



THE PRESIDENT
OF THE
GENERAL ASSEMBLY

17 July 2019

Excellency,

I have the honour to transmit herewith a letter dated 17 July 2019 from H.E. Ms. Doma Tshering, Permanent Representative of the Kingdom of Bhutan, and H.E. Mr. Jan Kickert, Permanent Representative of Austria, the co-facilitators to lead intergovernmental consultations with a view to producing a Political Declaration for the comprehensive high-level mid-term review of the Vienna Programme of Action (VPoA) for landlocked developing countries (LLDCs) for the decade 2014-2024, as mandated by General Assembly resolution A/RES/73/232 entitled "Follow-up to the second United Nations Conference on Landlocked Developing Countries" of 20 December 2017.

The co-facilitators are also sharing the draft of the outcome document ahead of the final informal consultation to be held on Thursday, 25 July 2019, at 10:00 a.m. in Conference Room 6.

Please accept, Excellency, the assurances of my highest consideration.

A handwritten signature in blue ink, reading "M. F. Espinosa".

María Fernanda Espinosa Garcés

All Permanent Representatives and
Permanent Observers to the United Nations
New York

17 July 2019

Excellency,

We write to you in our capacities as co-facilitators appointed by the President of the General Assembly to lead intergovernmental consultations on a Political Declaration as the mandated outcome of the comprehensive high-level mid-term review of the implementation of the Vienna Programme of Action (VPoA) for landlocked developing countries (LLDCs) for the decade 2014-2024.

We now have the honor to share with you the revised draft (Rev. 2) of the political declaration.

We would also like to invite you to the fourth and final informal on Thursday 25 July 2019 starting from 10 AM in Conference Room 6, with a view to hearing specific and substantive comments of Member States on the revised draft.

We count on your active participation and support in this process.

Please accept, Excellency, the assurance of our highest consideration.



Doma Tshering
Permanent Representative of Bhutan



Jan Kickert
Permanent Representative of Austria

All Permanent Representatives and Permanent Observers
to the United Nations, New York

**Mid-Term Review of the Vienna Programme of Action for Landlocked Developing Countries for the Decade
2014-2024**

High-Level Political Declaration

REV.2 - 17 July 2019

Preamble

1. We, the Heads of State and Government, Ministers and High Representatives, gathered at the United Nations on 5 and 6 December 2019, to review the implementation of the Vienna Programme of Action (VPoA), reaffirm our commitment to the overarching goal of the VPoA to address the special development needs and challenges of Landlocked Developing Countries (LLDCs) arising from landlockedness, remoteness and geographical constraints in a more coherent manner and we collectively commit to strengthened cooperation in the context of sustainable development for LLDCs.
2. We reaffirm our commitment to the full, effective and timely implementation of the VPoA, which is integral to the 2030 Agenda for Sustainable Development and which is in line with the Addis Ababa Action Agenda, the Paris Agreement, the Sendai Framework for Disaster Risk Reduction and the New Urban Agenda. Effective implementation of the VPoA and 2030 Agenda are mutually reinforcing and crucial for the attainment of the Sustainable Development Goals.
3. We emphasise that eradicating poverty in all its forms and dimensions, including extreme poverty is the greatest global challenge and an indispensable requirement for sustainable development.
4. We are committed in our endeavour to help turn LLDCs into land-linked countries, for this we must come together in durable, transparent, accountable and effective partnerships between LLDCs and transit countries and their development partners, as well as with a range of stakeholders, including civil society, the private sector, academia and youth. We further reaffirm that gender equality and the empowerment of all women and girls will make a crucial contribution to the achievement of the VPoA.
5. We recognize the importance of access for LLDCs to and from the sea and freedom of transit, in accordance with the applicable rules of international law.

Review and Assessment of Progress, Gaps and Challenges

6. We take note of the report of the Secretary General on the implementation of the VPoA and recognise the many efforts at all levels and the progress achieved since 2014. At the same time, we remain concerned that the progress made is not enough for LLDCs to achieve the VPoA targets and sustainable development. We note with concern that one third of the LLDCs' population is still living in extreme poverty, the prevalence of moderate to severe food insecurity persists, LLDCs' average Human Development Index (HDI) lags behind the world average and economic growth of LLDCs has declined during the review period.
7. We commend those LLDCs that have met the criteria for graduation from least developed country status.
8. We recognize that a key challenge faced by LLDCs is lack of reliable and regular data to inform policy and ensure follow-up, including on some of the specific objectives of the VPoA.

