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

I. Introduction

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

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

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

* E/ECA/COE/39/1.

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

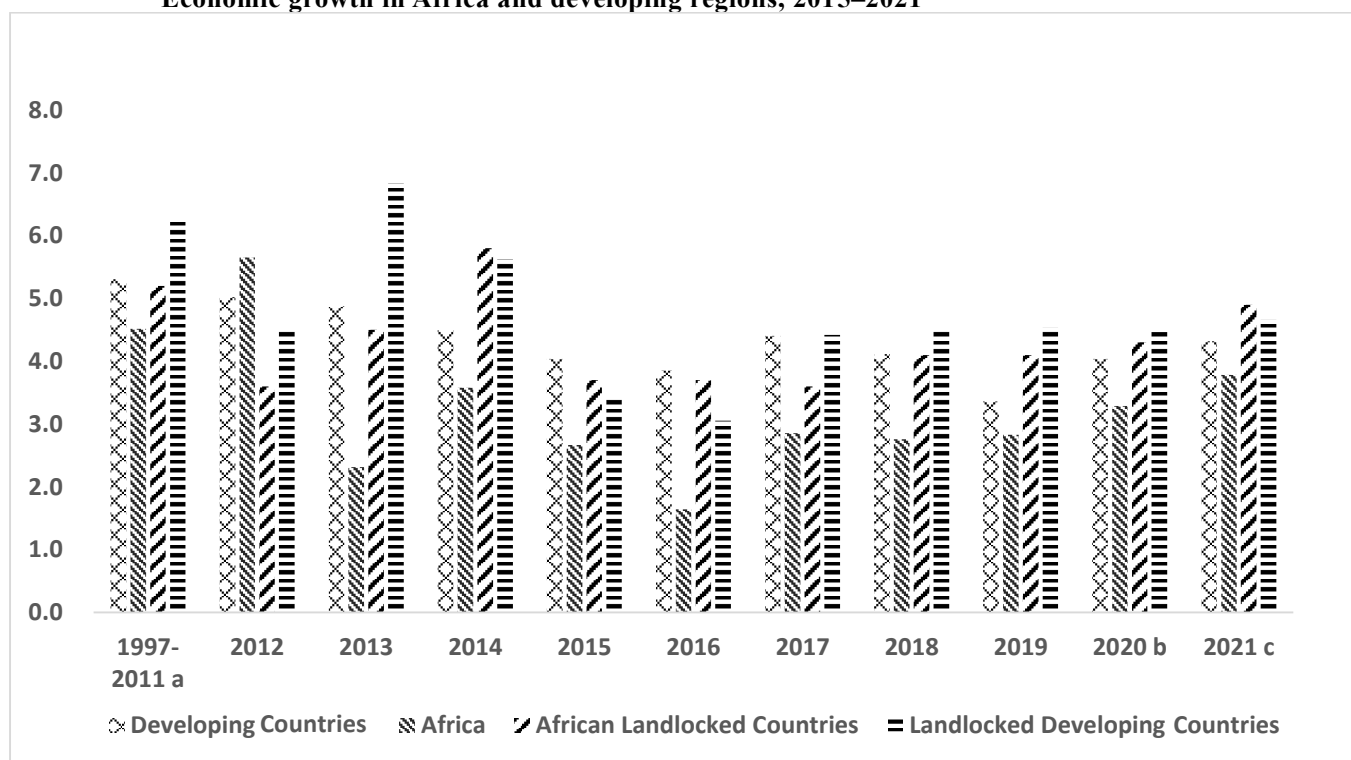


II. Overview of socioeconomic development

4. LLDCs have exhibited mixed progress in their socioeconomic development. Economic growth of African LLDCs decreased from an average of 5.2 per cent in 1997–2011 to 4.1 per cent in 2019, with a forecast of 4.3 per cent in 2020 (figure I). The strong growth performers in 2019 African landlocked countries were South Sudan (7.8 per cent), Rwanda (7.4 per cent), Ethiopia (7.3 per cent), the Niger and Uganda (both 6.2 per cent), and Burkina Faso (6.0 per cent). During the same year, the lowest growth rates were recorded by Burundi, Zambia, Eswatini and Zimbabwe, at 1.8 per cent, 1.5 per cent, 0.6 per cent and -3.0 per cent, respectively.

Figure I

Economic growth in Africa and developing regions, 2015–2021



Source: United Nations Department of Economic and Social Affairs (2020). *World Economic Situation and Prospects*. New York.

