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**REPORT OF THE MIDTERM REVIEW MEETING OF LATIN AMERICAN COUNTRIES
PREPARATORY TO THE COMPREHENSIVE MIDTERM REVIEW OF THE VIENNA
PROGRAMME OF ACTION FOR LANDLOCKED DEVELOPING COUNTRIES
FOR THE DECADE 2014–2024**

Santiago, 11–12 June 2019

CONTENTS

		<i>Paragraph</i>	<i>Page</i>
A.	ATTENDANCE AND ORGANIZATION OF WORK.....	1-8	3
	Place and date of the meeting.....	1	3
	Attendance	2-7	3
	Chair.....	8	3
B.	AGENDA.....	9	4
C.	PROCEEDINGS	10-62	4
Annex 1	Summary of the Chair	-	19
Annex 2	List of participants	-	25

A. ATTENDANCE AND ORGANIZATION OF WORK

Place and date of the meeting

1. The midterm review meeting of Latin American countries preparatory to the comprehensive midterm review of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024, was held on 11 and 12 June 2019 at the headquarters of the Economic Commission for Latin America and the Caribbean (ECLAC) in Santiago, pursuant to resolution 72/232 of the General Assembly of the United Nations and resolutions 711(XXXVI) and 732(XXXVII) of ECLAC.

Attendance¹

2. The meeting was attended by representatives of the following member countries of the Economic Commission for Latin America and the Caribbean (ECLAC): Argentina, Brazil, Chile, Norway, Paraguay, Peru, Plurinational State of Bolivia and Uruguay.

3. In accordance with paragraph 6 of the terms of reference of the Commission, representatives of the following States Members of the United Nations that are not members of the Commission participated in an advisory capacity: Austria and Bhutan.

4. The United Nations Secretariat was represented at the meeting by the Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, and by staff members from the Economic Commission for Europe (ECE) (by video link), the Office of Internal Oversight Services (OIOS) and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States.

5. The meeting was also attended by representatives of the following United Nations funds, programmes and agencies: United Nations Conference on Trade and Development (UNCTAD), United Nations Development Programme (UNDP) and World Trade Organization (WTO).

6. The following United Nations specialized agency was also represented: International Telecommunication Union (ITU).

7. The private sector was represented by the Chamber of Exporters, Logistics and Investment Promotion of Santa Cruz (CADEX) of the Plurinational State of Bolivia and the Centre of River and Maritime Vessel Owners (CAFYM) of Paraguay.

Chair

8. The following Presiding Officers were elected:

Chair: Paraguay

Vice-Chair: Plurinational State of Bolivia

¹ See annex 2.

B. AGENDA

9. The following agenda was adopted:
1. Election of officers and adoption of the agenda.
 2. Midterm review of the implementation of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024 in Latin America and the Caribbean.
 - Fundamental transit policy issues
 - Connectivity and transport infrastructure development
 - ICT connectivity, energy and regional integration
 - International trade and trade facilitation
 - Structural economic transformation
 - Means of implementation
 3. Sustainable transport connectivity and implementation of transport-related Sustainable Development Goals in selected landlocked and transit/bridging countries.
 4. Conclusions and recommendations.

C. PROCEEDINGS

Opening session

10. At the opening session, statements were made by Alicia Bárcena, Executive Secretary of the Economic Commission for Latin America and the Caribbean (ECLAC); Fekitamoeloa Katoa 'Utoikamanu, Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States; Doma Tshering, Permanent Representative of Bhutan to the United Nations and co-facilitator for the midterm review of the implementation of the Vienna Programme of Action for Landlocked Developing Countries; and Julio César Arriola Ramírez, Permanent Representative of Paraguay to the United Nations and Chair of the Group of Landlocked Developing Countries.

11. The Executive Secretary of the Economic Commission for Latin America and the Caribbean (ECLAC) welcomed the participants and said that, given the particular challenges facing landlocked developing countries on their path towards sustainable development, the United Nations system promoted the coordination of specific actions aimed at building their capacity, diversifying production, creating value added and improving their competitiveness. Various ECLAC studies had shown that cross-border procedures and inefficient regulatory regimes had a negative impact on the economic growth of landlocked countries, which also lacked the infrastructure and services essential for generating value added. National regulations should be harmonized to facilitate trade and achieve complementarity among the different economies of the region. In that regard, achieving convergence between the Pacific Alliance and the Southern Common Market (MERCOSUR) was fundamental. A shift in perspective was also needed in order to stop talking about transit countries and landlocked countries and start talking about integration among economic zones. In addition to helping the countries of the region to connect with the outside world

and improve their exports, the challenge of connectivity must be addressed to boost domestic trade and thus strengthen intraregional resilience. Lastly, the region's societies must, as a matter of urgency, adapt to the fourth industrial revolution and apply new technologies to transform their products, so that the region would not be limited to the export of commodities and staple goods, and would be able to create more sophisticated value chains that would improve the entry of its products to the international market.

12. The Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States underscored that ECLAC was a vital partner for the implementation of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024 and achieving the Sustainable Development Goals (SDGs). Many landlocked and transit countries, including all those in the region, had ratified the Trade Facilitation Agreement of the World Trade Organization but its implementation needed to be accelerated. Regional cooperation held great potential to achieve economies of scale, strengthen trade and transit facilitation, promote joint infrastructure projects and build the capacities of landlocked developing countries. Landlocked status contributed to lags in overcoming poverty and achieving inclusive development, and worsened the impacts of climate change; accordingly, a structural transformation focused on high-productivity sectors was needed, engaging the private sector and micro, small and medium-sized enterprises (MSMEs) and tapping the potential of the fourth industrial revolution. Achieving the Vienna Programme of Action required more resources to be leveraged through public-private partnerships, infrastructure investment funds, and South-South Cooperation and triangular cooperation. Lastly, she expressed confidence that the meeting would produce action-driven, pragmatic recommendations as part of the participatory and inclusive process leading to the comprehensive high-level midterm review, in order to make good on the promises of the Programme of Action and the 2030 Agenda to leave no one behind.

13. The Permanent Representative of Bhutan to the United Nations and co-facilitator for the midterm review of the implementation of the Vienna Programme of Action for the Landlocked Developing Countries for the Decade 2014–2024 reported on the midterm review process, remarking that it was the third and final regional review to take place pursuant to General Assembly resolution 73/232, following those held for the Euro-Asia and African regions. Those meetings represented an opportunity to review and take stock of the situation in each region and identify constraints, challenges and opportunities, as well as best practices, innovative approaches and action-oriented recommendations for accelerating the Vienna Programme of Action and the SDGs, so that landlocked developing countries could benefit more fully from globalization, employment generation, poverty eradication and structural transformation. The co-facilitators were committed to supporting the collective efforts of landlocked developing countries and their partners in achieving an intergovernmentally negotiated outcome of the midterm review process, which would be enriched by the contributions of all three regions. She said that she looked forward to building on that momentum together with Member States, regional commissions and other development partners.

14. The Permanent Representative of Paraguay to the United Nations and Chair of the Group of Landlocked Developing Countries said that the Vienna Programme of Action for the Decade 2014–2024 offered a large-scale approach to improving the integration of landlocked developing countries into the world economy and achieving the SDGs. Despite progress in that regard, poverty levels in those countries remained higher than the global average and indicators for electrification, information and communication technologies (ICT), water and sanitation remained below the global average. Their investment in transport infrastructure was also insufficient and their share in world trade was low compared to coastal countries, owing mainly to their limited production capacity and dependence on commodities, which made them highly vulnerable to price volatility and the effects of climate change. Therefore, partnerships and the participation of all stakeholders in the implementation of the Programme were essential, as was support for sustainable infrastructure and transport project, capacity building and technology transfer, in order to modernize production in the countries and add value to it, and allow them to focus on high-productivity sectors and insert themselves into global and regional value chains.

