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Agenda item 57 (b)

**Groups of countries in special situations: specific actions related to the particular needs and problems of landlocked developing countries: outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation**

**Letter dated 9 October 2007 from the Permanent Representative of Mongolia to the United Nations addressed to the President of the General Assembly**

I have the honour to transmit herewith the report of the Thematic Meeting on International Trade and Trade Facilitation (see annex I). The Meeting was held in Ulaanbaatar on 30 and 31 August 2007 as part of the preparatory process for the midterm review of the implementation of the Almaty Programme of Action, in accordance with General Assembly resolution 61/212.

The main stakeholders of the Almaty Programme of Action, namely landlocked developing countries, transit developing countries, donor countries and international, regional and subregional organizations, participated in the Meeting. The Meeting resulted in the adoption of a Chairman's summary (see annex II).

I should be grateful if the present letter and its annexes could be circulated as a document of the sixty-second session of the General Assembly, under agenda item 57 (b).

*(Signed)* Enkhtsetseg **Ochir**  
Ambassador  
Permanent Representative



**Annex I to the letter dated 9 October 2007 from the Permanent Representative of Mongolia to the United Nations addressed to the President of the General Assembly**

**Report of the Thematic Meeting on International Trade and Trade Facilitation convened as part of the preparatory process for the midterm review of the Almaty Programme of Action**

Ulaanbaatar, 30-31 August 2007

**I. Introduction**

1. In its resolution 61/212, the General Assembly decided to hold a midterm review in 2008 of the 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. The midterm review would be preceded by regional and substantive preparations in the most effective, well structured and broad participatory manner. Also, intergovernmental mechanisms at the global and regional levels, including those of United Nations regional commissions, as well as relevant substantive material and statistical data, should be effectively utilized in the review process. The Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States was requested by the General Assembly to coordinate the preparatory process. The United Nations system organizations, including the United Nations Conference on Trade and Development, the United Nations Development Programme, the regional commissions and relevant international and regional organizations, were also requested, within their respective mandates, to provide necessary support to the review process.

2. The Thematic Meeting on International Trade and Trade Facilitation was the second thematic meeting being organized in 2007 in order to provide substantive inputs to the midterm review by focusing on two of the five Almaty priorities. The first thematic meeting was held in Ouagadougou, from 18 to 20 June 2007, and focused on transit transport infrastructure development. The outcomes of these thematic meetings will serve as substantive inputs to the 2008 midterm review.

3. The Ulaanbaatar Meeting brought together trade ministers and senior officials responsible for trade from landlocked and transit developing countries, representatives of donor countries, United Nations system organizations, international financial institutions and relevant regional and subregional organizations, with a view to review and assess the progress made in the implementation of priority 3 of the Almaty Programme of Action, on international trade and trade facilitation. The Meeting elected Davaadorj Tseren, Minister of Trade and Industry of Mongolia, as Chairman. The representatives of Mali and Bangladesh were elected as Vice-Chairmen and the representative of Switzerland was elected as Vice-Chair cum Rapporteur. On 31 August 2007, the Meeting adopted a Chairman's summary, which is reproduced in annex II. For a list of participants, see annex III.

4. The opening session of the meeting was attended by Miyegombo Enkhbold, Prime Minister of Mongolia; the Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States; Tsegmid Tsengel, Minister for Road, Transport and Tourism of Mongolia, and head of the National Committee for Trade and Transport Facilitation; Amadou Daouda Diallo, Chef de Cabinet of the Ministry of Industry and Trade of Mali, and Chairman of the Group of Landlocked Developing Countries; the Assistant Administrator and Regional Director for Africa of the United Nations Development Programme; and the Deputy Executive Secretary and Officer-In-Charge, a.i., of the Economic and Social Commission for Asia and the Pacific.

## II. Opening session

5. In his statement, Miyegombo Enkhbold, Prime Minister of Mongolia stated that developing mutually beneficial trade relations based on free trade rules, creating more favourable trade relations with all trade partners, and expanding export markets were the common mission and objectives of the landlocked developing countries.