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

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

A. Fundamental transit policy issues

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

6. The World Trade Organization (WTO) Trade Facilitation Agreement seeks to address costs of trade that are occasioned by delays at borders and customs-related processes and procedures. Since the adoption of the Vienna Programme of Action in 2014, African LLDCs and transit countries have made

progress in the ratification of the Trade Facilitation Agreement, which contains provisions for expedited movement, release and clearance of goods, including those in transit, and these have the potential to reduce costs by 12.5 to 17.5 per cent. As of the end November 2019, 13 of the 14 African LLDCs that are WTO members had ratified the Trade Facilitation Agreement by October 2018, which leaves only three countries – Burundi, Ethiopia and South Sudan – that still have to ratify the Agreement. Ethiopia is working on its accession to WTO and, until this is complete, it cannot be party to the Trade Facilitation Agreement. A total of 13 African transit countries out of 19 had also ratified it. The Trade Facilitation Agreement entered into force on 22 February 2017, upon ratification by two thirds of WTO membership.

7. Table 1 shows the implementation rate of the different provisions of the Trade Facilitation Agreement for all African countries, including the African LLDCs. The average implementation rate of measures is 32.6 per cent for Africa and 33.8 per cent for African LLDCs, indicating good commitment from LLDCs on the continent. Areas where LLDCs are particularly ahead of the continental average include: (a) article 9 – Movement of goods intended for import under customs controls – where the implementation rate by African LLDCs is nearly 93 per cent, compared with the African average of 70.5 per cent; (b) article 6 – Disciplines on fees and charges imposed on or in connection with importation and exportation and penalties – where implementation is 38.1 per cent, against an average of 31.4 per cent; and (c) article 2 – Opportunity to comment, information before entry into force and consultations – where the implementation rate is 35.7 per cent, compared with the continental average of 31.1 per cent. Areas where LLDCs are most lagging include: (a) article 4 – Procedures for appeal or review – 21.4 per cent, compared with 38.9 per cent; (b) article 8 – Border agency cooperation – 2.4 per cent, compared with 9.8 per cent; and (c) article 5 – Other measures to enhance impartiality, non-discrimination and transparency – 38.1 per cent, compared with 41.7 per cent).

Table 1

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

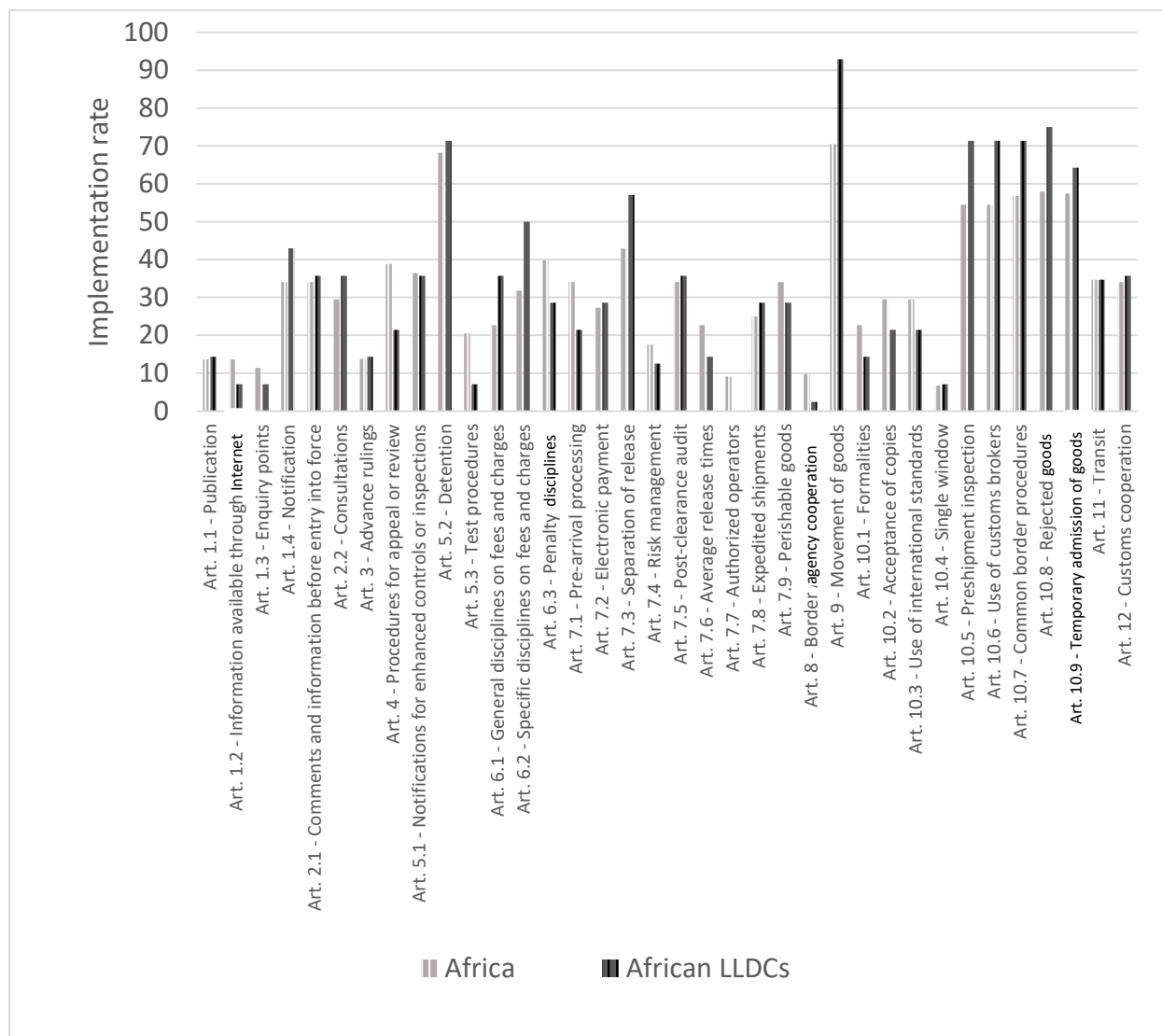
<i>Article</i>	<i>Africa</i>	<i>African LLDCs</i>
1. Publication and availability of information	18.2	17.9
2. Opportunity to comment, information before entry into force and consultations	31.8	35.7
3. Advance rulings	13.8	14.3
4. Procedures for appeal or review	38.9	21.4
5. Other measures to enhance impartiality, non-discrimination and transparency	41.7	38.1
6. Disciplines on fees and charges imposed on or in connection with importation and exportation and penalties	31.4	38.1
7. Release and clearance of goods	27.4	25.2
8. Border agency cooperation	9.8	2.4
9. Movement of goods intended for import under customs controls	70.5	92.9
10. Formalities connected with importation, exportation and transit	41.1	46.4
11. Freedom of transit	34.7	34.7
12. Customs cooperation	34.1	35.7

