



MIDTERM REVIEW  
VIENNA PROGRAMME OF ACTION FOR  
LANDLOCKED DEVELOPING COUNTRIES  
5-6 DECEMBER 2019, NEW YORK

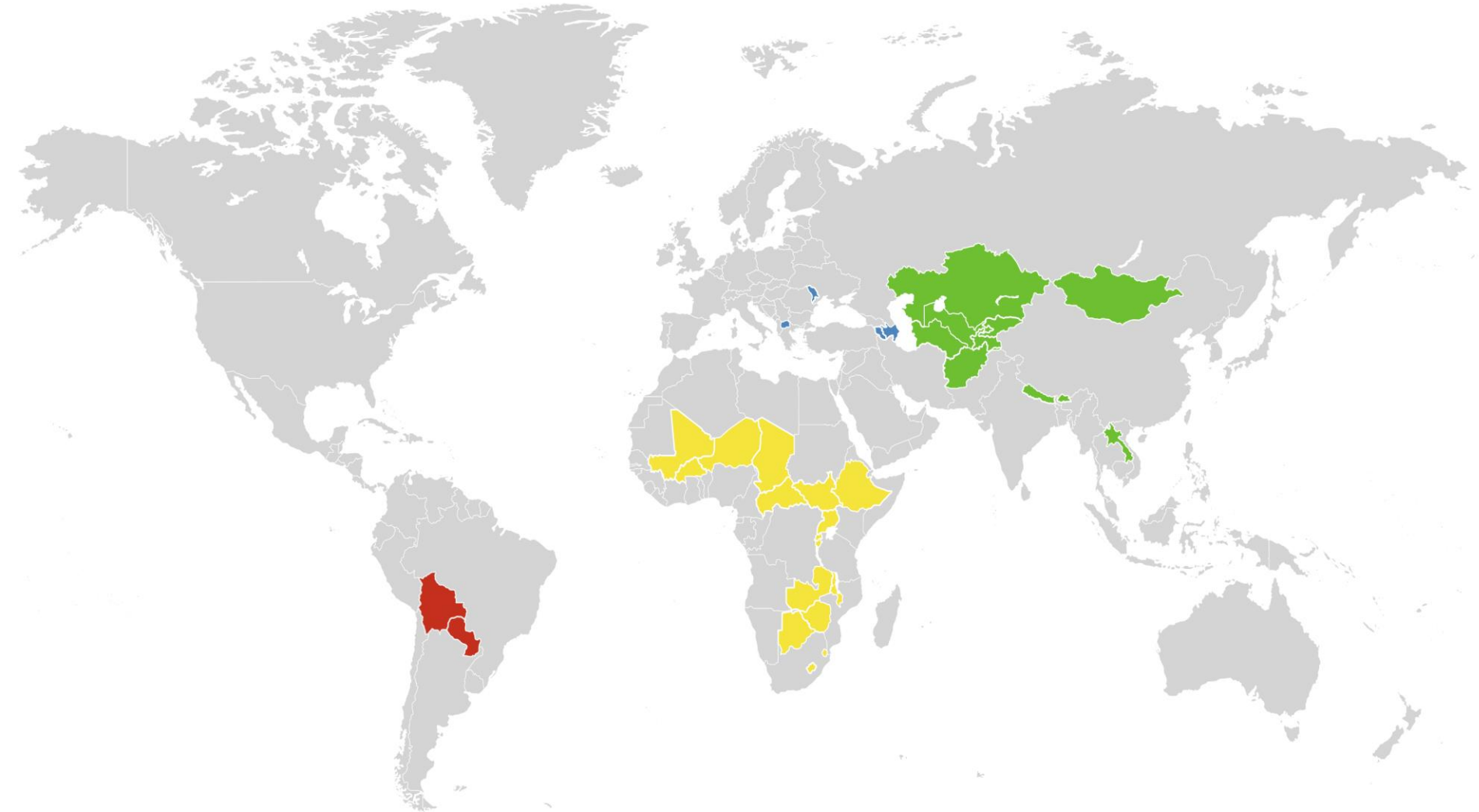
# The key role of transit transport corridors in fostering development in Landlocked Developing Countries

