

THE ALMATY AGENDA

June 2005

The Almaty Agenda comprises a list of recommendations and a Program of Action promulgated by the United Nations Economic and Social Council's Body on Least Developed and Landlocked Developing Countries at the Almaty Ministerial Conference held in Kazakhstan in August 2003.

Overview

Landlocked countries are defined as those countries without direct access to the oceans. Landlocked Developing Countries (LLDC) are generally among the poorest of the developing countries, with the weakest growth rates and records of social development. Of the 31 landlocked developing countries in the world, more than half are classified as Least Developed countries. On the UNDP human development index scale, ten of the twenty lowest ranking countries (out of 177) are LLDCs. Most LLDCs are in sub-Saharan Africa and Central Asia. LLDCs represent 12.5 percent of the world's land area and 4 percent of the global population, yet their combined gross domestic product accounts for only 0.3 percent of the world total. The absence of a direct connection to the global market puts a heavy economic burden and contributes to the economic and social woes of LLDCs. Existing connections are often costly and are not sufficiently reliable to sustain economic development.

The United Nations Economic and Social Council's Special Body on Least Developed and Landlocked Developing Countries organized a Ministerial Conference to respond to these differences. The Conference was attended by representatives from 30 nations classified as landlocked and by ministers from donor countries and international financial and development institutions. Held in Almaty, Kazakhstan in Au-

gust of 2003, this conference is now referred to as the Almaty Ministerial Conference, where five key recommendations were developed along with a Program of Action for implementation.

<http://www.un.org/special-rep/ohrls/imc/default.htm>

Background

Many studies over the last two decades have demonstrated that, compared to coastal countries including their gateway countries, landlocked countries have a much more difficult connection to global markets, both for exports and imports.

See Limão, Nuno and A.J. Venables. "[Infrastructure, Geographical Disadvantage, Transport Costs and Trade](#)" Policy research paper #2256, World Bank, 1999:

The most obvious problem is higher transportation costs. Typically, 1,000 km on land translates comparably to 10,000 km of sea freight. The use of inland transport over long distances (generally more than 1,000 km) carries substantial consequences for the terms of trade and the value-added for the exporting country, compared to the transit country. For landlocked countries in Africa, inland freight costs can represent 15 to 25 percent of the value of the goods.

Delays and unpredictability, however, are even more worrisome than costs. From the port of departure to the destination, consignments can take weeks and sometimes months. Local companies have to maintain large and costly inventories. Al-



List of Landlocked Developing Countries (LLDCs)
Afghanistan
Armenia
Azerbaijan
Bhutan
Bolivia
Botswana
Burkina Faso
Burundi
Central African Republic
Chad
Ethiopia
Kazakhstan
Kyrgyzstan
Lao People's Democratic Republic
Lesotho
Macedonia, former Yugoslav Republic (FYR) of
Malawi
Mali
Moldova, Republic Of
Mongolia
Nepal
Niger
Paraguay
Rwanda
Swaziland
Tajikistan
Turkmenistan
Uganda
Uzbekistan
Zambia
Zimbabwe

though the situation is generally under better control on the export side, unpredictability seriously constrains backward and forward linkages and dramatically hampers competitiveness and the potential for new activities.

While remote regions of coastal economies also face formidable problems in their development, the situation of landlocked countries is even worse. It is estimated that crossing a border creates the same impact on trade volume as crossing 1,000 km of land. The main reason is that, beyond transportation, landlocked countries' trade is also affected by the requirement of transit regimes put in place by transit countries. These are necessary to safeguard the legitimate concerns of transit countries in areas such as customs revenue, transportation, and safety.

This situation has many causes. The quality of infrastructure, or lack thereof, is immediately apparent; however, more indirect problems prove even more constraining. For instance, the market and business environments in landlocked countries are not conducive to the development of quality and competitive logistics services. Transit provisions can create bottlenecks due to improper design or the lack of effective cross-border and sub-regional cooperation.

There is no simple or single solution to address these issues. While some actions may require a unilateral solution, e.g., infrastructure, most actions, especially those relating to transit procedures, harmonization, or the introduction of new technologies, require collective action and some form of partnership. Such partnerships are desirable both for the implementation of projects on the ground and for the creation of efficient institutional arrangements. Participants in these partnerships would include the LLDCs, transit countries, international organizations, and private stakeholders, e.g. logistics operators.

