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Report on the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024

I. Introduction

1. African landlocked developing countries,[1] like other landlocked developing countries, face special trade and development challenges, emanating from their lack of territorial access to the sea and geographical remoteness from international markets. Of the world's 32 landlocked countries, 16 are in Africa, and 13 of these are also least developing countries. Lack of territorial access to the sea, remoteness and isolation from world markets, multiple border crossings, cumbersome transit procedures, inadequate infrastructure and high transit costs continue to impose serious constraints on the overall socioeconomic development of landlocked developing countries.

2. The Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024 provides a holistic framework to address the structural challenges faced by landlocked developing countries through six mutually reinforcing priority areas: fundamental transit policies, infrastructure development and maintenance, international trade and trade facilitation, regional integration and cooperation, structural economic transformation, and means of implementation. Its overarching goal is to help landlocked developing countries achieve sustainable and inclusive growth and eradicate poverty. The Vienna Programme of Action is an integral part of the Sustainable Development Goals in the context of the 2030 Agenda for Sustainable Development and Agenda 2063: The Africa We Want, of the African Union.

3. While the economic and social consequences of the COVID-19 pandemic will spare no country or country group, African landlocked developing countries are particularly exposed, due to their dependence on commodity exports of agricultural, mining and energy products. The closing of land borders further isolates African landlocked developing countries from world markets, making crisis mitigation difficult. Recovering from the

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[1] Botswana, Burkina Faso, Burundi, the Central African Republic, Chad, Eswatini, Ethiopia, Lesotho, Malawi, Mali, the Niger, Rwanda, South Sudan, Uganda, Zambia and Zimbabwe.

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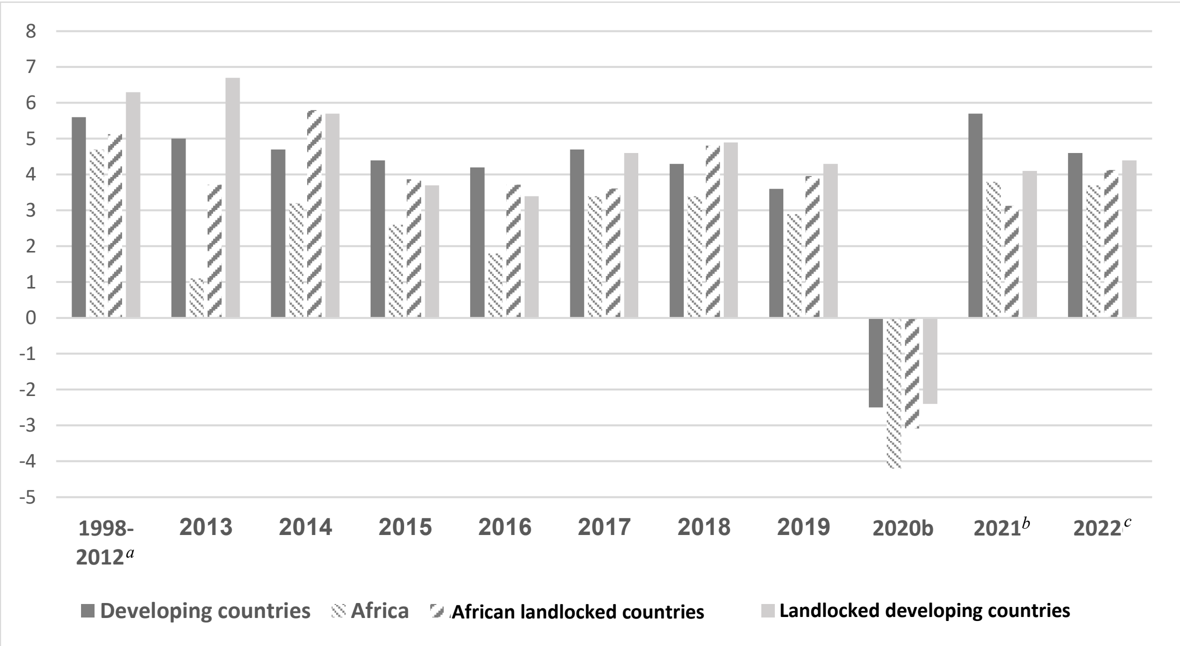
COVID-19 pandemic, African landlocked developing countries will need to lean further into the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024 to accelerate economic recovery.

4. The present report provides an overview of the progress achieved in the implementation of the Vienna Programme of Action in Africa and the basis for discussions during the thirty-ninth meeting of the Committee of Experts of the Conference of African Ministers of Finance, Planning and Economic Development.

II. Overview of socioeconomic development

5. Landlocked developing countries have exhibited mixed progress in their socioeconomic development. Economic growth of African landlocked developing countries decreased from an average of 5.1 per cent in 1998–2012 to 4.0 per cent in 2019. However, with the outbreak of COVID-19, almost all economies were estimated to contract in 2020, with developing countries and African landlocked developing countries contracting at 2.5 per cent and 3.1 per cent, respectively (figure I). The only two African landlocked countries to grow in 2020 were Rwanda (1.1 per cent) and Malawi (0.2 per cent). During the same year, the highest contraction rates were recorded by Botswana, South Sudan and Zimbabwe, at -8.5 per cent, -7.2 per cent and -9.8 per cent, respectively.