Adoption of the agenda (agenda item 1)

15. The Chair submitted the provisional agenda for consideration by the participants, who adopted it without amendment.

Midterm review of the implementation of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024 in Latin America and the Caribbean (agenda item 2)

Session 1(a): Assessing progress

16. This session was moderated by Sandagdorj Erdenebileg, Chief of the Policy Development, Coordination, Monitoring and Reporting Service of the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS), and the participants were Ricardo J. Sánchez, Senior Economic Affairs Officer of the Division of International Trade and Integration of ECLAC, and Gladys Mutangadura, Senior Programme Officer of UN-OHRLLS.

17. The Senior Economic Affairs Officer of the Division of International Trade and Integration of ECLAC presented the Commission's report, which assessed the progress made in the Plurinational State of Bolivia and Paraguay. His presentation focused on priorities 1, 2 and 3 of the Vienna Programme of Action, three areas in which the landlocked countries of the region had made progress. He also stressed the need to move towards regional policy coordination and the definition of common strategic guidelines between landlocked countries and transit countries, in order to subsequently be able to work on more pragmatic measures. With regard to transport infrastructure, he drew attention to the railway projects, improvements in the navigability of the Paraguay-Paraná waterway and the Uruguay River, the construction of new river ports and amelioration of airport infrastructure. He also mentioned the progress made in electric power coverage and telecommunications services in both countries. He said that, although investment in infrastructure in Latin American countries was extremely low (2.2% of gross domestic product (GDP) in 2016), the Plurinational State of Bolivia and Paraguay had far exceeded the regional average in recent years. Lastly, cost overruns attributed to inefficiencies in freight transport in the two countries had fallen between 2014 and 2016. However, additional efforts were needed to meet the objectives of the Vienna Programme of Action, in particular with regard to closing the infrastructure gap (quantitative and qualitative), coordinating policies among countries and reducing inefficiencies associated with logistical processes.

18. The Senior Programme Officer of UN-OHRLLS set out the achievements related to priorities 4, 5 and 6 of the Vienna Programme of Action in the Plurinational State of Bolivia and Paraguay. With regard to regional integration, she said that progress had been made within the framework of the agreements of MERCOSUR, the Andean Community and the Latin American Integration Association (LAIA). Between 2014 and 2016, substantial gains had been made in regional and bilateral cooperation (between landlocked countries and transit countries) on issues such as the building of bridges, the development of waterways and the exchange of electric energy between countries. There were also opportunities to increase intraregional trade. In terms of means of implementation, despite changes in the international economic cycle, between 2014 and 2017 levels of public investment in infrastructure had remained stable in both countries, as had flows of official development assistance (ODA). During the same period, foreign direct investment (FDI) flows received by the Plurinational State of Bolivia had increased, while those received by Paraguay had decreased. Lastly, she presented some recommendations for the second half of the period of implementation of the Vienna Programme of Action, such as building infrastructure resilient to the effects of climate change, taking advantage of the opportunities created by digitization —particularly with regard to e-commerce— and mobilizing additional financial resources to support infrastructure development and structural economic transformation in the region.

Session 1(b): Fundamental transit policy issues

19. This session was moderated by Sandagdorj Erdenebileg, Chief of the Policy Development and Coordination, Monitoring and Reporting Service of UN-OHRLLS, and the participants were Gladys Mutangadura, Senior Programme Officer of UN-OHRLLS, and Gabriel Pérez, Economic Affairs Officer of the Division of International Trade and Integration of ECLAC.

20. The Senior Programme Officer of UN-OHRLLS said that it was important to have compatible legal frameworks in order to promote the harmonization, simplification and standardization of the rules and procedures necessary for transit. Landlocked countries had made progress in ratifying international conventions (by 2019, for example, 24 landlocked countries and 27 transit countries had already ratified the WTO Agreement on Trade Facilitation). It was therefore important to support capacity building for the effective implementation of those conventions. She referred to some examples of regional and subregional transit initiatives in Asia, Africa and Europe, as well as the involvement of many landlocked countries in China's Belt and Road Initiative. With regard to specific objective (a) of priority 1 of the Vienna Programme of Action,² to reduce travel time along land corridors, she said that progress had been mixed at the global level. Meanwhile, all regions had made considerable progress towards achieving objective (c) of priority 1,³ to significantly improve intermodal connectivity, although efforts would need to be stepped up at ports on the African continent. With regard to objective (b) of priority 1,⁴ to significantly reduce the time spent at land borders, as measured by the World Bank Logistics Performance Index customs indicator, on average the situation had worsened in landlocked developing countries between 2014 and 2016, underscoring the need for efforts to be redoubled in order to optimize the movement of goods across borders. Lastly, among the recommendations put forward, she drew attention to the importance of taking steps to increase the availability of data to assess landlocked countries' improvements in transit policies.

21. The Economic Affairs Officer of the Division of International Trade and Integration presented the report prepared by ECLAC and UN-OHRLLS, which detailed the accession of the Plurinational State of Bolivia and Paraguay to international agreements related to transit policies—including the WTO Agreement on Trade Facilitation, which also contained provisions on technical assistance and capacity-building—and the WTO Information Technology Agreement (ITA). The report also highlighted both countries' efforts to set up a national trade facilitation committee, which had already been established in Paraguay and was in the process of being created in the Plurinational State of Bolivia, and referred to several instruments devised by regional bodies, particularly LAIA, MERCOSUR and the Andean Community, which had led to the simplification and harmonization of trade transit processes. He said that, with regard to the programmes and measures adopted by the countries in their customs operations nationwide, the Plurinational State of Bolivia used the Automated System for Customs Data (ASYCUDA++) and Paraguay had developed the Customs Service Tax Management System (SOFIA). An assessment of the progress of landlocked Latin American countries with respect to transit and trade facilitation policies under the Vienna Programme of Action had revealed that, according to the Logistics Performance Index, the gaps between the two countries and the top-ranked countries at the global (Germany) and regional (Chile) levels were mainly related to the quality of logistics services and of infrastructure and the efficiency of customs services.

22. He reiterated that, while both countries had made progress in those areas, it had not been sufficient to overcome the historical gaps between landlocked countries and transit countries in the region. The most

² See “Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024”, *Resolution adopted by the General Assembly on 12 December 2014 (A/RES/69/137)*, 2015, para. 25.

³ Ibid.

⁴ Ibid.

significant achievements of both of the landlocked countries had been to reduce transport time and costs in the export process and in domestic land transport, thanks to improvements in their road infrastructure. He said that, with regard to reducing inefficiencies in export processes, the Plurinational State of Bolivia had managed to reduce the time required for soybean exports by an average of 373 hours between 2012 and 2016, which was mainly attributed to changes in the export permit application procedure. In Paraguay, significant efficiency gains had also been made in the soybean export logistics chain by road transport, thanks to improvements in border-crossing procedures, particularly with Brazil. Lastly, cost overruns of Bolivian and Paraguayan exports had been reduced by 5.4% and 7%, respectively, over the period under review.

23. In the ensuing discussion, the representative of Paraguay drew attention to the country's efforts to improve its international connectivity, including building new bridges over the Paraguay River (one of which was linked to the bioceanic rail corridor project), mending and building roads, installing a border crossing with Argentina on the Yacretá dam, implementing the SOFIA customs system and improving port controls, all of which had helped to reduce the additional costs of Paraguayan exports. He also highlighted institutional achievements, such as the establishment of the National Trade Facilitation Committee, the development of an institutional framework for the Paraguay-Paraná waterway and bilateral and multilateral transit facilitation arrangements, such as the MERCOSUR trade facilitation guidelines. Ongoing challenges included reducing the high costs and considerable time delays that Paraguayan goods faced when accessing major markets, which had a negative impact on the country's sustainable development, and finding new sources of financing for the initiatives linked to the Vienna Programme of Action.

