

Multi-year Expert Meeting
on Transport, Trade Logistics and
Trade Facilitation
10th Session

**Coordination and digitalization as a
means to accelerated and climate-smart
trade facilitation**

17–19 July 2023

**Trade facilitation implementation under
the Vienna Programme of Action for
Landlocked Developing Countries for
the Decade 2014-2024**

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Trade facilitation implementation under the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024

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Logistics and Trade Facilitation, 10th session
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supporting
Least Developed Countries
Landlocked Developing Countries
Small Island Developing States

United Nations Office of the High Representative for Least Developed Countries,
Landlocked Developing Countries and Small Island Developing States

1

The Vienna Programme of Action (VPoA)



- ❖ 6 priority areas:
 1. **Fundamental Transit Policy**
 2. **Infrastructure Development & Maintenance**
 3. **International trade & trade facilitation**
 4. **Regional Integration & Cooperation**
 5. **Structural Economic Transformation**
 6. **Means of Implementation**



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2

Priorities linked to transit & trade facilitation

Priority 1: Transit Policy Issues

- Free, faster movement of goods along corridors, border points and ports.
- Harmonize, simplify, standardize rules, regulations and documents

Priority area 2 - Infrastructure development and maintenance

Priority 3b: Trade Facilitation

- Significantly simplify and streamline border crossing procedures
- Improve transit facilities and their efficiency
- Implement TF initiatives including WTO TFA

Priority 4: Regional Integration and Cooperation

- Deepen regional integration and cooperation
- Promote sharing of best practices



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3

Progress made under VPoA Implementation



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4

Ratification of relevant international and regional agreements

Convention	LLDCs December 2014	LLDCs July 2023	Transit Countries December 2014	Transit Countries July 2023
World Trade Organization Trade Facilitation Agreement (2013)	0	26	0	29
Revised Kyoto Convention (2006)	15	23	19	22
Customs Convention on the International Transport of Goods under Cover of the TIR Carnets (1975)	11	11	5	9



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5

Significant development of regional, sub-regional and multilateral initiatives

- Number of regional trade agreements in which each LLDC is a member up from 3.3 in 2014 to 4.3 -2023.
- Eurasian Economic Union new customs code in 2018
- India, Iran and Afghanistan - transport and transit corridor agreement in 2016
- China-Mongolia-Russia Economic Corridor Program
- SADC, COMESA and EAC launched the Tripartite Transport and Transit Facilitation Programme 2017
- African Continental Free Trade Area (AfCFTA) entered into force in May 2019
- Framework Agreement on Facilitation of Cross Border Paperless Trade in Asia and the Pacific entered into force 2021



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6

Increased implementation of trade facilitation measures

- One Stop Border Posts
- Single windows
- Increased use of information trade portals
- Adoption of instruments for authorized economic operators
- Dry-ports
- Corridor approach
- National trade facilitation committees/bodies
- National transit coordinators
- Digital solutions for transport processes
- Establish priority or green lanes for faster clearance



7

Increased transit and trade facilitation tools

- WCO Transit Handbook,
- WCO Transit Guidelines,
- Compendium of Best Practices in the area of Transit and Railway Guidance
- eCMR
- eTIR
- ASYCUDAWORLD



8

Evidence

- VPoA specific objective of reducing travel time along corridors allow transit cargo to move **300-400 kms every 24 hours**.
- CAREC - increase in average speed without delay from **535km/24hrs in 2016 to 544km/24hrs in 2020**
- Rail transport, the average speed without delay had increased to **456km/24hrs in 2019 but decreased to 403km/24hr in 2020** – still above VPoA target.
- Africa, some corridors such as the Central and Trans Kalahari Corridors have managed to achieve the VPoA specific objective, while some corridors do not have readily available data.
- In Latin America, improvements in border crossing procedures along the Ciudad del Este (Paraguay) – Ponta Grossa (Brazil) road corridor have facilitated a reduction in travel time from **24 hours to 20 hours and to an average speed of 670kms/24hrs**,
- Santa Cruz (Bolivia) – Arica (Chile) road corridor has an average of **460kms/24hrs** - VPoA target has been achieved.