6. The Prime Minister underscored that decreasing transit transport costs by transit countries for landlocked developing countries while providing special and preferential treatment in transit transport to their exported and imported products would be a step towards encouraging fair competition. Working in close collaboration with the transit partners in that field was crucial.

7. The Prime Minister noted that Mongolia was negotiating a transit transport agreement with the Russian Federation and China to reduce transit transport costs and simplify the release, clearance and trans-shipment operations of goods. His Government had established a National Committee for Trade and Transport Facilitation and announced the years of 2006 and 2007 as the Year of Trade Facilitation. Mongolia was vigorously working to create a more favourable legal environment in order to improve customs operations, through amendments to its Customs Law. In 2006 Mongolia had joined the revised Kyoto Convention on the Simplification and Harmonization of Customs Procedures of the World Customs Organization, while, the year before, it had ratified the Intergovernmental Agreement on the Asian Highway Network.

8. In concluding, the Prime Minister stressed that, in this era of globalization, coordinated efforts by the international community were of vital importance to reach the objectives set out in the Almaty Programme of Action. Effective and full implementation of the Almaty Programme of Action would contribute significantly to increasing the benefits derived from international trade, thus ensuring sustainable economic development and alleviating poverty in all landlocked developing countries.

9. In his statement, the United Nations Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States stated that although the difficulties of being landlocked permeate every aspect of the development process and poverty alleviation, their impact on the external trade was particularly severe. Landlocked developing countries' share of world trade remained miniscule, though increased

owing to the recent surge in commodity prices, accounting for only 0.76 per cent of the total exports and 0.74 per cent of the total imports of world merchandise in 2006.

10. The Under-Secretary-General shared his thoughts on what needed to be done in the area of international trade and trade facilitation. The international community should ensure better market access for goods from landlocked developing countries and give greater priority and support to the initiatives aimed at the implementation of trade facilitation measures, by providing much-needed technical assistance to boost exports from those countries. The landlocked developing countries should strengthen their concerted action in the World Trade Organization trade talks, especially in the negotiations on trade facilitation, based on the Asunción Platform for the Doha Development Round and the recently adopted Ulaanbaatar Declaration. At the national level, landlocked and transit developing countries should implement a number of policy measures to ease export/import procedures, while at the subregional level, various trade facilitation measures should be undertaken to ensure the speedy movement of goods in transit.

11. The main objective of the Meeting was to review progress made, at national, subregional, regional and international levels in the implementation of priority 3 of the Almaty Programme of Action on international trade and trade facilitation, and deliberate on future actions needed to further strengthen the global partnership for establishing efficient transit transport systems. More needed to be done if landlocked countries were to reap greater benefits from international trade. He advocated strongly for concerted group action in the context of the Doha Round of trade negotiations and effective implementation of trade facilitation measures at the regional and bilateral levels. Enhanced provision of technical assistance by the international community was needed on a demand-driven basis to strengthen landlocked developing countries capacities to implement trade facilitation reforms.

12. The Under-Secretary-General noted that the decision by the General Assembly to convene the midterm review of the implementation of the Almaty Programme of Action in 2008 reflected the commitment of the international community to the full and effective implementation of the Programme. The review was an important exercise to assess what had been achieved so far, what could have been done better, and how the second half of the implementation period could be effectively utilized to advance on the ultimate goals to assist landlocked developing countries in their effective participation in the international trading system. He stressed the crucial importance of the outcome of the Meeting which would serve as substantive input to the 2008 midterm review. He concluded his statement by reconfirming that the United Nations as a whole, and his Office in particular, would continue to support the efforts of the landlocked developing countries and their transit neighbours towards the full and effective implementation of the Almaty Programme of Action.

13. The Minister for Road, Transport and Tourism of Mongolia, and head of the National Committee for Trade and Transport Facilitation, presented in greater detail the Mongolian efforts in the implementation of priority 3 of the Almaty Programme of Action that had been introduced by the Prime Minister. He noted that the difficulties encountered by Mongolia in its external trade were caused mainly by factors such as strict border control and customs inspection owing to bureaucracy, requirements for security deposits on goods in transit, unexpected delays, detention and partial/complete loss or damage to the cargo and as well as inadequate transport safety measures on roads in its transit neighbours and the lack of possibility to

become engaged in international transit using China's domestic road network. He emphasized the need to revise existing laws and regulations on trade and transport facilitation.