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UN-OHRLLS

# Landlocked Developing Countries



# Development Challenges faced by LLDCs

## **CHALLENGES**

- Long distances to sea ports
- Remoteness from markets
- Inadequate physical/hard infrastructure
- Additional border crossings
- Logistical and institutional bottlenecks
- High trade costs

## **IMPACT**

- Limited physical and digital connectivity
- Limited capacity to embrace technology, maintenance & resilience
- Low competitiveness, trade potential, economic growth
- Poor productive capacities
- Lack of diversification/ commodity dependence
- Limited investment
- Vulnerability to shocks
- Limited integration GVCs

# Transit Transport Corridors



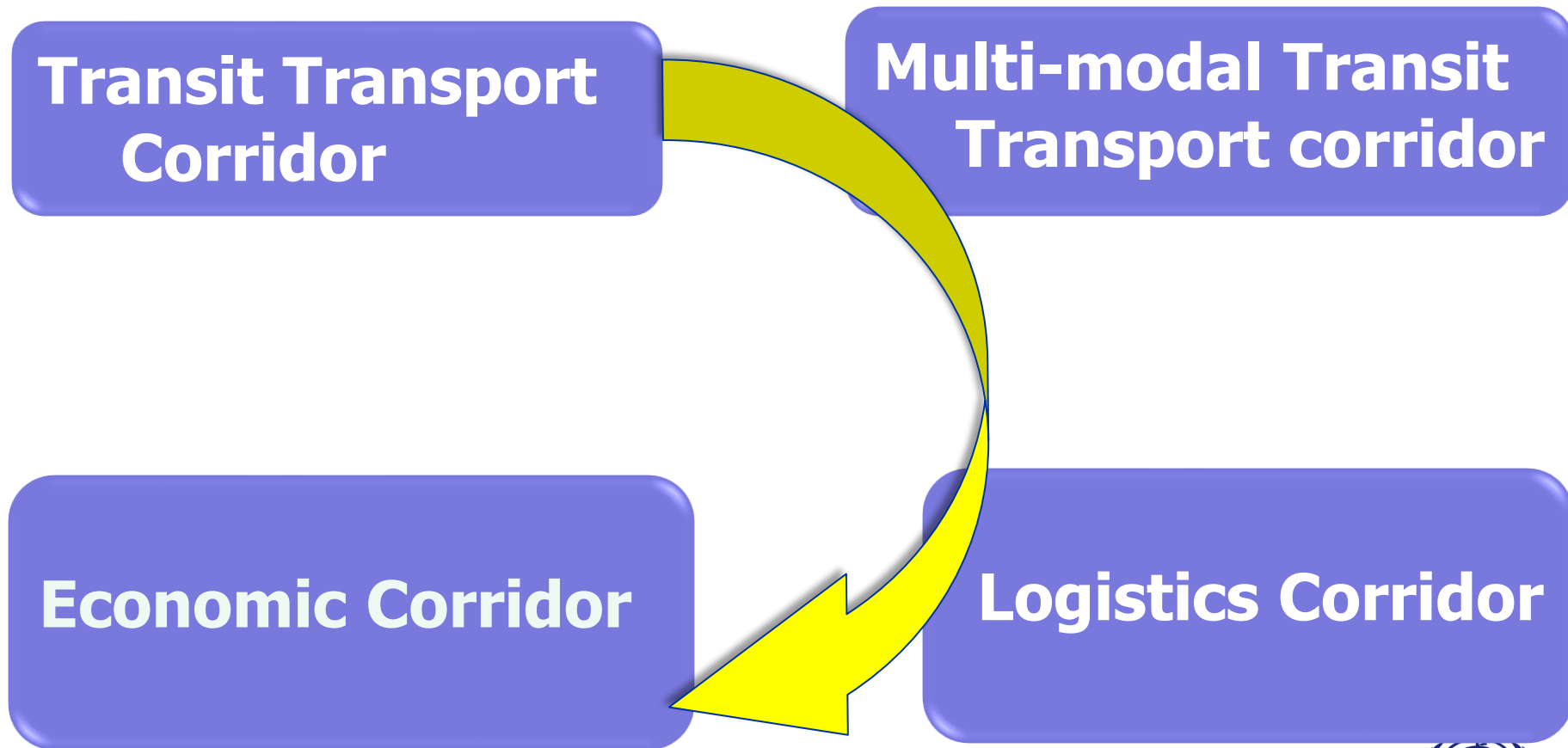
**HARDWARE**



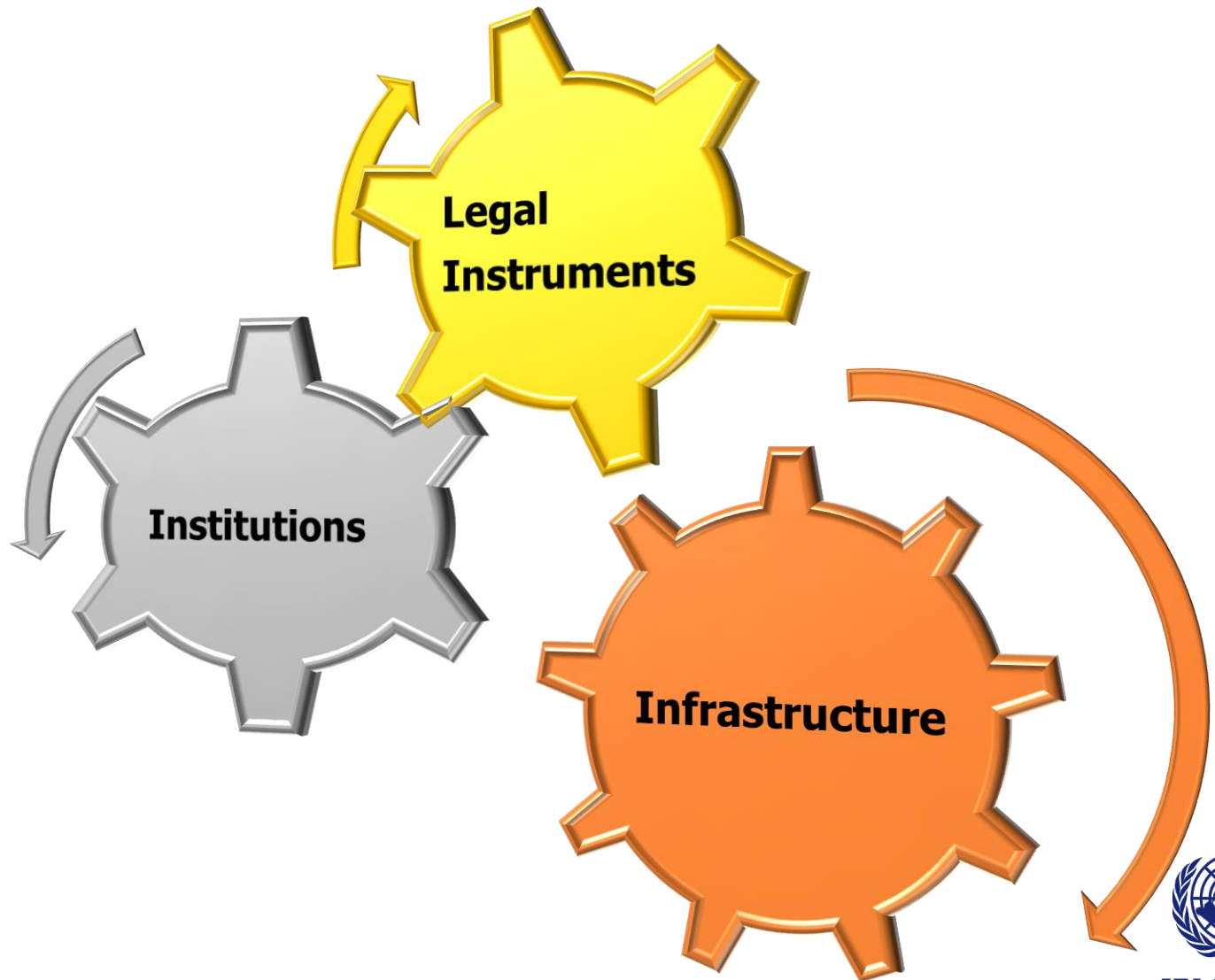
**SOFTWARE**



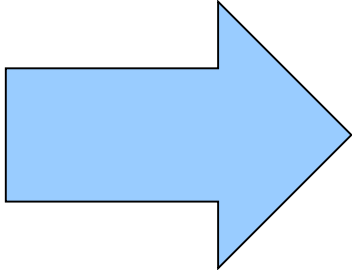
# Evolution of Corridors

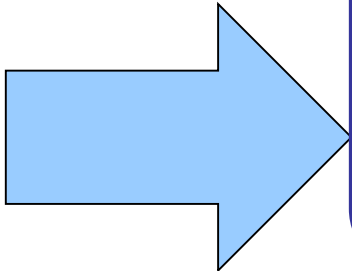


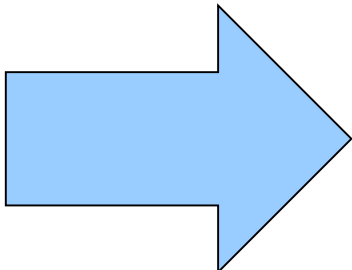
# Key areas of Corridor Intervention

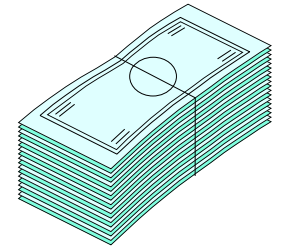


# Benefits of Transit Corridors LLDCs

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- ✓ Improve efficiency
  - ✓ Lower trade costs
  - ✓ Reduce carbon footprint

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- ✓ Increased trade
  - ✓ Integration into regional-global value chains
  - ✓ Increased investment

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- Spur economic and social development / wider economic benefits



