



**United Nations Office of the High Representative for the Least Developed Countries,  
Landlocked Developing Countries and Small Island Developing States (UN-OHRLS)**

**COMPREHENSIVE TEN-YEAR REVIEW CONFERENCE OF THE  
ALMATY PROGRAMME OF ACTION  
2014**

**CONCEPT NOTE**

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## **I. Background and mandate**

1. The General Assembly in its resolution 66/214 of 22 December 2011 decided to hold a comprehensive ten-year review conference of the Almaty Programme of Action in 2014, in accordance with paragraph 49 of the Almaty Programme of Action<sup>1</sup> and paragraph 32 of the Declaration on the midterm review<sup>2</sup>, preceded, where necessary, by regional and global as well as thematic preparations in a most effective, well-structured and broad participatory manner. Intergovernmental mechanisms at the global and regional levels, including those of the United Nations Regional Commissions, as well as relevant substantive material and statistical data, should be effectively utilized in the review process.
2. In the same resolution the General Assembly designated the Office of the High Representative (UN-OHRLS) as the United Nations System-wide focal point for the preparatory review process and noted that United Nations system organizations, including UNCTAD, UNDP, Regional Commissions and relevant international and regional development and financial organizations, within their respective mandate, should provide necessary support and actively contribute to the preparatory review process and the comprehensive ten-year review conference itself.
3. Further aspects, date and venue of the Conference, and the venue, duration and dates of the preparatory committee meetings, will be decided upon during the sixty-seventh session.
4. The Almaty Programme of Action was adopted in 2003 as the United Nations' response to the growing recognition by the international community of the special needs and challenges faced by the landlocked developing countries in achieving their development goals. The Programme's objective is to establish a new global framework for developing efficient transit transport systems, taking into account the interests of both landlocked and transit developing countries that will help landlocked developing countries overcome their inherent geographical difficulties and support their efforts to eradicate poverty, sustain economic growth and better integrate into the world economy.
5. The Almaty Programme, with its overarching goal to forge partnerships to overcome the special problems of landlocked developing countries, contributes directly to the achievement of the Millennium Development Goals by this group of vulnerable countries. The Programme recognizes the direct link between transport, international trade and economic growth and aims at ensuring fuller and more effective integration of the landlocked developing countries in the global economy through the implementation of specific actions to be undertaken by all Almaty stakeholders in five

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<sup>1</sup> Report of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, Almaty, Kazakhstan, 28 and 29 August 2003 (A/CONF.202/3), annex II. The Almaty Programme of Action was subsequently endorsed by the General Assembly in its resolution 58/201 of 23 December 2003.

<sup>2</sup> See resolution A/RES/63/2.

- priority areas, namely: (a) fundamental transit policy issues; (b) infrastructure development and maintenance; (c) international trade and trade facilitation; (d) international support measures; and (e) implementation and review. The Programme constitutes a sound and effective global framework for genuine transit transport cooperation, providing a win-win solution to both landlocked and transit developing countries.
6. The 2005 and 2010 Summits and the High-level Plenary Meetings of the General Assembly on the Millennium Development Goals at its sixty-fifth session in 2010 reiterated the recognition of the special needs and challenges faced by those countries.
  7. In October 2008, the General Assembly, at its Sixty-Third session, adopted the Declaration of the High-Level meeting on the Mid-Term Review of the Almaty Programme of Action.
  8. In October 2009, the Third Ministerial Meeting of Trade Ministers of Landlocked Developing Countries, held in Ezulwini, Swaziland, adopted the Ezulwini Declaration, in which Ministers reaffirmed the need to accelerate the implementation of the Almaty Programme of Action, in particular with regard to trade facilitation, with the ultimate objective of lowering transaction costs, by reducing transport time and enhancing certainty in trans-border trade. Ministers also requested for an expeditious implementation of Aid-for-Trade agenda and give adequate consideration to the special needs and requirements of LLDCs.
  9. As the Almaty Programme approaches its 10-year milestone to the UN System is expected to gear up and contribute towards a comprehensive review of its implementation in 2014. The review will thoroughly assess the status of implementation of the Programme under each of the five priority areas; identify best practices and lessons learnt as well as obstacles and constraints encountered and actions needed to overcome them. Regional and thematic assessments would provide necessary substantive inputs and policy recommendations that would inform the final review.