For selected case studies and recommendations for solutions, see Arvis, Jean-François "Transit

and the Special Case of Landlocked Countries" in Customs Modernization Handbook, chapter 11, World Bank 2005:

<http://www.gfptt.org/uploadedFiles/4afdcdb3-f851-4641-a38b-98bd481f10c7.pdf>

The Almaty Conference and the Almaty Program of Actions

The Ministerial Conference of Landlocked and Transit Developing Countries, Donor Countries, and International Financial and Development Institutions on Transit Transport (Almaty Conference) was the first global venue to specifically address the problems of LLDCs. It was the outcome of several resolutions made by the UN General Assembly.

<http://www.un.org/special-rep/ohrlls/lldc/resolutions.htm>

The Almaty Conference focuses on eight objectives:

- ◆ Secure access to and from the sea by all means of transport;
- ◆ Reduce costs and improve services so as to increase the competitiveness of exports;
- ◆ Reduce the delivery costs of imports;
- ◆ Address problems of delays and uncertainties in trade routes;
- ◆ Develop adequate national networks;
- ◆ Reduce loss, damage, and deterioration en route;
- ◆ Open the way for export expansion; and
- ◆ Improve the safety of road transport and the security of people along the corridors.

The recommendations from this conference are known as the Almaty Programme of Action (APoA). The APoA aims to foster cooperation and forge partnerships in order to overcome the

unique economic shortfalls LLDCs face due to their lack of territorial access and isolation from world markets.

See *United Nations. "Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries."*

The five actions include:

- ◆ Policy Improvements - reduce customs bureaucracy and fees to cut costs and travel days for landlocked countries' exports.

- ◆ Improved rail, road, air, and pipeline infrastructure - implement projects that will reflect local transport modes. In Africa, road is the predominant mode of transport, while rail is more common in South Asia.

- ◆ International trade measures - give preferential treatment to landlocked countries' goods, making them more competitive.

- ◆ Technical and financial international assistance - donor countries will lend know-how and money to landlocked and transit countries for infrastructure and policy improvements.

- ◆ Monitoring and follow-up on agreements - measurable criteria, such as travel days and costs, will be used, and an annual review before the General Assembly is possible.

In comparison to previous resolutions and global advocacy in favor of LLDCs, the APoA has innovative features aimed at securing concrete outcomes:

- ◆ It is a highly participatory process in that the APoA not only involves the LLDCs, but also transit countries, donors, and international development organizations.

- ◆ The APoA focuses on action-oriented specific measures to be undertaken by both landlocked and transit de-

veloping countries with the support of their development partners, the implementation of which would be measurable and feasible.

- ◆ Many actions fall naturally into existing instruments or mechanisms on which the APoA insists to give priority to LLDCs within the existing tools. However, the UN also proposes the creation of a trust fund to sustain more specific activities.

- ◆ Monitoring of indicators and follow-up mechanisms will push for results.

Although each of the five sets of actions are equally important, the emphasis may change in time. For instance, investment in infrastructure is a long term agenda, not only because of resources but also because many of the bottlenecks are on the "soft" side and may be addressed by reforms and organizational changes that do not require major resources beyond technical assistance.

The Recent Ministerial Conference of the World Trade Organization's Doha Development Round identified capacity building and trade facilitation as high priorities for the program of work in that organization. This effort responds to priority actions three and four.

See [WTO Report from July Ministerial Meeting](#).

Adoption of existing agreements for cooperation such as the Customs Convention on Containers (1972), the revised Kyoto Convention of Customs Procedures, and the International Convention on the Harmonization of Frontier Control of Goods (1982) can also be high on the list of sub-actions to take.

For a list of relevant conventions and their statuses, see [Selected Transit and Transport Conventions, Status of Participation of Landlocked and Transit Developing Countries](#).

Implementation of the APoA

Implementation is still early, but policy makers and donors are encouraged that there is a strategic plan and work pro-

Millennium Development Goals

The goals and targets are based on the UN Millennium Declaration, and the UN General Assembly has approved them as part of the Secretary General's road map towards implementing the declaration.

Goal 1: Eradicate extreme poverty and hunger

Target 1: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day

Target 2: Halve, between 1990 and 2015, the proportion of people who suffer from hunger

Goal 2: Achieve universal primary education

Target 3: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling

Goal 3: Promote gender equality and empower women

Target 4: Eliminate gender disparity in primary and secondary education preferably by 2005 and to all levels of education no later than 2015

Goal 4: Reduce child mortality

Target 5: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate

Goal 5: Improve maternal health

Target 6: Reduce by three-quarters, between 1990 and 2015, the maternal mortality rate

Goal 6: Combat HIV/AIDS, malaria and other diseases

Target 7: Have halted by 2015, and begun to reverse, the spread of HIV/AIDS

Target 8: Have halted by 2015, and begun to reverse, the incidence of malaria and other major diseases

Goal 7: Ensure environmental sustainability

Target 9: Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources diversity

Target 10: Halve, by 2015, the proportion of people without sustainable access to safe drinking water

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gram that officials and the private sector can rally around to ensure real progress.