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9

Evidence

- Second VPoA specific objective is aimed at significantly reducing the time spent at the borders.
- CAREC programme shows that the time taken to clear a border-crossing point for road transport had decreased from **16.9 hours in 2017 to 12.2 hours in 2019**.
- Third VPoA specific objective is to significantly improve intermodal connectivity.
- World Bank studies - the average cargo dwell time in most ports in East Asia or Europe is close to four days.
- Pre-pandemic the port of Durban, South Africa, had comparable dwell time of four days.
- Progress was made in reducing cargo dwell time at the ports of Dar es Salaam, and Mombasa which decreased from **14 days to 9 days and from 11 days to 4 days, respectively, between 2012 and 2017**.
- Overall, there is dearth of data to monitor the specific objectives of the VPoA.



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10

Evidence

- As of March 2023, the total rate of implementation of categories A, B and C commitments by LLDCs was 60.1% up from 56.2% in March 2022 - 37.4% of the commitments implemented were category A commitments (green), 19.5% were category B commitments (blue) and 5.9% are category C commitments (red).
- On future implementation of commitments, 9.1% of the commitments are to be implemented with additional time (Category B future implementation) and 30.8% of the commitments need technical assistance support for implementation by LLDCs (category C future implementation).
- For transit countries, the implementation rate as of March 2023 was 70.3% up from 64.7% in 2022. 6.9 % of the commitments are to be implemented at a later date and 22.9% are to be implemented in future subject to technical assistance.
- LLDCs and transit countries require enhanced support to fully implement the TFA.



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11

Challenges, issues and Solutions

- COVID-19 – greater digitalization
- Effective Implementation of Relevant Agreements - Limited awareness and understanding of the benefits of accession to relevant agreements as well as limited capacity to implement/ operationalize the agreements – Greater support is needed
 - Limited resources for implementation
 - Limited data for monitoring and reporting
- WTO Transit workshop
- 1. Coordination - varying procedures and formalities with neighbouring Members, limited collaboration, capacity development .
- Solutions –
 - simplification, standardization and harmonization of procedures and working hours,
 - cross border working groups for enhanced cooperation
 - creation of a transit coordinator & National Trade Facilitation Committees



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12

Challenges, issues and Solutions

- **2. Corridors** - the interoperability and interconnectivity of transit data. Varying formalities and procedures in countries at the corridor route.
- **Solutions** - establishing dedicated transit corridors to harmonize and streamline formalities and documentations.
- Introduce international standards eg Authorised Economic Operators (AEOs).
- **3. Guarantees** - absence of a regional or international guidelines on guarantees, lack of harmonization of between neighbours, calculation and timely release of guarantees.
- **Solutions** –
 - joint advocacy with the private sector,
 - develop regional regulations on guarantees necessary for transit operations,
 - digitization and automation of customs procedures concerning guarantees
 - harmonizing methods of calculating guarantees.



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13

Challenges, issues and Solutions

- **4. Tracking and Sealing** - internal road checkpoints, the vulnerability of conventional seals to tampering, and high costs.
- **Solutions** –
 - technology-based solutions, capacity building, and effective management were recommended. - electronic tracking systems, the need for checkpoints and convoys can be eliminated, resulting in more efficient transit.
 - explore the removal of fees associated with the freedom of transit under Trade Facilitation Agreement (TFA) Article 11 to streamline logistics operations.