Figure I
Economic growth in Africa and developing regions, 2015–2022



Source: United Nations Department of Economic and Social Affairs, *World Economic Situation and Prospects, 2021* (United Nations publication, Sales No. E.21.II.C.1).

Notes: [a] – average percentage change; [b] – partial estimates; [c] – forecasts.

III. Status of implementation of the priorities of the Vienna Programme of Action

A. Fundamental transit policy issues

6. Freedom of transit and adequate transit facilities are vital for the overall development of landlocked developing countries. It is in this regard that the Vienna Programme of Action stresses the necessity of a strong supportive legal framework that promotes the harmonization, simplification and standardization of rules and documentation, including the full and effective implementation of relevant international conventions on transport and transit.

7. The World Trade Organization (WTO) Trade Facilitation Agreement seeks to address costs of trade that are occasioned by delays at borders and customs-related processes and procedures. Since the adoption of the Vienna Programme of Action in 2014, African landlocked developing countries and transit countries have made progress in the ratification of the Trade Facilitation Agreement, which contains provisions for expedited movement, release and clearance of goods, including those in transit, and these have the potential to reduce costs by 12.5 to 17.5 per cent. As of the end of December 2020, all 14 African landlocked developing countries that are WTO members had ratified the Trade Facilitation Agreement. Ethiopia and South Sudan are working on their accession to WTO and, until this is complete, they cannot be party to the Trade Facilitation Agreement. A total of 15 African transit countries out of 19 had also ratified it.[2] The Trade Facilitation Agreement entered into force on 22 February 2017, upon ratification by two thirds of WTO membership.

8. Table 1 shows the implementation rate of the different provisions of the Trade Facilitation Agreement for all African countries, including the African landlocked developing countries. The average implementation rate of measures is 42.1 per cent for Africa and 35.3 per cent for African landlocked developing countries, indicating good commitment from landlocked developing countries on the continent. Areas where landlocked developing countries are particularly ahead of the continental average include: (a) article 9 – Movement of goods intended for import under customs controls – where the implementation rate by African landlocked developing countries is nearly 93 per cent, compared with the African average of 84.1 per cent; (b) article 10.6 – Use of customs brokers – where implementation is 78.6 per cent, against an average of 65.9 per cent; and (c) article 10.7 – Common border procedures – where the implementation rate is 78.6 per cent, compared with the continental average of 68.2 per cent. Areas where landlocked developing countries are most lagging include: (a) article 4 – Procedures for appeal or review – 28.6 per cent, compared with 52.0 per cent; (b) article 7.1 – Pre-arrival processing – 21.4 per cent, compared with 45.5 per cent; (c) article 6.3 – Penalty disciplines – 21.4 per cent, compared with 45.5 per cent; and (d) article 5.3 – Test procedures – 7.1 per cent, compared with 27.3 per cent.

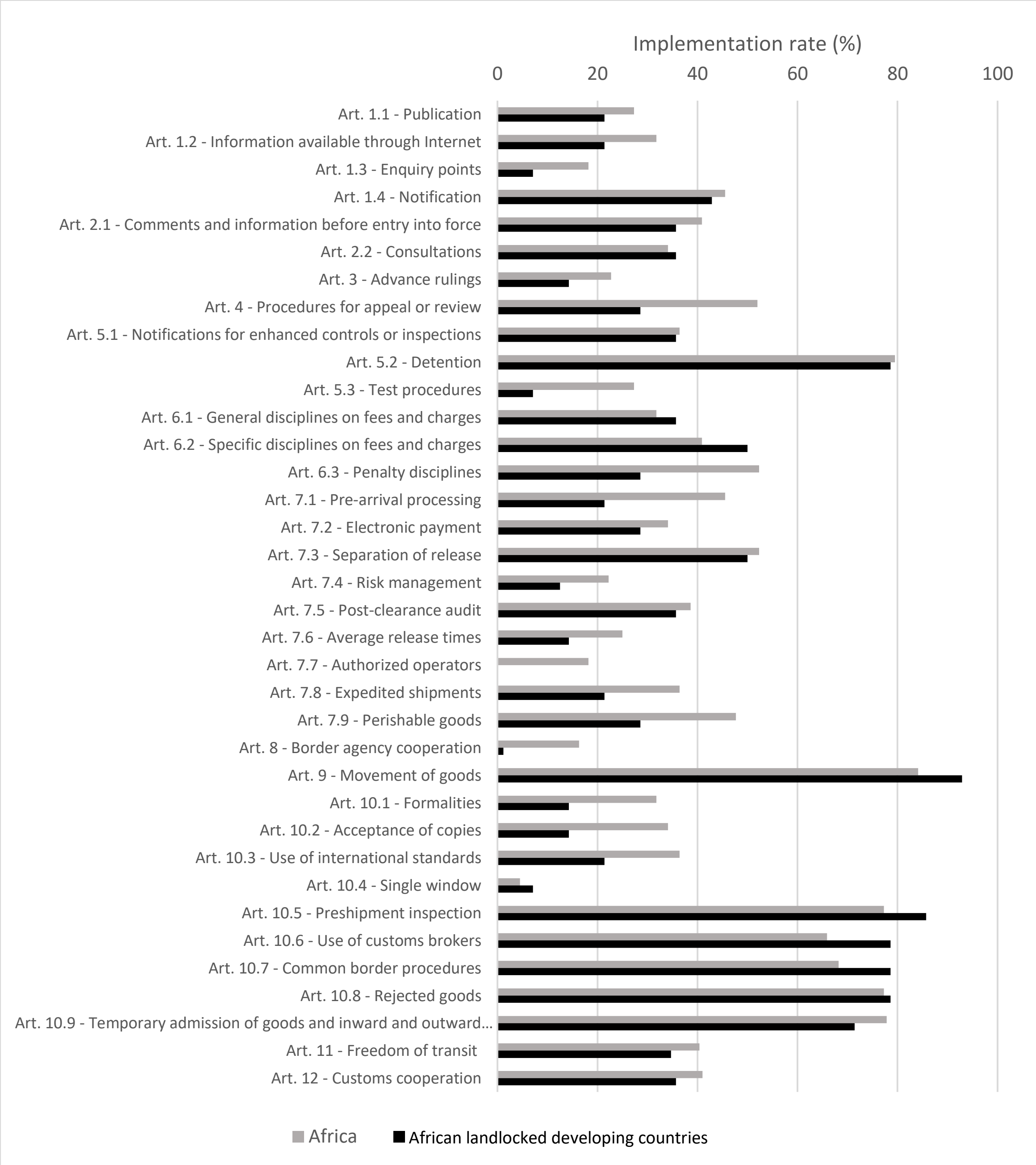
[2] Algeria, Eritrea and Somalia are not WTO members, so they cannot be party to the Trade Facilitation Agreement. The Democratic Republic of the Congo, a WTO member, has not yet ratified the Trade Facilitation Agreement.

