Agreement, became members of the International Think Tank.

As stated in Article 6 of the Multilateral Agreement, the Board of Governors is the highest authority of the international think tank, established by the abovementioned agreement. In accordance with the Agreement, member states have appointed their Governors to the Board of the International think tank, formally establishing the Board of Governors in May 2018. The first meeting of the Board of Governors was successfully organized on May 21, 2018, in Ulaanbaatar, Mongolia. The first meeting of board members of the International Think Tank elected Mongolia as the Chair of the Board of Governors.

During its first meeting the Board of Governors discussed key issues relating to the operation and management of the International Think Tank and took the relevant decisions, including - Draft General Principles and Rules of Procedure for the operation of the International Think Tank, - Draft Host Country Agreement to be signed between the International Think Tank and the Government of Mongolia, - Financial and budgetary issues of the International Think Tank, - Proposal for the election of the Executive Director of the International Think Tank for LLDCs. Governors expressed their appreciation for the work and achievements accomplished during its interim management phase by the Secretariat under the leadership of the Interim Director in general and praised the excellent preparation work done by the Secretariat regarding the Rules of Procedure and other prepared documents in particular.

Governors thoroughly discussed draft documents and urged the Secretariat of the International Think Tank to ensure that all relevant documents concerning its operation are consistent with the Multilateral Agreement and made proposals to make relevant changes as requested by member states. Governors discussed several options for setting-up a Trust Fund of the International Think Tank in line with article 8.3 of the Multilateral Agreement and there was consensus on the least cost principle approach as the guiding principle for financial planning and establishment of the International Think Tank Trust Fund. Governors also discussed the candidacy of Mr. Erdenetsoogt Odbayar, who has been serving as Interim Director of the International Think Tank since 2012, for the post of the Executive Director of the International Think Tank. It is with pleasure I report to you that all member states supported Mr. Odbayar Erdenetsoogt based on his proven capacity of strategic leadership, subject-matter knowledge, managerial competence and diplomatic skills electing and appointing him as the first Executive Director of the International Think Tank. Governors also agreed that the next session of the Board should be held in the fourth quarter of 2019.

In conclusion I would like to report that the Board took a number of further decisions that are key to the functioning of the International Think Tank. i) Mongolia and Paraguay are elected Chairperson and Vice-chair, respectively. In future, the vice-chairmanship rotates automatically to the country holding the chair of the Group of LLDCs in New York on the understanding that this country is party to the Multilateral Agreement. ii) The draft statute and the draft rules of procedure of the Board of Governors should be merged into a single document, avoiding duplications and address the International think tank as a whole. iii) The Secretariat should provide further
information on financial issues, including the setting up of a Trust Fund, based on a least cost approach. iv) The issues of the staffing of the ITT and its remuneration would be considered in light of the above. v) Mr. Odbayar Erdenetsogt is elected as an Executive Director of the ITTLLDC by acclamation. vi) The Secretariat will prepare and circulate the clean text of the General Principles and Rules of Procedure of the ITT within 7 days and put for silence procedure for 30 days. vii) The Board agreed on the text of the Host Country Agreement and authorized Executive Director Odbay to sign the host country agreement with the Government of Mongolia. viii) The Chairperson of the Board is requested to write a letter to the bilateral and multilateral donors asking for support for the ITT for LLDCs. ix) Member states of the Multilateral Agreement are requested to make voluntary contribution for the International Think Tank for LLDCs.

Finally, I would like to re-iterate my sincere welcome and appreciation for your active participation in this inaugural meeting and wish the International Think Tank for Landlocked Developing Countries a successful organization and fruitful meeting for all. Thank you for your kind attention.

Discussion

In the ensuing discussion after the presentations, participants noted that it was very important for future work of the ITT to focus on country specific topics with LLDCs. They stressed that the LLDCs should work with the national research centers. Participants underscored the importance of the ITT in providing analytical work and capacity building to the LLDCs. They noted and commended the achievements that the interim ITT made. Furthermore, the meeting participants noted that transit countries were of great importance for the success of the LLDCs and stressed the need for the ITT to undertake research work that also covers the transit countries.

The ITT indicated that they were ready to work on the country specific research approach and that they were ready to work with think tanks and research centers in LLDCs to analyze the specific challenges and to identify the solutions.
Future Collaboration Within the Framework of the ITT for LLDCs

Statement by Lyonpo Damcho Dorji, Honorable Minister of Foreign Affairs, Royal Government of Bhutan

It is a pleasure for me to be here in the beautiful city of Ulaanbaatar. I would like to express my appreciation to the Ministry of Foreign Affairs, Mongolia and the International Think Tank for Landlocked Developing Countries for convening this inaugural conference, the excellent arrangements made for the meeting, and the warm hospitality extended to me and my delegation. I wish to congratulate all member states of the ITT for LLDCs for ratifying the Multilateral Agreement for the Establishment of the International Think Tank. On our part we are proud to be associated with the body and express happiness with the formal operationalization of the ITT for LLDCs on 6 October 2017.

I would like to commend the leadership role taken by the Government of Mongolia in conceiving the idea for the establishment of a think tank for LLDCs, their efforts in seeking ratification by other LLDCs, and supporting the interim secretariat of the Think Tank till date. The signing of the host country agreement between the ITT and the Government of Mongolia is indeed a culmination of your efforts. I take this opportunity to also congratulate His Excellency Odbayar Erdenetsogt on his appointment as the first executive director of the International Think Tank for LLDCs and express our confidence in his leadership in taking the ITT forward. I also applaud the convening of the first meeting of the board of governors of the think tank last month and I congratulate and appreciate the work done by the members of the board in deciding on key issues related to the operation of the Think Tank.

Bhutan’s five-year development plans guided by the broad development philosophy of Gross National Happiness has consistently placed its people at the center of development and in this aspect, has been able to mainstream all the core elements of the Vienna Programme of Action. Being both a landlocked and least developed country, the six priorities identified in the VPOA finds good resonance in Bhutan’s development agenda to strive towards self-reliance, accelerated by green socio-economic growth through investments in strategic infrastructure and structural transformation.

While we continue to achieve strong growth, we recognize that most of it is driven by growth in the Hydropower sector and have already experienced significant economic imbalances making our economy vulnerable to external shocks. We continue to face formidable challenges in terms of economic and structural impediments to growth. The lack of direct access to seaborne trade, difficult topography and remoteness from major markets, poor infrastructure, and inefficient logistic systems compound the adverse effects of geography, leading to high trade transaction costs. These challenges not only affect our economic growth but also have major ramifications for social and environmental aspects of development.

The establishment of the ITT for LLDCs is timely which formalizes an institution that will strengthen the position of LLDCs. We believe that the ITT will be a useful resource for Bhutan and all member states and remain hopeful that the ITT will undertake concrete analytical studies
on LLDC related issues which will contribute to the formulation of strategies and policies for the effective implementation of LLDC development agendas and processes. The analytical studies conducted by the ITT on LLDCs-related issues will also enable us to undertake prudent policy decisions with the aim to benefit from international trade. The establishment of the ITT will also provide the Member States the opportunity to learn from each other’s experience and foster closer cooperation among LLDCs. Bhutan also looks forward to the possibility of exchange of scholars and researchers between ITT and our national organizations. This will be useful to facilitate sharing of experiences, information and network to better understand and undertake research on the challenges of LLDCs. As the ITT moves towards achieving its goal to improve the ability of LLDCs to build capacity in key areas by using top quality research and advocacy, it will be beneficial to collaborate with the national organizations and gaining their confidence which will facilitate the timely and effective implementation of recommendations.

In closing, I would like to reiterate Bhutan’s desire and commitment to work together and cooperate with other member states to foster convergent views and approaches towards addressing the common challenges faced by all LLDCs. Bhutan is committed in supporting the work of the International Think Tank through our voluntary contributions to the trust fund of the think tank. It is our hope that the ITT will promote a common platform and increase the capacity of member states in dealing with trade and transit related issues among others.

Statement by Hon. Pradeep Kumar Gyawali, Minister for Foreign Affairs of Nepal

First of all, I congratulate you all on the happy occasion of the Inaugural Meeting of the International Think Tank for the Landlocked Developing Countries (ITT LLDCs), which we are concluding today, and express my best wishes for the success of the Think Tank. I would like to thank and appreciate the Government of Mongolia for hosting this inaugural conference of the Think Tank and for the warm hospitality and excellent arrangements made for the Conference. I commend Mongolia for the leadership and important role it has played over the years towards establishing the Think Tank. I also recognize the role played by all member states of the Think Tank who helped to bring this important achievement in the form of an international think tank for land-locked developing countries.

It is never too late to start a good thing. The ITT represents a good beginning for our collective good. We believe that the Think Tank can and should play a critical role in promoting the interests of LLDCs. LLDCs have special development needs and challenges arising from their landlockedness, remoteness and geographical constraints. Addressing these challenges is key to their inclusive growth, which in turn will contribute to raising human development and reducing poverty in these countries. This is also the overarching goal of the Vienna Programme of Action (VPoA), with a focus on all six priority areas. Nepal considers that the VPoA should be mainstreamed in our national development policies and plans as well as that of transit countries. The work programmes of the United Nations and other international organizations designed to support the LLDCs should also be aligned with the objectives and goals of the VPoA in a coherent manner. We should also be able to harness the full potentials of science, technology and innovations, including the use of artificial intelligence and space technologies to overcome the constraints to the development of LLDCs. Technological innovations do have the potential to
reduce the burden of landlockedness and open up the vistas of opportunities. We heard a good deal of insights in this regard today.

As we are preparing for the Mid-Term Review of the implementation of VPoA in 2019, we acknowledge that the implementation of the 2030 Agenda for Sustainable Development should be in tandem with the VPoA, for a much-needed synergy which will help us to achieve results on the ground. As the first ever intergovernmental body of the LLDC group, the Think Tank has an important responsibility. It should be fully operationalized so that it can contribute, through top-quality research and advocacy, towards improving the ability of landlocked developing countries to build the capacity to benefit from international trade. The focus in this regard should be to carry out in-depth research on converting “landlockedness” into “landlinkedness” and on various ways the LLDCs can diversify their economies.

It is also important that ITT should focus on attracting more FDI by conducting more research on building capacities, raising confidence of investors through minimizing risks and creating more conducive domestic environment. Similarly, the ITT also needs to focus its studies and research on smoothening transit facilities and associated issues. The ITT’s role in equipping and preparing our representatives and diplomats in international trade negotiations can be crucial. In this regard, we thank the ITT for bringing out the useful Handbook for Practitioners. Backed with quality inputs and support, LLDCs will be in better positions to contribute to and benefit from such processes.

It is important to ensure adequate resources required for effective operationalization of the Think Tank. In this regard, Nepal is ready to contribute what it can, and for now pledges to make a modest one-time contribution of $30,000 for the Think Tank. Support from all sides will be important. We need to expand our outreach in order to encourage all fellow LLDCs to join the Think Tank. I also call upon all developed land-locked countries as well as transit countries, development partners and international organizations to continue their solidarity with LLDCs and support the Think Tank.

I conclude, Mr. Chairman, by highlighting one fact: the success of the Think Tank is also the success of LLDCs. So, we should join our hands for developing the Think Tank into a credible, respected and useful international organization. I thank you for your attention.

Statement by Hon. Brian C. Mushimba MP, Minister of Transport, Zambia

I am happy and feel greatly privileged to be with you in Ulaanbaatar as we extend our heartfelt congratulations to the Government of Mongolia on this momentous occasion – the inaugural meeting of the International Think Tank for Landlocked Developing Countries.

The establishment of the International Think Tank for LLDCs is a major achievement for all of us, as LLDCs as it brings into being our first ever intergovernmental body specifically dedicated to the cause of our countries. In this regard, I wish to commend Mongolia, Lao PDR, Armenia, Afghanistan, Kazakhstan, Burkina Faso, Paraguay, Kyrgyzstan, Tajikistan, Nepal, Ethiopia and 3
Bhutan for ratifying the Multilateral Agreement establishing the International Think Tank for Landlocked Developing Countries.

Ladies and Gentlemen, as immediate past Chair of the LLDCs, Zambia is in the process of acceding to the Multilateral Agreement for Establishing the International Think Tank for the LLDCs. The delay has been due to a change in our Constitution which has brought in changes in regard to the procedure for the ratification or accession to multilateral agreements. Nonetheless, I am confident that we will soon meet these requirements and be part of the International Think Tank (ITT) for LLDCs.

In the meantime, I wish to appreciate the work already being carried out by the ITT. I also wish to echo what others have pointed out with regard to the promotion of country specific research, bringing on board transit countries as well as the fact that the ITT should complement the work of other United Nations Agencies, especially the Office of the High Representative for LDCs, LLDCs and SIDS.

Being centrally and strategically located in south central Africa, Zambia is positioning itself to be a transport, logistics and communications hub. We have realized that being landlocked, after all can be used to our advantage as we transform ourselves into being land-linked with all our eight neighbouring countries.

We, therefore, look forward to a lot of research, learning and adopting of best practices from others. The International Think Tank is therefore, poised to offer informed solutions and aid us in the implementation of the Vienna Programme of Action and the 2030 Agenda for Sustainable Development.

I look forward to working and collaborating with the ITT in the near future.

Statement by H.E. Mr. Yerzhan Ashikbayev, Deputy Minister of Foreign Affairs of the Republic of Kazakhstan

On behalf of the Republic of Kazakhstan I would like to congratulate the Ministry of Foreign Affairs of Mongolia as well as the Secretariat of the UN Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States on the occasion of this first inaugural Conference which celebrates the opening of the International Think Tank for LLDCs aimed to help our countries to transcend their impediments on the way to sustainable development.