14. The Minister described the functioning and objectives of the recently established Mongolian National Committee for Trade and Transport Facilitation, which included, among others, working towards the signing of the Tripartite Transit Agreement between the Governments of the Russian Federation, the People's Republic of China and Mongolia, and proposed cooperation on trade and transportation facilitation with the Economic Commission for Europe.

15. In his statement, the Chef de Cabinet of the Ministry of Industry and Trade of Mali and Chairman of the Group of Landlocked Developing Countries, paid tribute to Mr. Cheick Sidi Diarra in his former capacity as President of the Group of Landlocked Developing Countries and congratulated him on his new appointment as United Nations Under-Secretary-General and High Representative. He recalled that the first thematic meeting in preparation for the midterm review of the Almaty Programme of Action had been held in his country in June 2007 and had resulted in the adoption of numerous recommendations on the way forward in the implementation of priority 2 of the Almaty Programme of Action, on transit infrastructure development and maintenance.

16. He stressed that in order to achieve significant progress in the participation of landlocked developing countries in the international trading system, the solidarity of the Group remained crucial. He reaffirmed that open dialogue and cooperation with the transit neighbours, as well as the donor community, was to be pursued by the landlocked developing countries with a view to achieve concrete results in terms of the needed technical and financial support.

17. The Assistant Administrator and Regional Director for Africa of the United Nations Development Programme stated that at the mid-point of achieving the Millennium Development Goals, it was imperative that efforts by all stakeholders were intensified to reach the agreed targets and promote sustainable human development especially for those countries that were at the risk of missing them. Regrettably, many landlocked developing countries, most in sub-Saharan Africa, the region for which he was responsible at the United Nations Development Programme, fell into that category.

18. He added that while trade was a very powerful engine of growth in the current globalized economy, most landlocked and least developed transit countries were able to realize only very limited benefits. Furthermore, the divergence in the human development indicators between landlocked and coastal developing countries was in fact widening.

19. He noted that challenges could be overcome through concrete and focused actions. Through the Almaty Programme of Action, the international community had committed itself to address the special needs of landlocked developing countries and establish a global framework for action for developing efficient transit transport systems in landlocked and transit developing countries.

20. The Deputy Executive Secretary and Officer-In-Charge, a.i., of the Economic and Social Commission for Asia and the Pacific added that accession to the World Trade Organization was an essential modality for a predictable and stable integration into those systems, and noted that ESCAP, through its effective

partnership with the World Trade Organization, had extended technical assistance to all its members for that purpose.

21. He noted that, while the challenges of being landlocked were enormous, together they could turn those challenges into opportunities, and indeed, the current global and regional economic environment offered opportunities as never before. He reassured the Meeting that the Economic and Social Commission for Asia and the Pacific would do its utmost to assist in the implementation of the Almaty Programme of Action, more immediately in the context of the forthcoming regional preparations for the midterm review.

### **III. Exchange of views on the participation of landlocked developing countries in the international trading system and progress made in the area of trade facilitation**

22. Statements were made by the following heads of delegations of United Nations Member States: Yogeshwar Varma, Ambassador, Embassy of India to Mongolia, head of the Delegation of India; Akhtaruz Zaman Khan Kabir, Ministry of Commerce of Bangladesh; Anvar Ibrohimov, Ministry of Economic Development and Trade of Tajikistan; Juan Buffa, Deputy Permanent Representative of Paraguay to the United Nations; Prachanda Man Shrestha, Ministry of Industry, Commerce and Supplies of Nepal; Popane Lebesa, Minister of Trade and Industry, Cooperatives and Marketing of Lesotho; Phineas Chivazve Chiota, Deputy Minister, Ministry of Industry and International Trade of Zimbabwe; Gjorgi Avramchev, Ambassador, Permanent Mission of the former Yugoslav Republic of Macedonia to the United Nations Office at Geneva; Enkhbold Voroshilov, Ministry of Industry and Trade of Mongolia; Siaoavath Savengsuksa, Vice-Minister, Ministry of Industry and Commerce of the Lao People's Democratic Republic; Yu Hong Yao, Ambassador, Embassy of China to Mongolia; Sonam P. Wangdi, Ministry of Trade and Industry of Bhutan; Rahmanova Anarkan, Ministry of Economic Development and Trade of Kyrgyzstan; Elmar Mammadov, Permanent Mission of Azerbaijan to the United Nations Office and other International Organizations at Geneva; Botshabelo Mafatlane, Ministry of Trade and Industry of Botswana; Fernande Hounbedji, Permanent Mission of Benin to the United Nations; Khalil Nasri, Permanent Mission of Afghanistan to the United Nations Office and other International Organizations at Geneva; Muhammad Ashraf Khan, Ministry of Commerce of Pakistan.