Table 1
Implementation rate of the Trade Facilitation Agreement provisions, by article (percentage)

Article	*Africa*	*African landlocked developing countries*
1. Publication and availability of information	30.7	23.2
2. Opportunity to comment, information before entry into force and consultations	37.5	35.7
3. Advance rulings	22.7	14.3
4. Procedures for appeal or review	52.0	28.6
5. Other measures to enhance impartiality, non-discrimination and transparency	47.3	40.5
6. Disciplines on fees and charges imposed on or in connection with importation and exportation and penalties	41.7	38.1
7. Release and clearance of goods	35.6	23.6
8. Border agency cooperation	16.3	1.2
9. Movement of goods intended for import under customs controls	84.1	92.9
10. Formalities connected with importation, exportation and transit	52.6	50.0
11. Freedom of transit	40.4	34.7
12. Customs cooperation	41.0	35.7

Source: Economic Commission for Africa (ECA), based on the World Trade Organization Trade Facilitation Agreement Database. Available at www.tfadatabase.org (accessed on 15 January 2021).

Figure II
Implementation rate of the Trade Facilitation Agreement provisions, by measure



9. It is clear from the figures above that, while implementation is well under way, there is still room for improvement on trade facilitation on the continent overall. Building on the political momentum behind the African Continental Free Trade Area to support policy reforms and track its implementation, which is expected to be driven primarily by the private sector, ECA is facilitating the establishment of an African Continental Free Trade Area Country Business Index, which will assist in improving the business environment and, ultimately, facilitating business and trade within and beyond Africa. All the 16 African landlocked countries will benefit from the proposed Country Business Index.

B. Infrastructure development and maintenance

10. The infrastructure deficit of Africa remains a primary constraint to growth, and so too the resultant high costs of logistics. Although logistics are paramount to the African Continental Free Trade Area process, its scale requires significant infrastructure investment and development across the continent, in order to drive structural reform. Progress is being made in expanding and upgrading infrastructure in African landlocked developing countries. However, insufficient quantity of physical infrastructure, and high prices, continue to hinder the development of accessible and predictable solutions in the transport, energy and information communications technology (ICT) sectors. Road transport is the most dominant mode in Africa, followed by railways, air and inland waterways. Road transport covers 80 to 90 per cent of the passenger and freight traffic, but the average road access rate is 34 per cent for African countries, as compared with 50 per cent in other developing countries. While all African countries have roads and air transport, albeit of varying degrees, 16 African countries are without railways, 4 of which are the landlocked countries of Burundi, the Central African Republic, Chad and the Niger. Similarly, the following five landlocked developing countries do not have navigable waterways: Botswana, Burkina Faso, Eswatini, Ethiopia and Lesotho.

11. The Trans-African Highway, which is at the heart of regional connectivity for the continent, covers 54,120 km, distributed along nine corridors. However, it is hampered by missing links and poor maintenance in some key segments. The percentage of paved roads remains low in Africa, and it was estimated to be about 13 per cent in 2015 for the rest of Africa except North Africa. The United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS) has calculated rail and paved road density (km) per unit of land area (km^2). Table 2 shows road and rail densities are much lower in African landlocked developing countries, as compared with transit developing countries and the global average. UN-OHRLLS has also estimated that, to reach the global country average for paved road and rail densities, African landlocked developing countries need to construct an additional 107,000 km of roads and 20,700 km of railway, at a cost of about $23 billion, which is beyond the capacity of many of them. Accordingly, more support must be extended to African landlocked developing countries for the development and maintenance of transport infrastructure.