Source: ECA, based on the World Trade Organization Trade Facilitation Agreement Database. Available at www.tfadatabase.org. Accessed on 19 January 2020.

8. Variation, however, also exists within articles, as captured in figure II, which presents the implementation rate by provision. For example, within article 1, LLDCs are exceeding continental average on publication and

notification, but are below average on information available through the Internet and enquiry points. In article 5, while LLDCs are below the continental average overall, they have an implementation rate of 71.4 per cent on detention, while the African average is 68.2 per cent.

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



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

B. Infrastructure development and maintenance

10. Africa's infrastructure deficit remains a primary constraint to growth, and so too the resultant high costs of logistics. Although logistics are paramount

to the African Continental Free Trade Area process, its scale requires significant infrastructure investment and development across the continent, in order to drive structural reform. Progress is being made in expanding and upgrading infrastructure in African LLDCs. However, insufficient quantity of physical infrastructure and high prices continue to hinder the development of accessible and predictable solutions in the transport, energy and information communications technology (ICT) sectors. Road transport is the most dominant mode in Africa, followed by railways, air and inland waterways. Road transport covers 80 to 90 per cent of the passenger and freight traffic, but the average road access rate is 34 per cent for African countries, as compared with 50 per cent in other developing countries. While all African countries have roads and air transport, albeit of varying degrees, 17 African countries are without railways, five of which are the landlocked countries of Burundi, the Central African Republic, Chad, Lesotho and the Niger. Similarly, the following five LLDCs do not have navigable waterways: Botswana, Burkina Faso, Eswatini, Ethiopia and Lesotho.

11. The Trans-African Highway, which is at the heart of regional connectivity for the continent, covers 54,120 km, distributed along nine corridors. However, it is hampered by missing links and poor maintenance in some key segments. The percentage of paved roads remains low in Africa, which is home to 50 per cent of LLDCs, and it was estimated to be about 13 per cent in 2015 for the rest of Africa except North Africa. The United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS) has calculated rail and paved road density (km) per unit of land area (km²). Table 2 shows road and rail densities are much lower in African LLDCs, as compared with transit developing countries and the global average. UN-OHRLLS has also estimated that, to reach the global country average for paved road and rail densities, African LLDCs need to construct an additional 107,000 km of roads and 20,700 km of railway, at a cost of about \$23 billion, which is beyond the capacity of many of them. Accordingly, more support must be extended to African LLDCs for the development and maintenance of transport infrastructure.