### **IV. Efforts of international and regional organizations to assist landlocked and transit developing countries in the area of international trade and trade facilitation**

23. Presentations were made by representatives of the following international and regional bodies: Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States of the United Nations Secretariat; Economic and Social Commission for Asia and the Pacific; World Customs Organization; United Nations Development Programme; United Nations Conference on Trade and Development; African Union Commission;

World Bank; Asian Development Bank; International Road Transport Union; and Agency for International Trade Information and Cooperation.

## **V. Closing session**

24. The Thematic Meeting adopted a Chairman's summary (see annex II).

## **Annex II to the letter dated 9 October 2007 from the Permanent Representative of Mongolia to the United Nations addressed to the President of the General Assembly**

### **Chairman's summary adopted at the Thematic Meeting on International Trade and Trade Facilitation**

#### **Introduction**

1. In its resolution 61/212, the General Assembly decided to hold a midterm review of the implementation of the Almaty Programme of Action in 2008. The midterm review would be preceded by regional and substantive preparations in the most effective, well-structured and broad participatory manner. Also, intergovernmental mechanisms at the global and regional levels, including those of United Nations regional commissions, as well as relevant substantive material and statistical data, should be effectively utilized in the review process. The Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States was requested by the General Assembly to coordinate the preparatory process. The United Nations system organizations, including the United Nations Conference on Trade and Development, the United Nations Development Programme, the United Nations regional commissions and relevant international and regional organizations were also requested, within their respective mandates, to provide necessary support to the review process.

2. The Almaty Programme of Action, adopted by the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, held in Almaty in 2003, recognized that the marginalization of landlocked developing countries from the international trading system is due to high trade transaction costs. Excessive transport costs create a major barrier to foreign markets. The Almaty Programme of Action also noted the request of landlocked developing countries that the current negotiations on market access for agricultural and non-agricultural goods should consider giving particular attention to products of special interest to landlocked developing countries.

3. Inefficient border crossing and customs procedures, excessive documentation requirements and inadequate transport infrastructure, as well as costly bank transactions have been identified by the Almaty Programme of Action as major causes of higher trade transaction costs incurred by the landlocked developing countries. The dependence of landlocked developing countries on transit traffic systems in neighbouring countries makes them vulnerable to external process and highlights the need for bilateral and regional cooperation.

4. The Thematic Meeting on International Trade and Trade Facilitation was the second thematic meeting being organized in 2007 that provided substantive inputs to the midterm review by focusing on two of the five Almaty priorities. The first thematic meeting was held in Ouagadougou, from 18 to 20 June 2007, and focused on transit transport infrastructure development. The outcomes of these thematic meetings will serve as substantive inputs to the 2008 midterm review.

5. The Meeting brought together trade ministers and senior officials responsible for trade from landlocked and transit developing countries, representatives of donor countries, United Nations system organizations, international financial institutions and relevant regional and subregional organizations, with a view to reviewing and assessing the progress made in the implementation of priority 3 of the Almaty Programme of Action on international trade and trade facilitation. The Meeting also deliberated on future actions needed to enhance the participation of landlocked developing countries in the international trading system while further strengthening the global partnership for establishing efficient transit transport systems.

## I. Assessment of current situation

6. While some progress, even if uneven, has been made since 2003, the Group of Landlocked Developing Countries continues to be marginalized from international trade in goods, thus preventing them from reaping the benefits of globalization and using trade as an instrument for achieving their development objectives. Over the past decade, the share of landlocked developing countries' exports in world trade has remained dismal, amounting to a share of 0.76 per cent for merchandise trade and 0.51 per cent for services trade in 2006. The recent increase in their share is due to the surge in commodity prices.