24. The representative of the Plurinational State of Bolivia said that progress had been made in fulfilling his country's national development plan, one objective of which was to expand the road network to 6,000 km of motorway by 2020, in order to connect all production communities to the bioceanic land corridors, thus reducing export costs and times. He also referred to measures to simplify procedures at border crossings, such as the planned introduction of multipurpose centres and the creation of the Single Window for Foreign Trade (VUCE). Speaking on behalf of the transit countries, the representative of Chile drew attention to the terms and benefits of free transit granted to the Plurinational State of Bolivia—such as the freedom to move all kinds of freight, facilities to establish customs agencies, extended stay of goods in primary customs zones before removal from port, free storage for one year for Bolivian import goods and 60 days for export goods, preferential rates on port services provided to Bolivian freight and exemption from domestic taxes on freight services—as well as other national and bilateral measures that had contributed to achieving the objectives of the Vienna Programme of Action. Lastly, the representative of Chile reiterated his country's deepest commitment to the enormous challenges that landlocked developing countries still faced and to the Vienna Programme of Action, and its commitment to continue working to forge closer and more effective partnerships to benefit all peoples, reduce gaps and help achieve the Sustainable Development Goals of the 2030 Agenda.

25. The Senior Economic Affairs Officer of the Division of International Trade and Integration of ECLAC, in response to the question on the coexistence of multiple integration initiatives posed by the Permanent Representative of Austria to the United Nations and co-facilitator for the midterm review of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024, drew attention to the recent progress made with regard to trade facilitation and customs processes, such as the broad range of physical infrastructure projects that comprised the Initiative for the Integration of Regional Infrastructure in South America (IIRSA) and the important role played by ECLAC in promoting the coordination and convergence of those different initiatives in an effort to foster a more sustainable approach to regional development. Lastly, the Chief of the Policy Development and Coordination, Monitoring and Reporting Service of UN-OHRLLS noted the progress made by the region in terms of transit policies and the importance of working towards the implementation of the relevant regional and subregional agreements.

Session 2: Connectivity and transport infrastructure development

26. This session was moderated by David Suárez, consultant with UN-OHRLLS and the Division of International Trade and Integration of ECLAC, and the participants were Gladys Mutangadura, Senior Programme Officer of UN-OHRLLS, and Fabio Weikert Bicalho, Associate Economic Affairs Officer of the Division of International Trade and Integration of ECLAC.

27. The Senior Programme Officer of UN-OHRLLS presented a global overview of the progress made in terms of transport connectivity and infrastructure in landlocked countries. She drew attention to the achievements of landlocked countries around the world in closing gaps in road and rail networks, constructing dry ports and increasing their share of international air transport. She also noted the main challenges to achieving the objectives of the Vienna Programme of Action in that area, which included financing gaps, the increasingly adverse effects of climate change on infrastructure and the need to build capacities to develop viable transport infrastructure projects. Lastly, she called on countries to step up their efforts to expand and maintain transport infrastructure, and on regional financial institutions, cooperation agencies and the United Nations to bolster their technical assistance and capacity-building programmes in landlocked countries.

28. The Associate Economic Affairs Officer of the Division of International Trade and Integration of ECLAC gave a presentation on the progress made in terms of transport connectivity and infrastructure in Paraguay and the Plurinational State of Bolivia since the adoption, in 2014, of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024. He drew attention to the major advances that had been achieved in the area of internal and external connectivity of both countries over the past five years, taking into account the priority given to improving transport infrastructure in their respective development plans. Most of those achievements were related to expanding the coverage of the road network, increasing the use of inland waterways to export and import goods and boosting investments in the rail, air and pipeline transport sectors. Among the challenges associated with the development of each mode of transport, he mentioned the insufficient coverage and relatively low quality of the road network, the poor coverage of the rail network (especially in Paraguay), physical limitations on the continuous use of inland waterways and the vulnerability of the roads to the effects of rainfall in certain months of the year.

29. In the ensuing discussion, the representative of the Plurinational State of Bolivia enumerated the initiatives that his country had undertaken to diversify and improve the infrastructure connecting it to the sea, which had allowed it to redirect its foreign trade and optimize transport times and costs. The representative of Paraguay stressed the need for standardized transport procedures. He also highlighted the country's role as an important regional logistics hub and said that the Paraguay-Paraná waterway was a sustainable and cost-effective channel for the transport of goods in the region. The representatives of both countries stressed the strategic importance of the actions associated with the bioceanic corridors and of ensuring that transport projects had an integrated approach based on multimodality. With regard to transit countries, the representatives of Argentina, Chile and Uruguay referred to initiatives that had strengthened landlocked countries' competitiveness and had facilitated access to ports in the region, whether by road, rail or the Paraguay-Paraná waterway. The representative of Chile drew attention to a major infrastructure investment plan carried out in the ports of Arica and Antofagasta to improve free transit and reduce transport and foreign trade times, as well as major investments in highways.

30. The Permanent Representative of Austria to the United Nations said that it was important to have alternative modes of transport and routes and to strengthen intraregional trade in order for landlocked countries to become transit countries. The Permanent Representative of Bhutan to the United Nations said that the effects of climate change on transport infrastructure projects must be taken into account, particularly in countries with rugged topography, such as the Plurinational State of Bolivia. Lastly, the Director of the

Division for Africa, Least Developed Countries and Special Programmes (ALDC) of UNCTAD said that it was estimated that 44% of product costs were related to infrastructure and logistics, and that investments in transport infrastructure should be compatible with the desired future characteristics of the region's economies.

Session 3: ICT connectivity, energy and regional integration

31. This session was moderated by Ricardo J. Sánchez, Senior Economic Affairs Officer of the Division of International Trade and Integration of ECLAC, and the participants were Sebastián Rovira, Economic Affairs Officer of the Division of Production, Productivity and Management of ECLAC; Rubén Contreras, Economic Affairs Officer of the Natural Resources Division of ECLAC; Gabriel Pérez, Economic Affairs Officer of the Division of International Trade and Integration of ECLAC; and Sergio Scarabino, Representative for South America of the International Telecommunication Union (ITU).

32. The Economic Affairs Officer of the Division of Production, Productivity and Management of ECLAC said that the digitization of production processes was a key element in changing the growth models proposed by ECLAC. In his presentation, he examined the status of access and connectivity, e-government and e-commerce in Latin America. According to the data presented, major progress had been made in terms of access to and use of ICT-related services in the region. However, he said that there was still ample room for progress in some countries in terms of the coverage and affordability of those services. With regard to e-government, countries should work on building human capacities to use those systems. Although fiscal and regulatory issues had limited its development in the region, e-commerce had great potential to reduce barriers and put the economies of the region on the international map. Lastly, he presented the Digital Agenda for Latin America and the Caribbean (eLAC2020), which was a tool for promoting regional cooperation in the field of ICTs.

33. The Economic Affairs Officer of the Natural Resources Division of ECLAC began his presentation by saying that energy services played a fundamental role in today's society and noting the challenges posed by the growing global demand for the creation of a more sustainable, efficient, inclusive and high-quality energy mix. He said that fossil energy sources (71%) still predominated in Latin America and the Caribbean, although the proportion of the region's electricity matrix that was generated from renewable sources was higher than the global average (55.6%). Given the heterogeneous distribution of energy resources, infrastructure needed to be created and the complementarity of resources promoted in the region, as, although there were lines of bilateral interconnectivity, that did not mean there was regional integration. He highlighted the leadership and development potential of the Plurinational State of Bolivia and Paraguay with regard to natural gas and hydropower, respectively, despite the challenges related to the quality and coverage of services. His recommendations focused on harmonizing infrastructure, promoting energy efficiency and considering the role that energy could play in fostering the environmental big push and progressive structural change. He said that ECLAC was working on those issues through the Regional Observatory on Sustainable Energy (ROSE), focusing in particular on obtaining high quality data for policymaking.