Table 2

Paved road and railway density of landlocked developing countries

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

Source: UN-OHRLLS (2018). Financing Infrastructure in the Transport Sector in Landlocked Developing Countries: Trends, Challenges and Opportunities. Available at http://unohrlls.org/custom-content/uploads/2018/09/LLDCs_Report_18_digital_Final.pdf. Accessed on 30 January 2020.

12. As part of translating ideas into action, ECA conducted a sensitization workshop in Zimbabwe on the Luxembourg Rail Protocol, which can be a solution to unlocking billions of dollars of investments from private investors into Africa's rail industry. While African countries continue to work towards enhancing the quantity and quality of surface transport infrastructure (ports, roads, rail, inland waterways and inland ports), Africa has recognized that the bulk of delays associated with the movement of goods to and from the ports is

occasioned by a host of non-tariff barriers to trade: namely, border procedures, in-transit disruptions (roadblocks) and poor customs facilitation. To tackle those challenges, most regional economic communities have given priority to transport corridor projects that are intended to address infrastructure gaps, border procedures and other non-tariff barriers to trade, with border posts facilitation being accorded the highest priority in interventions involving corridor transport value chains. Full implementation of those measures is expected to gradually give LLDCs better access to the sea, with improved turnaround times, and result in reduced landing costs of imports into those countries and exports from those countries. This, in turn, will enhance their regional and global competitiveness.

13. The Programme for Infrastructure Development in Africa (PIDA) has estimated that corridor inefficiencies in the African Regional Transport Infrastructure Network cost more than \$75 billion per annum, which reduces African countries' intraregional and international competitiveness. To improve the efficiency and reduce the costs of the corridors, it has recommended that the African transport corridors be converted into SMART (Safety, Mobility, Automated, Real-time Traffic Management) corridors. The key components of SMART corridors are strong corridor management institutions and implementation of WTO and World Customs Organization trade facilitation tools, such as a national single window, coordinated border management, one-stop border posts and electronic certificates for rules of origin. Other interventions required are ICT-based processes, reduction in corruption and evidence-based interventions, to improve corridor efficiency.²

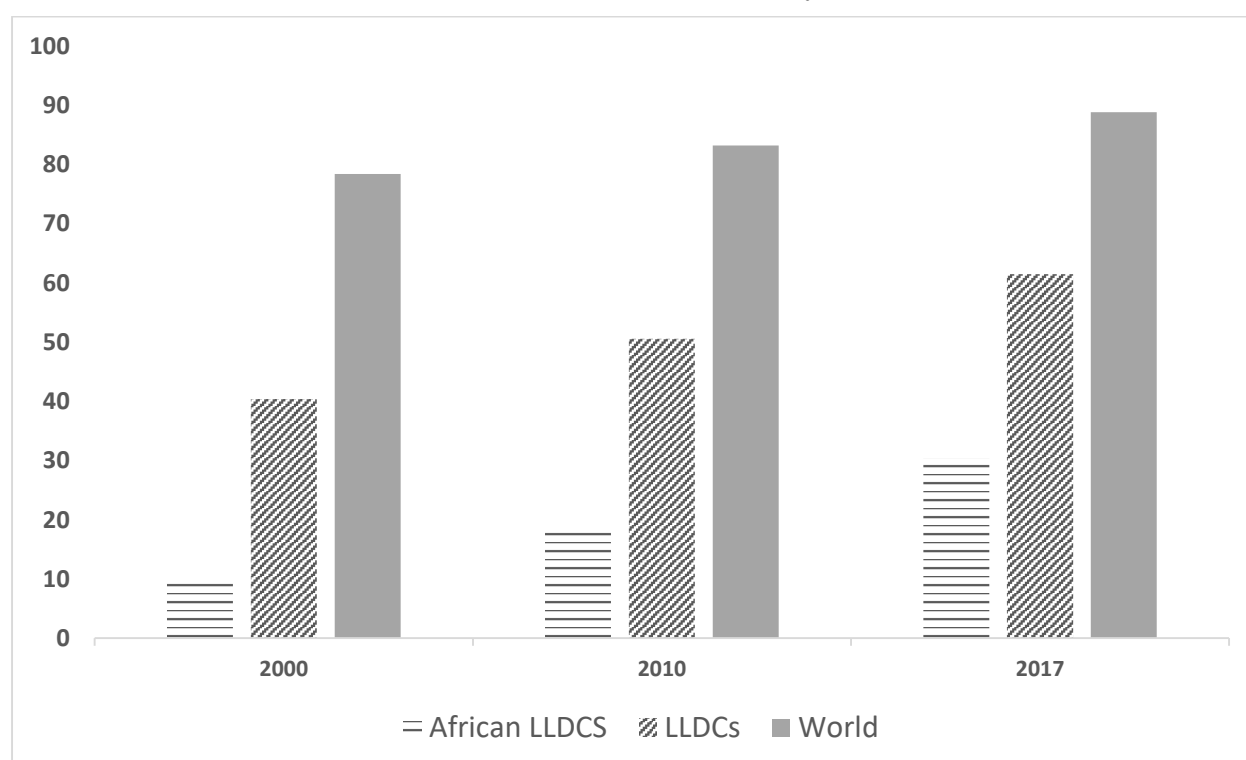
14. Registered air carrier departures from African LLDCs increased by 15.6 per cent from 2014 to 2017, from 116,005 to 134,115. Those countries' air freight and passenger volumes were about 62 per cent and 46 per cent, respectively, of the total freight and passenger volumes in 2016 of LLDCs. Ethiopian Airlines carried the largest portion of freight, accounting for 95 per cent of the total airfreight of African LLDCs. Some of the challenges faced by LLDCs' air transport industry include: the high scale of investment needed for infrastructure development and maintenance; the need to rehabilitate and replace old fleets and upgrade airports and terminals; poor airport infrastructures; lack of physical and human resources and new technologies; limited connectivity; and lack of transit facilities. To increase the role of Africa in the global aviation industry, the African Union launched the Single African Air Transport Market in January 2018. That initiative involves full liberalization of market access to intra-African air transport services, as well as of tariffs, flight frequencies and capacity; removal of restrictions on ownership; and free exercise of the five freedoms traffic rights for scheduled and freight air services.