The Government of Mongolia has set up a high benchmark for all of us establishing such an important international institute and contributing financially to make it possible to launch the LLDCs ITT today. In this regard let me wish every success to Executive Director of the LLDCs ITT Ambassador Odbayar Erdenetsogt in making the work of this newly created center efficient and fruitful. Tackling the challenges of LLDCs continues to be my country’s active priority since we first hosted the Ministerial Conference of LLDCs, Transit Developing Countries and Development Partners in 2003. The historic Almaty Programme of Action (APoA) aimed to
provide the impetus to LLDCs to seek new opportunities and cooperate to launch numerous projects to achieve their development goals. Many collective strides were made. Today we inaugurate the LLDCs ITT, first launched by our Mongolian friends in 2007. A decade later, the Vienna Programme of Action (VPoA) was adopted with its eight strategic target areas to build upon the roadmap conceived in Almaty.

At the global level, it is important to continue to foster coherence in the follow-up and to monitor the processes of the VPoA and the 2030 Agenda and the Addis Ababa Action Agenda, such as the Financing for Development follow-up and the High-Level Political Forum, as well as other global agreements and processes such as WTO negotiations. That is why, we see the establishment of the LLDCs ITT today as quite an important part of the way forward to address the special development needs of those countries facing geographical constraints as well as economic barriers. We strongly believe that this Think Tank will help to elaborate collectively on some best practices via formulating new assessments to share the best experience on a way to sustainable development and, thus, to overcome these special impediments.

Just a month ago we convened the Ministerial Meeting of LLDCs on Trade and Transport in Astana on 16-17 May, back to back with the Astana Economic Forum to address these important issues and to kick off the thematic preparations for the above-mentioned Midterm Review of the VPoA. The outcome of the meeting, the Astana Ministerial Declaration, represents the first substantive inputs into the preparations for the Mid-term Review.

We expect that the ITT, which has already set up a high benchmark, will augment the analytical capabilities of LLDCs, especially, in the six specific areas of the VPoA ((1) fundamental transit policy, (2) infrastructural development, (3) international trade and trade facilitation, (4) regional integration and cooperation; (5) structural economic transformation and (6) means of implementation). Thus, better prepare LLDCs community for the High-Level Comprehensive Mid-term Review of the Vienna Programme of Action in 2019.

Being the biggest LLDC in the world and one of the most active supporters, Kazakhstan is well aware of the challenges that LLDCs face on the way to get sustainable prosperity. I would like to underline that the Agenda of the ITT remains to be quite vital for the countries of the LLDCs region. We recommend that the ITT should also look at regional projects that crosses the boarders.

The ITT should also consider providing analytical support to LLDCs in the preparations of their national reports to review the VPoA or the SDGs.

At the end, I reaffirm the commitment of my country to cooperate with its international partners in overcoming the economic impediments, which LLDCs face on their way to sustainable development and integration into the global economy.

I am convinced that the opening of such an important international institute as the LLDCs Think Tank is a significant step towards enhancing greater visibility for the Landlocked Developing Countries on the international stage and mobilizing global support for our efforts.
In its turn, Kazakhstan is ready to broadly cooperate including the use of its national expertise and practices as well as to participate in the multi-stakeholders projects within the LLDCs sustainable development agenda including the LLDCs International Think Tank. Thank you for attention.

Statement by H.E. Mr. Raul Silvero, Ambassador of Paraguay to Mongolia, Chair of the LLDC Group

In my capacity as Chair of the Landlocked Developing Countries, allow me to convey my deep appreciation once again for my group to the government of Mongolia for hosting the Think Tank and for its generous support. I would like to congratulate Ambassador Odbayar as well for his assignment as Executive Director of the ITT for LLDCs. I also wish to encourage more LLDC members to ratify the agreement, in addition to those who already have done so.

Allow me to also mention that within our group, we have 16 LDCs, and one of the challenges is to bring them actively on board in our group. We know that LDCs also are facing different challenges, but I think by working all together, we can give them support. The LLDCs face various challenges which are directly related to their inherent lack of territorial access to the sea. In the case of Paraguay, since 1624 – almost 500 years ago – as Paraguay was a Spanish colony we have had to face this type of situation. This situation profoundly increases our costs for our imports and exports in comparison to our coastal neighbors.

Our neighbors have the same context as developing countries, facing maybe the same or similar challenges such as poverty reduction, inequality, and so on. This has consequently eroded our competitive edge, has slowed economic growth, and has affected our capacity to promote sustainable socio-economic development. High transport costs remain a key obstacle. Our economies remain highly vulnerable to commodity price productivity, and have experienced impacts from other crises such as climate change, desertification, land degradation and droughts.

In Paraguay, we face three negative situations. We have few export commodities. Second, we have few markets. Third, we need more entrepreneurs, because we know of the nexus between trade and development. This is very important as is cooperation among us. Support from the ITT for LLDCs to diversify our economies is very important.

The other issue that I would like to mention is that to succeed in achieving the SDGs, and to ensure that we will leave no one behind, we will need to ensure that the VPoA is fully implemented, as the Programme is integral to the 2030 Agenda.

The 2019 midterm review of the Vienna Programme of Action is crucial. In this sense, the work of the ITT for LLDCs is very important and central.

I would like, finally, to call all LLDCs, international organizations, and foundations in the private sector to financially and technically support the Think Tank. Thank you very much.
Statement by H.E. Mr. Azer Huseyn, Ambassador at Large of the Ministry of Foreign Affairs of the Republic of Azerbaijan

First of all, I would like to greet all participants and express my sincere appreciation for organization of this Inaugural Conference of the International Think Tank for Landlocked Developing Countries here, in hospitable Ulaanbaatar.

On behalf of my country, I heartily congratulate the Government of Mongolia on this remarkable occasion and wish the International Think Tank for Landlocked Developing Countries every success in its future endeavours.

The Republic of Azerbaijan and Mongolia established diplomatic relations in 1992 and since then have enjoyed successful bilateral cooperation. The Minister of Foreign Affairs of Mongolia, H.E. Damdin Tsogtbaatar visited Azerbaijan in March 2018 and as part of his visit the two countries signed a Memorandum of Understanding on Cooperation between the Ministries of Foreign Affairs of the Republic of Azerbaijan and Mongolia.

We believe that Mongolia’s timely initiative on bringing landlocked developing countries together in a research institution will undoubtedly lead to the establishment of a unique platform for landlocked developing countries that assist them in search of joint solutions to shared problems.

Being a landlocked country, Azerbaijan is well familiar with challenges that this group of countries is commonly entangled in and therefore, continues to make efforts towards achieving inclusive growth and sustainable development since the adoption of the Vienna Programme of Action for Landlocked Developing Countries for the Decade of 2014-2024.

In accordance with this Programme our country has focused on development and implementation of a number of infrastructure projects of regional and sub-regional importance. Azerbaijan considers Vienna Programme of Action for LLDCs as another tool to ensure country’s sustainable development and efficient integration into the global economy, as well as to break into strategic markets.

Based on UN Secretary General’s request in accordance with UN General Assembly resolution 71/239 in 2017 the Government of Azerbaijan submitted comprehensive information on the status of implementation of Vienna Programme of Action at the national level as per six priority areas of the Programme: fundamental transit policy issues; infrastructure development and maintenance; international trade and trade facilitation; regional integration and cooperation; structural economic transformation; means of implementation.

Despite global economic volatility, Azerbaijan further continues its reforms on trade facilitation and transit-related measures, as well as advancement of transport and energy infrastructure as well as ICT.

Located at the crossroad of East-West and North-South international transport corridors, Azerbaijan has managed to become a pioneer in the region in initiating and enabling a number of strategic projects, such as Astara (Azerbaijan) - Astara (Iran) railway connection, Baku-Tbilisi-
Kars railway project, Baku International Sea Trade Port Complex, New Terminal of Heydar Aliyev International Airport and 5 other international airports located in the regions of Azerbaijan.

The new law on the establishment of Alat Free Economic Zone represents another priority of Azerbaijan’s policy aimed at strengthening its position as a regional logistics and transportation hub and create a multi-vector transport infrastructure.

Meanwhile, Azerbaijan has been successful in becoming one of the key players and investors in energy infrastructure projects in the South Caucasus region and beyond. Through initiating and implementing sustainable energy projects Azerbaijan has established itself as a reliable energy supplier and become a vital bridge between Asia and Europe (Baku-Tbilisi-Ceyhan Pipeline (BTC), South Caucasus Pipeline (SCP), Trans Anatolian Pipeline (TANAP) and Trans Adriatic Pipeline (TAP)).

Azerbaijan also emerges as an important ICT transit hub of the region, especially through the perspective implementation of Trans-Eurasian Information Super Highway (TASIM) project which is supported by relevant UN General Assembly resolutions and that will help to build broadband connectivity, promote development of ICT infrastructure and e-commerce across Eurasia and will further contribute to UN’s bridging the digital divide initiative.

My country has successfully accomplished Millennium Development Goals with the aim of timely and effective achievement of the Sustainable Development Goals (SDGs) and implementation of 2030 Sustainable Development Agenda.

The National Coordination Council for Sustainable Development was established in my country in order to streamline the relevant activities for achievement of SDGs and to ensure better coordination among all involved stakeholders. The Council is chaired by Deputy Prime Minister and this factor is another proof of the importance the Republic of Azerbaijan attaches to effective implementation of the SDGs.

In this context I should especially note that at the High-Level Political Forum held in New York on 10-19 July 2017 Azerbaijan presented its first Voluntary National Review (VNR) on implementation of the SDGs in the country sharing its experience gained and future plans. Besides, on 25-26 October 2018 the Government plans to convene “Baku Forum on Sustainable Development” with UN Country Office to discuss the means of implementation of the national SDG Agenda.

Bearing in mind the crucial role of development partners and multilateral organizations in supporting the efforts of landlocked developing countries to achieve SDGs and targets set in Vienna Action Plan and 2030 Sustainable Development Agenda, Azerbaijan looks forward to further cooperate with UN and UN Specialized Agencies to benefit from international experience on successful implementation of abovementioned projects.

Having in mind an importance of sharing experience, know-how, research and development and having an interest to further deepen the cooperation with landlocked developing countries Azerbaijan is interested in getting actively engaged in the activities of the Think Tank. At the same
time, we hope that this institution will further enhance friendly relations between our countries both on bilateral and multilateral platforms. In this regard, Azerbaijan is keen to join the Think Tank and final internal procedures are underway to this end in our country.

I once again express my heartfelt congratulations to our Mongolian colleagues and wish you all a fruitful conference.

**Statement by H.E. Ms. Beate Trankmann, Resident Coordinator, UNDP**

As the United Nations Resident Coordinator posted here in Mongolia, and as someone who has been closely involved with the ITT for LLDCs over the past few years, having had the pleasure working with Mr. Odbayar, it is my great honor and privilege to be asked to speak to you today. Let me join others in congratulating you all on this historic achievement of the establishment of the ITT for LLDCs.

As has already been noted, this is the first from several perspectives. It is indeed the first intergovernmental organization dedicated to landlocked developing countries, and it is also the first intergovernmental organization headquartered in Mongolia. I am convinced that the ITT for LLDCs, through its research, advocacy and networking platforms, will indeed make an important contribution to the implementation of the Vienna Programme of Action, as well as to the implementation of the 2030 Agenda for Sustainable Development.

The principal of leaving no one behind of the Sustainable Development Goals requires us indeed to make sure that landlocked developing countries participate and can benefit from global development advances, and I am sure that the ITT for LLDCs has an important role to play in this regard.

The UN Development Program here has been privileged to be working with the ITT from its early days. In 2010, UNDP supported an advisory mission to scope out the parameters of establishment of the ITT for LLDCs, and as mentioned by Mr. Odbayar in his presentation, since 2014, UNDP has been implementing a joint programme with the Government of Mongolia hosting the Interim Secretariat of the ITT for LLDCs on our platform and supporting the activities and research conducted by the ITT for LLDCs.

As UNDP, we stand ready to continue supporting the transition to a fully operational intergovernmental organization, including by supporting the establishment of a trust fund as well as the financial and operational systems of the ITT for LLDCs.

Let me, in closing, take the opportunity to wish all of you – member states of the ITT for LLDCs and the Center – all the best of luck and success in carrying out your important mandate. Thank you very much, and congratulations again.
Statement by Mr. Sandagdorj Erdenebileg, Chief. Policy Coordination, Development, Monitoring and Reporting Service, UN-OHRLLS

First let me congratulate LLDCs for the milestone achievement that formally inaugurates the International Think Tank. It is a very important event for our office too, as we have been closely involved in the process from the beginning, including drafting the intergovernmental agreement and its negotiations. Let me extend my sincere congratulations, Mr. Odbayar, for your appointment as the Executive Director of the Think Tank. It is a very well-deserved appointment because of your valuable contribution and hard work towards the formal operationalization of the Think Tank.

The importance of the International Think Tank goes beyond its title. It is not only a research center for LLDCs, but most importantly it is the first ever intergovernmental body of LLDCs. The expectations are high. The International Think Tank, as an intergovernmental organization, should be actively engaged with relevant UN intergovernmental bodies, including GA, ECOSOC, HLPF, UNCTAD TDB and other organizations. These intergovernmental bodies have a very important role to play for the follow up and review of landmark intergovernmental agreements including the 2030 Development agenda, VPoA, the Paris Climate Agreement, and the Addis Ababa Action Agenda. The ITT should obtain membership or observer status from these and other intergovernmental bodies.

The ITT should also harmonize its theme of research and policy analysis with the international development agenda and the work of these bodies so that LLDCs use its research and assessment as reference points for their negotiations. WTO negotiations should be also at the center of attention of the Think Tank. New York and Geneva are very important headquarters where the group of LLDCs is active. I know the ITT is active there. Such cooperation needs to be further strengthened, as cooperation with the UN system and other international organizations is key for the success for the ITT.