34. The Economic Affairs Officer of the Division of International Trade and Integration of ECLAC drew attention to the links between the energy supply, providing ICT services and regional integration. Given that, according to data from the Latin American Energy Organization (OLADE), it would take another 13 years to achieve the electrification target under SDG 7 in Latin America, he said that regional integration could play an important role in accelerating the bridging of gaps in the region. The Plurinational State of Bolivia and Paraguay had made progress in terms of electricity grid coverage between 2014 and 2017, but there remained technical and financial challenges to expanding it into areas without access to electricity (particularly rural areas of the Plurinational State of Bolivia), which could be overcome through

regional integration. With regard to ICTs, access to telephony and fixed broadband services continued to pose challenges in landlocked countries. He also noted that possible agreements to enable right of passage in neighbouring countries would open up opportunities to promote infrastructure convergence, as transport infrastructure construction projects could be combined with building energy and ICT infrastructure. Lastly, he said that logistics and facilitation could be used to integrate the digital with the physical.

35. The Representative for South America of the International Telecommunication Union (ITU) said that ICT tools could help to overcome obstacles to the development of landlocked countries. In that regard, the main challenge faced by those countries was the high cost of accessing the Internet, since in order to access the submarine fibre-optic cables through which the data circulated, they must pass through neighbouring countries. Data traffic was currently controlled by [author: please confirm] companies from neighbouring countries, which represented an additional cost for the Plurinational State of Bolivia and Paraguay. Alternatively, a private agreement could be drawn up, with the support of governments, or both countries could be allowed to have their own infrastructure in the territories of neighbouring countries, through the provision of rights of passage. The Union, regional banks and other international agencies could support countries if they did not have all the necessary resources. Consideration should also be given to the network interconnection of both countries and the hosting of local content in those countries or in the region. Lastly, he invited those present to support the relevant ministries of their countries in the discussions related to the scope of action of ITU.

36. The representative of the Plurinational State of Bolivia said that, to overcome his country's geographical challenges, a road was being built in the department of Pando, which would allow rural sectors in the north to access the electricity grid. He also referred to a set of 34 renewable energy projects that were underway and the increase in Internet connection rates in rural areas, as well as initiatives to implement technologies in health and education services. The representative of Paraguay drew attention to initiatives that had been carried out in his country to guide the generation of clean energy; improve the quality, reliability and security of energy supply; and establish a national fibre-optic network through which it would be possible to provide remote education, telemedicine, e-commerce and e-government services. He also highlighted the cooperation activities carried out with neighbouring countries to determine the most appropriate modalities of access to Internet providers. With regard to transit countries, the representatives of Argentina and Uruguay referred to the bilateral agreements and initiatives between their countries and the landlocked countries of the region, which had helped to strengthen energy and ICT connectivity in the Plurinational State of Bolivia and Paraguay.

Session 4: International trade and trade facilitation

37. This session was moderated by Paul Akiwumi, Director of the Division for Africa, Least Developed Countries and Special Programmes (ALDC) of UNCTAD, and the participants were Raúl Torres, Counsellor of the Development Division of WTO (by video link); Keiji Inoue, Senior Economic Affairs Officer of the Division of International Trade and Integration of ECLAC, and Sebastián Ortiz, Director for Multilateral Economic Organizations of the Ministry of Foreign Affairs and Alternate Coordinator of the National Committee on Trade Facilitation of Paraguay.

38. In a video message, the Counsellor of the Development Division of WTO noted the progress made in implementing the Trade Facilitation Agreement, which had already been ratified by 143 countries, including all landlocked and transit countries in South America. With regard to notifications, landlocked developing countries had identified a large number of commitments—compared to other countries—for which they would require technical assistance (around 12.6% of commitments in the case of the Plurinational State of Bolivia and 28.2% for Paraguay). He spoke in more detail about the articles that were directly related to the priorities of the Vienna

Programme of Action, including those on border agency cooperation (article 8), trade facilitation measures for authorized operators (article 7.7) and information available through the Internet (article 1.2) —with regard to which Paraguay had already expressed a need for technical assistance— and the article on the single window (10.4) —which the Plurinational State of Bolivia had already indicated it would need technical assistance to implement. The Organization had established a mechanism to assist countries in implementing the Agreement, based on formulation of technical assistance programmes, sharing of information and provision of funds for preparation and implementation of projects. Turning to the Aid for Trade flows in the region, he said that they were significantly lower than those received by other regions such as Africa and Asia. Of the landlocked countries, the Plurinational State of Bolivia received a larger share of such disbursements, primarily relating to construction of economic infrastructure.

39. The Senior Economic Affairs Officer with the Division of International Trade and Integration of ECLAC described international trade trends in Latin America between 2000 and 2018, highlighting the sharp decline in exports seen between 2011 and 2015 and the predominant effect of prices on the volume of exports from the region. He said that there was a dual economic structure in Latin America and the Caribbean; for instance, while South American exports largely consisted of commodities (55%), medium-technology manufactured goods accounted for 48% of Mexico's exports. In addition, just 17% of exports from Latin America and the Caribbean were bound for the region itself, demonstrating the importance of developing intraregional trade; particularly since most of the manufactured goods with the greatest added value were exported to the region.

40. He presented the most recent results of the global survey on trade facilitation conducted by ECLAC and the other regional commissions of the United Nations, which had revealed that the countries of the region had implemented an average of 69% of a set of measures aimed at facilitating trade, and that there was a need to focus on measures related to paperless trade, implementation of which remained limited. The figures showed a high degree of openness to trade in the Plurinational State of Bolivia and Paraguay, as well as the proportion of exports of products such as natural gas and soybean from each of the countries, respectively. In terms of trading partners, the percentage of exports to MERCOSUR countries between 2011 and 2018 had decreased in the case of the Plurinational State of Bolivia and increased in the case of Paraguay. With regard to modes of transport of exports, pipelines played a major role in Bolivia, carrying 82.3% of the country's exports, while waterways were key in Paraguay, transporting 73% of exports. Lastly, he spoke about reducing transaction times and costs in trade between the Plurinational State of Bolivia and Paraguay and mentioned the opportunities to improve cross-border facilitation between the two countries.

41. The Director for Multilateral Economic Organizations of the Ministry of Foreign Affairs and Alternate Coordinator of the National Committee on Trade Facilitation of Paraguay described the composition and structure of that Committee and outlined the pillars that guided its work, highlighting the development of a national agenda on trade facilitation, identification of potential sources of financial resources and technical assistance, collection of data on projects and the creation of a national plan to raise awareness of the benefits of international trade. The Committee was carrying out a number of projects in 2019: a mechanism for public-private dialogue, implemented with the support of LAIA; and a publication protocol to standardize consultation and policy implementation processes. Paraguay was also involved in the Global Trade Helpdesk, an initiative that would provide all the information necessary to import and export goods, to be implemented with the support of the International Trade Centre (ITC) and UNCTAD. The speaker referred to the Committee's future projects and concluded by highlighting the challenges linked to article 8 of the Trade Facilitation Agreement, on border agency cooperation, and presented a road map for its implementation.

Session 5: Structural economic transformation

42. This session was moderated by Sandagdorj Erdenebileg, Chief of the Policy Development, Coordination, Monitoring and Reporting Service of UN-OHRLLS and the participants were Gabriel Porcile, Economic Affairs Officer of the Division of Production, Productivity and Management of ECLAC, Ricardo J. Sánchez, Senior Economic Affairs Officer of the Division of International Trade and Integration of ECLAC, and Mussie Delelegn, Chief of the Landlocked Developing Countries Section of ALDC of UNCTAD.

