



## **Strengthening capacity to develop bankable transport infrastructure projects for enhanced connectivity**

### **Virtual training of policy-makers from LLDCs and transit countries**

**18 -20 May 2021**

#### **CONCEPT NOTE**

##### **Introduction**

Improved transport connectivity is crucial for the achievement of the SDGs in LLDCs who because of their geography require an efficient transit transport system in order to effectively participate in global trade. Improving the transport connectivity of LLDCs requires development of both (i) the hard or the physical infrastructure, and (ii) the soft infrastructure or the necessary policies and regulatory frameworks.

The United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and the Small Island Developing States (UN-OHRLLS), in partnership with the UN Regional Commissions (ECA, ESCAP, ECLAC and ECE) are implementing the project “*Strengthening the capacity of Landlocked Developing Countries under the “Belt and Road Initiative” to design and implement policies that promote transport connectivity for the achievement of the SDGs*”. The project aims to help LLDCs and transit countries to develop capacity that can enable them to design policies to build hard and soft infrastructure that is key to improved connectivity to regional and global markets.

This training - *Strengthening capacity to develop bankable transport infrastructure projects for enhanced connectivity* – is the first in the series of training workshops to be undertaken under the project.

##### **Background**

The Vienna Programme of Action (VPoA) for LLDCs for the Decade 2014-2024 was adopted in 2014 to address the special needs of the LLDCs through the implementation of the 6 priority areas: Fundamental Transit Policy Issues; Infrastructure Development and Maintenance; International Trade and Trade Facilitation; Regional Integration and Cooperation, Structural Economic Transformation, and Means of Implementation. The full and effective implementation of the VPoA is critical for LLDCs in achieving the SDGs.

The Midterm Review (MTR) of the implementation of the Vienna Programme of Action for LLDCs extensively analyzed transport connectivity for LLDCs through: the regional review meetings that were held in Europe and Asia region (in February 2019), Africa region (in March 2019) and Latin America region (in June 2019); The reviews noted that LLDCs and transit countries had made concerted efforts to improve transport infrastructure and connectivity; national progress reports prepared by LLDCs; and the MTR Meeting itself that was held in December 2019 and had a dedicated panel session on the issue. The MTR revealed that some progress has been made in LLDCs and transit countries towards expansion and

upgrading of rail, road, ports, air transport, and inland waterways and some missing links had been closed. However, the progress is not sufficient as limited transport connectivity of LLDCs remains one of the main obstacles to their enhanced trade integration.

The review emphasized the need for improved transport infrastructure in both quality and quantity. It was noted that improved transport infrastructure is required not only along major transit corridors but also in the rural areas where production takes place. Building, extending, maintaining, and rehabilitating the transport infrastructure requires sizable investments and also substantial efforts to prepare and execute over the span of many years which was found to be limited in LLDCs. It was also noted that improvement in customs facilitation and processes with transit countries that ensures streamlined coordination and leverage the advantages of each mode of transport would also help reduce transport and trade costs.

The MTR also noted that some regions with LLDCs had experienced poor progress in implementing infrastructure projects due to the following challenges: Lack of bankable projects in the region; Limited capacity at national level to coordinate and guide the implementation of projects with various partners; Limited funding for infrastructure; Low participation of the private sector in infrastructure financing; Lack of an enabling environment for investment in infrastructure by the private sector from a policy, legal and regulatory framework; and Sub-economic tariffs for the provision of service. The MTR noted that climate change was affecting the transport infrastructure and the quality of transport systems in the regions, in particular in LLDCs. The meetings underscored the need for increasing investment in resilient, efficient, and sustainable infrastructure as fundamental to long term development.

The Political Declaration adopted at the Midterm Review highlighted the need to address: development of bankable infrastructure and transport development projects; climate- and disaster-resilient transport infrastructure; enabling environment for public and private sustainable investment and infrastructure operations; and development and management of well-functioning corridors.

Based on the MTR, the capacity building areas that could help the LLDCs and transit countries to promote transport connectivity include: Building capacity in the preparation of bankable projects is necessary to improve project execution performance. Capacity to mobilize resources to invest into infrastructure development and maintenance. Skills to develop policies to integrate the development and maintenance of transboundary transport infrastructure in national development strategies. Capacity to develop supportive regulatory frameworks and enabling environments to attract more infrastructure financing; and to reinforce the regulatory framework for public-private partnerships and to leverage innovative financing mechanisms such as climate change funds or other international funds. Enhancing their capacity to identify different opportunities for financing that they can utilize.

The onset of the COVID-19 pandemic has negatively impacted the transport and logistics systems. Some of the impacts include: closure of state borders and the imposition of restrictions on the movement of people and goods that affect the smooth functioning of transport systems; diversion of resources from transport infrastructure development towards COVID-19 related emergencies; disruption of supply chains, and a decrease in demand and purchasing power. The combination of these factors affected all types of transport - from the use of personal and public transport in cities to the implementation of passenger and freight transport both within and between countries. It also revealed the need to build capacity of LLDCs and transit countries on how to develop responses to the impact of COVID-19 on the transport sector.

This training on developing bankable infrastructure projects is organized to respond to some of these identified needs. During this training, participants will learn how to develop bankable transport infrastructure projects; how to better understand the requirements of banks and donors, where to look for funding, how to develop supportive policies, regulatory frameworks and enabling environments to attract more infrastructure financing; how to promote development of climate resilient infrastructure; and how to develop responses and solutions to the impact of COVID-19 on the transport sector.

### **Objective of training**

The main objective of the training will be to enhance the capacity of policymakers from LLDCs and transit countries and equip them with knowledge and skills required including: on preparing viable or bankable projects to expand or upgrade their transport infrastructure; better understanding of the requirements of banks and donors, available funding opportunities, developing supportive regulatory frameworks and enabling environments to attract more infrastructure financing; and on use of public-private-partnerships to develop transport infrastructure. It will also help them share experiences and best practices on promoting transport connectivity.

### **Expected outcomes**

- Enhanced skills of policy-makers required to develop bankable projects to expand or upgrade their transport infrastructure;
- Policy recommendations to promote transport connectivity of LLDCs and transit countries identified from discussions.

**Participants:** The training is intended for policy-makers from Ministries of Transport, or Planning, or Investment or any related ministries or departments.

**Partners:** The main partners for the training include United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (OHRLLS), the Economic and Social Commission of Asia and the Pacific and the United Nations Economic Commission for Europe (ECE).

### **Format of the training:**

The training has modules and other background materials. The training will consist of presentation of the relevant topics by different resource persons using many case studies as much as possible. Participants will be given opportunities to share their experiences.

**Languages** – The training will have simultaneous interpretation - English; and Russian.

### **List of Training workshops under the project**

#### **PART 1**

- **Strengthening Capacity to develop bankable transport infrastructure projects for enhanced connectivity**  
Virtual training-workshop for policy-makers to be held 6-8 April 2021 for the Africa region
- **Strengthening Capacity to develop bankable transport infrastructure projects for enhanced connectivity**

**Virtual training-workshop for policy-makers to be held 18 – 20 May 2021 for the Asia and Europe region**

**PART 2**

- **Enhancing capacity to develop policies to promote transport connectivity for the achievement of the SDGs and development of resilient transport infrastructure  
Training-workshop for policy-makers for the Africa and Latin America region**
- **Enhancing capacity to develop policies to promote transport connectivity for the achievement of the SDGs and development of resilient transport infrastructure  
Training-workshop for policy-makers for the Asia and Europe region**

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