As the Secretary-General mentioned in his message, the UN system will work closely with the International Think Tank. UN-OHRLLS will be able to assist the ITT in this regard as per our overall mandate. The Vienna Programme of Action should be at the center of attention of the ITT. Our office, UN-OHRLLS has the mandate to coordinate the implementation of the Vienna Programme of Action for the LLDCs to address the special needs of the LLDCs and works to foster coherence with the 2030 Agenda for Sustainable Development. Therefore, the knowledge generated by the International Think Tank will help inform the formulation and monitoring of policies aimed at accelerating the implementation of the 2030 Agenda and the Vienna Programme of Action.

I am sure the ITT will make efforts for resources mobilization. To have adequate funding is the necessary prerequisite for the ITT to effectively carry out its mandate. UN-OHRLLS had been collaborating well with the Think Tank on various projects, including a study and workshop on the implications of the WTO Agreement on Trade Facilitation for LLDCs; national workshops on mainstreaming the Vienna Programme of Action; advocacy events at the UN headquarters in New York, and at the regional commission session in Bangkok. We will continue these efforts. In particular, UN-OHRLLS stands ready to undertake joint studies and jointly organize events at the national, regional and global levels. We can hold these events in the context of the preparation for
the midterm review of the Vienna Programme of Action. Our Office works very closely with UN system and international organizations in some very specific areas. For example, we work with WTO, UNCTAD, WCO and other partners on enhancing efficiency at border crossing. We can also involve the Think Tank on this issue, and provide assistance with substantive documents and materials.

Statement by H.E. Ambassador Gebeyehu Ganga Gayito, Deputy Permanent Representative of Ethiopia to the United Nations

At the outset, let me express the regret of my delegation that due to another engagement, my Minister could not attend this important event. Allow me also to express my profound appreciation to the Government of Mongolia for hosting the Inaugural Meeting of the International Think Tank for Landlocked Developing Countries as well as for its warm hospitality.

Ethiopia highly commends the able leadership of Mongolia to realize the common vision of LLDCs to establish an international think tank. I am sure you would agree with me that the political commitment, continued follow-up and support of Mongolia have been critical to the operationalization of the Think Tank. As the Ulaanbaatar Declaration that we are going to adopt at this Conference states, we-LLDCs- continue to face multiple development challenges due to our geographical locations and other structural obstacles. While we continue to take important policy measures to promote structural transformation, diversify our economies and increase our exports, special trade and development challenges arising from our lack of direct access to the sea impair our endeavors. As a result, we continue to face additional hurdles to meet the 2030 Agenda and the Vienna Program of Action.

Hence, it is imperative that we need to build a high-quality research capacity to formulate practical policy solutions that could contribute to implement the Vienna Program of Action, the 2030 Agenda, the Addis Ababa Action Agenda and other internationally agreed development frameworks that are relevant to our national contexts. In this regard, the establishment of the International Think Tank for Landlocked Developing Countries is an important step in building a collective analytical capacity to find solutions for our development challenges. Ethiopia welcomes its inauguration with the strong belief that the Think Tank would support all of us not only in finding appropriate solutions but also it would contribute in formulating a common position that we all should promote to amplify our united voice in multilateral forums.

Moreover, it would also further enhance the exchange of lessons and best practices among LLDCs as we all continue to implement SDGs according to our national development plans. In this regard, we hope that the Think Tank would start forging partnership with national research institutions as well as with UN agencies, such as UNOHRLLS and UNCTAD, that work with LLDCs.

Let me take this opportunity to reaffirm the commitment and the readiness of Ethiopia to strengthen our partnership with the Think Tank. While it is our primary responsibility to ensure the full operationalization of the Thank Tank, we also take this opportunity to call upon our development partners to support its activities. Allow me, Mr. Chair, to conclude by reiterating our appreciation to the Government of Mongolia for its generous financial support and for hosting this
successful Inaugural Conference. We hope the Think Tank would be another important vehicle to further strengthen collaboration among LLDCs and its partners.

**Statement by Mr. Ashot Kocharian, Director of Multilateral and Bilateral Economic Cooperation Department, Ministry of Foreign Affairs of the Republic of Armenia**

Today we’re all witnessing a historic moment – the inaugural intergovernmental meeting of the ITT for LLDCs, which is a very effective platform for thematic discussions on special interests and challenges. We’re convinced that the recently established ITT will greatly enhance the analytical capability of landlocked developing countries. It will become a center of excellence to ensure the efficiency of our coordinated efforts in implementation of internationally-agreed provisions related to the Vienna Programme of Action for 2014-2024 in the context of the Agenda 2030.

As the representative of the country which satisfied the Multilateral Agreement for the Establishment of an ITT for LLDCs, I reiterate our position to closely co-operate with the ITT and contribute to the productiveness of its activities.

In Armenia, the diversity of sectors in the economy creates a wide range of opportunities for investors. Today, Armenia is a country of opportunities – modern, educated, hard-working human resources, a proximity to major markets and participation in different integration formats, applications of European standards and business practices. Armenia registered high growth rates in information and innovation technologies, precise engineering and relevant research areas of capacity building sectors, as a regional center and player.

In Armenia, investments are attracted to the IT sector by international well-known companies such as “Synopsys”, “National Instruments”, “Microsoft”, “IBM”, “Oracle”, “D-Link”, etc. Armenian companies, as well, recorded significant progress, transforming into research implementing advanced engineering solutions providing companies. The establishment of IBM Innovative Solutions and Technologies Center in Armenia, Microsoft Innovation Center, and other centers of excellence are evidence of Armenia’s huge potential in this field.

In concluding I would like to congratulate all of us with the Inaugural Meeting and wish all the success to the ITT Executive Director in his initiatives and endeavors.

**Statement by Representative of Afghanistan**

I would like to begin by extending my gratitude to the Government of Mongolia, the ITT Secretariat, and the High Representative for organizing today’s inaugural conference. Just very briefly I want to share a couple of reflections. In our view, the need for addressing the needs and challenges of LLDCs is greater than ever before, and the VPoA remains a comprehensive roadmap and plan of action in this regard.
The importance of these challenges has often been emphasized in other LLDC-related meetings. The research component, however, has been long-missing in our collective efforts. In this important juncture of time, we believe that research and policy analysis are very crucial for identifying the challenges and exploring innovative ways to address it. We believe that the ITT is now well positioned to serve as an overarching coordinating umbrella with respect to LLDC-related research and analysis. In this context it is important to build a partnership at three levels; first, between the ITT and research institutions and member countries; second, between the ITT and regional cooperation frameworks; third, between the ITT and international research centers.

We do appreciate the previous efforts of the Interim Secretariat in conducting research, including with the ADPI, and within research centers in countries like Azerbaijan. We encourage the ITT to continue conducting joint-research efforts on both common priorities and country-specific topics. We share the view that the policy areas under the VPoA provide a good prioritization for research topics for future collaboration under the ITT. More specifically I would like to highlight three important interconnected areas that should receive greater attention under the ITT. First, infrastructure development, including in areas of transport, energy, and ICT, remains important for the economic development of LLDCs. This has been well-highlighted under various development frameworks including the SDGs, the VPoA, the Istanbul Programme of Action, and the Addis Ababa Action Agenda. The Access to Physical Infrastructure Index by UNESCAP shows that there are infrastructure gaps in most LLDCs. In particular, Afghanistan and the surrounding region are facing a huge infrastructure gap while facing investment deficits.

Priority topics relevant to infrastructure development include assisting infrastructure gaps in and around Afghanistan; assessing the linkages between infrastructure development and sustainable development; utilizing innovative financing modalities for infrastructure investment; and tapping the private sector’s technical know-how. Trade expansion remains crucial for most LLDCs. In this context, cross-border physical infrastructure developed in the area of transport and energy must be complemented by the development of soft infrastructure required for regional integration, including improved regulatory regimes and border clearance procedures as well as policy coordination and integration.

Expanded export markets, diversified export baskets, and unrestricted transit for LLDCs are some of the topics that remain very important. There are also other topics in need of greater attention in the future work of ITT, which include overcoming interregional inequalities in trade, greater trade cooperation, national and regional development strategies for enhanced trade capacity, and optimal means and strategies to realize aid-for-trade. In addition, regional economic cooperation remains a key driver of improved connectivity and competitiveness, greater productivity, lower transaction costs and expanded markets. The ITT should place an important focus on visions of economic cooperation, including that within the 2030 Agenda for Development and the VPoA. Some of the topics related to the acceleration of regional economic cooperation include regional initiatives for increasing international financial and technical cooperation for advancing the 2030 Agenda; regional mechanisms for attracting FDI and long-term investments; and promoting regional cooperation on value chains with a focus on women’s entrepreneurship and development.

Despite facing challenges associated with landlockedness, Afghanistan-- due to its location-- plays a crucial role in regional and interregional connectivity. Afghanistan stands as a point of
conversion, a land bridge, and a center of connection between the South East, Far East, Middle East, and Europe. We are fully committed to sharing the benefits of our center in support of sustainable development. This constitutes the cornerstones of our work under the Regional Economic Cooperation Conference in Afghanistan and other frameworks.

We look forward to future collaboration between our Afghanistan-centered frameworks and the ITT, including in doing joint research on common priorities. Thank you.

**Discussion**

In the ensuing discussion after the presentations, participants stressed that they had high expectations for the ITT to focus on certain areas that are particularly important for LLDCs. They indicated that in addition to trade, there were issues such as infrastructure development and maintenance. That includes cross-border quality infrastructure, such as, road, rail, airways and waterways; energy, and associated investment and trade facilitation. They also indicated that research can be undertaken in these areas that are useful for LLDCs.

Participants indicated that it was important for the LLDCs to make request for the research to be done in their country. Country specific research will be very important and relevant to national situations. In addition, other LLDCs can also learn from the results done in other countries. It is important that official data is used in these studies. They also suggested that before publication of the research, the ITT should work with the country to ensure that the work has been reviewed.

The meeting also noted the importance of networking amongst the research institutions of the LLDCs. They encouraged the ITT to work with the research institutions in their countries. They also encouraged the LLDCs to continue using a multi-stakeholder approach towards its work.

The meeting was informed about the work of the WIPO to the LLDCs including technical assistance and services on: intellectual property policy and strategy, capacity building, appropriate technology, establishment of technology and innovation support centres, traditional knowledge and geographical implications. The meeting was assured of WIPO’s commitment to collaborate with the ITT.

The meeting discussed that solid financial support is important and crucial for the effective functioning of the ITT. Participants underscored the importance of harmonizing the ITT’s work with the GA, ECOSOC and other inter-governmental bodies. They suggested that it will be important for the LLDC Chair to include a resolution that seeks the membership/observer status of the ITT in the GA.
Foreign Direct Investment and Economic Diversification of LLDCs

The Importance of FDI and Trends in LLDCs by Gladys Mutangadura, Senior Programme Officer, UN-OHRLLS

This presentation highlights some of the challenges of the LLDCs that are linked to diversification; presents the trends in FDI flows to LLDCs at global levels; and discusses how FDI can be further utilized to drive diversification in the LLDCs.

LLDCs have special needs: investment in development and the maintenance of hard infrastructure; investment into soft infrastructure/trade facilitation; enhanced trade - productive capacities, value addition, diversification, global value chains; enhanced trade in services; enhanced human and institutional capacity building; enhanced regional integration; and mitigation and resilience building to economic shocks, climate change, desertification, and others.

The value-added share of manufacturing in GDP of LLDCs has been on the decline since 1990 as shown in Figure 1. This indicates that LLDCs are experiencing premature de-industrialization. Their share of manufacturing seems to have peaked at an earlier stage in their development than today’s advanced economies, removing the main channel through which productivity benefits and rapid growth have taken place in the past. Their limited level of industrialization can also be observed in the low share of employment in industry, which the International Labour Organization estimates to be 11%, as compared to 21% in developing countries overall. The fact that agriculture accounts for around 50% of employment in the LLDCs, according to the FAO, but its value-added share in the economy is less than 20% suggests low relative levels of productivity of agriculture in the LLDCs in comparison to the other sectors.

Figure 1. Value-added share of sectors in economic activity in LLDCs (percentage of GDP)

Source: World Bank database

Figure 2 shows that there is a declining share of manufacturing goods in total LLDCs’ merchandise exports. The share gradually fell from 24% in 1995 to 12% in 2013. Since then, an increase to
17.5% in 2016 can be observed and the share of manufactured goods increased in 20 LLDCs. In comparison, however, the share for developing countries stood at 71.1%. At the same time, the share of primary commodities, precious stones and non-monetary gold in LLDCs’ exports, while decreasing in recent years likely due to falls in commodity prices, remains high at 81.9%. In comparison, these products account for only around 18% of exports of developing countries and 26% of world exports, showcasing LLDCs’ dependence on primary commodities, which have low value-addition.

**Figure 2. Share of primary commodities and manufactured goods in exports**

<table>
<thead>
<tr>
<th>Year</th>
<th>LLDCs</th>
<th>Developed economies</th>
<th>Developing economies</th>
<th>World</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>2003</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
</tr>
<tr>
<td>2016</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
</tr>
</tbody>
</table>

Source: UNCTADstat database.

FDI has great potential to spur economic growth and development in LLDCs through: The building of productive capacities – driving structural transformation; Enhanced financing; Technology transfer and innovations; Infrastructure development; Increased export capacity; Employment creation and improved management techniques.

