Africa Regional Forum on Sustainable Development

Land-Locked Developing Countries

Addis Ababa, Ethiopia, 16-18 June 2015
Introduction

Africa has half of the 32 LLDCs in the world

Special needs of LLDCs, include
- Lack of direct access to the sea
- Remoteness
- Isolation from world markets
- Inadequate transit transport infrastructure
- Cumbersome border-crossing procedures

LLDCs also have challenges to attract FDI, including
- High transport costs which erode competitiveness

These challenges contribute to:
- Marginalisation of LLDCs in the global economy
- Low rates of economic growth
- LLDCs being among the poorest countries in the world
Almaty Programme of Action (APoA)

- APoA was adopted in 2003 to address the special needs of LLDCs
- Rio+20 invited member States and their partners to speed up implementation of APoA

Priority areas of APoA:
- Fundamental transit policy issues
- Infrastructure development and maintenance
- International trade and trade facilitation
- International support measures
- Implementation and Review
From APoA to Vienna Programme of Action

- APoA comprehensively reviewed at 2\textsuperscript{nd} UN Conference on LLDCs in Vienna in Nov. 2014

- Outcome of the conference was the Vienna Programme of Action (VPoA) being adopted as successor APoA

- VPoA seeks to address the same issues as APoA

- The priority areas are therefore the same, except that VPoA has two additional priorities:
  - Regional integration and cooperation; and
  - Structural economic transformation
Progress

**Agenda 2063 adopted at AU Summit in 2015**
- Aims to achieve Africa’s structural transformation
- Designed to achieve aspirations which could facilitate achievement of APoA/VPoA goals

**Fundamental transit policy issues addressed by RECs and Corridor Management Organisations**
- RECs have trade facilitation programmes that deal with transit charges; Customs Declaration documents; regional customs guarantee schemes; One Stop Border Posts (OSBPs), among others

**Regional infrastructure framework established**
- PIDA provides long-term vision for infrastructure development in Africa
- PIDA has 51 priority projects including several transport corridors linking landlocked countries to the sea
- PICI provides further impetus to implementation of regional transport projects
- Missing links of Trans-African Highway networks are being completed
Challenges

- Structural and policy impediments constrain international trade of African countries, particularly LLDCs, including:
  - Inadequate infrastructure and inefficient logistics
  - Inadequate capacity
  - Poor provision of credit and financial services
  - Limited level of industrialisation

- Compared to coastal countries and in terms of contribution to the economy, landlocked countries have a large share of agriculture; lower industry; and lower share of services

- Revenue, excluding grants, as a percentage of GDP increased from 16.5% in 2005 to 18.8% in 2012
  - This is relatively low and reflects low capacity of African LLDCs to mobilise domestic resources
Opportunities

Regional integration and cooperation, a priority of VPoA, is also a strategic priority of Africa

Adoption of VPoA has spurred renewed commitment and enhanced momentum for the development agenda of LLDCs

- African LLDCs should take advantage of the renewed international goodwill
- African LLDCs should develop viable projects within the context of the priorities of VPoA which are consistent with Africa’s priorities
- VPoA provides an opportunity to implement projects in Africa’s priority programmes such as PIDA
Key Questions

How can Agenda 2063 be harnessed to galvanise international, regional and national support to tackle the challenges facing the continent’s LLDCs?

What role can regional integration play to fast-track the integration of African LLDCs to regional and global markets?

How can industrialisation contribute to Africa’s structural transformation, particularly for LLDCs?

Why has infrastructure development remained an illusive prospect in Africa? What will it take to modernise Africa’s infrastructure and upscale its energy production and distribution network?

Can Africa, particularly its LLDCs, depend on domestic resource mobilisation to finance its development?
Thank You