7. High trade transaction costs continue to be among the main causes, given landlocked developing countries' lack of access to the sea, remoteness and isolation from world markets, dependence on transit services and policies of their transit neighbours. High transport costs, compounded by delays, fees and obstacles owing to cumbersome customs procedures at additional border crossings and ports and other regulatory constraints, constitute the most important impediment to the equitable access to global markets and competition of landlocked developing countries with their trade partners. Trade costs increase prices in the domestic markets, erode competitiveness, thus restricting business from exporting abroad.

8. The World Trade Organization accession process for landlocked developing countries poses substantial challenges, both in terms of human capacity and the commitments sought from them. Only 22 out of 31 landlocked developing countries are members of the World Trade Organization at present. Except for Turkmenistan, the other eight landlocked developing countries are undertaking the long and complex process of negotiating their accession protocols to the World Trade Organization. These are the Governments of Afghanistan, Azerbaijan, Bhutan, Ethiopia, Kazakhstan, the Lao People's Democratic Republic, Tajikistan and Uzbekistan. Out of 34 transit developing countries, 30 are World Trade Organization members, with Viet Nam having acceded in January 2007. Algeria and the Islamic Republic of Iran are in the process of joining the Organization.

9. For the landlocked developing countries, the cost of moving goods across borders is a greater barrier than tariffs for their market access. According to the World Bank's *Doing Business 2007* report, only a quarter of the total delays are attributable to poor physical infrastructure. Pre-arrival documents, customs and inspections account for the bulk of the delays. The same report states that every day lost in transport delays is equivalent to a tax of about 0.5 per cent

10. On average, the time necessary to comply with all procedures required to export/import goods was 51.6 and 65.8 days respectively for landlocked developing

countries in 2006, while it amounted to 30.6 and 39.4 days respectively for the transit neighbours. Landlocked developing countries also required an excessive number of documents to export/import, namely 9.5 and 13.7 documents respectively, against 7.8 and 11.7 documents respectively in transit developing countries.

11. Though some progress has been registered by the landlocked developing countries since the Almaty Conference, a large number of bottlenecks related to trade facilitation are persisting, such as:

- (a) Excessive number of documents required for export/import;
- (b) Multiplication of scheduled and unscheduled roadblocks;
- (c) Lack of adjacent border controls;
- (d) Unnecessary customs convoy;
- (e) Complicated and non-standardized procedures for customs clearance and inspections;
- (f) Insufficient application of information and communications technology, leading to poor or total lack of computerization of customs procedures;
- (g) Non-transparency of trade and customs laws, regulations and procedures, lack of institutional capacities and trained human resources;
- (h) Underdeveloped logistics services, lack of interoperability of transport systems and absence of competition in the transit transport services sector;
- (i) Slow progress in establishing and/or strengthening national trade and transport facilitation boards/committees;
- (j) Low level of adherence to international conventions on transit transport.

12. Unpredictability in the supply chain of goods owing to the large economic distance from markets adversely affects the integration of landlocked developing countries in international trading networks, particularly in view of the increasing need of just-in-time deliveries by international investors.

13. All of the above underscores the crucial importance of trade and transport facilitation measures in landlocked and transit developing countries. With reduced time and cost of trade transactions, commercial operators could achieve much better competitiveness in the international markets. Transparent, simple and efficient import and export procedures are also attractive to foreign investment, especially when landlocked developing countries are involved in global production networks.

14. All 12 Asian landlocked developing countries are neighbours of dynamic economies, such as China, India and the Russian Federation, and have benefited from their growth. Measures should be taken to help the landlocked countries to land linking with the major economies in the region.

## **II. Efforts to accelerate the implementation of priority 3 of the Almaty Programme of Action, on international trade and trade facilitation**

### **A. World Trade Organization trade negotiations and accession and regional trade agreements**

15. Landlocked developing countries that are World Trade Organization members have been increasingly active in the context of the Doha Round of negotiations, engaging in the areas of greatest interest to the group, such as market access for agricultural and non-agricultural goods, including the cotton issue, special and differential treatment, other areas of negotiations and in particular trade facilitation, with the aim of encouraging the adoption of trade disciplines and decisions to deal with their special concerns and problems and facilitate their fuller integration into the world economy.