Table 2
Paved road and railway density of landlocked developing countries

Region	*Paved road density (km per 1 000 km²)*	*Rail density (km per 1 000 km²)*
East and Southern Africa	34.7	5.7
West and Central Africa	3.5	2.3
All landlocked developing countries	19.1	3.6
Transit developing countries	191.4	8.6
Global	151.0	9.5

Source: UN-OHRLLS, “Financing Infrastructure in the Transport Sector in Landlocked Developing Countries: Trends, Challenges and Opportunities”, 2018. Available at http://unohrlls.org/custom-content/uploads/2018/09/landlocked developing countries_Report_18_digital_Final.pdf (accessed on 15 January 2021).

12. As part of translating ideas into action, ECA conducted a sensitization workshop in Zimbabwe on the Luxembourg Rail Protocol, which can be a solution to unlocking billions of dollars of investments from private investors into the rail industry of Africa. While African countries continue to work towards enhancing the quantity and quality of surface transport infrastructure (ports, roads, rail, inland waterways and inland ports), Africa has recognized that the bulk of delays associated with the movement of goods to and from the ports is occasioned by a host of non-tariff barriers to trade: namely, border procedures, in-transit disruptions (roadblocks) and poor customs facilitation. To tackle those challenges, most regional economic communities have given priority to transport corridor projects that are intended to address infrastructure gaps, border procedures and other non-tariff barriers to trade, with border posts facilitation being accorded the highest priority in interventions involving corridor transport value chains. Full implementation of those measures is expected to gradually give landlocked developing countries better access to the sea, with improved turnaround times, and result in reduced landing costs of imports into those countries and exports from those countries. This, in turn, will enhance their regional and global competitiveness.

13. The Programme for Infrastructure Development in Africa (PIDA) has estimated that corridor inefficiencies in the African Regional Transport Infrastructure Network cost more than $75 billion per annum, which reduces African countries’ intraregional and international competitiveness. To improve the efficiency and reduce the costs of the corridors, it has recommended that the African transport corridors be converted into SMART (Safety, Mobility, Automated, Real-time Traffic Management) corridors. The key components of SMART corridors are strong corridor management institutions and implementation of WTO and World Customs Organization trade facilitation tools, such as a national single window, coordinated border management, one-stop border posts and electronic certificates for rules of origin. Other interventions required are ICT-based processes, more so in this time of pandemic, reduction in corruption and evidence-based interventions, to improve corridor efficiency.[3]

14. Registered air carrier departures from African landlocked developing countries increased by 15.6 per cent from 2014 to 2017, from 116,005 to

[3] See African Union (n.d.). Support to PIDA PAP for the Start-up of Smart Corridor Activities – Design and Costing of at Least One Pilot Smart Corridor for Implementation. Available at https://au.int/sites/default/files/documents/32186-doc-support_to_pida_pap_for_the_start-up_of_smart_corridor_activities-e.pdf (accessed on 15 January 2021).

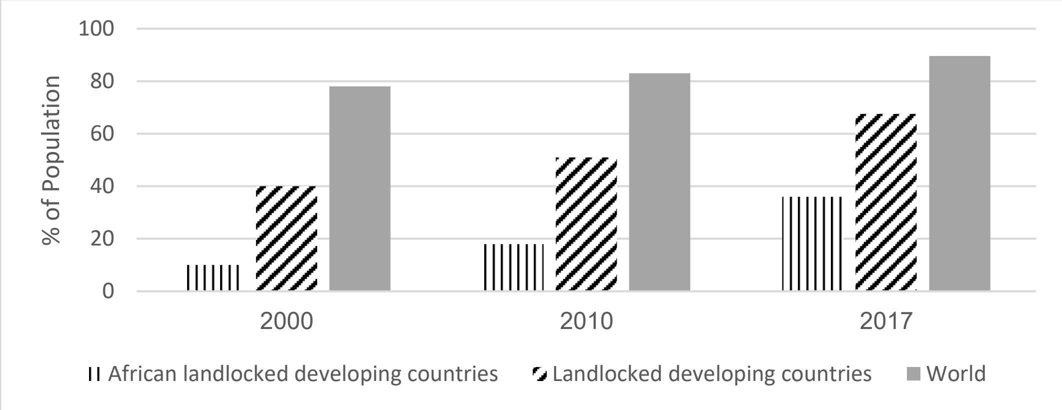
134,115. Those countries' air freight and passenger volumes were about 62 per cent and 46 per cent, respectively, of the total freight and passenger volumes in 2016 of landlocked developing countries. Ethiopian Airlines carried the largest portion of freight, accounting for 95 per cent of the total airfreight of African landlocked developing countries. Some of the challenges faced by landlocked developing countries' air transport industry include: the high scale of investment needed for infrastructure development and maintenance; the need to rehabilitate and replace old fleets and upgrade airports and terminals; poor airport infrastructures; lack of physical and human resources and new technologies; limited connectivity; and lack of transit facilities. To increase the role of Africa in the global aviation industry, the African Union launched the Single African Air Transport Market in January 2018. That initiative involves full liberalization of market access to intra-African air transport services, as well as of tariffs, flight frequencies and capacity; removal of restrictions on ownership; and free exercise of the five freedoms traffic rights for scheduled and freight air services.