15. It is encouraging to note that many African countries have either built new airports to replace old ones or have rehabilitated several of their airports. (For example, new airports were opened in Dakar in 2017 and in Victoria Falls, Zimbabwe, in 2016, and two are nearing completion, in Dar es Salaam in the United Republic of Tanzania, and in Lusaka.) Three carriers – Ethiopian Airlines, Kenya Airways and South African Airways – continue to dominate the African market, although resurgent carriers, such as RwandAir, have set themselves on a strong growth path. While the three dominant carriers continue to fly into more countries, they have also substantially increased frequencies in their traditional African markets.

² See African Union (n.d.). Support to PIDA PAP for the Start-up of Smart Corridor Activities – Design and Costing of at Least One Pilot Smart Corridor for Implementation. Available at https://au.int/sites/default/files/documents/32186-doc-support_to_pida_pap_for_the_start-up_of_smart_corridor_activities-e.pdf. Accessed on 19 January 2020.

16. With regard to energy infrastructure, 30 per cent of people living in the African LLDCs had access to electricity in 2017, up by 7 percentage point from 2014, when the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024 was adopted. However, the percentage of African LLDCs with access to electricity still lags that for all LLDCs and the world, as indicated in figure III. There is, moreover, a significant rural–urban electricity divide among the African LLDCs. On average, in 2016, 61.6 per cent of the urban dwellers had access to electricity, as compared with only 13.5 per cent of the population residing in rural areas. On the use of clean fuels and technologies for cooking, only 13.7 per cent of the population in the African LLDCs had access to clean fuels and technologies in 2016. More efforts are required to improve access to sustainable energy in African LLDCs. Ethiopia is benefiting from an ECA-led Sustainable Development Goal 7 Initiative on raising the accessibility and affordability of renewable energy in Africa.

Figure III

Percentage of the population with access to electricity

Source: World Bank, World Development Indicators. Available at <https://datacatalog.worldbank.org/dataset/world-development-indicators>. Accessed on 29 January 2020.

17. To enhance generation capacity in Africa, many national power generation and cross-border interconnector plans have been adopted. Most of the key projects are part of the master plans of the regional economic communities – namely, the Common Market for East and Southern Africa, the East African Community, the Economic Community of Central African States, the Economic Community of West African States and the Southern African Development Community – which include regional projects supported by pan-African Institutions, the African Union Commission and the New Partnership for Africa’s Development, under the auspices of PIDA, the African Development Bank and other partners, such as ECA. One example is the North–South Power Transmission Enhancement Project, which extends from Egypt through the Sudan, South Sudan, Ethiopia, Kenya, Malawi, Mozambique, Zambia and Zimbabwe to South Africa, with the Ethiopia–Kenya line being the most advanced, as there is secured funding for it. As for generation, the completion of the Kaleta Dam Project (240 MW) in Guinea (funded by China)

and the Gibe III Project in Ethiopia are some of the success stories in 2018.³ To augment power capacity in Africa, a number of renewable energy projects have been developed in almost every country, including LLDCs. Owing to long gestation periods of power projects, the pace of completion of those projects has been frustratingly slow. To bring further relief to LLDCs, as well as to other countries, different regions have adopted the least cost options from the regional power plans, paving the way for power trading across countries through power wheeling agreements. Nevertheless, most States are continuing to seek self-sufficiency in energy supply over the long term. As part of its think tank function, ECA conducted an energy modelling training in 2019 as part of building capacities of African policymakers for evidence-based policymaking, and Ethiopia was one of the beneficiary countries.