## **II. Addressing development and emerging challenges of landlocked developing countries**

10. There are 31 landlocked developing countries which, as a group, are among the poorest and most marginalized countries in the global economy. Given their lack of direct access to seaborne trade, LLDCs find themselves on an inherently disadvantaged development path compared with countries with coastlines and deep-sea ports. The economic performance of landlocked developing countries reflects the direct and indirect impact of their geographical situation on their economic and social development. Landlockedness often coincides with other factors such as remoteness from major markets and difficult topography, as well as tropical or desert ecology. In addition, poor infrastructure, inefficient logistics systems and weak institutions

- compound the adverse effects of geography, leading to high trade transaction costs. Such severe difficulties are amplified by the LLDCs' dependence on the political stability, the infrastructure and the institutional quality of coastal transit countries. These challenges not only affect economic growth but have also major ramifications for social and environmental aspects of development.
11. In 18 landlocked developing countries the gross domestic product (GDP) per capita is below \$1,000. The persistence of such low per capita incomes in landlocked developing countries has resulted in a vicious circle where transport infrastructure investment is not viable owing to too little demand for transport services and simultaneously less economic activity takes place because of inadequate infrastructure resulting in less domestic revenue available for investment into the social sectors required to attain the Millennium Development Goals.
  12. The challenges of being landlocked have, over time, reduced the competitiveness of domestic economic operators in these countries, leading to an overall economic performance that has been consistently worse than their neighbours' when measured by GDP, foreign direct investment inflows and merchandise imports and exports. High transaction costs and inefficiencies constitute important barriers to trade and FDI and thus to economic growth and poverty reduction and they remain the main reasons behind the continued marginalization of LLDCs within the global economy.
  13. Furthermore, the LLDCs' economies are characterized by limited productive capacities and a non-diversified export structure - typically concentrated on few bulky primary agricultural and mining commodities - making them highly vulnerable to external shocks. Notwithstanding improved exports, the LLDCs' share of world trade in goods continues to hover below 1 per cent.
  14. In his annual Reports to the General Assembly on the implementation of the Almaty Programme of Action, the United Nations Secretary-General stated that despite the significant progress achieved in the implementation of the Almaty Programme of Action, landlocked developing countries continue to face enormous challenges of inadequate transport, telecommunications and energy infrastructure, inefficient transit systems, inhibiting economic growth and socio-economic development. Most notably, in recent years, especially due to the economic crisis, the number of people in extreme poverty increased in many LLDCs since it led to job and income losses, placing at risk the achievement of the MDGs.
  15. From 2008 to 2009, LLDC as a group experienced a decrease in economic growth from 5.8 per cent to 3.6 per cent. Furthermore, in 2009, exports and imports also decreased and remittances, an important source of income in many LLDCs, also fell in 2009. Official Development Assistance (ODA) has continued to increase, from \$18.9 billion in 2007 to \$24.8 billion in 2009. In addition, in 2010, FDI inflows to LLDC decreased 12 per cent. Aid for Trade disbursements to LLDCs have slightly increased, from \$4.7 billion in 2008 to \$6.0 billion in 2009, enabling LLDCs building their productive capacities and infrastructure development.

16. Furthermore, the percentage of the population that lives in hunger in LLDCs is still high: in half of them more than 20 per cent of the population was undernourished during the period 2005-2007. The geography of LLDCs makes them more vulnerable to rising food prices because of high transport charges. Achieving food security goal and eradicating poverty remain major social development challenges.
17. LLDC continued to face constraints in participating in international trade. The proportion of merchandise exports of LLDC to the total world exports has remained below 1 per cent. LLDC exports fell by 42 per cent from 2008-2009. The lack of access to the sea and remoteness from major markets, inadequate transit facilities, cumbersome customs and border crossing procedures amongst other result in high transport and trade transaction costs, undermining their efforts to build their productive capacities for example.
18. Also, low progress has been recorded in the area of infrastructure development and maintenance in LLDCs. The percentage of paved roads, the principal mode of transport for this group of countries, remained low. Only 9 countries have over 50 percent of their roads paved and eight have only paved between 20 and 49 per cent of them. According to research by the World Bank<sup>3</sup>, the challenges with regard to transport infrastructure are not only physical deficits but also a lack of adequate soft infrastructure, mainly in logistics services. Markets need to be improved along with transport and transit corridors.
19. Another major challenge LLDCs face is high costs of transport. The LLDCs as a group have higher proportion of freight charges to total value of exports and imports: 45 per cent more than for transit developing countries. They are paying higher transport and trade costs – resources that could be invested in building their productive capacities to advance structural transformation. Efforts have been made, with the support of development partners, to invest in transport infrastructure development and to enhance logistics capacity.
20. Landlocked developing countries had to face additional challenges which threaten to derail the limited progress and are becoming even more acute in light of the converging crises of food, climate change and the ongoing financial and economic downturn. Without an effective international response, these challenges will serve to heighten the vulnerability of LLDCs and reverse hard earned gains made by those countries on the economic and social fronts.
21. In particular, climate change poses a potentially permanent and serious threat to the economic and social development of LLDCs and can undermine their efforts towards the achievement of development objectives as they are least prepared to confront the challenges of adapting to climate and mitigating its effects that would even aggravate the disadvantages that LLDCs are facing. Furthermore, LLDCs are vulnerable to climate