15. It is encouraging to note that many African countries have either built new airports to replace old ones or have rehabilitated several of their airports. (For example, Ethiopia is finalizing the construction of a new terminal at its Bole International Airport and in Rwanda, Bugesera International Airport is nearing completion.) Three carriers – Ethiopian Airlines, Kenya Airways and South African Airways – continue to dominate the African market, although resurgent carriers, such as RwandAir, have set themselves on a strong growth path. While the three dominant carriers continue to fly into more countries, they have also substantially increased frequencies in their traditional African markets.

16. According to the International Air Transport Association, estimated job losses in aviation and related industries could increase by up to 3.5 million due to the pandemic. That is more than half of the region's 6.2 million aviation-related employment and 400,000 more than the previous estimate. Furthermore, 2020 traffic is expected to plummet by 54 per cent (more than 80 million passenger journeys) compared with 2019.

17. Regarding energy infrastructure, 36 per cent of people living in the African landlocked developing countries had access to electricity in 2018, up by 13 percentage points from 2014, when the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024 was adopted. However, the percentage of African landlocked developing countries with access to electricity still lags that for all landlocked developing countries in the world, as indicated in figure III. There is, moreover, a significant rural–urban electricity divide among the African landlocked developing countries. On average, in 2018, 69.1 per cent of the urban dwellers had access to electricity, compared with only 23.6 per cent of the population residing in rural areas. On the use of clean fuels and technologies for cooking, only 13.7 per cent of the population in the African landlocked developing countries had access to clean fuels and technologies in 2016. More efforts are required to improve access to sustainable energy in African landlocked developing countries. Ethiopia is benefiting from an ECA-led Sustainable Development Goal 7 Initiative on raising the accessibility and affordability of renewable energy in Africa.

Figure III
Percentage of the population with access to electricity



Source: World Bank, "World Development Indicators" database. Available at https://datacatalog.worldbank.org/dataset/world-development-indicators (accessed on 15 January 2021).

18. To enhance generation capacity in Africa, many national power generation and cross-border interconnector plans have been adopted. Most of the key projects are part of the master plans of the regional economic communities – namely, the Common Market for East and Southern Africa, the East African Community, the Economic Community of Central African States, the Economic Community of West African States and the Southern African Development Community – which include regional projects supported by pan-African institutions, the African Union Commission and the New Partnership for Africa's Development, under the auspices of PIDA, the African Development Bank and other partners, such as ECA. One example is the North–South Power Transmission Enhancement Project, which extends from Egypt through the Sudan, South Sudan, Ethiopia, Kenya, Malawi, Mozambique, Zambia and Zimbabwe to South Africa, with the Ethiopia–Kenya line being the most advanced, as there is secured funding for it. In 2020, the completion of the Grand Renaissance Dam in Ethiopia marked a major achievement for power generation in East Africa.[4] To augment power capacity in Africa, a number of renewable energy projects have been developed in almost every country, including landlocked developing countries. Owing to long gestation periods of power projects, the pace of completion of those projects has been frustratingly slow. To bring further relief to landlocked developing countries, as well as to other countries, different regions have adopted the least costly options from the regional power plans, paving the way for power trading across countries through power wheeling agreements. Nevertheless, most States are continuing to seek self-sufficiency in energy supply over the long term. As part of its think tank function, ECA conducted an energy modelling training in 2019 as part of building capacities of African policymakers for evidence-based policymaking, and Ethiopia was one of the beneficiary countries. ECA also developed a methodology to assess the openness, attractiveness and readiness of the African electricity sector and its attractiveness to private investors within the framework of efforts to boost member States' regulatory environments towards crowding in private sector investment in the energy and infrastructure sectors.

19. Regarding ICT, African landlocked developing countries recorded an increase in mobile cellular subscriptions, from 64.3 per 100 people in 2014 to 72.8 per 100 people in 2018. The average number of Internet users in that group of countries also rose, from 12 to 18.4 per 100 people over the 2014–2017 period. Those averages, however, are very low compared with the global average and the average for all landlocked developing countries. One of the

[4] PIDA, "2018 PIDA progress report", n.d. Available at www.tralac.org/documents/resources/african-union/2509-2018-pida-progress-report-summary-update/file.html (accessed on 15 January 2021).

main reasons for low usage of the Internet in the African landlocked developing countries is the high cost of ICT access. The International Telecommunication Union measures prices of ICT services across countries on an annual basis, splitting its analysis into sub-baskets that include mobile cellular and fixed broadband. Based on these data, African landlocked developing countries have succeeded in reducing prices over time, with the mobile cellular basket falling from 21.5 per cent to 16.7 per cent of gross national income per capita in 2019, and the fixed broadband basket declining from 323 per cent to 130 per cent of gross national income per capita over the same period.

20. High ICT prices make it difficult for those countries to harness the benefits of the digital economy and, in particular, the optimization of emerging technologies that facilitate trade and spur sustainable development. Among those technologies are e-commerce, automated single windows, e-government and digital finance. Greater efforts are needed to lower the high costs of broadband faced by the African landlocked developing countries. In addition, to benefit from the digital economies, especially through digital trade, African landlocked developing countries need to develop new policies related to digital identity, data security and data privacy, among others. Some landlocked developing countries, such as Rwanda, are leading the way in the harnessing of digital trade through e-commerce.

