by
Mr. Sandagdorj Erdenebileg
Chief Policy Development, Coordination, and Reporting Service, Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States

at the Expert Group Meeting on assessing the status of implementation of trade and transport facilitation instruments and measures in Africa

Addis Ababa, Ethiopia
15 July 2013
Good morning and a warm welcome to you all. I would like to express my deep gratitude to the Economic Commission for Africa for our partnership and collaboration in the implementation of the Almaty Programme of Action in the region and in the preparations for the comprehensive global 10-year review conference on the implementation of the Almaty Programme of Action.

Distinguished Ladies and Gentlemen,

Land transport, by its nature, requires that countries make arrangements for the passage of goods and people across national boundaries. International conventions, regional, sub-regional and bilateral agreements are vital to eliminating non-physical barriers to cross-border trade and transport and facilitating efficient movement of vehicles, goods and people at international transit points.

Landlocked developing countries because of their geography are in greater need of partnership and cooperation with neighbouring countries in order to gain easier physical access to the sea, improve their connectivity to the world, ease border crossing, lower trade and transport costs and ensure greater safety of their people and equipment. If agreements are well designed and fully implemented, this will help deepen trade and economic growth in both the LLDCs and transit countries.

The Almaty Programme of Action fully recognized the importance of genuine partnerships between landlocked and transit developing countries. It stressed that international conventions on transport and transit, as well as regional and bilateral agreements, ratified by landlocked and transit developing countries are the main vehicles by which the harmonization, simplification and standardization of rules and documentation can be achieved.

At the international level, the legal framework is quite well established. Under the auspices of UNECE there are 57 international conventions,
agreements and protocols - that were first started at the European continent level and then adopted internationally - provide frameworks for harmonization and simplification of formalities and procedures of international transport and transit. Seven of them are especially relevant to transit and border crossing for LLDCs these include: Road traffic (1968); Road sign and signal (1968); the international transport of goods under cover of TIR Carnets (1975); temporary importation of commercial road vehicles (1956); Customs convention on containers (1972); Harmonization of frontier controls of goods (1982) and Contract for the International Carriage of Goods by Road (1956).

Other important international conventions among many include: those on customs procedures under the World Customs Organisation such as the International Convention on the simplification and harmonization of Customs procedures (Kyoto Convention); UN Conventions on Transit Trade of Land-locked States of (1965) and on the Law of the Sea (UNCLOS) (1982) and the General Agreement on Tariffs and Trade (GATT). It is important that these instruments are effectively ratified and implemented by both the landlocked developing countries and their transit neighbours so that landlocked developing countries can realize the benefits of becoming more integrated into the world economy.

A number of regional and sub-regional transport and trade facilitation agreements relating to LLDCs and transit countries have been developed in all regions. The Asian region has made substantial progress in developing and implementing the Inter-governmental Agreement to underpin the Asian Highway Network that entered into force on 4 July 2005 and the Intergovernmental Agreement on the Trans-Asian Railway Network that entered into force on 11 June 2009. In 2013, the Asian region also adopted the text of the intergovernmental agreement on dry ports at ESCAP’s sixty-ninth commission session.

African countries are also making progress in elaborating the intergovernmental agreement to underpin the Trans African Highway. The study details very well all the relevant regional and sub-regional agreements that promote supportive transport, transit and trade policies that African member States are party to.

The Regional Economic Communities are making progress to further harmonize their standards and policies by entering into a common arrangement. For example the establishment of the tripartite taskforce between the COMESA, East African Community and South African Development Community involves efforts to harmonize their transport policies and physical infrastructure development. As noted in the draft
study, some progress to improve transit trade has been made through corridor organizations such as the Central Corridor Transit Transport Facilitation Agency, the Northern Corridor Transit Transport Coordination Authority and the Maputo Corridor Logistics Initiative.

At the global level, despite the existence of the relevant international conventions, accession by LLDCs and transit countries has been slow and low. For example as of January 2013:

- only 11 LLDCs and 5 transit countries are party to the TIR convention – non are from Africa;
- 11 LLDCs (including 1 African LLDC) and 3 transit countries (including 1 African country) are party to the convention on harmonization of frontier controls of goods;
- 13 LLDCs (including 3 African LLDC) and 12 transit countries (including 5 African countries) are party to the convention on road traffic;
- 6 LLDCs (including 1 African LLDC) and 3 transit countries (including 1 African country) are party to the customs convention on containers.

Overall ratification of the conventions has been low especially by transit countries.

Furthermore, despite the progress made in establishing regional and sub regional agreements that have provided a basis for the simplification and harmonization of formalities and procedures, many of the agreements are not being fully implemented. In some cases, the negotiation of the operational and technical annexes or protocols has not been completed and need to be expeditiously concluded. In other cases agreements might be overlapping.

According to studies by ESCAP, ECA and the World Bank, some of the key issues inhibiting accession and implementation of the international conventions include lack of involvement in elaboration and amendment of conventions or agreement, lack of resources to meet the cost of adjustment to meet the requirements of conventions and to participate in meetings, inadequate national capacity and difficulties in implementation. In some cases countries are not knowledgeable of the convention and the potential benefits to be gained from becoming a member.
Ladies and Gentlemen

The bilateral agreements are still the predominant tool for facilitating international road transport, even in regions that are highly integrated. A recent World Bank study that reviewed over 70 bilateral agreements on road freight transport concluded that some of the bilateral treaties could even be counterproductive for they could introduce rigidities in implementation, deviate from international best practices, or could be defending vested interest. In such situations, bilateral agreements reduce efficiency and increase the cost of international road transport services.

Some of the bilateral agreements are quite out-dated, often poorly enforced and at the same time may lack modern provisions thereby perpetuate unsustainable practices and increase costs. The World Bank study suggested that Member States should be supported to adopt a more comprehensive approach including a model-agreement in formulating and negotiating bilateral agreements.

Distinguished ladies and gentlemen

It looks like one of the leading challenges constraining accession, adherence and implementation of conventions and agreements at all levels is lack of capacity. Special emphasis should be accorded to support the LLDCs and transit developing countries in becoming party to these important legal instruments and to fully implement the agreements.

I am very grateful that this meeting is very timely as it will thoroughly review the accession and implementation of the legal instruments on transport and trade facilitation and come up with appropriate recommendations that can help African countries to become party to international conventions and regional agreements and effectively implement them. This could assist the Landlocked Developing Countries in overcoming the current physical impediments and in unlocking their potential to generate higher levels of social and economic development.

The recommendations from this meeting will form substantive input into the outcome document of the Regional Review Meeting that begins tomorrow and also into the outcome document of the global conference.

Let me end by assuring you that the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States will on its part continue to support African member States to develop and implement a legal framework that can allow landlocked developing countries to reap benefits from
international trade. In this spirit, I am looking forward to fruitful deliberations in this meeting.

I thank you all for your kind attention.