According to the UNCTAD 2018 World Investment Report, after five consecutive years of decline (2011–2016), FDI flows to the 32 landlocked developing countries (LLDCs) rose by 3 per cent in 2017, to $23 billion. This modest increase still left total flows to LLDCs almost 40 per cent below the peak of 2011. All LLDC subgroups by region, except for transition economies, registered gains. LLDCs have traditionally been marginal destinations because of the small size of their economies and the inherent geographical disadvantages compounded by poor infrastructure, high transportation costs, inefficient logistics systems and weak institutional capacities.

In 2017, LLDCs’ share of total global flows was 1.6 per cent, up from a historical low of 1.2 per cent in 2016. However, flows remain concentrated in a few LLDCs, with the top five hosts (Kazakhstan, Ethiopia, Azerbaijan, Turkmenistan and Mongolia) accounting for 66 per cent of total flows to the group (see figure 3). Some LLDCs are poor destination of FDI.
In terms of top investor economies by FDI stock, China had the largest FDI stock in LLDCs in 2016, followed by France, Canada and Thailand.

Most FDI to LLDCs goes into extractive sectors -- mining, quarrying and petroleum. In 2016, announced greenfield FDI projects in LLDCs went to mining, quarrying and petroleum (66%); 20% went to manufacturing (food textiles, chemicals, coke etc), remainder to services – construction, electricity etc.

Countries need to examine how FDI fits in with development objectives. For instance, while FDI can lead to capital intensive projects that embody state-of-the art technology with regards to the extraction of resources, FDI in the garments and textiles industry is likely to lead to employment intensive, but technologically less-advanced production processes.

Source: UNCTADstat database.
FDI in the extractive industries may help to achieve the objective of exploiting natural resources for economic development whilst attracting FDI in the textiles industry helps to achieve the objectives of low-skill job creation and exports; and attracting FDI in the high-tech industry can lead to further innovation, exports and high-skill job creation.

Looking forward, technical and capacity building assistance need to be increased, for areas such as negotiating contracts; and developing bankable projects. FDI flows to LLDCs should be supported and encouraged. Conducive business environments should be strengthened as they are needed to attract FDI (macro-economy; regulatory framework; governance; infrastructure); and there is need to strike a balance on the use of FDI to support local processing, value addition, infrastructure development, employment creation, trade facilitation and technology transfer.

The Impact of Foreign Direct Investment on Economic Diversification in the Asia-Pacific Region and LLDCs in Particular, by Hamza Malik, Director, Macroeconomic Policy and Financing for Development Division – UN ESCAP

The Vienna Programme of Action aims “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 eradication of poverty by moving towards the goal of ending extreme poverty.”

The six priorities of the VPoA address six sets of development challenges: Priority 1: Fundamental transit policy issues; Priority 2: Infrastructure development and maintenance (Priority 2), which includes transport infrastructure (Priority 2a) and energy and communications technology infrastructure (Priority 2b); Priority 3: International trade (Priority 3a) and trade facilitation (Priority 3b); Priority 4: Regional integration and cooperation; Priority 5: Structural economic transformation; and Priority 6: Means of implementation.

Table 1 presents a broad overview of Asia-Pacific Landlocked Developing Countries.
Table 1. Broad Overview of Socio-economic statistics of the Asia-Pacific LLDCs

<table>
<thead>
<tr>
<th>Countries</th>
<th>Population size ('000)</th>
<th>GDP in current price (billion $)</th>
<th>GDP per capita (PPP-2011 international dollars)</th>
<th>Urban population (% total)</th>
<th>Life expectancy at birth</th>
<th>Adult literacy (% of population aged 15 and above)</th>
<th>Under-5 mortality (deaths per 1,000 live births)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afghanistan</td>
<td>35,530</td>
<td>20.9</td>
<td>1,783.1</td>
<td>26</td>
<td>64</td>
<td>31.74</td>
<td>91.1</td>
</tr>
<tr>
<td>Armenia</td>
<td>2,930</td>
<td>11.5</td>
<td>8,613.1</td>
<td>63.8</td>
<td>74.8</td>
<td>99.74</td>
<td>14.1</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>9,828</td>
<td>40.7</td>
<td>15,933.2</td>
<td>55</td>
<td>72.1</td>
<td>99.79</td>
<td>31.7</td>
</tr>
<tr>
<td>Bhutan</td>
<td>808</td>
<td>2.3</td>
<td>7,964.6</td>
<td>39.5</td>
<td>70.6</td>
<td>57.03</td>
<td>32.9</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>18,205</td>
<td>160.8</td>
<td>23,912.1</td>
<td>50</td>
<td>70</td>
<td>98.78</td>
<td>14.1</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>6,045</td>
<td>7.2</td>
<td>3,340.6</td>
<td>35.1</td>
<td>71.1</td>
<td>..</td>
<td>21.3</td>
</tr>
<tr>
<td>Lao People’s Democratic Republic</td>
<td>6,858</td>
<td>17.0</td>
<td>6,709.3</td>
<td>43.1</td>
<td>67</td>
<td>..</td>
<td>66.7</td>
</tr>
<tr>
<td>Mongolia</td>
<td>3,076</td>
<td>11.1</td>
<td>11,821.7</td>
<td>71.8</td>
<td>69.5</td>
<td>98.26</td>
<td>22.4</td>
</tr>
<tr>
<td>Nepal</td>
<td>29,305</td>
<td>24.5</td>
<td>2,440.2</td>
<td>19.2</td>
<td>70.6</td>
<td>59.63</td>
<td>35.8</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>8,921</td>
<td>7.3</td>
<td>2,925.7</td>
<td>27.3</td>
<td>71.2</td>
<td>..</td>
<td>44.8</td>
</tr>
<tr>
<td>Turkmenistan</td>
<td>5,758</td>
<td>37.9</td>
<td>16,510.1</td>
<td>48.5</td>
<td>68</td>
<td>..</td>
<td>51.4</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>31,911</td>
<td>47.9</td>
<td>6,311.3</td>
<td>34.9</td>
<td>71.4</td>
<td>99.98</td>
<td>39.1</td>
</tr>
</tbody>
</table>

Source: ESCAP statistical database, IMF, WEO April 2018, and World Bank, WDI.

There are several issues of high trade costs in Asian LLDCs. They pay additional costs in trading with their partners when compared to the non-LLDCs as is shown in Figure 4.
Figure 4. Additional trade costs paid by Asian LLDCs in trading with the United States, as %age of trade costs paid by non-LLDCs

As is also evident, these LLDCs also struggle with limited export diversification. As shown in Figure 5, most of the countries do not have many products.

Figure 5. Export diversification (number of products)
Figure 6 shows that some of the LLDCs have high concentration indices.

**Figure 6. Diversification indices of merchandise exports and imports**

The economic performance of the LLDCs is tied to commodity prices. Figure 7 shows the trends in commodity prices. As shown the commodity prices have been very volatile.

*Source: ESCAP based on UNCTADstat database.*  
*Note: Number of products is based on trade data classified using Standard International Trade Classification (SITC) revision 3 at the 3-digit level.*
High trade costs and increases in terms of trade adversely affect LLDCs’ diversification potential. Increases in trade costs are associated with a reduction in diversification below potential. Diversification also reduces steadily with the appreciation of exchange rates. Diversification reduces competition and raises GDP growth, and thus it is important as something towards which LLDCs should endeavor.

The main rationale for diversification is, the greater the complexity of product range, the more developed the country.

FDI can help countries to diversify if it is accompanied by relevant policies. Figure 8 shows trends in capital flows in Asia-Pacific LLDCs. As shown FDI accounts for the largest proportion of the capital lows. Although it was on the decline from 2012 to 2015, FDI inflows to the LLDCs increased by 44% to US$19.7 billion in 2016.
Figure 8. Capital flows into Asia-Pacific LLDCs, by type of flow, 2000-2016

Source: IMF, Balance of Payment statistics.

Figure 9 shows the distribution of FDI by industry in the LLDCs. As can be seen the bulk of the FDI (about one third) goes to commodities.

Figure 9. FDI by industry, % of total, 2003-2017

Source: fDiMarkets cross border investment monitor.
With these thoughts in mind, I have a number of broad policy considerations:

- A stable, investment-friendly and competitive macroeconomic framework is a pre-requisite. In particular, extended periods of real exchange rate appreciation should be avoided.

- Strategic diversification approaches should be pursued. This includes use of industrial policies --- the selective promotion of certain targeted economic activities over others.

- The government should nudge private sector towards targeted economic activities that are more likely to increase productive activities and diversify the economy, with clear benchmarks for success so that there is a sunset timeframe for infant industry protection.

- Fiscal policy can also be used to promote diversification. This could include tax incentives for first movers, and government spending in priority areas.

- FDI can help bring new productive capacities to a country, but that does not mean that these will naturally spread throughout the economy. New FDI should have a strategy to use domestic productive capabilities and promote diversification.

- A diversified, well-regulated and inclusive financial system can provide access to a variety of financial services and products in support of FDI for new economic activities. Promotion of SMEs could be quite helpful also.

- International investment agreements can help balance the rights and obligations of states and investors, which could help negate some negative impacts of FDI.

**FDI, Economic Diversification, and Regional Trade Network Connectivity: The Case of Laos – ITT LLDC, by Sandra Seno-Alday, Lecturer, University of Sydney**

Many landlocked developing countries (LLDCs) are resource-rich, and are often the recipients of significant amounts of investment from overseas investors aimed at extracting and developing these resources. Previous studies on the impact of foreign direct investment (FDI) on a country’s economy and long-term development have been mixed. There is a critical need to explore the effects of FDI in resource-rich LLDC contexts in order to aid in the formulation of economic policy.

This study examines the relationship between FDI inflow targeted at the minerals and resources sector of Laos and the degree of economic diversification in the country over a 25-year period (1990 to 2014). Laos is the only LLDC in Southeast Asia. Laos has received significant FDI inflow from 1993 onwards (as shown in the graph) – some of it towards: Hydropower dams; Copper and gold mining; and Logging. The main sources of FDI have been China, Vietnam, Thailand, and Australia.
The study finds a statistically significant correlation between FDI inflows and the extent of diversification in the Laos economy. While FDI was mainly directed at the minerals and resources sector, growth in mining was strongly correlated with growth across a wide range of industries in the economy, with the exception of agriculture and other activities. The study also found that increase in diversification led to an increase in GDP per capita.

**Economic Diversification Index**
The study further examines whether the increase in FDI is correlated with the characteristics of ‘Dutch disease’ in the country. ‘Dutch disease’ refers to the simultaneous presence of a booming sector (usually mining) and a lagging sector (usually manufacturing, or agriculture in developing country contexts) in an economy. Typically, the significant growth in mining is associated with an increase in the value of a country’s currency, which is further associated with negative effects on the manufacturing industry, whose exporting ability is impaired as a result of a strengthening currency. This phenomenon has been noted in economies that have been recipients of significant investment in the resources and minerals sector.

The findings reflect mixed evidence of ‘Dutch disease’ in Laos. Consistent with observations in developing country contexts, the results suggest that the significant growth in the mining sector is related to a slowdown in the growth of the agriculture industry. However, there is also evidence that contradicts ‘Dutch disease’ effects: as indicated above, growth in mining was in fact found to be positively correlated with growth in manufacturing. The findings further show a deterioration in the value of the Laos currency (Laos kip or LAK) over time, which is directly opposed to the currency appreciation that is typically associated with ‘Dutch disease’.

The study examines the relationship between the country’s economic diversification and its connectivity in the Asia-Pacific trade network, and finds that the economic diversification of Laos has a strong positive relationship with its regional trade connectivity over the 23-year period of the study. However, the findings further show that while the country has been able to significantly increase the number of its regional trade connections over time, other countries in the region have been able to grow their connections at a much faster rate. In spite of its increased regional trade connectivity, Laos remained the least connected country in the region in 2014.

Finally, in light of the decreased contribution of the agricultural sector in the country, the study investigates the relationship between economic diversification and the food security of Laos. The findings show that domestic agricultural production remains the main driver in ensuring food security. Economic diversification, however, is found to be positively associated with the ability of the country to improve the adequacy of its average dietary supply. This is potentially due to the increased capacity of the country to import food supplies to supplement domestic production.

The results of the study point to important opportunities to craft policy to guide FDI windfalls into the development of strategic sectors. Because agriculture has been the traditional backbone of the Laos economy, this will require directing funds to upskilling the country’s labor force. The findings likewise point to significant opportunities to undertake further research to foster a deeper understanding potential ‘Dutch disease’ effects in LLDC contexts, and to further investigate the drivers and barriers to increasing trade connectivity among LLDCs.
The Role of Intellectual Property and Innovation in Development and Economic Diversification, and WIPO’s Development Cooperation Activities, by Mr. Purevdorj Vaanchig, Senior Counsellor, Division for Least-Developed Countries, Development Sector, WIPO

The Role of Intellectual Property in Development and Economic Diversification
Economic diversification is essential for building a sound base for a sustained growth and helps structural transformation. Economic analysis of experiences of developing countries have shown that low-income countries with the highest economic diversification have experienced much faster growth than the least-diversified low-income countries within the same period between the early 1960s and 2010. This is especially relevant to mineral-exporting LLDCs and LDCs, whose economies are too much dependent on mining and extractive industry, and consequently are subject to volatile global commodity markets. LLDCs are faced with multiple challenges that limit their competitiveness in terms of trade and investment such as weak productive capacity, low technological base, higher transaction and transportation costs, limited opportunity for value-addition of exports and economic diversification.