21. Among the effects of the COVID-19 pandemic is the acceleration of the shift to the digital economy. As classes shift online and in-person meetings shift to virtual platforms, the need for ICT access at affordable prices cannot be overstated. To capitalize on this moment of increasing demand for ICT access, African landlocked developing countries have to actively engage in the forthcoming African Continental Free Trade Area negotiations, where telecommunications has been identified as one of the five key sectors. This must be done with a clear goal in mind: universal access.

C. Financing of infrastructure

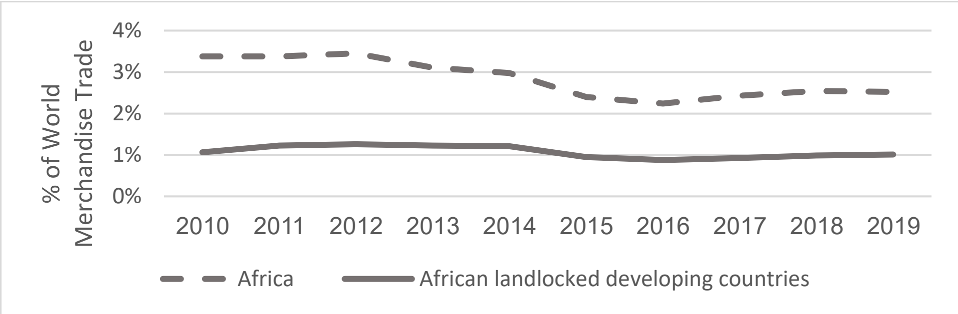
22. Infrastructure financing is pivotal to the roll-out of economic growth in landlocked developing countries, which requires preparation and structuring of projects in order to enhance uptake on financing. Most countries have adopted innovative ways to finance infrastructure, which include sovereign loans (mostly at middle-income countries' interest rates), grants, development finance institutions, foreign direct investment (FDI), public–private partnerships and other domestic mobilization options. The Ruzizi III Hydropower Plant project (Burundi, Democratic Republic of the Congo and Rwanda) is the first regional public–private partnership power project in Africa. It is expected to leverage more than 50 per cent of commercial financing (debt and equity), with majority private ownership, and offers valuable lessons on how to structure and attract commercial funding, which leads to timely implementation. The Grand Ethiopian Renaissance Dam (6,000 MW), which is almost 70 per cent completed, and the Gibe III (1,870 MW) projects in Ethiopia have been successfully funded through domestic resources.[5] Most regional economic communities have developed resource mobilization strategies aimed at enhancing the capacity of States to finance infrastructure and other developmental projects. To enhance the sustainability of infrastructure, landlocked developing countries have had to scale up their capacities for maintenance of infrastructure, supported by full cost recovery measures under the "user pays" principle, the introduction of road funds whose incomes are directed solely to road maintenance, and good governance practices in State-owned enterprises.

[5] Ibid.

D. International trade and trade facilitation

23. The share of merchandise export in global exports held by African landlocked developing countries has remained relatively steady but low, at about 1 per cent, as indicated in figure IV. In 2019, their share of world exports was about 1.01 per cent, a slight increase from 2018, when it was 0.99 per cent. The potential of intra-African trade to act as a channel to industrialization because of its greater industrial content is highlighted in the *Economic Report on Africa 2015: Industrializing through Trade*.[6] In 2019, 50 per cent of the intra-African trade of African landlocked developing countries was in manufactured goods, supporting that view. The share of intra-African trade for African landlocked developing countries was also very low, at 6 per cent, compared with the continental average of 16 per cent.[7]

Figure IV
African landlocked developing countries merchandise exports (percentage of world merchandise exports)



Source: ECA calculations based on United Nations Conference on Trade and Development UNCTADStat data. Available at http://unctadstat.unctad.org/EN/ (accessed on 15 January 2021).

24. In 2017, the United Nations regional commissions produced the second edition of the Global Survey on Trade Facilitation and Paperless Trade.[8] While the sample size for the survey (16 African countries, of which 7 are landlocked developing countries) does not allow for full extrapolation of implementation rates associated with trade facilitation and paperless trade for the continent, it was clear that African countries were lagging compared with global results. For the countries included in 2017, the overall implementation rate was about 51 per cent, relative to a global average of 60 per cent. The results for landlocked developing countries largely reflect the regional trend conveyed above. Interestingly, most African landlocked developing countries reported a relatively high implementation rate for transparency measures. In many of those countries, rates exceeded the regional average.

E. Regional integration and cooperation

25. There is sufficient evidence to support the view that regional integration is a key vehicle for the African continent to raise its competitiveness, diversify its economic base and create enough jobs for its young, rapidly urbanizing population. In line with the implementation of the Agreement Establishing the African Continental Free Trade Area, intra-African trade is projected to

[6] United Nations publication, Sales No. E.15.II.K.2.
[7] ECA calculations based on UNCTADStat data. Available at http://unctadstat.unctad.org/EN/. (accessed on 18 December 2020).
[8] Available at https://www.unescap.org/sites/default/d8files/knowledge-products/Global%20Report%20Final_26%20Oct%202017.pdf (accessed on 30 January 2020).

continue to grow among African countries, as regional integration remains a useful vehicle for reducing trade barriers, paving the way and creating a conducive environment for the private sector to operate. Regional integration is also central for attracting more FDI in many African countries. For landlocked developing countries, regional integration plays a further integral role in their efforts to achieve economies of scale for infrastructure investments across borders, and reduction of transit costs through harmonized and consolidated transit procedures.