16. The Asunción Platform for the Doha Development Round, adopted at the Meeting of the Ministers responsible for trade of the landlocked developing countries, on 10 August 2005 in Asunción, continues to provide a common agenda for the landlocked developing countries in the Doha Round of trade negotiations.

17. As the essential step to a successful conclusion of the Doha Development Round, all World Trade Organization member States should engage in a constructive manner in the multilateral process with a view to agreeing to full modalities in agriculture and non-agricultural market access negotiations and achieving commensurate progress in other areas of the negotiations, in adherence to the development imperatives and commitments of the Doha Ministerial Declaration, the decision of the General Council of the World Trade Organization of 1 August 2004 and the Hong Kong Ministerial Declaration.

18. The special needs of landlocked developing countries should be taken into account, including through substantial reduction commitments on export products of particular interest to the landlocked developing countries and through seeking lesser reduction commitments from them in accordance with the principle of less than full reciprocity.

19. Special and differential treatment should be sought in all relevant negotiating areas, to ensure that landlocked developing countries benefit from greater flexibility to pursue those policy options that are most appropriate to accelerate their integration into the multilateral trading system.

20. The ongoing World Trade Organization negotiations on trade facilitation, if translated into an ambitious set of provisions as final outcome, could yield enormous benefits for both landlocked and transit developing countries, in terms of reducing the non-physical constraints to trade while decreasing the cost and time of commercial transactions.

21. In clarifying and improving relevant aspects of the General Agreement on Tariffs and Trade 1994 articles V on freedom of transit, article VIII on fees and formalities connected with import/export procedures and article X on publication and administration of trade regulations, the following objectives should be achieved:

(a) Strengthening and operationalization of article V obligations with a view to improving the access of landlocked developing countries to international markets through their transit neighbours, including through the application of national treatment on reciprocal basis to transit transport services;

(b) Simplification and harmonization of transit and trade-related laws and regulations which are made transparent in a prompt and accessible manner;

(c) Integration of special and differential treatment for landlocked developing countries as part of the clarification and improvement of articles V, VIII and X;

(d) Adoption of commitments which are commensurate with the capacity of landlocked and transit developing countries for implementation;

(e) Adoption of commitments by developed countries on the provision of technical assistance and capacity-building.

22. The provision of technical assistance and support for capacity-building to landlocked developing countries is crucial to enable them to fully participate in the negotiations and later for the implementation of the trade facilitation commitments.

23. The Meeting urged World Trade Organization members to desist from seeking commitments that were not commensurate with the level of development of acceding landlocked developing countries. The Meeting also expressed the position that all provisions on special and differential treatment included in the GATT and the World Trade Organization Agreements shall be granted to all acceding landlocked developing countries. Targeted technical assistance should be provided to the acceding landlocked developing countries during all stages of the process. Landlocked developing countries that are World Trade Organization members are encouraged to provide further support to acceding landlocked developing countries during the substantive discussions of their working parties.

24. The Ministerial Meeting of landlocked developing countries, held in Ulaanbaatar, on 28 and 29 August 2007, has adopted the "Ulaanbaatar Declaration", which reaffirms and clarifies the common positions of landlocked developing countries on a wide range of issues of interest within the context of the Doha Round of multilateral trade negotiations, in particular trade facilitation and transit transport.

25. Many regional trade agreements contain provisions favourable to transit trade, for example the Asia-Pacific Trade Agreement and the Southern Africa Development Community. Measures should be taken to promote and facilitate the accession of landlocked developing countries to such regional trade agreements.

## **B. Trade facilitation**

26. Customs procedures must be simplified and harmonized. The introduction of a single customs document that reduces the data requirement to one single set and possibly uses e-commerce techniques is recommended. Information technology investment in this area could bring tangible benefits. The time spent on initiating transit or in final clearance can be drastically reduced through the computerization of transit documentation. The Meeting underscored the importance of the implementation of the revised Kyoto Convention of the World Customs Organization, which entered into force in February 2006. Landlocked and transit

developing countries should consider acceding to the revised Convention, if they have not done so.