Priority 1: Fundamental transit policy issues

9. We recognize the progress that has been made by LLDCs and transit developing countries in ratifying the WTO Trade Facilitation Agreement, Revised Kyoto Convention, TIR Convention and other relevant international conventions. We note however that there is need for LLDCs and transit countries to effectively implement their obligations under these conventions and agreements.

10. We welcome the recent developments amongst LLDCs and their transit neighbours in building transit transport and economic corridors. Progress has been made on reducing travel time and corresponding costs along corridors, significantly reducing the time spent at the borders and at intermodal points.

Priority 2: Infrastructure development and maintenance:

11. Progress has been made in LLDCs and transit developing countries towards expansion and upgrading of rail, road, ports, air transport, and inland waterways. Some missing links have been closed and regional integration has been strengthened, but limited connectivity of LLDCs remains one of the main obstacles to their enhanced trade integration.

12. We note that infrastructure in LLDCs for production, supply, transmission and distribution of modern and renewable energy services has been expanded and upgraded. However, more than 40% of the LLDCs population still does not have access to electricity and the rural-urban gap remains significant. The pace of completion of power projects is too slow.

13. We recognize that access to ICTs in LLDCs has increased. However, we note that LLDCs continue to face major constraints that include infrastructural gaps and relatively high cost of ICT services, in particular accessing submarine cables.

14. The major challenges in infrastructure development include limited financial resources to close the significant infrastructure financing gaps, lack of capacity to develop bankable infrastructure projects, limited technologies and lack of resilient infrastructure.

Priority 3: International trade and trade facilitation:

15. We welcome efforts made by LLDCs to enhance their participation in global trade including through mainstreaming trade into their national strategies and updating their trade related policies. However, we note that LLDCs continue to face greater difficulties than coastal countries in expanding international trade. The competitiveness of LLDCs remains limited due to the high cost of trade which is double that of transit developing countries. In that regard we note with concern that their share in global trade has declined, LLDCs' share of global merchandise exports has decreased while the total value of merchandise imports has increased.

16. We are concerned that most of LLDCs' exports remain highly concentrated on a few primary commodities and that service exports are still dominated by the tourism sector. The lack of diversification of exports of LLDCs exacerbates their vulnerability to price volatility and exogenous economic and environmental shocks.

17. We note that the gap in trade finance has increased since the global financial crisis, including for LLDCs. We reaffirm that international trade is an engine for inclusive economic growth and poverty reduction and contributes to the promotion of sustainable development.

18. We note with concern the lack of access to capital for micro, small, and medium-sized enterprises (MSMEs), including women and youth-owned enterprises, which affects overall private sector development and economic growth of LLDCs. We are further concerned that LLDCs still fall behind in their e-commerce readiness.

Priority 4: Regional integration and cooperation.

19. We recognize that LLDCs' participation in regional and sub-regional trade, transport and transit facilitation agreements and initiatives aimed at deepening regional integration, enhancing infrastructure connectivity, and facilitating movement of cargo across borders has increased. LLDCs have entered into bilateral and plurilateral trade, transport and transit-related agreements with their neighbours.

20. We are encouraged by signs that broader cooperation in areas such as investment, research and development, and policies supportive of regional industrial development and regional connectivity is taking place both among LLDCs and between LLDCs and their neighbours.

Priority 5: Structural economic transformation

21. Since 2014, many LLDCs have placed structural economic transformation at the centre of their national development plans and adopted strategies for diversification and upgrading of their economies, industrialization, export promotion and private sector development, but LLDCs have made limited advancement towards achieving structural transformation, still have limited manufacturing and industrial capacity to create high value-added products, some LLDCs even showing signs of de-industrialization of their economies.

22. We acknowledge the efforts by LLDCs to support private sector development and emphasize that enabling legal and regulatory environment for the local private sector is one of the most important requirements for promoting sustainable, inclusive and sustained economic growth, developing an industrial base, attracting investment and bringing about structural transformation.

23. We express concern at the limited technological capabilities, low technology intensity and acquisition and low investments into research and development in LLDCs.

24. LLDCs are highly vulnerable to the adverse impact of climate change and remain heavily affected by desertification, land degradation, biodiversity loss, drought and receding glaciers. We are also concerned about the economic, social and environmental impacts of sudden- and slow-onset of disasters in LLDCs, as well as the impacts of disasters in transit countries on the economies of LLDCs.