26. The economic integration of Africa reached a new milestone when the Agreement Establishing the African Continental Free Trade Area entered into force on 30 May 2019 for the 24 countries that had deposited their instruments of ratification. The operational phase of the African Continental Free Trade Area process was subsequently launched in Niamey, the Niger, on 7 July 2019. To date, there are 32 ratifications, of which 11 are landlocked developing countries.[9] Implementation of the Agreement Establishing the African Continental Free Trade Area is envisioned to result in reduced tariffs and the elimination of non-tariff barriers, as the Agreement contains provisions for the benefit of landlocked developing countries, such as those on trade facilitation, transit and customs cooperation. These provisions are embedded into the five operational instruments: the Rules of Origin, the online negotiating forum, the monitoring and elimination of non-tariff barriers, a digital payments system and the African Trade Observatory. In addition, the Agreement can facilitate landlocked developing countries' integration into regional value chains, and expand their trade capabilities. ECA support to landlocked developing countries centred upon sensitization and consultations around issues relating to the African Continental Free Trade Area, including the development of strategies in Chad, Malawi, the Niger, Zambia and Zimbabwe. African Continental Free Trade Area strategies serve to identify particular countries' key trade opportunities, constraints and steps required for it to take full advantage of national, regional and global markets. In order to demonstrate how to operationalize the African Continental Free Trade Area, ECA and partners launched the African Continental Free Trade Area-anchored Pharmaceutical Project in pilot countries, with Ethiopia and Rwanda as beneficiaries. The Project has a three-strand approach: pooled procurement of medicines and products, facilitation of local pharmaceutical production and ensuring quality standards of medicines and products to achieve the Sustainable Development Goals and aspirations of Agenda 2063.

27. On 14 September 2020, ECA hosted the webinar "Keeping Supply Chains in Place, the Importance of Cooperation Between LLDCs and Their Transit Partners". The meeting culminated in a panel discussion from various policymakers from various partners on how to promote safe trade amid closed borders during the COVID-19 pandemic. Among the discussion was linkage to the ongoing work between ECA, the African Union Commission, and the African Union Development Agency–New Partnership for Africa's Development on trade facilitation during the COVID-19 pandemic (which includes a report and an in-progress set of trade facilitation guidelines at the continental level). The meeting also serves as a platform to highlight the unique situation faced by African landlocked developing countries in mitigating the effects of the COVID-19 pandemic, especially in regard to keeping trade flows for essential goods (such as food, energy and medical products).

[9] Burkina Faso, Chad, Eswatini, Ethiopia, Lesotho, Mali, the Niger, Rwanda, Uganda, Zambia and Zimbabwe.

F. Structural economic transformation

28. Industrialization plays a significant role as a driver for inclusive and sustainable development. In many African countries, including landlocked developing countries, the share of manufacturing in gross domestic product (GDP) and in employment has declined, while the services sector has been the strongest factor supporting economic growth, rising from 45 per cent of value added in 2000 to 47 per cent in 2018.[10] Meanwhile, manufacturing grew from 13 per cent to 23 per cent, while agriculture declined from 28 per cent to 22 per cent, respectively, over the same period. After declining for nearly two decades, the shares of manufacturing value added in GDP in African countries as a whole reversed course in 2007, and this reversal eventually reached African landlocked developing countries. This is an indication of the landlocked developing countries' growing capacity to produce and export manufactured goods. The dependence of landlocked developing countries on primary commodities makes them vulnerable to volatility in commodity prices. Accordingly, greater efforts are required to promote value addition, diversification and industrialization.

29. The interventions of ECA in landlocked developing countries include improving their competitiveness and, hence, increasing their integration in the regional and international markets through regional and global value chains development, trade capacity-building, and renewable energy and energy efficiency – for example, the Sustainable Development Goal 7 Initiative, with Ethiopia as a beneficiary of the project.

G. Means of implementation

30. Mobilizing ever-increasing amounts of resources for achieving the Vienna Programme of Action objectives for achievement of the Sustainable Development Goals is particularly difficult for landlocked developing countries, because they are the most indebted of African countries. To date, the total average of government debt among African landlocked developing countries is 54 per cent of GDP. In contrast, Africa has average government debt levels of 60 per cent of GDP. The debt burden reduces the available options for African countries, both landlocked developing countries and non-landlocked developing countries, to finance their development agendas, and with the COVID-19 pandemic, seriously hinders the ability of African landlocked developing countries to wage effective large-scale vaccination campaigns. In 2018, African landlocked developing countries received $18.8 billion in official development assistance, a real increase of 17.5 per cent since the adoption of the Vienna Programme of Action. However, official development assistance was unevenly distributed among them, with the top four countries[11] receiving 46 per cent of the total amount. In 2019, African landlocked developing countries received $7.7 billion in FDI flows, which amounted to 0.5 per cent of total global FDI inflows and 35.2 per cent of FDI inflows to all landlocked developing countries. Compared with Africa in 2019, African landlocked developing countries received 17.1 per cent of all FDI inflows to the continent. In 2019, African landlocked developing countries received $8.0 billion in remittances, which was $1.0 billion more than the amount received in 2014. Remittance inflows to African landlocked developing

[10] ECA calculations based on data from the World Bank, "World Development Indicators" database. Available at https://datacatalog.worldbank.org/dataset/world-development-indicators (accessed on 15 January 2021).