43. The Economic Affairs Officer of the Division of Production, Productivity and Management of ECLAC said that structural change was a means of diversifying Latin American economies and fostering their capacity for growth and income distribution. Technical progress had to be achieved endogenously to be beneficial. In addition, data indicated a positive relationship between structural change and participation in world trade. Furthermore, lack of diversification and low technology intensity of the region's economies generated significant shortfalls in productivity compared to advanced economies. The region's efforts to achieve technological progress and structural change should be compatible with environmental sustainability. One example of the structural heterogeneity that characterized the region was the productivity gap between micro-, small and medium-sized enterprises (MSMEs) and large firms, with a significantly larger internal gap in productivity in Latin America than in advanced economies. Lastly, he drew attention to the recent halt in the fall of indices of inequality, poverty and extreme poverty in the region and stressed the need to resume growth that respected the conditions of structural change and environmental sustainability.

44. The Senior Economic Affairs Officer of the Division of International Trade and Integration of ECLAC presented a macroeconomic analysis of the Plurinational State of Bolivia and Paraguay. He said that both countries had experienced GDP growth that was above average for the region between 2014 and 2018. The global downturn in commodity demand and falling commodity prices—especially for hydrocarbons and mining products—had affected the export bases of the two countries. However, factors such as domestic demand and increased public investment (especially in the Plurinational State of Bolivia) had contributed significantly to sustaining GDP growth rates. In both countries, during the period in question the participation of the different sectors in economic activity remained essentially unchanged. He also stressed, as an example of what was happening in the entire region, that the two countries had high Gini coefficients, although there had been improvements in income distribution in recent years. Lastly, he said that the two economies had undergone a limited structural economic transformation. Nevertheless, the countries had national plans to promote science, technology and innovation, the aim of which was to address that issue; the plans could benefit from strategic partnerships between universities, the production sector and government.

45. The Chief of the Landlocked Developing Countries Section of ALDC of UNCTAD, said that, in the context of landlocked developing countries, structural change was crucial to raising the income level of economies and promoting diversification, competitiveness and resilience. He examined the following main ideas, based on the results of international studies: landlocked developing countries would not be able to overcome the middle-income trap if their growth remained dependent on commodities; without development of production capacities, structural change would not be sustainable; no country had progressed in development without having fostered production capacities and structural change; industrial development was a key component of structural change; the quality and pace of the structural change process were determined by the levels of diversification and capacity to add value to products and services; public investment in infrastructure, education, health and other services was critical for structural change; the active role of the State as an engine for development was important for fostering structural change, and a dynamic and robust private sector was a key factor for strategic economic integration in global value

chains. He said that the production capacities of the Plurinational State of Bolivia and Paraguay had outperformed the average for landlocked developing countries, but the trend in export diversification and value-added indicators was worrying. Therefore, a new generation of policies and strategies was needed to ensure that production capacities were generated, and exports were diversified.

46. The representatives of landlocked developing countries then took the floor. The representative of the Plurinational State of Bolivia referred to the socioeconomic production model implemented in the country, based on policies such as the transfer of surplus income to the poorest sectors and an increase in the national minimum wage, which had made it possible to reduce indices of poverty and extreme poverty in recent years. He said that there were plans to industrialize the country's natural resources as part of the Patriotic Agenda 2025, although the Bolivian economy faced problems such as smuggling, in response to which significant measures had also been adopted. The representative of Paraguay said that any action to promote economic development should not clash with environmental interests. Encouraging patterns had been seen in some macroeconomic indicators in recent years and the abundance of natural resources enjoyed by the country, its geographical positioning and its relatively young age structure all had potential benefits. Despite positive assessments by international agencies, the country faced challenges such as production that was focused on the primary sectors and the vulnerability of the economy to fluctuations in international prices. In conclusion, he said that differential treatment must be given to the country and that technology should be used to diversify the economy and the destinations of Paraguayan exports. The representative of UNDP in Paraguay highlighted Paraguay's achievements in diversifying its economy into manufacturing and services in recent years, as well as in approving the national services trade policy in cooperation with UNDP and UNCTAD. The UNDP representative also announced the signing of a memorandum of understanding between UNDP and the Ministry of Public Works and Communications of Paraguay to further the proper consideration of socioenvironmental matters within infrastructure projects.

Session 6: Means of implementation

47. This session was moderated by Isabelle Turcotte, consultant with UN-OHRLLS and ECLAC, and the participants were Georgina Cipoletta Tomassian, Economic Affairs Officer of the Economic Development Division of ECLAC; Gabriel Pérez, Economic Affairs Officer of the Division of International Trade and Integration of ECLAC; Jan Kickert, Permanent Representative of Austria to the United Nations and co-facilitator for the midterm review of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024, and Yeshey Dorji, Programme Officer of UN-OHRLLS.

48. In her presentation, the Economic Affairs Officer of the Economic Development Division of ECLAC commented on the changes that had occurred in financing for development trends in recent decades, such as the expansion of development priorities and the increase in demand for resource mobilization, as well as changes in actors and financing mechanisms. She said that private financing flows to Latin America and the Caribbean had grown over the past two decades, largely due to a rise in foreign direct investment and migrant remittances. There had also been a fall in ODA flows since 1960, related to many countries in the region graduating to middle-income status, although per capita income did not reflect the heterogeneity between and within countries in the region. Public and private flows corresponded to different incentives, meaning that private flows did not necessarily follow the rationale of the SDGs. Therefore, the public sector had an important role to play in creating an appropriate regulatory environment to channel flows to sustainable development priorities. New actors in financing for development included private philanthropic investors, institutional investors, social impact investors, regional development banks, South-South and triangular cooperation, and donor countries that were not part of the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD). New instruments included green bonds, project bonds and project financing. Lastly, it was important to improve the transparency and efficiency of available financing alternatives, and to ensure better coordination and strategies at the regional level to attract resources for sustainable development.

49. The Economic Affairs Officer of the Division of International Trade and Integration of ECLAC outlined the macroeconomic indicators of the Plurinational State of Bolivia and Paraguay, highlighting the effect of rising public investment in a context of falling international commodity prices. Regarding sources of financing for development, he said that it was important to take into account funds for the conservation of infrastructure projects over time. With regard to ODA resources, there was an upward trend in disbursements between 2014 and 2017 in both countries, but low participation by economic infrastructure sectors in ODA expenditure in the Plurinational State of Bolivia (9%). In Paraguay, in contrast, the economic infrastructure sectors accounted for 43% of ODA expenditure, with the potential to contribute to significant progress on the priorities of the Vienna Programme of Action in the country. There had been relative falls in FDI (as a percentage of GDP) in the two countries between 2014 and 2017, and they had been involved in a growing number of South-South cooperation projects in that period. Lastly, he said that there were opportunities to improve public-private partnerships, particularly for projects where the toll financing mechanism was not applicable, and that the quantity and quality of existing infrastructure had to be improved by exploring available new sources of financing.

50. The Permanent Representative of Austria to the United Nations and co-facilitator of the midterm review of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024 said that, based on examples from Europe, underdevelopment was not an unavoidable condition for landlocked countries and that development potential ultimately depended on the countries themselves. In addition, regional cooperation and integration were key factors for the development of Europe and, in particular, Austria, which had thus gained access to larger markets and participated in regional value chains. He said that intraregional trade must be stepped up, applauding regional integration initiatives and underscoring the importance of investing in human capital through education, health and technology projects. Small and medium-sized enterprises could play a significant role in the development of the region and in the diversification of exports. In terms of financing, investment from the private sector and institutional partners was important, in a favourable and predictable business environment, in order to help countries to overcome the middle-income trap. In that regard, knowledge-sharing, triangular cooperation and innovative financing instruments had been recognized in the European Union as pillars to support the transition of middle-income countries. Lastly, he stressed the importance of regional integration and the predictability of the business environment to attract investment.