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<sup>3</sup> World Bank: Policy Research Working Paper: Landlocked or Policy Locked, January 2012

change impacts on agriculture production, frequent accuracy of natural disasters, land degradation, desertification, and food security, viability of inland fisheries as well as increased deforestation and loss of biodiversity.

22. The new Programme of Action will set up a strategic framework in order for landlocked developing countries overcome their geographical vulnerabilities, build resilience to external shocks and set themselves on a path of economic growth and inclusive and sustainable development. LLDCs should mobilize adequate support through increased financial and technical assistance to enable them cope with multiple external shocks and to mitigate the impacts of new and emerging challenges on the most of vulnerable segments of their population.

### **III. Objectives and Expected Outcomes of the Conference**

#### **3.1. Global objectives**

23. The Conference objectives are mainly to:

- 1) Comprehensively and critically assess the implementation of the Almaty Programme of Action (APoA), with the view to identify effective international and domestic policies in the light of the outcome of the comprehensive appraisal, as well as new and emerging challenges and opportunities and the means to address them, and develop a new common action-oriented strategic framework for the next decade;
- 2) Reaffirm the global commitment to addressing the special needs of the landlocked developing countries, in particular those related to infrastructure development, transit and trade facilitation, policy framework, in order to reduce prohibitive transit costs and enable those countries to fully participate in the global trade;
- 3) Mobilize additional international support measures in favour of the landlocked developing countries, and in this regard, formulate and adopt a renewed partnership between the landlocked developing countries, transit developing countries and their development partners.
- 4) Develop a more efficient monitoring and evaluation mechanism for the successful implementation of the new programme of action by an effective functioning of existing arrangements at national, sub-regional, regional and global levels.

#### **3.2. Specific objectives**

24. The Review Conference will also identify additional policy measures to address numerous challenges faced by landlocked developing countries that hamper their integration in the world market. In particular, the following objectives will be pursued:

- 1) *Harnessing international trade, trade facilitation and aid for trade:* landlocked developing countries should formulate appropriate trade-related policies, mainstream trade in development and poverty-reduction strategies and develop tools to fully integrate the multilateral trading system. The Aid for Trade Initiative is important since it can provide crucial support to help LLDCs in implementing international agreements, strategically strengthening their capacities, developing their infrastructure and enhancing competitiveness in the global markets;
- 2) *Boosting the private sector and increasing Foreign Direct Investment:* Engaging the private sector is critical, in particular for providing infrastructure for transport, telecommunications and utilities. LLDCs should identify appropriate policy measures to improve the climate of doing business and promote their products to international markets. Foreign Direct Investment (FDI) can play a prominent role in accelerating development and poverty reduction through employment, transfer of managerial and technological know-how and non-debt creating flow of capital. Unfortunately, LLDCs perform poorly as foreign direct investment destinations due to their inherent geographical disadvantages. Adequate policy reforms should be undertaken to attract both private investment and FDI. Capital exporting countries should also be encouraged to adopt policies and incentives that promote FDI flows to LLDCs.
- 3) *Promoting regional and south-south cooperation:* In view of the emerging developments and challenges, LLDCs need to embark on a new development paradigm with the strategic goal of becoming more regionally integrated to generate rapid growth which is inclusive and sustainable. For boosting regional economic integration, LLDCs will need to address a wide spectrum of constraints in the institutional and physical infrastructure as well as in the policy agenda. This requires concerted actions for evolving a broader framework for economic integration at the regional level ensuring equitable economic and social benefits for the LLDCs, developing regional transportation networks, improving trade facilitation, and strengthening connectivity through wide use of information and communications technologies.
- 4) *Bridging Infrastructure gaps:* The limited availability and low quality of infrastructure in LLDCs have constrained the contribution of infrastructure to economic growth, therefore limiting the values of multipliers in terms of investment, employment, output, income, and implementing the Almaty Programme of Action.
- 5) *Harmonization and strengthening of the regulatory and legal framework pertaining to international transport and transit:*
- 6) *Addressing emerging issues,* including vulnerabilities to external shocks, climate change and food and fuel prices and economic and financial downturn.