18. Regarding ICT, African LLDCs recorded an increase in mobile cellular subscriptions, from 64.3 per 100 people in 2014 to 66.6 per 100 people in 2016. The average number of Internet users in that group of countries also rose, from 12 to 16.4 per 100 people over the 2014–2016 period. Those averages, however, are very low compared with the global average and the average for all LLDCs. One of the main reasons for low usage of the Internet in the African LLDCs is the high cost of ICT access. The International Telecommunication Union (ITU) measures prices of ICT services across countries on an annual basis, splitting its analysis into sub-baskets that include mobile cellular and fixed broadband. Based on ITU data, African LLDCs have succeeded in reducing prices over time, with the mobile cellular basket falling from 21.5 per cent to 16.2 per cent of gross national income per capita in 2016, and the fixed broadband basket declining from 323 per cent to 205 per cent of gross national income per capita over the same period.

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

C. Financing of infrastructure

20. Infrastructure financing is pivotal to the roll-out of economic growth in LLDCs, which requires preparation and structuring of projects in order to enhance uptake on financing. Most countries have adopted innovative ways to finance infrastructure, which include sovereign loans (mostly at middle-income countries' interest rates), grants, development finance institutions, foreign direct investment (FDI), public–private partnerships and other domestic mobilization options. The Ruzizi III Hydropower Plant project (Burundi, Democratic Republic of the Congo and Rwanda), is the first regional public–private partnership power project in Africa. It is expected to leverage more than 50 per cent of commercial financing (debt and equity), with majority private ownership, and offers valuable lessons on how to structure and attract commercial funding, which leads to timely implementation. The Grand Ethiopian Renaissance Dam (6,000 MW), which is almost 70 per cent completed, and the Gibe III (1,870 MW) projects in Ethiopia have been successfully funded through domestic resources.⁴ Most regional economic

³ The 2018 PIDA progress report. Available at www.tralac.org/documents/resources/african-union/2509-2018-pida-progress-report-summary-update/file.html. Accessed on 26 January 2020.

⁴ Ibid.

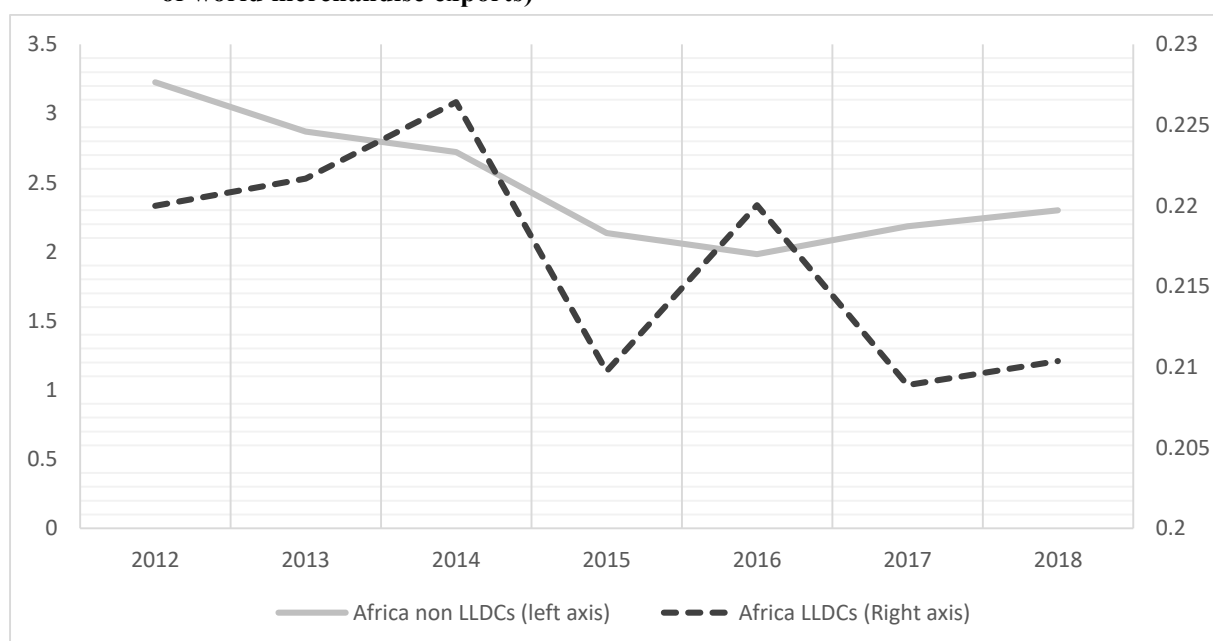
communities have developed resource mobilization strategies aimed at enhancing the capacity of States to finance infrastructure and other developmental projects. To enhance the sustainability of infrastructure, LLDCs have had to scale up their capacity for maintenance of infrastructure supported by full cost recovery measures under the user pays principle, the introduction of road funds whose incomes are directed solely to road maintenance, and good governance practices in State-owned enterprises.