Global (UNCTAD and World Bank) and regional organizations have been heightening technical assistance and project preparation to benefit the access of LLDCs. In March 2005, the World Bank was active in more than sixty projects that directly supported the APoA.

The global momentum in favor of LLDCs has been maintained through a series of thematic expert group or high-level meetings as a follow up to the 2003 conference.

Several regional initiatives that build upon the APoA include the following:

- ◆ African transport ministers' meetings.

- ◆ The Intergovernmental Agreement on the Asian Highway Network has been recognized as the major achievement occurring after the Almaty Conference. It provides a defined network of highways that enables access to and through all landlocked countries of the region. This agreement has particular relevance for Mongolia.

- ◆ Through the work carried out by the Economic and Social Commission for Asia and the Pacific secretariat in the study of landlocked countries from four regions, an analytical tool has been developed to define and promote awareness of the particular problems faced by Landlocked Developing Countries.

See United Nations Economic and Social Commission for Asia and the Pacific. "Report on the Outcome of the International Ministerial Conference on Transit Transport Cooperation" March 2004:

http://www.unescap.org/tdw/common/TFS/LLDC/escap_initiativesE1309e.pdf

At the local and sub-regional level, the development of corridor institutions and instruments are once again gaining substantial interest to foster and secure progress in trade and transit facilitation. Proper development of new agreements

to establish secure corridors and better access across a transit country should be considered.

For example, see the Transit and Transport Coordination Authority of the Northern Corridor in Eastern Africa:

<http://www.ttcanc.org/>

LLDCs are encouraged to look toward the examples of regional and sub-regional framework agreements in various regions such as the ASEAN Framework Agreement on the Facilitation of Goods in Transit.

See ASEAN Framework Agreement on the Facilitation of Goods in Transit:

<http://www.aseansec.org/7377.htm>;

The Transit Transport Framework Agreement of the Economic Cooperation Organization (ECO):

<http://ecetrade.typepad.com/ECO%20Transit%20Transport%20Framework%20Agreement.doc>;

and the Transport Corridor Europe-Caucasus-Asia (TRACECA):

<http://www.traceca-org.org/>

Examples of implementation of facilitation initiatives can be found in the GFPTT Notes on Free Trade Agreements and Integrated Border Management.

Finally, the APoA is a long-term agenda for which establishing performance criteria and evaluating results is key. To further develop and ensure a continuum of funding resources, countries must demonstrate to their political leaders, the private sector, donor countries, and lending institutions that the improvements and changes are sustainable. Metrics such as transportation services costs, border crossing documentation requirements, and transit times are all possible criteria to include in any performance measurement program. The APoA calls upon the World Bank, UNCTAD, and South-South trade facilitation bodies to monitor and review the implementation of the Almaty Agenda.

Conclusion

Helping LLDCs to overcome their disadvantages and better participate in international trade has been part of the international development agenda for decades. Significant resources have been devoted over the years to generate a bet-

ter framework (conventions and treaties), create awareness, support technical assistance, and provide funding for critical infrastructure. However, reaching the Millennium Development Goals will be even more challenging in LLDCs than in comparable low income countries. The APoA will help these countries to meet this challenge by addressing the problems of being land-locked in a more organized and intensified approach. It will intensify implementation of concrete projects and will improve access to international markets for traders in LLDCs. With the cooperation of donors, international organizations and private stakeholders, it is possible to find skills and resources to implement sustainable regulatory and policy changes in the LLDCs to build and maintain their infrastructure.

<http://www.un.org/special-rep/ohrrls/lldc/MDGs.pdf>

Additional Resources and Links

- ◆ United Nations Economic and Social Commission for Asia and the Pacific. "Transit Transportation Issues in Landlocked and Transit Developing Countries:"
http://www.unescap.org/LDC&Poverty/SB_LDC_6_Transit_Transport_Issues.doc
- ◆ UN Office of High Representative of the Least Developed Countries, Landlocked Countries, and Small Island Developing States:
<http://www.un.org/special-rep/ohrrls/lldc/majorStat.htm>
- ◆ Raballand, Gael. "*Economic Analysis of Landlockedness Applied to Central Asia*" April 2004;
- ◆ ESCAP Resolution 48/11 on Road and Rail Transport Modes in Relation to Facilitation Measures. 23 April 1992:
http://www.unescap.org/tctd/lt/reso48_11.htm
- ◆ Cabanius, Phillippe. "*Improvement of Transit Systems in Central Africa*." UNCTAD:
http://www.unctad.org/en/docs/lldc20037_en.pdf
- ◆ United Nations Economic Commission for Africa. "*Major Activities Undertaken By ECA Related To The Transit Transport Needs And Problems Of Land-Locked Countries In Africa*"
- ◆ Association of Southeast Asian Nations (ASEAN). "Framework Agreement on the Facilitation of Goods in Transit:"
<http://www.aseansec.org/8872.htm>
- ◆ International Eurasian Institute for Economic and Political Research. "*South and Central Asia to establish enormous trade and transport corridor*:"
http://iicas.org/libr_en/all/05_08_all_libr.htm