Intellectual property (IP) in itself has always been part and parcel of economic, social and cultural development worldwide. It has a great potential to facilitate economic diversification and structural transformation by fostering innovation and creativity, raising productivity, technological upgrading, stimulating commercial activities in science, art and culture. WIPO’s development cooperation activities and tools

Facilitating the use of intellectual property for social, cultural and economic development has been the primary goal of WIPO’s technical assistance and capacity building activities. WIPO has over 30 years of experience in development cooperation and technical assistance, and has been adapting it to the needs and priorities of Member States. The main areas have been intellectual property policy and strategy, skills development and capacity building, appropriate technology, establishment of Technology and Innovation Support Centres (TISCs), automation and modernization of national IP offices, patent, trademark, branding, copyright, traditional knowledge and geographical indication.

Today I will briefly introduce some of the relevant development tools and activities conducted by WIPO. I will also provide some figures on how many LLDCs benefited from its development cooperation programs between 2009 and 2017. Technology and access to scientific, technical information to build technological capacity and knowledge base

WIPO’s development cooperation activities and tools
WIPO provides access to scientific and technical information to all developing countries to assist in building technological capacity and knowledge base for using intellectual property as a tool for development. This will be increasingly useful in today’s era of technology and in the years to come. For instance, WIPO is contributing to building the national capacity of the beneficiary countries on management, administration and utilization of technical and scientific information for developing their appropriate technology base and attaining national growth and development goals through knowledge transfer and capacity building. So far, the project on appropriate technology has been successfully carried out in six countries in Africa and Asia, out of which four are landlocked LDCs.

40
By 2017, over 600 Technology and Innovation Support Centres (TISCs) - which provide access to locally-based, high quality technology information and related services to serve the needs of researchers, innovators, and entrepreneurs - have been established and deployed with the assistance of WIPO in 72 developing and least developed countries. According to the latest survey, these centres were responding to around 600,000 inquiries annually. To date, TISCs have been set up in 13 LLDCs. WIPO’s Access to Research for Development and Innovation (ARDI) program - a public-private partnership with some of the world’s leading publishers - continues to provide free or low-cost access to around 7,500 subscription-based scientific and technical journals, and 22,000 e-books and reference works to over 1,000 registered institutions in 85 developing countries and LDCs, including 23 LLDCs.

In addition, WIPO’s Access to Specialized Patent Information (ASPI) program provides free or low-cost access to commercial patent search and analytical services to over 80 registered institutions in 30 developing countries and LDCs through a public-private partnership with leading patent database providers. To date, 31, or almost all LLDCs, are receiving access to patent search services under this program. Branding

WIPO continues to deliver technical assistance activities to contribute to the business development of local communities, medium-sized enterprises (SMEs) and public institutions by building product brands through the strategic use of IP rights; to improve the capacities of national institutions to handle the procedures for registration of trademarks and geographical indications; and to raise awareness on the impact of product branding on the business development of local communities and SMEs. Until present, 10 LLDCs have received technical assistance from WIPO on branding and designs.

Regarding genetic resources, traditional knowledge and traditional cultural expressions, WIPO offers a background brief summarizing the legal policy and operational issues in developing a national strategy for protecting these assets. Six LLDCs have received assistance from WIPO in these areas. WIPO assists in training human resources to enable the effective use of IP for development. Education programs are delivered by the WIPO Academy. WIPO’s capacity building activities include trainings in legal, technical and practical aspects of IP, covering subjects such as copyright, patents, trademarks, industrial designs, geographical indications, genetic resources, traditional knowledge and traditional cultural expressions, building respect for intellectual property, innovation support, SMEs, the use of intellectual property systems, and WIPO’s alternative dispute resolution services.

All capacity building activities are developed at the request of, and in consultation with, Member States, reflecting and adapting to the needs of beneficiary countries. Until present, most of LLDCs have been included in the skills development and capacity building programs of WIPO.

Today, the importance of intellectual property to economic, social and cultural development is on the rise. In this context, beyond their traditional functions of administering intellectual property laws, regulations and registration, national intellectual property offices (IP offices) can play an important role in making the best use of IP system for addressing developmental challenges, promoting innovation, technology transfer and disseminating knowledge. Thus, to meet the needs
and expectations, it is essential for national intellectual property offices to attain higher operating efficiency and stronger capabilities to deliver wide range of services.

Technical advice and support of WIPO to intellectual property offices is aimed at enabling them to deliver more efficient and user-friendly services. For instance, WIPO has provided software, tools and free services to help improve the operations of IP offices on filing, administration, examination, registration, publication/dissemination of IP information. These systems are being used in 81 IP offices in all regions. So far, 17 LLDCs have received assistance from WIPO on IP office automation and modernization.

WIPO’s technical assistance, especially on technological capacity building, branding design, innovation support and technology transfer, would be instrumental for achieving structural transformation and economic diversification in LLDCs and landlocked LDCs. Given an emphasis placed on the issue of innovation in the recent Resolution 72/232, adopted by the UN General Assembly on 20 December 2017, on Follow-up to the second United Nations Conference on Landlocked Developing Countries, and that an enhanced attention is being given to the role of science, technology and innovation in achieving structural economic transformation, productive capacity development and value addition in LLDCs, as indicated in the Vienna Programme of Action for the Landlocked Developing Countries, WIPO’s technical assistance programs and activities are becoming increasingly relevant to LLDCs as well.

Given the increasing demands from Member States and other relevant IP stakeholders, WIPO’s development assistance programs and activities will be further strengthened and expanded, thus contributing to the use of IP for development.

**Discussion**

In the ensuing discussion after the presentations, participants underscored the importance of fostering a secure and stable environment that can attract FDI. They stressed that the LLDCs have to create an enabling environment for FDI. They noted that the LLDCs require technical and capacity building assistance to negotiate contracts, develop bankable projects, on investment facilitation and on preparing investment briefs. They also noted that this is an area where the ITT can potentially support the LLDCs in the future.

The participants discussed the possible areas that LLDCs with little diversification should focus on. They underscored that such countries should focus on trade expansion. Participants agreed that LLDCs should be supported to diversify, promote trade and attract FDI. They also indicated that LLDCs should try to offer feasible and within means incentives to attract FDI.

The meeting underscored that FDI in extractive sectors did not create jobs and had minimal impact on poverty reduction or redistribution of income. They stressed the need for supportive policies that can promote diversification.
ICT-Connectivity and LLDCs

The Process of Technology Leapfrogging: Insights from the National ICT Infrastructure Development Journey of Azerbaijan by Dr. Barney Tan, Associate Professor, University of Sydney

To understand how Information and Communication Technology (ICT) development should be enacted and managed in a Landlocked Developing Country (LLDC), we conducted a case study of Azerbaijan, one of the top LLDCs in the world in terms of ICT connectivity and development. With an in-depth exploration of how Azerbaijan charted the overall direction of ICT development, as well as the specific initiatives implemented in the areas of infrastructure development, e-government, information management and security, business and entrepreneurship and research and education, a framework of Azerbaijan’s model of ICT development was then inductively derived. The framework reveals that ICT development in Azerbaijan unfolded as a “stage-skipping” (Lee and Lim, 2001, p. 464) variant of Technology Leapfrogging (Davison, Vogel, Harris, & Jones, 2000).

Technology Leapfrogging is defined as the implementation of a new and up to-date technology in an application area in which at least the previous version of that technology has not been deployed (Davison et al. 2000). Why Leapfrog? Leapfrogging achieves cutting edge connectivity quickly and cost effectively (i.e. without having to invest in successive generations of ICT – Liu and Yuan 2015), avoids risks of experimentation and research and development, gain from the experience and expertise of developed countries (Gray and Sanzogni 2004), and avoids inertia from legacy ICT infrastructures.

In Azerbaijan, technology leapfrogging is phenomenally successful in terms of National ICT Infrastructure Development and Connectivity. We have encountered 77% Internet Penetration, 62.4% of households have a computer, 112 mobile subscribers per 100 citizens. The process occurred in 4 phases. analogous to a physical leapfrog:

Phase 1. Psyching - Formulating a strategy for National ICT Development. In Azerbaijan we have had various initiatives. The National ICT Strategy (2014-202) serves as the blueprint, containing overall objectives, strategic thrusts, and is a signal of government commitment. The State Program for Strategy Implementation (2016-2020) serves as the “Action Plan”; how ministries and government agencies will work together to carry out the plan.

Phase 2. Planting - Establishing the foundation for National ICT Development. Initiatives in this phase seek foreign expertise, such as the country’s government training in Estonia with Booz Allen Hamilton, and seeking legitimacy and knowledge transfer. The country also is taking stock of existing capabilities, looking at pockets of local knowledge and identifying entities in related roles that can be repurposed.

Phase 3. Propelling – Enacting the Initiatives of National ICT Development. Azerbaijani initiatives include capability development and application through infrastructural development and new ICT-Enabled Services. Also relevant is bricolage, the use of local exports to provide strategic direction and the repurposing and empowering of entities for advanced roles.
Phase 4. Perpetuating – Maintaining the trajectory of National ICT Development. Initiatives have been taken to demonstrate success, showcase benefits and outcomes, and generate buy-in and goodwill for future projects. Measures have also monetized developed initiatives.

In conclusion, Technology Leapfrogging is a means of achieving the cutting edge in connectivity and ICT development. It can bring about a number of significant benefits, and is a process consisting of four phases. The Process Model developed based on the case study of Azerbaijan can be used as a step-by-step guide and reference for informing ICT Development in LLDCs.

**Bridging the Digital Divide Through Regional Cooperation by Siope Vakataki ‘Ofa, ICT and Development Section, ICT and Disaster Risk Reduction Division, UN-ESCAP**

This presentation provides a brief background of ESCAP, and outline ICT connectivity for sustainable development and regional cooperation on promoting ICT connectivity in Asia and the Pacific (the Asia-Pacific Information Superhighway (AP-IS) Initiative).

UN-ESCAP was established in 1947 and is based in Bangkok, Thailand. It is the regional development arm of the United Nations for the Asia-Pacific region, an area home to 4.1 billion people (or two thirds of the world’s population). It contains 53 Member States and 9 Associate Members. ESCAP’s work programme focusses on the following areas: Sustainable Development; Macroeconomic Policy and Development; Trade and Investment; Transport; Social Development; Environment and Development; Information and Communications Technology, Disaster and Risk Reduction; Statistics; and Sub-regional activities for development

ICT connectivity is extremely important and contributes to sustainable development, as it provides opportunities of emerging technologies (artificial intelligence (AI), Internet of things (IoT) & Cloud computing/big data). There is a positive relationship between AI and economic development (GDP) in Asia and the Pacific region.

There is a clear digital divide between the LLDCs and the total performance for the Asia-Pacific region as shown in Figure 10.
Figure 10. Digital divide in ESCAP LLDCs

One potential remedy to this issue involves addressing of fixed-broadband prices, which, as shown in Figure 11, often-times constitute a large percentage of LLDCs’ GNI per capita. Many LLDCs also have higher mobile cellular prices as percentage of GNI.

Challenges to ICT for sustainable development include drivers of the digital divide. These include:

- Insufficient international bandwidth – missing or lack of access to international fibre-optic cables, (infrastructure sharing and co-deployment and financing of ICT infrastructure development).
- Lack of online services and content
- Lack of conducive regulations for development of ICT infrastructure
- Poor internet traffic management
- Lack of resilient ICT infrastructure (E-resilience)
- Lack of access to affordable and reliable energy sources
- Income (economic deployment levels) of countries, among other factors

The Asia-Pacific Information Superhighway Initiative is one project which is seeking to address this divide. It aims to increase the availability and affordability of broadband Internet across Asia and the Pacific, by strengthening the underlying Internet infrastructure in the region, promote terrestrial and submarine fibre-optic connectivity, and provide a regional intergovernmental platform focusing on the missing fibre-optic links between ESCAP countries. It is comprised of four pillars:

- 1. Connectivity; 2. Internet Traffic and Network Management; 3. E-Resilience; and 4. Broadband for All
Figure 11. Cost of fixed Broadband

These are achieved through various initiatives:
1. Identification, coordination, deployment, expansion and integration of the regional backbone network
2. Identification, coordination, deployment, expansion and integration of the regional backbone network
3. Regional social and economic studies
4. Enhancing ICT infrastructure resilience
5. Policy and regulations for leveraging existing infrastructure, technology and inclusive broadband initiatives
6. Capacity-building
These initiatives and goals have been and continue to be discussed at regular meetings. AP-IS convened at its 1st Steering Committee Meeting on the 1st and 2nd of November 2017, in Dhaka, Bangladesh. It was co-hosted with the Bangladesh Steering Committee with around 300 international and local participants attending the opening ceremony. The meeting was attended by ESCAP member countries, regional and international partners, including groups in the private sector. Its key outcomes include the establishment of a new bureau with a representative of Bangladesh elected as Chair; China and Lao PDR as Vice-Chairs; and Kazakhstan and Tonga as Rapporteurs. The meeting allowed ESCAP member countries to consolidate their priorities for subregional and regional implementation plans.

Looking forward, ESCAP has a number of meetings: 2nd AP-IS Steering Committee Meeting, 27-28 August 2018, Bangkok, Thailand; 2nd Committee of Information and Communication Technology, Science, Technology and Innovation, 29-31 August 2018, Bangkok, Thailand; AP-IS Subregional Meeting for Central Asia, October 2018, Almaty, Kazakhstan; and AP-IS Subregional Meeting for the Pacific, November 2018, Suva, Fiji.

GS1 Mongolia by Tsevelsaikhan Sh., CEO, GS1 Mongolia

GS1 is a neutral, not-for-profit standards organization based in Brussels, Belgium, which helps companies do business across the world, enabling a secure, efficient global supply chain. It works on developing and implementing standards for over one million companies worldwide, and has served 25 industries across 160 countries. Its barcodes are scanned more than five billion times globally per day.