27. Transparency is a high-priority goal that landlocked and transit developing countries must strive to achieve. All relevant information pertaining to customs law, customs formalities, other trade-related legal texts, administrative arrangements and requirements, including clearance procedures, must be made available and easily accessible.

28. The practice of customs convoy, or escort of goods in transit at the carrier's expense, should be drastically reduced or eliminated or applied only in special cases when such a measure is deemed to be indispensable. Necessary cost-effective measures that do not defeat the purpose of transit facilitation should be put in place to avoid diversion of goods in transit.

29. Customs reforms at the national and regional levels are a prerequisite for functional transit transport subregional systems. For landlocked developing countries cooperation across borders with the transit country or countries is crucial. Effective customs cooperation should start with simple measures such as harmonization of hours of operation of customs offices of neighbouring countries.

30. Cooperation with other border agencies is essential for the operation of an effective and expeditious clearance of goods at the border. From this standpoint, the establishment of coordinated and adjacent border control posts is very important and can go a long way in avoiding multiple inspections and reducing the time needed for border crossing procedures. A one-stop border is even more desirable.

31. Harmonization at the regional or subregional level of regulations concerning truck size and weight, third-party motor insurance, driver's license and other transit trade documentation should also be swiftly pursued.

32. Regional and subregional organizations in Africa, Asia and Latin America have been making serious efforts over the past years to develop trade and transit transport facilitation agreements aimed at easing the movement of goods across borders. Such agreements need to be effectively implemented. Especially in the cases where there are no compliance mechanisms, the political will of participating landlocked and transit developing country Governments must be strengthened. Interoperability of transport systems and resources and competition in the transport sector can also be beneficially enhanced.

33. At the same time, proliferation of rules and regulations in the area of transit transport in the same region should be avoided, since such proliferation leads to uncertainty and unnecessary multiplicity of forms and procedures, which result in undermining the desired objectives.

34. In the presentations made by the participating delegations, numerous examples of concrete actions taken or planned by the landlocked and transit developing countries to implement priority 3 of the Almaty Programme of Action were presented. These include:

(a) Improvement of the legal environment for foreign trade, international transportation and logistics services;

(b) Adoption of a legal, regulatory and institutional framework for private sector development (i.e., private investment law, banking legislation, licensing procedures);

(c) Elimination of non-tariff measures by the adoption of new laws and legislations;

(d) Establishment of a national committee on trade and transport facilitation, including ministries, Government agencies and the private sector, to provide coordinated solutions and decision-making;

(e) Engagement in the Doha negotiations on trade facilitation, with a particular focus on the clarification and improvement of GATT article V on transit;

(f) Enhanced use of information and communications technology for transparency in customs regulations and procedures;

(g) Harmonization of customs documents and procedures with transit neighbours towards creation of a “one-stop border”;

(h) Compliance with the World Customs Organization revised Kyoto Convention;

(i) Implementation of the Single Window for import/export under United Nations Centre for Trade Facilitation and Electronic Business Recommendation No. 33;

(j) Provision of training courses on customs procedures and trade facilitation measures by transit developing countries to neighbouring landlocked developing countries;

(k) Provision of preferential tariff treatment;

(l) Harmonization, simplification and computerization of customs and border procedures;

(m) Accession or reactivation of TIR membership;

(n) Accession to the Asian Highway and Trans-Asian Railway networks;

(o) Construction of bridges over rivers to create uninterrupted road networks without any river ferry to facilitate access to ports for landlocked countries through a transit neighbour.

35. Beyond the scope of the present Meeting were issues relating to the poor infrastructure quality in the majority of landlocked and transit developing countries. Investing in road infrastructure and maintenance is a high priority and extremely important to eliminate a significant source of unreliability of transport systems in landlocked and transit developing countries. Those issues were extensively tackled by the Ouagadougou Meeting, which adopted a Chairman’s summary including priorities and recommendations for further action.

