

High Level Political Forum on Sustainable Development 10 – 19 July 2023

RECOMMENDATIONS FOR SUSTAINABLE DEVELOPMENT GOALS

Presentation by
Dulguun Damdin-Od
Executive Director of ITLLDC

Landlocked developing countries face many unique barriers to development which distinguish them from their fellow developing states. Some of the most notable barriers faced by Landlocked Developing Countries include having economies that are highly dependent on a few commodities and minerals, having large informal sectors, weak social capacities, high unemployment and low productivity. Not having access to the sea also means that Landlocked Developing States face substantial costs when accessing global markets, with average costs for importing and exporting shipping containers being more than double those faced by transit countries. The last few years have been particularly difficult for landlocked countries, particularly because of the effects of COVID and general global economic and political tensions

The statistics highlight the great need that landlocked states have when it comes to building their economic resiliency and developing their economies. To address these kinds of particular needs of Landlocked Developing Countries, the Vienna Programme of Action was agreed upon in 2014 to outline a pathway forward for the sustainable development. The 6 priorities of the Vienna Programme of Action, informed by the sustainable development goals, were:

1. Fundamental Transit Policy Issues;
2. Infrastructure Development and Maintenance;
3. International Trade and Trade Facilitation;
4. Regional Integration and Cooperation;
5. Structural Economic Transformation; and,
6. Means of Implementation.

In relation to these priorities, and in line with the sustainable development goals, the International Think Tank for Landlocked Developing Countries has 3 recommendations it would like to put forward.

The first major recommendation is in relation to the Sustainable Development Goals 7, 9 and priority 2 of the Vienna Programme of Action. As states that are highly vulnerable to the effects of climate change, it is important that Landlocked States transition towards affordable and clean energy by developing and maintaining robust energy infrastructure. Our recommendation is that, going forward, governments in Landlocked Developing Countries aim to foster public private partnerships to greater mobilise expertise and resources in the renewable energy sector. Such collaborations can help to accelerate the path forward to clean energy, and also help to reduce the financial burden of clean energy transition away from just the state. The private sector continues to play a vital role in economic transformation globally, and it is of immense importance that states develop the mechanism necessary to work alongside the private sector in pursuit of the Sustainable Development Goals and the priorities of the Vienna Programme of Action. Carbon credits are also an emerging method of financing which Landlocked developing countries have the capacity to take advantage of to help ease the strain on their national budgets. Many Landlocked States have a quite high percentage of renewable energy in their total final energy consumption, with

the average percentage being 44% as of 2020. This places landlocked states in a solid position to utilise carbon credit schemes to offset the costs of decarbonising, and is certainly something they should pursue more in the future.

Second, landlocked developing countries should ramp up regional cooperation in order to exploit existing opportunities for cross-border bilateral renewable electricity trade with neighbouring countries and through regional electricity markets. These kinds of initiatives would help to reduce carbon emissions intra-regionally, but also to build up resiliency in energy markets. By strengthening regional infrastructure and cooperation, LLDCs help to accelerate the global transition away from carbon heavy energy, but also promote resiliency against power outages and natural disasters. Regional cooperation in the fields of energy can also serve as a stepping stone for further cooperation in pursuit of the Sustainable Development Goals and Vienna Programme of Action priorities.

The third recommendation is in relation to trade. As noted prior, Landlocked Developing Countries face many vulnerabilities in the field of global trade, as many export raw materials and commodities and do not engage in high value added exports. By tapping into regional value chain networks, Landlocked Developing States have a unique opportunity to improve this vulnerability. Such initiatives would open landlocked states to new export opportunities, facilitate the creation of new markets, and help develop further economic complexity. Increased transit mobility is also vital to increasing participation in regional value chains, but also to facilitate greater access to global markets. Landlocked countries need to engage in further constructive dialogue with neighbouring transit countries, particularly to harmonise regulations, procedures, and customs standards to reduce transit times and costs.

Finally, Air transport has a vital role in promoting connectivity among LLDCs. The Airport Connectivity Indicator of the International Air Transport Association (IATA) in LLDCs is less than 50 out of 100 percent, indicating their limited air connectivity, most probably because the majority of airports in LLDCs receive a limited number of flights a week. Within the framework of the Working paper A41-WP/61 titled “IMPROVING AIR CONNECTIVITY IN LLDCs” submitted to the 41st Assembly of International Civil Aviation Organization (ICAO), the ITLLDC continually cooperates with the ICAO and permanent representatives of LLDCs to ICAO to coordinate policy towards promoting air connectivity, aviation liberalization and reducing air transportation costs in LLDCs. The parties are well aware of the fact that stepping up capacity building and technical assistance in support of air transport in LLDCs is most critical, including immense investment and improved private sector involvement. ITLLDC experts stress the need to conduct analysis for specific markets, and to organize conferences to approach and get support from the airlines and governments in specific countries with major hubs (e.g. Japan, Korea, China, or numerous European countries such as UK, Germany, Netherlands etc.)