# Highlights of Empirical work

- **2017 study by Ramasamy, Yeung, Utoktham and Duval on Trade Facilitation along the Belt and Road Initiative Corridors**
- Potential trade gains from incremental trade facilitation (efficiency and transparency in border management), improved physical connectivity and improvements in ICT along the BRI corridors resulted in higher returns.
- LLDCs (Mongolia, Tajikistan, Uzbekistan and Kazakhstan) will benefit most
- Ensure corridor efforts in BRI should address trade facilitation, infrastructure investment and ICT.





# Experience of Northern Corridor

- Multi-modal Corridor: Road, Rail, Pipeline and Inland Waterways
- The Northern corridor has been able to successfully reduce the transit times for LLDCs by more than 65% between 2010 and 2016
- Achieved by reducing inefficiencies



# Experience of Trans Kalahari Corridor

- Jointly developed by the Botswana, Namibia and South Africa through MOU 2003
- Corridor with tarred road and rail - Walvis Bay Port, Windhoek-Gaborone-Johannesburg/Pretoria.
- Aim - Simplify cross-border transactions and customs operations along the Corridor.
- Achievements: Reduction of border clearance; Harmonization of axle load limits; Adoption of border operating hours; adoption of common transit procedures.



# Experiences of other African corridors

- Walvis Bay – Ndola – Lubumbashi Corridor,
- Dar es Salaam Corridor,
- Port Sudan
- Central Corridor
- Are advanced, have Secretariats; good infrastructure and are implementing fairly efficient trade facilitation measures.



# Information Gaps

- **Literature review by Quium 2019 reveals that:**
- Improvement in cross-border corridor transport infrastructure and trade facilitation along the corridor substantially increases international trade.
- There is a gap in literature on the performance of corridors that have countries that have streamlined border clearance processes including OSBPs, single windows.
- There is also a gap on which corridor governance structure is important/best for efficient corridor operations.



# Challenges

- **In Establishment of Corridors**
- **In Corridor Operationalization**
- **In Corridor Management**
- **Need for Regular collection of key performance indicators for monitoring purposes**
- **Poor infrastructure**
- **Coordination of all stakeholders**



# Way forward

- Corridor approach has tangible trade and transit facilitation benefits for LLDCs' integration into global trade and sustainable development.
- Capacity needs towards corridor establishment, management, supporting legal framework is critical
- Funding needs are high for corridor infrastructure development including need to address resiliency
- Best practice guidelines?
- Greater sharing of experiences between regions.
- Comprehensive studies on benefits of corridors to LLDCs to fill the knowledge gap.
- Corridor performance and observatories critical



# Thank You

Find out more on the midterm review of the Vienna Programme of Action at

[www.lldc2conference.org/mtr](http://www.lldc2conference.org/mtr)



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