D. International trade and trade facilitation

21. The share of merchandise export in global exports held by African LLDCs has remained relatively steady but low, at about 0.22 per cent, as indicated in figure IV. In 2018, their share of world exports was about 0.21 per cent, a slight increase from 2017, when it was 0.20 per cent. The potential of intra-African trade to act as a channel to industrialization because of its greater industrial content is highlighted in the *Economic Report on Africa 2015: Industrializing through Trade*.⁵ In 2016, 30 per cent of the intra-African trade of African LLDCs was in manufactured goods, supporting that view. While there are large differences among countries, African LLDCs (with the exception of Ethiopia and the Niger) recorded a higher share of manufacturing exports when only intra-African trade was considered. The share of intra-African trade for African LLDCs was also relatively high, at 29 per cent, compared with the continental average of 18 per cent.⁶

Figure IV

African landlocked developing countries merchandise exports (per cent of world merchandise exports)



Source: ECA calculations based on United Nations Conference on Trade and Development UNCTADStat data. Available from <http://unctadstat.unctad.org/EN/>. Accessed on 24 January 2020.

22. In 2017, the United Nations regional commissions produced the second edition of the Global Survey on Trade Facilitation and Paperless Trade.⁷ While

⁵ United Nations publication, Sales No. E.15.II.K.2.

⁶ The 2018 PIDA progress report. See footnote 3.

⁷ Available from www.unescap.org/resources/trade-facilitation-and-paperless-trade-implementation-global-reports-2017. Accessed on 30 January 2020.

the sample size for the survey (16 African countries, of which 7 are LLDCs) does not allow for full extrapolation of implementation rates associated with trade facilitation and paperless trade for the continent, it was clear that African countries were lagging compared with global results. For the countries included in 2017, the overall implementation rate was about 51 per cent, relative to a global average of 60 per cent. The results for LLDCs largely reflect the regional trend conveyed above. Interestingly, most African LLDCs reported a relatively high implementation rate for transparency measures. In many of those countries, rates exceeded the regional average.

E. Regional integration and cooperation

23. There is sufficient evidence to support the view that regional integration is a key vehicle for the African continent to raise its competitiveness, diversify its economic base and create enough jobs for its young, rapidly urbanizing population. In line with the implementation of the Agreement Establishing the African Continental Free Trade Area, intra-African trade is projected to continue to grow among African countries, as regional integration remains a useful vehicle for reducing trade barriers, paving the way and creating a conducive environment for the private sector to operate. Regional integration is also central for attracting more FDI in many African countries. For LLDCs, regional integration plays a further integral role in their efforts to achieve economies of scale for infrastructure investments across borders, and reduction of transit costs through harmonized and consolidated transit procedures.

24. The economic integration of Africa reached a new milestone when the Agreement Establishing the African Continental Free Trade Area entered into force on 30 May 2019 for the 24 countries that had deposited their instruments of ratification. The operational phase of the African Continental Free Trade Area process was subsequently launched in Niamey, the Niger, on 7 July 2019. To date, there are 29 ratifications, of which 9 are LLDCs.⁸ Implementation of the Agreement Establishing the African Continental Free Trade Area is envisioned to result in reduced tariffs and the elimination of non-tariff barriers, as the Agreement contains provisions for the benefit of LLDCs, such as those on trade facilitation, transit and customs cooperation. These provisions are embedded into the five operational instruments: the Rules of Origin, the online negotiating forum, the monitoring and elimination of non-tariff barriers, a digital payments system and the African Trade Observatory. In addition, the Agreement can facilitate LLDCs' integration into regional value chains and expand their trade capabilities. ECA's support to LLDCs centred upon sensitization and consultations around issues relating to the African Continental Free Trade Area, including the development of strategies in Chad, Malawi, the Niger, Zambia and Zimbabwe. African Continental Free Trade Area strategies serve to identify particular countries' key trade opportunities, constraints and steps required for it to take full advantage of national, regional and global markets. In order to demonstrate how to operationalize the African Continental Free Trade Area, ECA and partners launched the African Continental Free Trade Area-anchored Pharmaceutical Project in pilot countries, with Ethiopia and Rwanda as beneficiaries. The Project has a three-strand approach: pooled procurement of medicines and products, facilitation of local pharmaceutical production and ensuring quality standards of medicines and products to achieve the Sustainable Development Goals and aspirations of Agenda 2063.