Priority 6: Means of implementation

25. We note that lack of necessary financial resources and capacity constraints are some of the biggest challenges LLDCs face in their efforts to implement the VPoA and achieve sustained growth and sustainable development.

26. We recognize that LLDCs and their transit country neighbours need to effectively mobilize adequate domestic and external resources, both public and private, for the effective implementation of the VPoA. We acknowledge the importance of cohesive nationally owned sustainable development strategies, supported by integrated national financing framework. We note that the average tax revenue in LLDCs is not sufficient to meet development needs. We express concern that illicit financial flows have an adverse impact on domestic resource mobilization and on the sustainability of public finances in LLDCs.

27. We commend the greater international attention that has been given to LLDCs since the adoption of the VPoA, including increased ODA and aid for trade and South-south and triangular cooperation, but reaffirm the need for renewed and strengthened partnerships for the LLDCs' development. We welcome that ODA flows to LLDCs have increased in real terms. At the same time, we note with concern that much of the official development assistance continues to be concentrated in few LLDCs. We also express concern over the continued decline in FDI flows to LLDCs, which is an impediment for their economic growth.

Call for Action to accelerate the implementation of the Vienna Programme of Action

28. Having noted the progress made and challenges encountered by LLDCs in the implementation of the VPoA, which is integral to the 2030 Agenda for Sustainable Developments, we call for action on the following key areas.

29. We underscore the need to capture data to monitor the specific objectives of the VPoA and commit to providing LLDCs with capacity building support to strengthen their national statistical systems.

30. We commit to targeted and accelerated action to remove all legal, social and economic barriers to achieve gender equality and the empowerment of all women and girls, and the realization and enjoyment of their human rights.
31. We underscore the importance of mobilizing adequate resources to accelerate the implementation of the VPoA and to support the LLDCs to achieve the SDGs and targets by 2030.
32. We call on LLDCs and transit countries to effectively implement their obligations under all relevant international, regional and bilateral agreements to improve transit in a manner consistent with their trade and development objectives.
33. LLDCs and transit countries should consider promoting a corridor approach to improve trade and transit transport. We call on LLDCs and transit countries to make additional efforts to reduce travel time along the corridors and to adopt an integrated and sustainable approach to the management of international transport corridors in order to avoid the duplication of efforts, promote regional connectivity and to maximise the associated economic opportunities.
34. We call on the UN system and other relevant international and regional organizations to provide policy, analytical and technical support towards the development, functioning and management of corridors.
35. We encourage LLDCs and transit countries to integrate the development, upgrade and maintenance of national and transboundary transport infrastructure in their national development strategies.
36. We encourage LLDCs and transit countries, with the support of their development and trade partners to develop regionally integrated, sustainable, climate-friendly and disaster resilient transport infrastructure, and to close missing links in order to reduce the cost of doing business and increase intra-regional trade.
37. We encourage LLDCs and transit countries to create an enabling environment for public and private sustainable investment, including FDI, and infrastructure operations.
38. We encourage LLDCs and transit countries to expand and upgrade supply, transmission and distribution infrastructure for electricity, including off-grid solutions, to accelerate preparation of power projects, especially renewables, scale up projects on cross border inter-connectors and improve transformational energy access and ensure access to affordable, reliable, sustainable and modern energy for all.
39. We encourage LLDCs and transit countries to collaborate to establish ICT infrastructure, applications and services with the support of governments, private sector, development partners, multilateral financial and development institutions and regional banks. The substantial digital divides between LLDCs and the developed countries need to be addressed.
40. We call on development partners, the UN system, international financial institutions and international and regional organizations to provide technical support to LLDCs for the formulation and implementation of bankable infrastructure and transport development projects.
41. We encourage LLDCs to continue formulating policies and strategies aimed at diversifying their export structure and adding value to their exports in order to expand their participation in sustainable regional and global value chains.
42. We encourage LLDCs, with the support of their development and trade partners, to reduce “before the border” trade costs by improving transport networks and customs procedures as well as by the application of technology driven and ICT solutions to expedite international trade.

43. We reaffirm the importance of the World Trade Organisation Agreement on Trade Facilitation in addressing the high trade and transit costs and call for full and timely implementation of the Trade Facilitation Agreement by all the Members of the World Trade Organisation. LLDCs should promptly notify their technical assistance needs. We also invite development partners and relevant organisations to enhance support to LLDCs to implement their WTO commitments.