51. The Programme Officer of UN-OHRLLS, in keeping with the previous comments, said that primary responsibility for the development of landlocked countries under the Vienna Programme of Action lay with countries themselves. However, the capacity to mobilize domestic public resources in those economies, as measured by the average ratio of fiscal revenue to GDP in landlocked developing countries (13% in 2017), was below the level considered ideal (20%). He gave an overview of the trends in international sources of financing for development, highlighting the relative stability of ODA flows to landlocked countries between 2014 and 2017, as well as the global importance of remittances and FDI. With regard to Aid for Trade flows, he said that the amounts received by landlocked developing countries had risen, particularly in 2017. His final recommendations stressed the need for additional efforts to accelerate implementation of the Vienna Programme of Action, noting that it was especially important to step up domestic resource mobilization through improved tax systems, to gain efficiency in public spending and to adopt national measures that would attract larger volumes of FDI in more diverse areas. Development partners also had to bolster their support for landlocked developing countries through mechanisms such as ODA, Aid for Trade and South-South and triangular cooperation, a process in which the United Nations system, international organizations and regional development banks all had a role to play.

52. In the ensuing discussion, the representative of Paraguay said that landlocked developing countries had already committed financial resources to cover various needs, making it difficult to mobilize additional domestic resources. In general, there were growing difficulties in obtaining financing for development and

there was a worrying absence of innovative conclusions in international forums on possible sources of additional resources. From the transit countries, the representative of Uruguay expressed agreement with the previous speakers and proposed that integration remain part of the shared aspirations of the region, despite the complexities identified. He also suggested that Latin America and the Caribbean seek more ODA resources, and acknowledged the role that ECLAC could play in harmonizing regional efforts.

Sustainable transport connectivity and implementation of transport-related Sustainable Development Goals in selected landlocked and transit/bridging countries (agenda item 3)

53. This agenda item related to a joint project undertaken by the Economic Commission for Europe (UNECE), ECLAC and the Economic and Social Commission for Western Asia (ESCWA) within the framework of the United Nations Development Account, with the aim of designing and implementing an evidence-based transport policy framework for landlocked and transit countries that fostered sustainable transport connectivity and attainment of transport-related SDGs.

54. The discussion was moderated by Gabriel Pérez, Economic Affairs Officer of the Division of International Trade and Integration of ECLAC, with participation by Roel Janssens, Economic Affairs Officer of the Sustainable Transport Division of UNECE (by video link), who presented the details, scope and progress of the project, which had been developed in response to the lack of a unified methodological approach for measuring the degree of interconnectivity of economies in terms of transport, trade and logistics networks. In addition, reference was made to the criteria for selecting participant countries for the pilot phase of the initiative, which included Paraguay. The Economic Affairs Officer of the Sustainable Transport Division of UNECE gave examples of the connectivity indicators developed under the project, taking into account the economic, social and environmental pillars of transport sustainability, which would then be evaluated using a scoring system. Lastly, the future stages of the project were explained, which included missions to landlocked countries, identification of priorities for connectivity policies, promotion of dialogues and consultations with key local stakeholders, and workshops for capacity-building and regional outreach.

55. Private sector perspectives were then given on logistics in the Plurinational State of Bolivia and Paraguay. David Suárez, a consultant with ECLAC, speaking on behalf of the President of the Chamber of Exporters, Logistics and Investment Promotion of Santa Cruz (CADEX) of the Plurinational State of Bolivia, highlighted the logistical challenges of the pre-shipment stages, which were related to the low proportion of paved secondary and local roads and delays in customs and facilitation processes. He stressed the importance of building alternative routes for transporting agricultural products to Pacific ports, as well as dredging and beaconing work on the Paraguay-Paraná waterway for transport to Atlantic ports. He also underscored the need to develop a national logistics plan for the Plurinational State of Bolivia and to achieve greater coordination between the initiatives undertaken by the public and private sectors.

56. The President of the Centre of River and Maritime Vessel Owners (CAFYM) of Paraguay, Juan Carlos Muñoz Mena, outlined key figures for the country, such as the record transport of 23 million tons of cargo on the Paraguay-Paraná waterway in 2013 and the more than 4,000 vessels that made up the Paraguayan river fleet, the third largest in the world. He also highlighted operational issues, including the low level of implementation of international agreements concerning river and road transit and border crossings. He said that the high logistical costs in the central region of South America must be reduced and an action plan should be developed that went beyond prevailing conditions and involved the entire region, in order to increase efficiency and promote social development. To conclude, he gave the example of the droughts suffered in the Paraguay and Paraná river basins and called for the construction of a positive environmental agenda.

57. In the ensuing discussion, the representative of Paraguay expressed interest in and support for the regional commissions' initiative, highlighting the potential impact of the project on production of quantitative data landlocked countries' situation and on collaboration with transit countries.

Conclusions and recommendations (agenda item 4)

58. A Summary of the Chair of the meeting was prepared and is contained in annex 1 to this report.

Closing session

59. The Under-Secretary-General of the United Nations and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States said that the meeting had clearly outlined both trends and challenges facing the region in implementing the Vienna Programme of Action. There was convergence of opinion that tangible progress had been made on priority areas for the region, including ratification of the WTO Trade Facilitation Agreement by the two landlocked developing countries in the region and five transit countries, and advances in closing missing links and in expanding and upgrading the road and rail network, energy generation and ICT infrastructure. However, a clear call had emerged for stronger efforts to build the capacity of landlocked developing countries to implement the Trade Facilitation Agreement, increase intraregional trade by strengthening productive linkages and supporting the development of supply chains, diversify exports and support MSMEs to accelerate structural economic transformation. She also stressed the need to do more to diversify investment flows, overcome institutional bottlenecks and mitigate the effects of climate change in landlocked developing countries. Moving towards the comprehensive high-level midterm review, emphasis needed to be kept on partnerships by all stakeholders, including landlocked developing countries, transit countries, development partners, the United Nations and other international and regional organizations, to accelerate implementation of the Vienna Programme of Action.

60. The Executive Secretary of ECLAC thanked the Chair of the Meeting for his leadership and welcomed the conversations held with the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States on how to strengthen cooperation and experience-sharing with Latin America and the Caribbean and other regions, as well as the remarks made by the Permanent Representative of Austria and the Permanent Representative of Bhutan to the United Nations, which had given an insight into the two landlocked countries' experience. She expressed satisfaction with the progress reported by the Plurinational State of Bolivia and Paraguay, and said that the focus of the meeting was to support the development of those countries. Further steps must be taken in the development of aligned regional and national policies as part of a strategy to increase the efficiency, productivity, resilience and sustainability of infrastructure and logistics services, in order to integrate a deeper regional market, in which landlocked and transit countries would form competitive networks. The great challenge was to connect internally to forge a more powerful region, through a transformation of production linked to the fourth industrial revolution. More technical and financial resources were needed to achieve greater coordination, supporting landlocked countries, to bolster development and integration of production through value chains that deepened regional markets and increased interactions with the global economy, and to achieve trade facilitation. Lastly, she said that ECLAC stood ready to help the countries, because the topic presented an opportunity not only for landlocked countries, but for the whole of South America, and could be a driver of a new space for productivity, competitiveness, innovation and growth.