In 2003, Mongolia joined and GS1 Mongolia works IP agreement with GS1 AISBL. GS1 is the sole representative and only authorized organization with a right from GS1 AISBL to administer the GS1 system and allocate global company prefixes with the 865 prefixes. Within this framework, GS1 Mongolia runs following activities: Implementing GS1 system and barcode application; Develop logistic and global supply chain management; Support and develop paperless trade and e-commerce; Improving trade and transport facilitation; Cooperation with all related public, private or international organizations; Conducting surveys and research; and Improving public awareness and capacity building, advising, monitoring, etc.

Since 1999-2000, the Mongolian government has paid more attention to ICT, e-government, and its development. It has taken many actions (approving mid-term strategy, action plan, several national programs on e-government, on high-speed broadband, info security, transition to digital technology, developing appropriate standards..).

Concrete examples of this include the 2011 E-signature law, government policy on ICT development in 2017, a recently-established E-policy committee at the Parliament, and the implementation of several projects on e-government.
As of today, the government side provides more than 510 services, export/import permissions, licenses or documents related to border trade and transport; 80% of them can be digitized, developing new systems internally.

Regarding connectivity with LLDCs, various actions can be taken. E-government (including Big Data analytic tools) can be used as a policy integration tool; big data, cloud usage, and blockchains can lead to digital transformation and the use of digital technology. But there are no more effective actions to connect with other countries. It is just limited to exchange info system between 2 neighbor country’s customs.

Due to their lack of territorial access, LLDCs have high transport costs and longer transit times. These conditions undermine the competitiveness of LLDCs in the international market as well as their ability to produce at lower costs. ICT can be one of the tools to connect with LLDCs, with 3rd countries. That’s why we cannot talk only about hard infrastructure; we need to use and develop ICT technology or solutions for example: By developing paperless trade, paperless border crossing trade, we can secure cross border transport systems, reduce time and cost and ICT infrastructure can support the advance submission of trade and transport data and information to reduce customs clearance times and improve trade facilitation.

Also important would be a study on ICT requirements and gaps, and a subsequent integration between related LLDCs. GS1 has used the best practices to use GS1 standards in border crossing trade. In tandem with WCO, we have cooperated on harmonizing HS and GS1 standards/GTIN. We have also implemented pilot projects between Member Organizations, including the detection of counterfeit trade, single borer clearance systems, validation of SPS e-Cert at the Border, and the protection of food safety (especially agri-food).

These topics are also relevant to the private sector. By making the integration of digital technology into all areas of business, there will be fundamental changes to how businesses operate, and how they deliver value to their customers. Also in Mongolia, ICT technology and digital technology have been using widely in private sector businesses (especially in retail, banking sector; online trade is starting/trying to develop). Most of the business companies in different field have their own system, high speed internet penetration, and potential human resources. But not connected each other, there is no info or data exchange system. As of 2020, around 70% of traditional business will be moved to digital trade.

**Enterprise Information Technology Status by Arvind Joshi, Chief Information Officer and Head of Digital Banking at Xac Bank**

The presentation will highlight the maturity of and challenges faced by enterprise IT infrastructure, processes, and skills.

**Enterprise IT Infrastructure Maturity/Challenges**

In Mongolia, mobile network coverage is high in populated areas. There exists megabit point-to-point connectivity with Ulaanbaatar as the hub, and public WiFi availability has increased in populated areas. Internet Bandwidth is very good in Ulaanbaatar, with a few shared service data
center utilities available. E-Government services are increasing, with kiosks available, and there are large IT vendors represented directly or through partners. There is no public cloud in-country infrastructure, and digital certification is not widely distributed or embedded. Legal frameworks for digital transactions are emerging.

**Enterprise IT Process Maturity/Challenges**
Project Management Institute is represented. ITIL Process Awareness is increasing. COBIT Process Awareness is at an early stage. ISO 27001 Certification is very limited.

**Enterprise IT Skills Maturity/Challenges**
There are a number of challenges to skill-building. While basic and mid-level certification is feasible for Microsoft, Cisco, Oracle, VMWare; technology startups are emerging; and university education is reasonable and very prevalent, there is an emerging creation of proprietary outsourcing centers. Advanced skills are not rendered locally, as CISCO, Microsoft, Oracle and VMWare utilize English and overseas travel are pre-requisites. There exists no CISA, no CISM and no CISSP training in Mongolian, and SMEs are constrained to embed expatriate talent.

To conclude, being a LLDC does not seem to constrain IT in Mongolia. The scale of opportunity for technology vendors is a consideration, which can change quickly if mining starts picking up. The talent pool is large, and the certified/skilled pool is limited: a function of collateral and training in the local language.

**Discussion**

In the ensuing discussion after the presentations, participants suggested that the ITT should continue to work on ICT issues and provide the LLDCs with some advice. They suggested that it was important for LLDCs to identify ways of attracting FDI to ICT development. They also noted that the LLDCs and transit countries should cooperate on ICT development to help lower the costs.
Infrastructure Development, Transit Transport Corridors and Trade Facilitation: Challenges and Opportunities of LLDCs

Infrastructure Development and Trade Facilitation for LLDCs: Introduction of Key Issues by Gladys Mutangadura, Senior Programme Officer, UN- OHRLLS

Transport connectivity and trade facilitation are of key importance to the LLDCs. They are reflected in two priority areas of the Vienna Programme of Action. This presentation highlights the trade performance of LLDCs, and then focus on the two key areas that can increase the trade potential of the LLDCs – hard infrastructure development and soft infrastructure development, which is trade facilitation.

The thirty-two LLDCs account for less than 1 per cent of global merchandise trade. The LLDCs’ share declined from its peak of 1.22 per cent in 2013 to an estimated 0.91 per cent in 2017. Figure 12 shows the trend of the share of the global merchandise trade of the LLDCs compared to a group of 34 transit countries which includes China and India.

**Figure 12. Share of global trade (%)**

Source: UNCTADstat database.

The transit countries share of merchandise trade was around 23% in 2016 and when China is excluded, the share of these countries stood at 9.5% in 2016.

There is also wide disparity across the LLDCs in terms of merchandise exports (see Figure 13). Only four LLDCs accounted for about 49% of the group merchandise exports in 2016 and the majority of the LLDCs accounted for no more than 2%.
LLDCs have a high concentration of exports. The share of primary commodities, precious stones and non-monetary gold comprises over 80% of LLDCs exports, compared to around 18% of exports of developing countries and about 26% of the world exports.

Trade costs for LLDCs are too high, and the trade potential of LLDCs needs to be enhanced. Trade is an important means to achieve the 2030 Agenda for Sustainable Development. The Vienna Programme of Action contains priority areas on infrastructure development, fundamental transit policy issues, regional integration, international trade, and trade facilitation which are related to increasing the trade potential of the LLDCs.

In order to reduce the trade costs that the LLDCs face, it is important to address both the hardware and software. Hardware includes physical infrastructure such as roads, rail, air, inland waterways, seaports, dry ports, airports etc. Software describes policy and regulatory frameworks, as well as trade facilitation.

With regards to hardware, there has been progress in developing all forms of infrastructure. Road networks have been expanded and upgraded, new railways have been inaugurated, dry ports have been established, an ongoing air traffic projects have been successful in some LLDCs. Examples
of recently improved road networks include the enlargement of Route 2 and Route 7 in Paraguay which connects to Brazil (2016), and the construction and upgrading of ECCAS. In terms of rail transport, work on the Afghanistan-Turkmenistan Lajaward Railway (2016) and the Ethiopia-Djibouti railway (2016) has helped to increase LLDCs’ trade potential.

There are still key infrastructural challenges that exist in LLDCs, including: Poor maintenance; ageing track, obsolete equipment - esp. rail, air; Missing links; Huge infrastructure gap; Limited capacity to develop bankable projects; Harmonization of infrastructure standards - gauges for rail; Air - rehabilitation and replacement of aged fleet, and upgrading of airports and terminals; Need for skilled manpower, new technologies and capacity building; and Data needs.

Trade Facilitation eases the cross-border movement of goods by cutting costs and simplifying trade and it rests on four pillars of transparency, simplification, harmonization and standardization. The WTO Trade Facilitation Agreement (TFA) provides a framework for reducing trade costs. The WTO estimates that the TFA can boost export gains by up to and beyond US $1 trillion dollars per annum and that it could reduce trade costs in WTO members by an average of 14.3%. So far, 137 WTO Members have ratified the TFA and 22 out of the 26 LLDCs who are WTO members have ratified the Agreement.

The TFA is unique in its implementation as it allows the developing countries and LDCs members to determine their own implementation schedules, and the requirement to implement the agreement is directly linked to the capacity (technical and financial). Members categorizes the TFA measures into three categories. Category A indicates that developing Members will implement the measure by Entry into force of the Agreement (22/02/2017) and LDCs by 22/02/2018. Category B indicates that members will need additional time to implement the measures. Category C indicates that members will need additional time and capacity building support to implement the measure. 24 LLDCs have notified their category A measures; 16 LLDCs have notified Category B measures; 15 LLDCs have notified category C measures.

The level of measures notified under category A is about 32 percent for the LLDCs. This shows that the level of implementation of the TFA measures is low in the LLDCs. The LLDCs also have a high number of measures notified under category C indicated their need to technical assistance to implement the TFA. In addition, LDDCs also have about 30% of measures that have not yet been notified. This may be an indication of the need for assistance to undertake diagnostic or needs assessments.

Most notified measures under this category C include the single window, Test Procedures, Border Agency cooperation, Authorized operators and publication of Average Release Times. LLDCs need technical support to implement these areas.

Looking forward, it is important for the LLDCs to mobilize resources from all sources to close the existing infrastructure gap. The increased cooperation between LLDCs and transit countries is necessary for both hard and soft infrastructure. Capacity building or skills development especially on trade facilitation is crucial and should be promoted and data collection critical. Corridor approach is important and should be promoted. Rapid Implementation of the WTO TFA crucial. On trade facilitation, the LLDCs must address a number of issues. First, it is crucial to have a well-
functioning national trade facilitation committee to oversee implementation. Second, some assistance is available to support implementation and the LLDCs need to make requests. Third, providing specific information on their assistance and capacity building needs is very helpful to attract donors. Last, the WTO Trade Facilitation Committee can be a very useful forum to raise issues and exchange information with other members.

Modelling the Potential for Aviation Liberalization in Central Asia - Market analysis and implications for the One-Belt/One-Road Initiative by Dr. Xiaowen FU Institute of Transport and Logistics Studies, University of Sydney

Connectivity matters especially for the LLDCs. In 2016, the UK House of Commons Transport Committee worried about air connectivity of London. “The growth of large hubs in the Middle and Far East and North America has threatened the UK’s position as an international aviation hub. … in 2014 it (Dubai) became the world’s busiest in terms of international passenger traffic ahead of Heathrow…. IAG, owners of Aer Lingus and British Airways, sees Dublin as a potential hub airport with connections to the UK, Europe and beyond.”

The UK’s connectivity with the world’s emerging markets is a major concern. The Confederation of British Industry has estimated that a new daily service to one of the key growth markets could generate up to £128 million of additional trade if additional airport capacity is not operational until 2030, the UK could lose as much as £5 billion per year in lost trade to the BRIC economies alone. Domestic connectivity suffers as a result of capacity limitations. The expansion at Heathrow will lead to new regular daily services from the airport to around 40 new destinations, including 10-12 new long-haul routes.

Technology and policy has made it possible for flights between London and Sydney to decrease from 10 days and 32 stops in 1939 to 19.5 hour non-stop flights in 2006.

Policies to liberalize the air space are important to boost the local economy. In 1982 Honolulu airport was a major hub for Asia to North America air traffic and was regarded as a very modern airport. However today Honolulu airport is diminishing in importance because airlines can now fly direct across the Pacific Ocean.

Dubai Airport has expanded greatly since 1965. It had its one millionth passenger in 1974, and hit its five millionth passenger mark 6 years later in 1980. Now it is the third largest airport in the world, the hub of Emirates and a secondary hub of Qantas. Dubai’s aviation sector supports 125,000 jobs, including 58,000 direct jobs. At Dubai International Airport, aviation supports over 250,000 jobs and contributes over US$22 billion - 19% of total employment in Dubai, and 28% of Dubai’s GDP.

In Central Asia, there has been good traffic volume growth until recently, as seen in the total number of directional international passengers from Central Asian countries between 2006 and 2015. Air traffic volume increased from 1.5 million in 2006 to 4.5 million in 2014. However in 2015, it decreased to 4.4million.
Further analysis of the data shows that in 2015, the Central Asian countries have more routes to Russia than to China as shown in Table 2.

Table 2. Number of Routes to Russia and China by Central Asian Countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Routes to Russia</th>
<th>Routes to China</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uzbekistan</td>
<td>61</td>
<td>2</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>46</td>
<td>2</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>41</td>
<td>6</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>26</td>
<td>2</td>
</tr>
<tr>
<td>Turkmenistan</td>
<td>2</td>
<td>2</td>
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</tbody>
</table>

If routes to China were under similar circumstances (i.e. liberalization) as those to previous Soviet Union countries, on average, the chances of route service will be 48-78% higher. Furthermore, if routes to China were under similar circumstances as those to other international markets, on average, the chances of route service would be 27% higher.

Regarding China - Central Asian markets have been underdeveloped and falling behind services within Central Asia, to Russia and former Soviet Union countries, to many EU and middle East countries (high price, low traffic volume and low connectivity). If China and Central Asia markets could achieve comparable liberalization status as those to Russia and former Soviet Union or EU countries, the number of Chinese destinations and routes that can sustain scheduled services will be quite promising. Connectivity can be substantially increased. There is a positive feedback with service-volume-economy.

We should move on with the first step. Many countries are concerned as to whether their airlines and company can survive with liberalization. But there are encouraging examples.