- 7) *Building productive capacity of the LLDCs*: Governments and their development partners, as well as the private sector should coordinate their efforts for steering innovation and replicating successful business models.
- 8) *Reducing economic and social disparities*: poverty remains a rural phenomenon in LLDCs and hence policies that promote employment and income opportunities and improve access to basic services especially in the rural areas are essential in reducing poverty and rural-urban imbalances. In that context, investing in agriculture and rural activities should be at the highest priority in LLDCs.

### **3.3. Expected Outcomes**

25. It is expected to reach a shared understanding of development gaps and emerging critical issues, and the identification of strategies and priorities of LLDCs for addressing those challenges in the next decade, and ensure that they are adequately addressed in the new programme to be adopted.

## **4. Organizational Process at Regional and Global Levels**

26. The whole preparatory process should be transparent and inclusive, promoting dialogue with all stakeholders (Governments, UN System Organizations, international and regional development and financial institutions, private sector, academia, business community). Activities pertaining to the organization of the conference are at two levels: the regional level and the global level. All outputs will contribute towards the successful completion of the preparatory process for the Conference.

### **4.1. Regional, Sub-Regional and National Preparations**

27. The global review will be preceded by both national, regional, global as well as thematic preparations in a most effective, well-structured and broad participatory manner. A number of thematic pre-conference events will take place with the participation of all stakeholders.

#### **a) National Reviews**

28. LLDCs will be required to submit reports on the implementation of the APoA that will contribute to the enrichment of sub-regional and regional reports. Those reports should be prepared in consultation with a broad spectrum of stakeholders, including customs, border-crossing administrations, transport service providers, traders, public administrations, parliaments, and the private business community. The UN-OHRLLS will provide necessary guidelines and technical support.

## b) Sub-Regional preparations

29. At the sub-regional level, consultations will involve mostly regional economic communities in Africa, Asia and Latin America. Sub-regional meetings will be organized, where possible, with the ultimate objective of undertaking necessary consultations and coordination between LLDCs and their neighbour transit countries, assess progress on transit transport issues, identify key challenges and recommend appropriate corrective measures.

## c) Regional Reviews

30. Given their responsibilities for regional integration and regional cooperation, as well as support for the sustainable development of the countries of the respective regions, and the unique mandate for the analytical, normative and operational activities, the United Nations Regional Commissions will take the lead in the process of regional reviews, in particular, in coordinating the drafting of regional reports, in consultation with Member countries and sub-regional economic communities in specific regions. The regional reviews will be conducted as follows:

- Africa: Lead Agency: ECA
- Latin America: Lead Agency: ECLAC
- Asia and Europe: Lead Agencies: ESCAP/ECE

31. The reviews will assess the implementation of the Almaty Programme of Action in each of the five priority areas of the programme, in particular, examine the overall socio-economic development and external trade performance of landlocked developing countries in the three above-mentioned regions, and progress made by those regions in their efforts to integrate into the world economy since the adoption of the Almaty Programme.

32. In addition, the reviews will provide a quantitative analysis of the impact of landlockedness and of the policies and programmes enacted at the national and sub-regional levels to overcome it. The efficiency of existing transit transport systems will be evaluated and recommendations put forward on ways and means to improve connectivity to markets for landlocked developing countries. The report will also identify best or effective practices that can be replicated or scaled up and the major challenges experienced.

33. Regional Commissions will also coordinate the dialogue at regional level on: i) exchange of experience, lessons learned and best practices; ii) identification of common problems and seeking solutions; iii) formulation of specific policies and measures at regional level; iv) promotion of regional integration and south-south cooperation; v) promotion of policy coherence at regional level; vi) strengthening of partnerships, including the private sector, if possibly the academia; vii) review progress of the international support measures, in particular in areas of ODA, aid-for-trade, debt, foreign direct investment, trade facilitation; viii) provide inputs to the global preparations.

34. Regional reviews will provide an opportunity for a dialogue on critical challenges faced by LLDCs in each region and recommendations for appropriate strategies to address them, to be incorporated in the new programme of action.

