

Activities Report – Vienna Programme of Action (LLDCs)

Introduction:

- As presented by the Director, the report before you outlines UNCTAD’s contributions to the implementation of the VPoA since its inception in 2014, structured by the VPoA’s priority areas.
- In presenting the report, I will highlight some of the key activities under each priority area.

VPoA Priority Area 1: Fundamental transit policy issues

- With regard to the first priority area – fundamental transit policy issues – I would like to draw your attention to the extensive work done by UNCTAD on assisting LLDCs with the implementation of the WTO Trade Facilitation Agreement.
- UNCTAD has so far assisted 18 LLDCs and 17 transit developing countries with the implementation of the WTO Trade Facilitation Agreement (TFA), with particular emphasis on the articles related to transit cooperation.
- Furthermore, UNCTAD has provided technical assistance on transit cooperation to:
 - The Central European Free Trade Agreement
 - The East African Community (EAC)
 - The Economic Community of West African States (ECOWAS)
 - The Latin American Integration Organization (ALADI)
 - The Southern African Customs Union (SACU)

VPoA Priority Area 2: Infrastructure development and maintenance

- The second priority area is Infrastructure development and maintenance. While UNCTAD does not build physical infrastructure, we provide assistance with soft infrastructure, including streamlining procedures, and providing policy advice on infrastructure development strategies.

(a) Transport infrastructure:

- In the field of transport, allow me to highlight UNCTAD’s work with the Northern and Central Corridor Transit Authorities in Africa on sustainable freight transport strategies.
- This work has enabled the Northern Corridor Transit Authority to develop a green freight programme in collaboration with UNEP and the Climate and Clean Air Coalition.

(b) Energy and information and communications technology infrastructure:

- With regard to energy infrastructure, UNCTAD’s LDC report 2017 highlights the role that access to energy has in process of structural transformation in LDCs, including 16 LLDCs. The report stresses the importance of ensuring access to energy not only for domestic consumption needs, but also for productive processes. The report provides a series of recommendations for countries to take into account when formulating their national energy policies.
- With regard to ICTs, UNCTAD has assisted many LLDCs in the wider STI sector. October 2017 saw the completion of the STI Policy Review for Rwanda. Since then, the formulation of a 5-year strategy has begun.

- Furthermore, UNCTAD conducted eTrade Readiness Assessments for Bhutan and Nepal. Assessments of other LLDCs (including Lesotho and Afghanistan) are planned for 2018.

VPoA Priority Area 3: International trade and trade facilitation

International trade (a):

- Moving on to Priority Area 3 (Intl. trade and trade facilitation) I have already outlined some of UNCTAD's work on supporting countries in multilateral and regional trade negotiations and WTO Accessions in the previous presentation. I will therefore highlight here some of the more specific support provided to some LLDCs.
- For example, UNCTAD assisted Botswana and Zambia in preparing overall trade policy frameworks (TPFs).
- We also carried out a Services Policy Review for Paraguay, which helped the nation identify opportunities to improve, while offering suggestions for reforms.
- Finally, as part of the Enhanced Integrated Framework (EIF) UNCTAD assists LDCs, including several LLDCs, in updating their diagnostic trade integration studies, which serve as tools to identify policy limitations and gaps, and developing action matrices to address domestic bottlenecks to trade. In 2016, UNCTAD updated the diagnostic trade integration study (DTIS) for Ethiopia and Burkina Faso.

Trade facilitation (b):

- In the area of trade facilitation, our core trade facilitation programme, ASYCUDA, is currently in use in 23 of the world's 32 LLDCs.

VPoA Priority Area 4: Regional integration and cooperation

- With regard to regional integration (priority area 4) UNCTAD has carried out a number of studies on the potential for African countries (including LLDCs) to strengthen regional value chains (e.g. in leather products, mining machinery and agro-processing. In particular, UNCTAD is working with several other UN agencies on a 2-year project on "Integrating Landlocked Commodity Dependent Developing Countries into Regional and Global Value Chains."

VPoA Priority Area 5: Structural economic transformation

- The final priority area of the VPoA is structural transformation, which we regard as key for many LLDCs in overcoming their commodity-dependence.
- I already mentioned our work on the PCI index, which we hope to validate in national and regional workshops in Lao PDR and Rwanda in the coming months.
- UNCTAD is also providing technical assistance on diversification to four energy-exporting LLDCs in Asia: Bhutan, Kazakhstan, Mongolia and Turkmenistan. The work builds on previous work on the "Facilitating the Participation of Landlocked Developing Countries in Commodity Value Chains", and aims to examine the role of energy in economic diversification efforts; identify successful country experiences and best practices; and recommend policies and strategies to use energy to build productive capacities and accelerate economic transformation.

- A further core component to our work on structural transformation is of course our work on investment. So far, UNCTAD assisted 28 out of the 32 LLDCs in the areas of investment and enterprise:
- This includes IPRs, which have been conducted for almost half (fifteen) of the LLDCs¹.
- In addition, UNCTAD assisted a number of regional groups, which include LLDCs, in reviewing their model IIAs with a view to enhancing the treaties' development dimension as well as coherence. UNCTAD also reviewed the IIA models of Botswana, Burkina Faso and Mongolia.
- Finally, our Business Facilitation eRegulations Programme is operational in seven LLDCs – notably Bhutan, Burkina Faso, Ethiopia, Macedonia (FYR of), Mali, Niger and Rwanda. The system contributes to increased transparency and greater institutional capacity, thereby facilitating business and making LLDCs more attractive to foreign investors.

Conclusion:

- Once again, I would invite you to consult the report for a detailed representation of our projects. In closing, I would like to note that the General Assembly has requested UNCTAD to support the forthcoming midterm review of the VPoA, including its regional review processes, and UNCTAD looks forward to providing substantive inputs to the process.

¹ In Africa for Botswana, Burkina Faso, Burundi, Ethiopia, Lesotho, Rwanda, Uganda and Zambia. In Asia for Kyrgyzstan, Mongolia, Nepal, Tajikistan and Uzbekistan; and in Europe for the former Yugoslav Republic of Macedonia and Moldova