Jeju was the 2nd least developed province in Korea, and the government tried to support it politically. With the development of its airport, Gimpo-Jeju is now the busiest air route in the world, with 2,500 flights per week. With 2 million foreign visitors, there is a spillover effect to output production around US$3.5 billion (Jeju Development Institute, 2014). Land prices increased more than 5 times in residential area in within 5 years. Air connectivity is significant to both countries and airlines, and it is time for countries to think strategically about connectivity and economic growth.

Experiences of a Corridor Organization from Africa by Elias L. Leonardo, Northern Corridor Transit and Transport Coordination Authority

This presentation discusses transport corridors in Africa; the northern Corridor; the Northern Corridor Transport Observatory; key initiatives and success stories; bottlenecks and challenges; and recommendations. Africa has a number of Transport Corridors. The Corridors mainly link Landlocked Developing Countries (LLDCs) to various Maritime Ports around the continent, facilitate trade and boost regional integration. Most African Corridors have management and/or coordination authorities to promote efficiency. However, there are still some challenges facing the African Corridors.
Transport corridors play three major roles: In terms of infrastructure, transport corridors provide the infrastructure and capacity to undertake trade (both import and export); and are therefore crucial prerequisite for trade facilitation in the LLDCs. Second, they facilitate integration. Cross-border trade flows and cooperation, like those taking place in the East African Region often foster integration and faster economic transformation. Third, transport corridors are a market development tool, either on the maritime foreland or on the hinterland.

The Northern Corridor is a Transport Corridor linking the Great Lakes countries of Burundi, DR Congo, Rwanda, South Sudan and Uganda to the Kenyan seaport of Mombasa. The Corridor also serves Tanzania, Ethiopia and Somalia. It is a multi-modal Corridor encompassing: Road, Rail, Pipeline and Inland Waterways, and is the busiest route in the whole of the East and Central Africa.

Figure 14. Map of the Northern Corridor

The Northern Corridor Secretariat was established through a Treaty known as the Northern Corridor Transit and Transport Agreement signed in 1985 and revised in 2007. The Agreement has 11 Protocols on (maritime port, routes, customs control and operations, documentation and procedures, rail transport, waterways transport, pipeline, multimodal transport, handling of dangerous goods, facilitation of transit and corridor development); all aiming at transforming the corridor into an economic development corridor. The Legal Framework took into account the three pillars of Sustainable Transport (i.e. Social, Economic and Environmental). The highest policy making organs are the Council of Ministers and the Executive Committee.

The Northern Corridor Transport Observatory is a monitoring tool that assesses and measures performance of the Northern Corridor and has an online platform to track and disseminate information on various key performance indicators. Its main purpose is to identify areas for
improvement in relation to targets; to provide a set of tools for diagnosing problems on the corridor; to measure the evolution of the corridor to gauge efficiency and bottlenecks; and to provide reliable information for policy and decision making.

The Observatory Track has 35 Performance Indicators on: 1. Volume and Capacity; 2. Transport cost and rates; 3. Productivity and efficiency; 4. Transit time and delays; 5. Intra-Regional Trade; and 6. The Green Freight Program

There are many key initiatives and success stories that the corridor has achieved. It has led to the harmonization and simplification of customs processes and procedures, as well as the creation of a web-based Northern Corridor Transport Observatory and the GIS component (www.ttcanc.org or http://top.ttcanc.org and www.Kandalakaskazi.or.ke). It has also lead to the usage of the Single Customs Territory and the Regional Electronic Cargo Tracking System. There are regular Northern Corridor Road Surveys and Road Safety Initiatives, and One Stop Border Post (OSBP) initiatives at major border crossings between Member States. The Corridor adopted the self-regulatory Vehicles Axle Load Control and adoption of High Speed Weighing in Motion. There is also the Road Side Stations Initiative, and the Northern Corridor Green Freight Transport Program, and the Public-Private Stakeholders consultative forum.

However, there are some bottlenecks and challenges. There has been a slow domestication of some of the provisions of the Northern Corridor Agreement and Protocols; varying national priorities in the Northern Corridor Member States; poor infrastructure/limited capacity and insufficient financing for projects in the Member States; Slow economic growth, low productive capacity and general governance issues; multiple and overlapping memberships in Regional Economic Communities; and the issue of state sovereignty and diverging roadmaps to integration; and inadequate knowledge management on issues of the LLCs and lack of consistent memory, and reliable records and documentation of issues.

Recommendations for the improvement of these issues include: enhancing partnerships between Member States in improving connectivity and infrastructure development; harmonizing and streamlining policy, legal frameworks, and regulations; maintaining strong M&E mechanisms to assist policy makers on informed decisions; encouraging intra-regional and strengthening trade facilitation instruments; enhancing the productive capacity in LLDCs and promoting enabling environment for private sector participation; building capacity at key national, corridor and regional levels; and implementing strategies that accelerates economic and social growth along the Corridor while ensuring environmental sustainability for the populations.
Effective development-oriented trade requires numerous components. These include modern and efficient transport infrastructure; regional and international connectivity, seen in examples such as the Silk Road Initiative; technology-driven and rule-based logistics; flexible regulations, rules, and procedures; vibrant and capable institutions, including within the private sector; the capacity to effectively implement multilateral, regional and bilateral transport and trade agreements, such as WTO TFA; Regional cooperation, including in the context of the Continental Free Trade Area for African LLDCs; and cooperation between LLDCs and their transit neighbors.

Road and railway systems serve as key transport infrastructure. Figure 15 depicts the amount of roads paved as a percentage of total roads in LLDCs, transit countries, and other developing countries, and the road density per 100 square kilometers of land area. As shown the LLDCs are disadvantaged in their general lack of key transit infrastructure and multimodal networks, which detracts their trade competitiveness.

Figure 15. Indicators of road transport infrastructure

In addition, the logistics and facilitation performance of LLDCs is significantly low in comparison to the transit and other developing countries as shown in Figure 16.
It is also important to note that there exist regional discrepancies between LLDCs in terms of trade barriers (Figure 17). For instance, Asian and African LLDCs generally require more documents for trade, which increases the costs of trading across barriers and cause further delays for cross-border movement of traded goods.

Simplification of “non-physical” barriers to trade such as documents can help to improve the efficiency of border and customs procedures. Further discrepancies exist regionally, as seen in export and import times (days) (Figure 18), as well as in export and import costs (Figure 19).
In order to improve trade conditions for LLDCs, and to eliminate these sometimes large discrepancies, a number of measures can be taken:

- Trade facilitation and export diversification should go hand in hand, as reductions in costs associated with trade and market entry helps to promote export diversification, which in turn positively impacts economic development.
- Custom procedures should be streamlined through a reduction in the number of documents required for imports and exports.
- Domestic and regional custom procedures should be harmonized with international frameworks.
- Customs procedures can be automated and equipped with risk management systems in order to expedite time spent at borders.
- The increased use of ICTs in customs modernization and clearance systems should be promoted.
- Transport infrastructure should be modernized and upgraded; this process would benefit from an enhanced role of the private sector (PPP)
- Regional and international trade facilitation agreements should be effectively implemented (including the WTO TFA)
- Mutually beneficial and collaborative transit-transport agreements with transit neighbors should continue to be negotiated.

TIR and Transit Transportation - by J. Ayush, Executive Director of the National Road Transport Association of Mongolia (NARTAM)
Since the 1990s, Mongolia has acceded to a number of international conventions with respect to trade and transport facilitation. These include the Convention on Road Traffic, ratified by Mongolia in 1997; the Convention on Road Signs and Signals, also ratified in 1997; the convention on the Contract for the International Carriage of Goods by Road, ratified in 2003; the TIR Convention on the International Carriage of Goods Under the Cover of TIR Carnets, ratified in 2002; and the Istanbul Convention on the Temporary Admission of Goods, which was joined in 2007.

Mongolia’s National Road Transport Association has become an issuing association of the International Road Transport Union (IRU). This means that NARTAM represents and implements all Mongolian IRU activity. The IRU had been originally created in 1948 to assist postwar Europe by facilitating international trade. Rebuilding trade and commercial links, eight nations from Western Europe became members of the IRU. Today, the IRU holds membership of over 180 national associations and 70 countries. With its main headquarters in Geneva, its regional headquarters are based in Brussels, Moscow, Istanbul, and Beijing.

The IRU serves a number of functions. With regards to trade and transport facilitation, it advocates for the TIR system, integrated coordination, regional integration, and a fair and well-regulated transport market. It additionally offers professional training for commercial drivers and managers; advocates and offers training for road traffic safety; encourages innovation and policy-writing for safe passenger transport; and promotes sustainable transportation through policy, advocacy, and technological innovation.

The TIR system expedites and simplifies trade by: Facilitating trade and transportation; promoting cost effectiveness; Facilitating border crossing; Requiring customs declarations only at departures and destinations; Simplifying and harmonizing customs guarantees and procedures; and Providing risk management and information safety.

There are six pillars of this TIR convention. The first pillar concerns the security of vehicles and containers; this requires that no goods be removed from or introduced into the sealed part of a container in transport, renders all spaces accessible for customs, and requires the use of a customs seal. Second is the international guarantee chain, which allows for a customs’ claim against a country’s national association. This is to say that when there is an issue in a certain country with a TIR carnet issued elsewhere, the customs of the origin country can claim the duties against the national association in the country where the issue has arisen. The IRU organizes the settlements between the insurance company and the national associations of both countries.

The third pillar is the TIR Carnet, a single document with security elements printed and issued solely by the IRU. The fourth pillar is the reciprocal recognition of custom controls, which means that a good carried under the TIR procedure in sealed road vehicles, combinations of vehicles or containers shall not as a general rule be subjected to examination at customs offices while en route. Fifth is the controlled access of customs and the IRU; this implies that customs authorities allow national associations to issue TIR Carnets and act as guarantors, and allow transport operators to utilize TIR Carnets. Sixth is electronic data exchange and the usage of safeTIR, an electronic control system for TIR Carnets.
The National road transport association of Mongolia (NARTAM) is a member of IRU since 2001 and represents it in Mongolia. By resolution 86 of the Government of Mongolia on “Measures to be taken to implement the Convention”, the following issues were resolved. These include: NARTAM was designated as an issuing and guaranteeing association for TIR Carnets and takes all responsibilities related with the TIR Carnets in the territory of Mongolia. List of Customs clearance and control offices in the territory of Mongolia.

Within the framework of the TIR Convention and the implementation of the resolution, the Association undertakes the following measures: Authorize national haulers from the national authorization committee that consists of representatives from Customs authority, NARTAM and National transport center. Guarantee and take responsibility of TIR transportation. Issue and control TIR Carnets, Management and control of TIR transportation. Train the TIR drivers and managers for international transportation. NARTAM also organizes training for road transport professionals, and issues transport permissions by the bilateral intergovernmental agreements.

There are fourteen customs offices of customs clearance and control in the territory in Mongolia.

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<td>CUSTOMS OFFICE IN ULAANBAATAR</td>
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<td>2</td>
<td>CUSTOMS OFFICE IN DARKHAN PROVINCE</td>
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<td>3</td>
<td>CUSTOMS OFFICE IN ORKHON PROVINCE</td>
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<td>4</td>
<td>CUSTOMS OFFICE IN SUKHBAATAR, SELENGE PROVINCE</td>
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<tr>
<td>5</td>
<td>CUSTOMS OFFICE IN ALTANBULAG, SELENGE PROVINCE</td>
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<td>6</td>
<td>CUSTOMS OFFICE IN ZAMIIN-UUD, DORNOGOBI PROVINCE</td>
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<td>7</td>
<td>CUSTOMS OFFICE IN UGII, BAYAN-ULGII PROVINCE</td>
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<td>CUSTOMS OFFICE IN TSAGAANNUUR, BAYAN-ULGII PROVINCE</td>
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<td>12</td>
<td>CUSTOMS OFFICE IN BULGAN, KHOVD PROVINCE</td>
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<td>13</td>
<td>CUSTOMS OFFICE IN ULAANGOM, UVS PROVINCE</td>
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<tr>
<td>14</td>
<td>CUSTOMS OFFICE IN BORSHOO, UVS PROVINCE</td>
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And four border-crossing points:
In addition to increasing the accessibility of customs and clearance offices, Mongolia’s National Road Transport Center issues numerous types of vehicle permissions:

Through bilateral intergovernmental agreements with Russia, Kyrgyzstan, Kazakhstan, Latvia, Belarus, and Turkey, NARTAM offers many types of vehicle permissions:
The difference between the TIR Carnet and Bilateral Transport Permissions is that TIR carnets are issued only for the authorized TIR haulers. In addition, the TIR carnet is a customs guarantee for transported goods. Permissions issued by the bilateral intergovernmental agreements on road transport serve as the permits for vehicles.

The authorized TIR Haulers are: North Trans LLC; Ezu Trans LLC; Baka Trans LLC; Carport LLC; Batkhul D Trade LLC; and Dulguun Trans LLC. Around 30-60 TIR Carnets were issued in 2015-2016, the number issuance increased up to 160 in 2017. Such initiatives have allowed for increased connectivity, including access to the Asian Highway Network as well as CAREC Corridors.