[11] Ethiopia, Mali, South Sudan and Uganda.

countries were unevenly distributed, with the top four recipients[12] accounting for 66.3 per cent of the inflows in 2019.

H. Capacity-building programmes undertaken by ECA in support of the Vienna Programme of Action

31. In March 2019, UN-OHRLLS and ECA produced a midterm report whose recommendations fed into the Africa regional midterm review meeting of the Vienna Programme of Action, held in March 2019 in Marrakech, Morocco. The meeting objectives were to comprehensively review and take stock of the implementation of the Vienna Programme of Action in Africa, including identification of the major achievements, constraints experienced, emerging challenges and opportunities presented. In addition, the meeting identified and shared best practices and innovative approaches to accelerate the implementation of the Vienna Programme of Action and the achievement of the Sustainable Development Goals in the region. Additionally, the meeting adopted the resolution with appropriate action-oriented recommendations aimed at sustaining achievements in overcoming the special problems of landlocked developing countries and accelerating the implementation of the Vienna Programme of Action and achievement of the Sustainable Development Goals.

32. The March 2019 resolution on the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024 fed into deliberations at the global midterm review of the Vienna Programme of Action in December 2019. On the margins of that high-level global midterm review on the implementation of the Vienna Programme of Action, ECA – in partnership with UN-OHRLLS, the African Development Bank and the United Nations Mission in Egypt – organized a side event to discuss the ever-growing development needs of African landlocked developing countries and least developed countries. This event focused especially on how to overcome the financial resources constraints (including limited budgets and borrowing capacities) that have continued to slow the pace of attainment of the noble goals articulated in both the Vienna Programme of Action and the Istanbul Programme of Action for these categories of countries, respectively. Policy recommendations emanating from the side event on how to enhance resource mobilization to advance the Vienna Programme of Action and the Istanbul Programme of Action, and support the achievement of the 2030 Agenda and Agenda 2063 in African least developing countries and landlocked developing countries, within the context of the African Continental Free Trade Area, will shape the ECA work programme going forward.

33. In June 2020, ECA joined the United Nations family for a joint call to action of governments for a smooth transit and transport facilitation to and from landlocked developing countries during the pandemic. This is in addition to various webinar meetings conducted throughout 2020 to disseminate knowledge products that have informed policy implementation and advocacy to mitigate the crises in landlocked developing countries.

IV. Conclusions and recommendations

33. African landlocked developing countries are making efforts and progress towards the implementation of the Vienna Programme of Action. However, this progress has been slow, and work needs to be accelerated to achieve the objectives of the Vienna Programme of Action by 2024, and the Sustainable Development Goals by 2030. There must be more focus on addressing the

[12] Mali, South Sudan, Uganda and Zimbabwe.

special challenges associated with landlockedness, to ensure that landlocked developing countries are not left behind.

34. The following recommendations are proposed for the thirty-ninth meeting of the Committee of Experts of the Conference of African Ministers of Finance, Planning and Economic Development:

(a) landlocked developing countries and transit countries are encouraged to foster cooperation, and ratify and effectively implement relevant international and regional conventions and agreements (such as the Agreement Establishing the African Continental Free Trade Area);

(b) International development partners, United Nations organizations and other international and regional organizations are encouraged to support landlocked developing and transit countries with technical, financial and capacity-building support, to ensure effective implementation of relevant international and regional agreements aimed at facilitating trade;

(c) Regional bodies and their members are encouraged to prioritize programmes of infrastructure development involving landlocked developing countries, as other countries often may have different priorities, thereby resulting in the interests of landlocked developing countries not being addressed;

(d) Development partners, the United Nations system, international and regional organizations, the private sector and other stakeholders should consider assisting landlocked developing countries to develop ICT infrastructure and help ensure that appropriate policies, and legal and regulatory frameworks, are in place to support ICT development, and to close the digital divide. This will help landlocked developing countries in efforts to capitalize on opportunities from e-commerce;

(e) Greater mainstreaming of the Vienna Programme of Action into the development programmes at national and regional levels is essential, including programmes involving ring fencing in each region with ring-fenced budgets, to address bottlenecks in transport and trade facilitation for landlocked developing countries, with clear targets and benchmarks, to be reviewed on a regular basis;

(f) African landlocked developing countries are encouraged to focus on enhancing their capacity in modern higher value added products, high-productivity sectors and industrializing the agriculture sector, and should continue to use new and existing technology in the production of manufactured products in order to add value to their products and link into regional and global value chains;

(g) African landlocked developing countries should continue to make improvements in the enabling regulatory environment for business, which is crucial for developing a strong industrial base and attracting investment. Development partners are invited to provide technical, financial and capacity-building assistance to support such efforts;

(h) African Governments need to respond to this pandemic not only by minimizing disruptions to regional and international transport, but also by viewing the crisis as an opportunity to reorient regional and international freight transport operations towards a more sustainable path. In doing so, they should capitalize on the strengths of different modes of transport and address the obstacles that landlocked developing countries are facing along the supply chains.