44. We call upon all Member States to enhance market access for exports from LLDCs, except for arms and armaments. We also call on development partners, and regional and international organizations to provide greater support to the efforts by LLDCs to diversify their export baskets and markets, including through supporting their national exports strategies and trade policies.

45. We also call on development partners and multilateral development banks to support LLDCs to strengthen trade financing for MSMEs and to adapt trade finance facilitation programs.

46. We underscore the potential for LLDCs to facilitate their integration into regional and global value chains, expand their trade capabilities and connectivity by strengthening productive linkages, supporting the development of supply chains within the region, improving the quality and the effective implementation of regional integration agreements.

47. We call upon the UN system, regional and international development partners, and other international organizations to support LLDCs and transit countries in leveraging the opportunities provided by regional initiatives and integration.

48. We encourage LLDCs to promote innovative solutions in sectors such as agriculture, transport, information and communications, finance, energy, health, water and sanitation and education, and effective public-private partnerships through investments in education and skills development, including technical, vocational and tertiary education and training, alongside ensuring gender equality with respect to access to services. Recognizing that these investments are required to reduce economic volatility, enable LLDCs to reap the demographic dividend, achieve lifelong learning and broader human development.

49. We call on LLDCs to encourage private sector development by enhancing private sector capabilities, as well as improving economic governance and business regulations.

50. We are determined to build economies and societies in LLDCs that are resilient to external economic shocks, disasters and the adverse impact of climate change and environmental degradation. We urge development partners, the UN system and other international and regional organizations to support LLDCs' efforts to develop and implement national climate change strategies in line with the goals of the Paris Agreement and develop tools to prevent and combat desertification, land degradation, biodiversity loss, drought and receding glaciers as well as strengthen water resources management, disaster risk prevention, preparedness and response, early warning and early action systems.

51. We encourage development partners to support LLDCs in building institutional and human capacities.

52. We call on the UN system to provide assistance to graduating countries in the implementation of their national transition strategies and to consider country specific support for graduated countries for a fixed period of time and in a predictable manner, and call upon development partners to support smooth transition.

53. We encourage LLDCs to strengthen their services sector and enhance their efforts to integrate into electronic commerce (e-commerce). In this regard we call on international partners to provide capacity-building to LLDCs to address gaps in legal and regulatory frameworks and develop digital skills.

54. We encourage LLDCs to develop national science, technology and innovation policies and to create enabling STI infrastructure. We call on development partners and international organizations to support efforts by LLDCs to establish or strengthen national and regional centres for STI development.
55. We invite international and regional financial institutions to consider the establishment of dedicated technology funds for LLDCs.
56. We encourage LLDCs to continue to make improvements in the regulatory environment for business, in particular for MSMEs. We also urge enhanced international and domestic investments in R&D in LLDCs.
57. We encourage LLDCs to strengthen their efforts in raising domestic resources, including through carrying out reforms in tax administration, broadening the tax base and strengthening domestic capital markets and call on the international community to assist these efforts in line with national priorities.
58. We call upon development partners to increase support to LLDCs, including through ODA. At the same time, we encourage LLDCs to better leverage ODA for attracting further finance from other sources such as foreign direct investment, public-private sector partnerships and blended finance.
59. We encourage Member States to facilitate foreign direct investment flows to LLDCs. The LLDCs' ability to attract and retain investment, including FDI, remains a challenge that needs to be fully addressed.
60. We call upon development partners to effectively implement the Aid for Trade initiative, giving adequate consideration to the special needs and requirements of LLDCs.
61. We call upon the developing and developed countries to increase support to LLDCs in line with the modalities of South-South and triangular Cooperation.
62. We welcome the establishment of the International Think Tank for LLDCs and call on all LLDCs that have not done so to ratify or accede to the Multilateral Agreement for its Establishment. We invite Member States and other relevant stakeholders to consider making voluntary contributions to the Think Tank's budget.
63. We call upon the UN system, including the UN Regional Economic Commissions, as well as all relevant international and regional organizations, to continue providing necessary support to accelerate the implementation of the VPoA.
64. We call upon UN-OHRLLS to continue to ensure the coordinated follow-up to, effective monitoring of and reporting on the implementation of the VPoA.
65. We call on the Secretary-General to continue to mobilize the necessary resources to enable the LLDC unit of UN-OHRLLS to fulfil their mandate in support of the LLDCs.

Third United Nations Conference on Landlocked Developing Countries

66. We invite the General Assembly to consider holding the Third United Nations Conference on the Landlocked Developing Countries in 2024.