Outcome Document

Financing the SDGs in Africa’s landlocked least developed countries through strengthened trade ties within the framework of the AfCFTA

Thursday 5 December 2019 18:15 hrs to 19:45 hrs Egypt UN Mission Conference Room NY, USA

Introduction

The United Nations Economic Commission for Africa in partnership with UN-OHRLLS, African Development Bank (AfDB) and the Egypt UN Mission organized a Side Event to discuss the ever-growing development needs of Africa’s Landlocked Developing Countries (LLDCs) and Least Developed Countries (LDCs) focusing especially on how to overcome the financial resources constraints (including limited budgets and borrowing capacities) that have continued to slow down the pace of attainments of the noble goals articulated in both the Vienna Programme of Action (VPOA) and the Istanbul Programme of Action (IPoA) for these categories of countries respectively. The ultimate goal of the event was to proffer some actionable recommendations on how to enhance resource mobilization to advance the VPOA and IPoA and support the achievement of the SDGs and Agenda 2063 in Africa’s LDCs and LLDCs within the framework of the AfCFTA. The Side event was held on 5 December 2019 on the margins of the high level global midterm review on the implementation of the Vienna Programme of Action for the Decade 2014–2024.

The meeting was attended by senior government policymakers and other stakeholders from African LLDCs, transit countries, development partners as well as participants from the UN system, relevant international and regional organizations, civil society representatives and the private sector.

The meeting assessed progress achieved in the implementation of the VPOA and IPoA and explored pathways on how to enhance resource mobilization for the implementation of LDCs’ IPoA and LLDCs’ VPOA within the framework of the AfCFTA and support the achievement of the SDGs and Agenda 2063 in addition to discussions during the meeting.
The meeting agreed on the following assessment and recommendations for both LDCs and LLDCs:

**Recommendations**

- Mainstreaming IPoA and VPoA in the ongoing work on the development of AfCFTA Strategies in African LDCs and LLDCs;
- LLDCs and LDCs should endeavor to ratify the AfCFTA without delay;
- The international, regional financial institutions, UN system and other development partners should strengthen their technical assistance programs for improving the institutional capacities of the LLDCs and LDCs to formulate and implement bankable infrastructure development projects more effectively and efficiently;
- LLDCs and LDCs should integrate the development and maintenance of transboundary transport infrastructure in their national development strategies and should not be stand-alone initiatives. The need to pay particular attention to the cost recovery mechanisms and insurance schemes in negotiating Public Private Partnership Agreements;
- LLDCs and LDCs need to strengthen their efforts in mobilizing domestic resources and bring about necessary tax administration reforms to meet their growing infrastructure financing needs;
- The LLDCs, LDCs and transit countries need to accelerate domestication and implementation of sound regionally adopted policy, regulatory and legislative frameworks to create an enabling environment for investment and infrastructure operations as well as enhance global competitiveness;
- LLDCs, LDCs and their development partners including the regional and international financial institutions, regional organizations and bilateral development agencies should strengthen their efforts to mobilize and allocate more resources for infrastructure development and maintenance;
- LLDCs, LDCs and transit states need to accelerate preparation of power projects (including renewables) and scale up projects on cross border inter-connectors to enable LLDCs and LDCs experiencing power shortfalls to purchase power from neighboring countries to ensure energy security. International community should provide technical and financial support to these efforts;
- Regional and international development partners, UN organizations and other international organizations are encouraged to support the LLDCs, LDCs and transit countries with technical, financial and capacity building support to advance their regional integration efforts;
- LLDCs, LDCs and transit countries should make use of the technical assistance and capacity-building support provided by relevant international organizations towards the effective accession, ratification and implementation of relevant international conventions and regional cooperation agreements and frameworks;
- LLDCs, LDCs and transit countries should also consider undertaking regional integration initiatives that encompass investment, research and development, industrial development and regional connectivity;
- LLDCs and LDCs need to enhance the level of good governance in key institutions that facilitate economic development and provide services, especially within the public sector and parastatal organizations, in order to bring about the much-needed operational efficiency and sustainability in these enterprises;
• LLDCs and LDCs will also need to better leverage ODA for attracting further finance from other sources such as FDI, public-private partnerships, and blended finance that could be utilized more effectively in promoting growth and structural change in the LLDCs and LDCs;

• LLDCs can attract more FDI by improving their regulatory environment and by engaging in regional integration initiatives and deepening their cooperation with neighbouring countries, especially transit countries;

• LLDCs need to identify and prepare bankable projects to secure financial and technical resources from multilateral initiatives such as the Africa Development Bank, East Africa Development Bank, West African Development Bank, the World Bank’s Global Infrastructure Facility, and New Development Bank.

Way Forward

1. The meeting calls upon UN ECA and the rest of UN Family to continue providing technical support to the Africa’s LLDCs and LDCs in areas related to the priorities of the VPoA and IPoA in order to accelerate their implementation.