61. The Permanent Representative of Austria to the United Nations and co-facilitator for the midterm review of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024 remarked upon the enriching presentations and discussions at the meeting and said that those, together with the outcomes of the other regional reviews, the thematic activities organized by the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and the report of the Secretary-General, would be inputs for the process of arriving at the intergovernmentally negotiated and agreed outcome in the form of a political declaration mandated in General Assembly resolution 72/232. He referred to the timetable for the negotiations and said that it was hoped to take advantage of agreed language emerging from parallel processes —such as the meeting of the high-level political forum on sustainable development and the high-level midterm review of the SIDS Accelerated Modalities of Action (SAMOA) Pathway, to take place in July and September, respectively, of 2019—especially given that the outcome document would need to reference important international programmes and agreements that had followed the Vienna Programme of Action, such as the Paris Agreement and the 2030 Agenda for Sustainable Development, of whose fulfilment acceleration of the Vienna Programme of Action should form an integral part.

62. The Permanent Representative of Paraguay to the United Nations and Chair of the Group of Landlocked Developing Countries expressed his satisfaction with the contribution of all the participants to the success of the meeting. He also thanked UN-OHRLLS. In addition to highlighting the high standard of the presentations made, he expressed the hope that the work conducted would serve as an input for the political declaration to be adopted in the comprehensive midterm review. He thanked the Permanent Representative of Austria to the United Nations and the Permanent Representative of Bhutan to the United Nations for their commitment as co-facilitators of the midterm review of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024, expressing confidence in their capacity and leadership, and conveying the support of the entire Group. He also thanked the representatives of the Plurinational State of Bolivia and Paraguay and those of the transit countries for their participation, as well as those of the private sector for their presentations. To conclude, he reaffirmed the Group’s commitment to continue supporting implementation of the Vienna Programme of Action and to contribute to the success of the comprehensive midterm review in New York in December 2019.

Annex 1

SUMMARY OF THE CHAIR**Report of the Chair****Midterm review meeting of Latin American countries preparatory to the comprehensive midterm review of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024**

Santiago, 11–12 June 2019

Introduction

The Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024 was adopted in 2014 at the Second United Nations Conference on Landlocked Developing Countries. The General Assembly of the United Nations decided, in its resolution 72/232, to convene in 2019 a comprehensive high-level midterm review on the implementation of the Vienna Programme of Action, which would be preceded by regional preparatory meetings. The high-level midterm review will review progress made in the implementation of Programme of Action, identify obstacles and constraints encountered and actions and initiatives needed to overcome them, as well as new challenges and emerging issues. The high-level midterm review shall adopt an inter-governmentally negotiated and agreed outcome in the form of a political declaration.

In resolution 711(XXXVI), adopted at the thirty-sixth session of the Economic Commission for Latin America and the Caribbean (ECLAC), held in Mexico City from 23 to 27 May 2016, and resolution 732(XXXVII), adopted at the thirty-seventh session of ECLAC, held in Havana from 7 to 11 May 2018, the countries stressed the importance of the Vienna Programme of Action and requested the secretariat of the Commission to support the regional review by landlocked and transit countries in Latin America in the framework of the midterm comprehensive review.

Accordingly, the United Nations Office of the High Representative for Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS) and ECLAC organized the Midterm review meeting of Latin American countries preparatory to the comprehensive midterm review of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024, in Santiago, on 11 and 12 June 2019. The meeting was attended by senior government policymakers and other stakeholders from Latin American landlocked developing countries (LLDCs) and transit countries, development partners, and participants from the United Nations system, relevant international and regional organizations, and civil society representatives.

The Presiding Officers elected were as follows: Paraguay (Chair) and Plurinational State of Bolivia (Vice-Chair).

Over the last five years, progress has been made in the implementation of the priority areas of the Vienna Programme of Action in the Latin America region. However, the progress is not adequate for the landlocked countries to achieve the goals of the Vienna Programme of Action and meet the Sustainable Development Goals (SDGs).

The Chair highlighted the great spirit of collaboration and appreciated the goodwill between the landlocked countries and the transit countries participating in the meeting.

The meeting proposed the following recommendations to accelerate the implementation of the Vienna Programme of Action.

Priority area 1: Fundamental transit policy issues

- LLDCs and transit countries are encouraged to cooperate and coordinate on fundamental transit policies, laws and regulations and towards enhancing freedom of transit and integrate the international and regional standards in national legislation.
- International organizations are encouraged to scale up technical assistance and capacity-building support towards the effective accession, ratification and implementation of relevant regional and international conventions agreements.
- LLDCs and transit countries are encouraged to effectively implement the Trade Facilitation Agreement of the World Trade Organization (WTO) and other relevant international and regional agreements to improve transit in a manner consistent with their trade and development objectives.
- LLDCs and transit countries are encouraged to use available tools to promote transit, such as the Transit Guidelines of the World Customs Organization (WCO), and the use of other mechanisms to monitor travel time along transit transport corridors, such as like the WCO Time Release Study is encouraged.
- LLDCs and transit countries are encouraged to make additional efforts to meet the Vienna Programme of Action specific objectives of reducing travel time along corridors; reducing cargo dwell times at seaports; reducing time spent at the land border; and, with the support of the United Nations and other international and regional organizations and development partners, regularly collecting relevant data needed to monitor the specific objectives.
- Landlocked and transit countries are encouraged to regionally coordinate national logistics policies and take into consideration private sector logistics strategies.

Priority area 2: Infrastructure development and maintenance

Transport infrastructure

- LLDCs and transit countries, with the support of their development and trade partners, need to scale up their capacity for expansion and maintenance of transport (inland waterways, road and rail) infrastructure.
- LLDCs and transit countries are encouraged to develop and/or upgrade international and transboundary transport and transit corridors in a coordinated manner, encompassing all modes of transportation to address the special development needs and challenges of landlocked developing countries.
- LLDCs and transit countries are encouraged to consider the recommendations for promoting a shared vision for better governance of natural resources and infrastructure agreed at the High-level Regional Dialogue on the Governance of Natural Resources and Infrastructure, held in Santiago on 8 November 2016.
- The regional financial institutions, United Nations system and other development partners should strengthen their technical assistance programmes for improving the institutional

capacities of the LLDCs to formulate and implement bankable infrastructure development projects more effectively and efficiently.

- LLDCs are encouraged to integrate the development and maintenance of transboundary transport infrastructure in their national development strategies and ensure that these are not stand-alone initiatives.
- Development partners, international financial institutions, and international and regional organizations are called upon to support LLDCs and transit countries in developing climate change resilient transport infrastructure.
- LLDCs and transit countries are encouraged to use technology to increase productivity and sustainability of the current infrastructure and logistics services.

Energy

- LLDCs are encouraged to support increased access to electricity where this has not been achieved and close the rural-urban gap.
- LLDCs endowed with energy are encouraged to use electricity in transforming their productive capacities and boosting their exports of manufacturing products.
- LLDCs are encouraged to use hydroelectric power and natural gas as drivers for regional energy integration.
- LLDCs and transit countries are encouraged to support expansion and upgrading of supply, transmission and distribution infrastructure and increase investments in improving energy efficiency.

Information and communications technology (ICT)

- LLDCs and transit countries are encouraged to collaborate to establish ICT infrastructure, applications and services with the support of governments, the private sector, development partners, multilateral financial and development institutions and regional banks.
- LLDCs are encouraged to create an appropriate enabling environment, including the necessary policies and legal and regulatory framework, to support ICT development, in particular the development of broadband, including enhancement of digital skills, promotion of digital inclusion, increased adoption and utilization of ICT applications and services, and closure of the digital divide.
- LLDCs are encouraged to take into account the areas of action and objectives of the Digital Agenda for Latin America and the Caribbean (eLAC2020), adopted at the Sixth Ministerial Conference on the Information Society in Latin America and the Caribbean, held in Cartagena de Indias (Colombia), from 18 to 20 April 2018.
- The international community is invited to provide capacity-building support to LLDCs to improve their business environment, in order to attract and retain the private sector in the ICT sector, especially in the use of ICT infrastructure to promote trade, improve trade logistics, and enhance productivity and structural economic transformation.