⁸ Burkina Faso, Chad, Eswatini, Ethiopia, Mali, the Niger, Rwanda, Uganda and Zimbabwe.

F. Structural economic transformation

25. Industrialization plays a significant role as a driver for inclusive and sustainable development. In many African countries, including LLDCs, the share of manufacturing in gross domestic product (GDP) and in employment has declined, while the services sector has been the strongest factor supporting economic growth, rising from 45 per cent of value added in 2000 to 50 per cent in 2016.⁹ Meanwhile, manufacturing and agriculture declined from 13 per cent and 28 per cent, to 10 per cent and 26 per cent, respectively, over the same period. After declining for nearly two decades, the shares of manufacturing value added in GDP in African countries as a whole reversed course in 2007, but they continued to decline in LLDCs. This is an indication of the LLDCs' limited capacity to produce and export manufactured goods. The dependence of LLDCs on primary commodities makes them vulnerable to volatility in commodity prices. Accordingly, greater efforts are required to promote value addition, diversification and industrialization.

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

G. Means of implementation

27. Mobilizing ever-increasing amounts of resources for achieving the Vienna Programme of Action objectives for achievement of the Sustainable Development Goals is particularly difficult for LLDCs, because they are the most indebted of Africa's countries. To date, the total average of government debt among Africa's LLDCs is 39.7 per cent of GDP. In contrast, Africa's non-LLDC countries have average government debt levels of only 15.2 per cent of GDP. The debt burden reduces the available options for LLDCs to finance their development agendas. In 2017, African LLDCs received \$17.9 billion in official development assistance, a real increase of 24 per cent since the adoption of the Vienna Programme of Action. However, official development assistance was unevenly distributed among them, with three countries receiving 46 per cent of the total amount. In 2017, African LLDCs received \$8.2 billion in FDI flows, which amounted to 0.58 per cent of total global FDI inflows and 36.2 per cent of FDI inflows to all LLDCs. The latter figure represents a 10.2 per cent increase in the share of FDI flows to African LLDCs, compared with other LLDCs. In 2017, African LLDCs received \$5.34 billion in remittances, which was \$1.6 billion less than the amount received in 2014. Remittance inflows to African LLDCs were unevenly distributed, with the top three recipients accounting for 58.8 per cent of the inflows in 2016.

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

28. In March 2019, UN-OHRLS and ECA produced a midterm report whose recommendations fed into the Africa regional midterm review meeting of the Vienna Programme of Action, held in March 2019, in Marrakech, Morocco. The meeting objectives were to comprehensively review and take stock of the implementation of the Vienna Programme of Action in Africa, including identification of the major achievements, constraints experienced, emerging challenges and opportunities presented. In addition, the meeting

⁹ ECA calculations based on data from World Bank (2018). World Development Indicators database. Available at <http://databank.worldbank.org/data/reports>. Accessed on 19 January 2020.

identified and shared best practices and innovative approaches to accelerate the implementation of the Vienna Programme of Action and the achievement of the Sustainable Development Goals in the region. Additionally, the meeting adopted the resolution with appropriate action-oriented recommendations aimed at sustaining achievements in overcoming the special problems of LLDCs and accelerating the implementation of the Vienna Programme of Action and achievement of the Sustainable Development Goals.

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

IV. Conclusions and recommendations

30. African LLDCs are making efforts and progress towards the implementation of the Vienna Programme of Action. However, this progress has been slow, and work needs to be accelerated to achieve the objectives of the Vienna Programme of Action by 2024 and the Sustainable Development Goals by 2030. There must be more focus on addressing the special challenges associated with landlockedness, to ensure that LLDCs are not left behind.

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

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

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

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

(d) Development partners, the United Nations system, international and regional organizations, the private sector and other stakeholders should consider assisting LLDCs to develop ICT infrastructure and help ensure that appropriate policies, and legal and regulatory frameworks, are in place to

support ICT development, and to close the digital divide. This will help LLDCs in efforts to capitalize on opportunities from e-commerce;

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

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

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