◆ International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation:

<http://www.un.org/special-rep/ohrrls/imc/default.htm>

◆ Marrakech Declaration On South-South Cooperation:
<http://www.g77.org/marrakech/Marrakech-Declaration.htm>

◆ UNGA 58, *Extracts of Statements on the Outcome of the Ministerial Conference*;

◆ 2004 Treaty Event on International Conventions applicable to Transit Transport (21-24 September 2004):

<http://www.un.org/special-rep/ohrrls/lldc/seminar%20on%20TTC.htm>

◆ *From Analyses to Implementation: Practical Steps to Introduce Measures for Trade and Transport Facilitation*, Almaty Kazakhstan, August 2003;

◆ UNGA 59, *Implementation of the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries*, Report of the Secretary General, August 2004:

<http://www.un.org/special-rep/ohrrls/lldc/a-59-208.pdf?OpenAgent&DS=A/57/340&Lang=E>

◆ UNGA 59, *Communiqué from Fifth Annual Ministerial of Landlocked Developing Countries*; October 2004:

<http://www.un.org/special-rep/ohrrls/lldc/a-c-2-59-2.pdf>

◆ UNGA 58, *Communiqué from Fourth Annual Ministerial of Landlocked Developing Countries*, October 2003:

[http://www.un.org/special-rep/ohrrls/lldc/a-c-2-58-3\(1\).pdf](http://www.un.org/special-rep/ohrrls/lldc/a-c-2-58-3(1).pdf)

◆ UNCTAD Strategies 2003;

◆ WTO Communiqué:

[http://www.un.org/special-rep/ohrrls/lldc/a-c-2-58-3\(2\).pdf](http://www.un.org/special-rep/ohrrls/lldc/a-c-2-58-3(2).pdf)

◆ UN Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, *Report of the Inter-agency Meeting on the International ministerial Meeting of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation*, June 2002:

<http://www.un.org/special-rep/ohrrls/imc/interagency%20report.pdf>

◆ Developed Countries, Landlocked Developing Countries and Small Island Developing States at the Second Committee of the 58th Session of the UN General Assembly on Agenda item 102; *Third United Nations Conference on the Least Developed Countries* United Nations 6 November 2003;

Millennium Development Goals

Cont'd. from p. 4

Target 11: By 2020, have achieved a significant improvement in the lives of at least 100 million slum dwellers

Goal 8: Develop a Global Partnership for Development

Target 12: Develop further an open, rule-based, predictable, nondiscriminatory trading and financial system

Includes: a commitment to good governance, development, and poverty reduction – both nationally and internationally

Target 13: Address the Special Needs of the Least Developed Countries

Includes: tariff and quota free access for LDC exports; enhanced program of debt relief for HIPC and cancellation of official bilateral debt; and more generous ODA for countries committed to poverty reduction

Target 14: Address the special needs of landlocked countries and small island developing states (through Barbados Program and 22nd General Assembly provisions)

Target 15: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term

Target 16: In co-operation with developing countries, develop and implement strategies for decent and productive work for youth

Target 17: In co-operation with pharmaceutical companies, provide access to affordable, essential drugs in developing countries

Target 18: In co-operation with the private sector, make available the benefits of new technologies, especially information and communications

The full list of goals, targets, and indicators is viewable at:

<http://www.un.org/special-rep/ohrrls/lldc/MDGs.pdf>

- ◆ Office of the High Representative for Least Developed Countries, Landlocked Developing Countries and Small Island Developing States [OHRLLS]. "Roadmap: Implementation of the Almaty Program of Action:" <http://www.unescap.org/ttdw/common/TFS/LLDC/Roadmap.pdf>
- ◆ Lakshmanan, T.R.; Subramanian, Uma; Anderson, William P.; and Leautier, Frannie A.; [*Integration of Transport and Trade Facilitation, Selected Case Studies*](#), The World Bank, 2002:
- ◆ Subramanian, Uma and Arnold, John, [*Forging Subregional Links In Transportation And Logistics In South Asia*](#), World Bank 2001

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