Priority 3: International trade and trade facilitation

- LLDCs are encouraged to formulate and implement policies and strategies aimed at diversifying their export base and adding value to their exports in order to expand their participation in regional and global value chains.

- The international community is invited to support LLDCs in diversifying their exports, including through the transfer of relevant technologies and support in developing their productive capacities.
- LLDCs are encouraged to enhance efforts aimed at improving their business environment.
- The United Nations and other international and regional organizations and the development partners are encouraged to provide the necessary technical, financial and capacity-building assistance to LLDCs and transit countries to ensure the effective implementation of the Trade Facilitation Agreement of WTO.
- LLDCs are encouraged to promote greater use of technology-driven and ICT solutions to trade facilitation, including the introduction of paperless trade, the automation of customs procedures and customs clearance systems, and the implementation of single window environments.

Priority area 4: Regional integration and cooperation

- LLDCs are encouraged to continue to increase regional and bilateral cooperation with neighbouring States to improve their integration into regional and international markets.
- LLDCs and transit countries are encouraged to increase intraregional trade integration by strengthening productive linkages and supporting the development of supply chains within the region.
- LLDCs and transit countries are encouraged to enhance the development effectiveness of South-South and triangular cooperation, in line with the *Buenos Aires outcome document of the second High-level United Nations Conference on South-South Cooperation*,¹ adopted in Buenos Aires in March 2019.
- International and regional development partners, United Nations agencies and other international organizations are encouraged to support the LLDCs and transit countries with technical, financial and capacity-building support to advance their regional integration efforts and to promote greater sharing of experiences between regions and subregions.
- LLDCs and transit countries are encouraged to make use of the technical assistance and capacity-building support provided by relevant international organizations towards the effective implementation of relevant international conventions and regional cooperation agreements and frameworks.
- LLDCs and transit countries are encouraged to consider undertaking regional integration initiatives that encompass investment, research and development, industrial development and regional connectivity.
- LLDC and transit countries are encouraged to develop methodologies to design, finance, operate and regulate regional infrastructure.

Priority 5: Structural economic transformation

- LLDCs are encouraged to promote industrial policies that focus on fostering productive capacities and structural economic transformation supported by enabling macroeconomic, trade, financial, innovation, labour market, human resource and research and development policies.

¹ A/CONF.235/3.

- LLDCs are encouraged to focus on enhancing their capacity in higher value added products and high-productivity sectors, and should also explore the opportunity for public-private partnerships to enable this growth.
- Development partners are encouraged to provide technical, financial and capacity-building assistance so that LLDCs can develop a strong industrial base and continue investment in research and development in order to be able to attract further economic investment.
- LLDCs are encouraged to utilize new and existing technologies in the production of manufactured and agricultural products to add value and connect into higher ends of regional and global value chains.
- LLDCs are encouraged to implement industrial and technological policies which foster structural transformation in a direction compatible with sustainability. The technological revolution should be directed at decoupling and a low-carbon growth path.

Priority area 6: Means of implementation

- LLDCs are encouraged to strengthen their efforts to mobilize domestic resources, including through carrying out reforms in tax administration, broadening the tax base and strengthening domestic capital markets.
- LLDCs are encouraged to better leverage official development assistance (ODA) for attracting further finance from other sources such as foreign direct investment (FDI), public-private partnerships, and blended finance that could be utilized more effectively in promoting growth and structural transformation in the LLDCs.
- LLDCs are encouraged to 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.
- The United Nations development system should accord a high priority to the economic sectors and productive capacity-building in LLDCs and should enhance support to LLDCs in their efforts to achieve the internationally agreed development goals.
- Development partners are encouraged to enhance their financial and technical support for the implementation of the 2030 Agenda for Sustainable Development, and the Vienna Programme of Action.

Way forward

The Chair identified following recommendations:

1. ECLAC should continue providing technical support to the LLDCs in the Latin American region in areas related to the priorities of the Vienna Programme of Action in order to accelerate its implementation.
2. ECLAC, in collaboration with UN-OHRLLS, should undertake the 10-year regional review of the implementation of the Vienna Programme of Action.
3. Relevant international and regional organizations, including the United Nations Conference on Trade and Development (UNCTAD), the World Trade Organization (WTO), the International Telecommunication Union (ITU), the United Nations Development Programme (UNDP), among others, are requested to continue providing technical assistance to landlocked developing countries and transit countries in the region.

4. LLDCs, transit countries, development partners and regional and international organizations should actively participate in the comprehensive high-level midterm review on the implementation of the Vienna Programme of Action, to be held in New York in December 2019, in accordance with General Assembly resolutions 72/232 and 73/243.
5. The Chair should report on this meeting and its recommendations at the fourth meeting of the Forum of the Countries of Latin America and the Caribbean on Sustainable Development, to be held in 2020.
6. In accordance with the mandate given by the General Assembly, UN-OHRLLS should continue to ensure the coordinated follow-up to, effective monitoring of and reporting on the implementation of the Vienna Programme of Action and undertake advocacy efforts at the national, regional and global levels.

Annex 2

LIST OF PARTICIPANTS**A. Estados miembros de la Comisión
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**B. Estados Miembros de las Naciones Unidas que no son miembros de la Comisión
States Members of the United Nations not members of the Commission**

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United Nations Secretariat**

Comisión Económica para Europa (CEPE)/Economic Commission for Europe (UNECE)

- Roel Janssens, Oficial de Asuntos Económicos, División de Transporte Sostenible/Economic Affairs Officer, Sustainable Transport Division, email: roel.janssens@un.org (por vídeo)

Oficina de Servicios de Supervisión Interna (OSSI)/Office of Internal Oversight Services (OIOS)

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- Fekitamoeloa Katoa ‘Utoikamanu, Secretaria General Adjunta, Alta Representante para los Países Menos Adelantados, los Países en Desarrollo sin Litoral y los Pequeños Estados Insulares en Desarrollo/Under-Secretary-General, High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States
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- Yeshey Dorji, Oficial de Programas/Programme Officer, email: yeshey@un.org

**D. Organismos de las Naciones Unidas
United Nations bodies**

Conferencia de las Naciones Unidas sobre Comercio y Desarrollo (UNCTAD)/United Nations Conference on Trade and Development (UNCTAD)

- Paul Akiwumi, Director, División para África, los Países Menos Adelantados y los Programas Especiales (ALDC)/Director, Division for Africa, Least Developed Countries and Special Programmes (ALDC), email: paul.akiwuni@unctad.org

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Organización Mundial del Comercio (OMC)/World Trade Organization (WTO)

- Raúl Torres, Consejero, División de Desarrollo/Counsellor, Development Division, email: raul.torres@wto.org (por vídeo)

Programa de las Naciones Unidas para el Desarrollo (PNUD)/United Nations Development Programme (UNDP)

- Silvia Morimoto, Representante Residente del PNUD en el Paraguay/UNDP Resident Representative in Peru, email: silvia.morimoto@undp.org

**E. Organismos especializados
Specialized agencies**

Unión Internacional de Telecomunicaciones (UIT)/International Telecommunication Union (ITU)

- Sergio Scarabino, Representante para América del Sur/Representative for South America, email: sergio.scarabino@itu.int

**F. Sector privado
Private sector**

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**G. Secretaría
Secretariat**

Comisión Económica para América Latina y el Caribe (CEPAL)/Economic Commission for Latin America and the Caribbean (ECLAC)

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