There nonetheless remain certain circumstances of TIR and transit underdevelopment in Mongolia. These include the current foreign domination of import and export transportation to and from Mongolia; the non-usage of TIR Carnets in international transport; China’s non-accession to the TIR Convention; and the lack of a legal environment of transit transportation. The implementation of the following activities will enable the establishment of new transit and maritime routes; facilitate and expand trade; and strengthen the competitiveness of Mongolian carriers:

- The Trilateral Intergovernmental Agreement on International Transport Along the Asian Highway Network (2016.12.08)
- TIR Transportation
- The Intergovernmental Agreement on International Road Transport

To accomplish transit transportation, certain tasks and services need to be implemented. These include:

- Ensuring the coordination of the control authorities, establishing an integrated control system and creating a legal environment
- Improving conditions of the AH3 and AH4 routes along Asian highway network
- Creating logistic networks
- Building relevant services and temporary parking along the road
- The enhancement of capacity at the border crossing points
- Establishing control systems on road tolls, and improving the legal environment of road maintenance and road-load
- Improving the facilitation of border crossing points and customs, as well as its computerization
- Ensuring the participation of the Mongolian carriers in transit transportation, improving their competitiveness, protecting the transport market and creating a legal environment
- Improving the quality of the fuel
- Implementing a goods insurance system

Discussion

In the ensuing discussion after the presentations, participants suggested that it is important for the LLDCs to establish air cargo connectivity. This will help encourage increased use of air cargo for export of high value merchandise. Participants also stressed that corridor approach was crucial for the development of the LLDCs. They suggested that it was very important to foster greater synergy between the corridors.

Participants noted that liberalization of the airspace was important to promote growth in their countries. Even though they were concerned by the need to protect their airlines, the participants were assured that when they liberalize their skies, their airlines will also benefit from the growth as had shown in the presentation. The Meeting underscored the importance of policy reforms in order to achieve liberalization. They also stressed the need to ratify relevant international agreements in order to promote trade facilitation and easier transit.
Way Forward and Closing Session

Presentation of Summary of Discussions

Mr. Odbayar E., Executive Director, ITT for LLDCs presented a summary of the discussions and some key recommendations. Participants made their comments which were incorporated and the summary and recommendations are included in the executive summary section of this document.

Presentation and consideration of the Declaration

Mr. Raul Silvero, Ambassador of Paraguay to Mongolia, Chair country of the Group of LLDCs presented the declaration which is presented at the beginning of this document. He indicated that the LLDC Group in New York under the leadership of the Chair had negotiated and agreed on the Ministerial Declaration.

He indicated that in the Declaration, the Group recalls and emphasizes the importance of the 2030 Agenda for Sustainable Development, the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024, and the Addis Ababa Action Agenda. These are our overarching frameworks that guide the LLDCs’ sustainable development efforts.

He noted that the declaration emphasizes that the establishment and maintenance of secure, reliable, efficient and quality infrastructure and transit transport systems remains critical for LLDCs to enable them to reduce transport and trading costs, enhance their competitiveness and become fully integrated in regional and global markets.

On trade and trade facilitation, he noted that the declaration calls for a rapid ratification and implementation of the WTO Agreement on Trade Facilitation and encourages LLDCs and transit countries that have not yet notified their category C measures and their capacity needs to do so to take advantage of the technical assistance opportunities.

He also noted that the declaration underscores the prominent role played by foreign direct investment in accelerating development and poverty reduction and calls upon LLDCs to promote an enabling environment to attract foreign direct investment and private sector involvement.

He indicated that the declaration stressed the importance of digital technologies in facilitating trade, regional and global integration including through the use of electronic commerce and calls on development partners, and multilateral development banks to enhance financial and technical assistance to the LLDCs in order to develop the necessary hard and soft ICT infrastructure as well as the necessary legal framework and policies.

He pointed out that in the declaration the Group welcomes the inauguration of the International Think Tank for LLDCs and encourages the International Think Tank to undertake research and capacity development for the LLDCs and to strengthen research collaboration with relevant international organizations including UN-OHRLLS, UNCTAD, UNDP, WTO and others, and with research institutions, think tanks, and other stakeholders in all the 6 priority areas of the
Vienna Programme of Action. The Group also encourages the Think Tank to undertake research in areas that are of key importance to the LLDCs including climate change, desertification, agriculture, digital economy and others.

He noted that in the declaration the Group calls upon all the Member States, United Nations system organizations and other stakeholders including the private sector and foundations to provide voluntary contributions to the International Think Tank; and urges all LLDCs that have not yet ratified the Multilateral Agreement for the Establishment of an International Think Tank for LLDCs to do so at their earliest convenience.

Finally, he pointed out that in the declaration the Group calls for the successful preparation of the comprehensive high-level midterm review of the implementation of the Vienna Programme of Action for LLDCs as called for by UN General Assembly resolution.

In the ensuing discussion, participants raised some amendments for consideration. Some of the proposed amendments included: adding regional cooperation frameworks; adding that the ITT should contact country specific research; adding that the ITT should consider the ideas and research proposals raised in the inaugural meeting and include them in their work plan; and adding good or best practice initiatives such as Mongolia’s travel facilitation initiative.

After extensive deliberations, participants agreed to adopt the declaration as negotiated and agreed upon by the LLDC Group in New York.

**Closing Statement by H.E. Mr. D. Tsogtbaatar, Minister of Foreign Affairs of Mongolia**

Let me begin by expressing my sincere gratitude to all of you for your active participation and valuable inputs to deliberations at this Inaugural Meeting. As the Secretary-General of the United Nations stressed in his message to this meeting “the establishment of the Think Tank as the first intergovernmental body dedicated to landlocked developing countries is a milestone in efforts to address their special needs”. This is, indeed, a remarkable achievement for the entire family of LLDCs. The full operationalization of the Think Tank is a realization of our common vision to build a platform which generates knowledge and develops analytical tools to overcome our common challenge – landlockedness.

As many of you highlighted the Think Tank is being operationalized at a critical juncture when the international community is set to embrace the implementation of the 2030 Sustainable Development Agenda along with the Paris Agreement, Financing for Development, the Vienna Program of Action and other internationally agreed development goals.

Let me share with you some of my thoughts on the ITT and other issues related to LLDCs.

**First, on the International Think Tank.** In order to turn the ITT into a centre of excellence for research and policy advice we as owners of the Think Tank need to support it, both politically and financially. In this regard, we fully endorse the appeal to all Member States, including LLDCs, transit countries and development partners, UN system organizations and other stakeholders to
provide voluntary contributions to the ITT. As for Mongolia, as a host country we have contributed US$ 2 million since 2012, and we will continue our support.

Many important ideas on future research topics and networking opportunities have been voiced at the meeting. I trust that the Executive Director and the Secretariat took note of those observations and would take a follow-up action on them.

Aligning the ITT’s research agenda with priority themes at the annual High-level Political Forum and other inter-governmental bodies is important in providing timely policy advice to LLDCs.

Undertaking joint research projects with the Office of the High Representative, UNCTAD, UNDP, WTO and other relevant international organizations and research institutions and think tanks on priority areas of the Vienna Program of Action is critical.

Second, there is also a need to identify and disseminate best practices from within the LLDC group, as each member state has its own advantages, good experience and lessons learnt.

For example, my Ministry has recently come up with a travel facilitation initiative with a view to creating an enabling environment for increased trade, investment, connectivity and economic cooperation. It covers countries along the Belt and Road Initiative, i.e around 70 countries in Asia and the Pacific, Africa and Europe, accounting for 65% of the world’s population and 30% of its economic output.

Within this initiative we have taken the following measures:

- A fast-track lane specifically dedicated to the “Belt and Road – Travel facilitation initiative” at Chinggis Khaan international airport in Ulaanbaatar
- On-arrival visas may be issued to government delegates and business people provided that prior notifications are given to the Ministry of Foreign Affairs of Mongolia
- Multiple-entry visas may be issued to frequent business travelers with an expedited procedure at Mongolian diplomatic missions located around the world.

Another initiative my Ministry is undertaking is creation of digital Embassies. Seizing the opportunity provided by ICT, the Ministry of Foreign Affairs has started a research on opening the first digital embassy. It is called “e-chambessy”, since we are collaborating on the project with the Mongolian National Chamber of Commerce. It will have a true digital Ambassador and true digital trade attachés to interact with the internet community to attract investors to Mongolia.

We hope that the experience of Mongolia in travel facilitation and creating digital Embassies could be of interest to our fellow landlocked developing countries.

In conclusion, may I express my Government’s full endorsement of the Ulaanbaatar Declaration of the Inaugural Meeting of the International Think Tank for LLDCs and its resolve to work together with fellow members towards its speedy implementation.
Closing Remarks by Mr. Raul Silvero, Ambassador of Paraguay to Mongolia, Global Chair of the Group of LLDCs

It gives me great pleasure that we, the Group of Landlocked Developing Countries and our partners were able to come together to witness the inauguration of our very own Think Tank. In my capacity as the Global Chair of the LLDC Group, I would like to express my deep appreciation to all of you for your contributions to the success of this meeting.

During these past sessions, we not only presented our view exchange about the future collaborations within the ITT framework, where Lao PDR's remark about integrating transit countries to the ITTLLDCs researches and projects was a very constructive approach; we also participated in several interesting presentations about FDI and the desired outcome, not always obtained, of economic diversification, for which it was mentioned that, in regards of UN-ESCAP region, Kazakhstan's experience was truly an example to follow. Afterwards, the significance for LLDCs of ICT and connectivity was widely addressed, reflecting a key issue in current situation for our Group. Lastly, the final thematic panel revolved around the topics of transit transport corridors and trade facilitation; an essential aspect for our development which is of great importance for Paraguay, given also our character of Coordinator for the LLDC Group on Trade and Development.

Throughout the first working day, along with the presentations and appreciations from government officials, international or regional organisms such as WIPO, UN-OHRLLS, UN-ESCAP and UNCTAD; I found it extremely relevant that we were be able to get the inputs and perspective from the Academia's studies, like the University of Sydney, and the private sector; especially interesting were the presentations regarding African transport corridors and Kazakhstan transportation opportunities.

While it has been a celebratory meeting it has also been a very productive one as we have covered essential issues that concern the landlocked developing countries that are important in accelerating our sustainable development efforts. We have also received many insightful and constructive suggestions on the areas that the Think Tank can cover in its future work. We have adopted a comprehensive Ministerial declaration that will guide our way forward. We now need to ensure that we all deliver on what we have promised. We can only do this through collective efforts. I know that we can count on our development partners, the United Nations organizations and other regional and international organizations, and the private sector, to support the implementation of the declaration that we have adopted today. Effective implementation of our declaration will advance implementation of the Vienna Programme of Action and get us closer to achieving the SDGs.

I would like to thank the Government of Mongolia, The ITT-LLDCs and UN-OHRLLS for organizing the meeting. My deep appreciation goes to the Government of Mongolia for hosting us here in Ulaanbaatar and for all the generous provisions for making our stay enjoyable here. The Group of LLDCs looks forward to working closely with the ITT. I also look forward to the continuous engagement of the entire group in the preparations of the high-level midterm review of the Vienna Programme of Action to be held next year.

Thank you.
Closing Remarks by Ms. Fekitamoeloa Katoa ‘Utoikamanu, Under Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States

I am pleased to address this closing session of the Inaugural Meeting of the International Think Tank for LLDCs.

This has been a unique and momentous occasion of celebrating the full operationalization of the International Think Tank for landlocked developing countries and it has set us on a new journey. I wish to extend my warmest congratulations to all of you.

I also wish to reiterate the words of the Secretary General that “the establishment of the Think Tank as the first intergovernmental body dedicated to landlocked developing countries is a milestone in efforts to address their special needs”.

I wish to recognize and thank the Government of Mongolia for its commitment to continue to support the International Think Tank.

Our intense discussions and productive work yesterday revealed the need to address the special development challenges of the landlocked developing countries which are now heightened by climate change and the changing global economic and political environment. It is vital for the LLDC policymakers to be well-informed by a Think Tank that has dedicated efforts to undertake comprehensive research and is able to give impartial advice and analysis. It is very important that the International Think Tank for LLDCs links up and works closely with the national Think Tanks in the LLDCs in order to ensure strong homegrown solutions. Many of the recommendations that will be made by the Think Tank will help to accelerate the implementation of the Vienna Programme of Action and the 2030 Agenda for Sustainable Development.

This meeting has also discussed what the Think Tank could work on. I am very encouraged by the many concrete proposals and areas that were suggested. We also discussed the important role of foreign direct investment, economic diversification, information and communications technology, transport connectivity, and trade facilitation and suggested recommendations.

I also commend you for adopting the Ulaanbaatar Declaration. This declaration provides a firm foundation for the role of the Think Tank. It is now our responsibility to build on it. I appeal to everyone to help us take our Think Tank initiative to the next stage through increased support to its operations through financial or in-kind contributions.

For my part, let me reassure you of UN-OHRLLS’ full commitment and support to the Think Tank. We plan to undertake joint research and other substantive work together.

I would now like to express my deep appreciation to the Government of Mongolia, the International Think Tank for Landlocked Developing Countries and the people of Mongolia. Your generous hospitality and the excellent arrangements that you provided have made this Meeting a true pleasure to attend and a memorable experience for all of us.
I wish to also thank Honourable Ministers and all the participants for the dedication and for your active participation and contribution to the success of the meeting.

I wish to also recognize Paraguay for their leadership role as the Global Chair of the Group of Landlocked Developing Countries and coordinator of the LLDC Group on matters related to trade and development in Geneva.

Looking ahead, I would like to reiterate the importance of the preparatory process of the comprehensive midterm review of the Vienna Programme of Action. The Ministerial meeting that we held in Astana, Kazakhstan kicked off the preparatory process and I thank the Government of Kazakhstan for their support in hosting that meeting.

OHRLLS is working closely with the regional commissions to organize the regional review meetings for Euro-Asia; Africa; and Latin America regions that we hope to hold by mid next year. We also hope to organize other thematic and pre-conference events and undertake substantive work before the comprehensive high-level meeting itself that will be held no later than December 2019. I look forward to continuing collaborating closely with you in this preparatory process.

I wish all of you returning home a safe journey.

I thank you for your kind attention.