### **III. Support of the international community**

36. In the context of the “Aid for trade” initiative, donor countries, United Nations system organizations, multilateral financial and development institutions, UNCTAD, United Nations regional commissions, the World Bank, the regional development

banks, the World Customs Organization and the World Trade Organization should continue to provide coordinated and coherent financial and technical assistance to landlocked and transit developing countries, in the form of grants or concessional loans, for the effective implementation of trade facilitation measures. Within that same context, attention should be given to the transit transport infrastructure needs of landlocked and transit developing countries.

37. In order to maximize the benefits derived from technical assistance and capacity-building programmes, enhanced cooperation among agencies and donors involved is key. Technical assistance should be targeted to address the trade-related supply-side constraints of landlocked developing countries, while building their human and institutional capacity to enable them to take advantage of trade opportunities.

38. Technical assistance, especially in the area of trade facilitation, should be demand-driven and take into account the differences in the level of development, economic and trade capacity, subregional integration and geographical location of the beneficiary landlocked and transit developing countries. Their ownership can be further strengthened through the active participation of the existing national transport and trade facilitation boards or committees. Where such boards or committees do not exist yet, landlocked developing countries are urged to establish one, involving all major stakeholders, including the private sector, in accordance with paragraph 37 of the Almaty Programme of Action. National trade and transport facilitation boards have a central role to play in assessing the needs for coordinated technical assistance in consultation with the participating agencies.

39. Considering the importance of an effective monitoring mechanism to measure progress in trade and transport facilitation towards the implementation of the Almaty Programme of Action, the indicators proposed by the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and the time/cost methodology developed by ESCAP are a welcome start and should be broadly used.

40. The Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States should strengthen its efforts to mobilize the support measures by the United Nations system organizations and other international organizations for the effective implementation of the Almaty Programme of Action. For the immediate future, the priority attention should be given to the effective preparation and successful organization of the 2008 midterm review of the Almaty Programme of Action.

41. The outcome of the Meeting should be presented to the midterm review of the Almaty Programme of Action as a substantive input. The outcome of the Meeting should also be issued as a document of the forthcoming sixty-second session of the General Assembly of the United Nations.

42. The regional reviews in preparation for the midterm review of the Almaty Programme of Action, scheduled to be held in Asia, Africa and Latin America in the first part of 2008, should be effectively organized, preferably within the annual sessions of the regional commissions. Landlocked and transit developing countries and their development partners are encouraged to attend the midterm review meeting in 2008 at the highest possible level of representation.

43. The Meeting expressed its profound appreciation to the authorities and the people of Mongolia, for hosting this event.

44. The Meeting also thanked the international and regional organizations for their support.

**Annex III to the letter dated 9 October 2007 from the Permanent Representative of Mongolia to the United Nations addressed to the President of the General Assembly**

**List of participants at the Thematic Meeting on International Trade and Trade Facilitation**

**National delegations**

Afghanistan  
Azerbaijan  
Bangladesh  
Benin  
Bhutan  
Botswana  
Burkina Faso  
Burundi  
Cameroon  
Chad  
China  
Cuba  
Czech Republic  
Djibouti  
Ethiopia  
France  
Germany  
India  
Japan  
Kazakhstan  
Kyrgyzstan  
Lao People's Democratic Republic  
Lesotho  
Malawi  
Mali  
Mongolia  
Nepal  
Nigeria  
Pakistan

Paraguay  
Poland  
Russian Federation  
Rwanda  
Swaziland  
Switzerland  
Tajikistan  
The former Yugoslav Republic of Macedonia  
Turkey  
Uganda  
United States of America  
Uzbekistan  
Viet Nam  
Zambia  
Zimbabwe

**United Nations system organizations**

Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States of the United Nations Secretariat  
Economic and Social Commission for Asia and the Pacific  
United Nations Conference on Trade and Development  
United Nations Development Programme

**International, regional and subregional organizations**

African Union  
Agency for International Trade Information and Cooperation  
International Road Transport Union  
World Trade Organization

**International and regional development banks**

World Bank  
Asian Development Bank

**Bilateral development cooperation agencies**

German Agency for Technical Cooperation  
Turkish International Development Cooperation Agency  
United States Agency for International Development