#### **d) Global preparations**

35. The global preparatory process will build, to the extent possible, on the reviews of other major United Nations conferences and stocktaking exercises taking place between 2012 and 2014 and their relevant outcomes. To that end, the UN-OHRLLS will map out all major reviews during 2012 and 2014 and prepare a roadmap and a comprehensive list of preparatory events in the lead up the Ten-Year Review conference.

36. The reviews will also address the following: i) undertake a comprehensive appraisal of the implementation of the Almaty Programme of Action and the effectiveness of the existing arrangements at the global level; ii) review of progress of the international support measures, in particular in areas of ODA, aid-for-trade, debt, foreign direct investment, trade facilitation; iii) formulation of the appropriate additional policies and measures to achieve the goal of sustainable development of LLDCs and their better integration in the world economy; iv) exchange of experience, lessons learned and best practices; vi) strengthening partnerships, including the private sector, if possibly, the academia; viii) preparation of a proposal for consideration and subsequent adoption by the Conference.

37. Three structural preparatory processes are envisaged:

- 1) *Intergovernmental Track*: The Intergovernmental Preparatory Committee of the Conference will hold a number of sessions to appraise the implementation of the Almaty Programme of Action and prepare the Outcome Document for consideration and adoption by the Conference. The Intergovernmental Track will also include meetings of the General Assembly sessions, which will continue to assess the implementation of the programme, as well as the meetings of the governing bodies of the United Nations system and international organizations, in particular those of UNCTAD Trade and Development, WTO and Regional Commissions. This track will also interact with international and regional financial institutions. The outcomes of those consultations will be made available to the Preparatory Committee.
- 2) *United Nations System Track*: Inter-Agency Consultative Group Meetings, involving all UN Agencies, will meet on a regular basis with a view to build consensus on the conceptual framework and all organizational aspects of the preparatory process and the Conference. The UN Agencies and other international organizations will collaboratively prepare agreed substantive studies and hold several pre-conference events. The outcome of those consultations will feed into the review process.

- 3) *Private Sector Track*: a series of events will be organized the private sector, in particular the business community in areas of infrastructure, transport and transit and trade facilitation. An Investment Forum will be set up to explore and initiate innovative solutions to problems of landlocked developing countries and enhancing the role of the private sector.

#### **4.2. Advocacy and Outreach**

38. The United Nations, with the collaboration of all other stakeholders, will undertake an intensive, focused and sustained advocacy strategy to raise awareness on the critical challenges faced by landlocked developing countries and the need for appropriate international support measures.

## Annex 1 : List of Landlocked Developing Countries and Transit Countries

Country names	Transit countries	Subregion
Afghanistan	Pakistan, Iran	South Asia
Armenia	Georgia, Turkey	Europe, Central Asia
Azerbaijan	Georgia, Turkey, Russia, Iran	Caucasus
Bhutan	India	South-Asia
Bolivia	Chile, Argentina, Brazil, Peru	Latin America
Botswana	South Africa, Namibia	Southern Africa
Burkina Faso	Cote d'Ivoire, Togo, Ghana	Western Africa
Burundi	Kenya, Tanzania	Eastern Africa
Central African Republic	Cameroon	Central Africa
Chad	Cameroon	Central Africa
Ethiopia	Djibouti	Eastern Africa
Kazakhstan	Russia	Europe, Central Asia
Kyrgyz Republic	Russia, Kazakhstan	Europe, Central Asia
Lao PDR	Thailand, Vietnam	Eastern Asia
Lesotho	South Africa	Southern Africa
Malawi	South Africa, Mozambique	Southern Africa
Mali	Cote d'Ivoire, Togo, Ghana, Senegal	Western Africa
Moldova		Europe
Mongolia	China, Russia	Eastern Asia
Nepal	India	Southern Asia
Niger	Togo, Benin	Western Africa
Paraguay	Argentina, Brazil	Latin America
Rwanda	Kenya, Tanzania	Eastern Africa
Swaziland	South Africa, Mozambique	Southern Africa
Tajikistan	Russia, Kazakhstan, Uzbekistan	Europe, Central Asia
Turkmenistan	Russia, Kazakhstan, Uzbekistan, Iran	Europe, Central Asia
Uganda	Kenya	Eastern Africa
Uzbekistan	Russia, Kazakhstan	Europe, Central Asia
Zambia	South Africa, Mozambique, Tanzania	Southern Africa
Zimbabwe	South Africa, Mozambique	Southern Africa
Macedonia (FYR)		Europe

Source: World Bank: Improving Trade and Transport for Landlocked Developing Countries, October 2008