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14

Challenges, issues and Solutions

- **5. Complex, burdensome and excessive border formalities** - unnecessary inspections at the border, lack of risk management in transit, lack of transparency on formalities for multimodal transport other than road, coordination controls especially formalities in respect of special cargo such as live animals or over dimensioned cargo is lacking.
- **Solutions –**
 - enhance coordination, cooperation, harmonisation and simplification of inspections and documentation
 - encourage implementation of a one stop border facility, the use of non-intrusive inspection equipment and coupled with the utilisation of digital and automated means leading to less time in transit and trade more facilitative.



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15

Recommendations

- Enhanced means of implementation support for LLDCs
- Developing and using monitoring tools and conducting training for those tools to ensure prioritization of implementation of Trade Facilitation Agreement (TFA) commitments.
- Capacity building for collecting reliable data
- Experience-sharing on specific issues such as transit coordination, cooperation, corridors and formalities, and on cross-cutting issues such as rules of origin, and sanitary and phytosanitary measures applicable to goods in transit.
- Enhanced technical assistance



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16

UN-OHRLLS Support – transit and trade facilitation

- Advocacy efforts to promote ratification, international support and partnerships
- Mobilization and Coordination of UN system support towards LLDCs. EG. Roadmap for Accelerated Implementation of PoA
- Specific project – e.g. Capacity building project to promote transport connectivity
- Monitoring and reporting
- Facilitate knowledge and experience sharing – National Focal Points



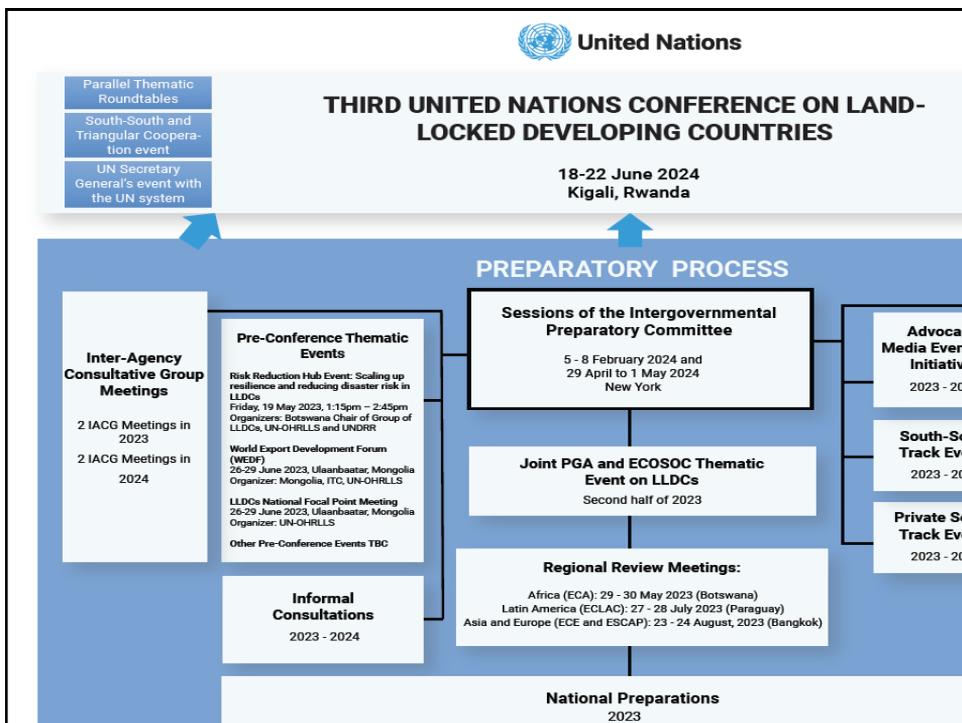
17

Third United Nations Conference on Landlocked Developing Countries (LLDC3)

Kigali, Rwanda
June 2024



18



19

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3rd United Nations Conference on the Landlocked Developing Countries (LLDC3)

Collective responsibility for LLDC3 Outcome

- Ambitious and impactful outcome
- Concrete Deliverables
- Effective solutions
- Transit and trade facilitation at the heart of successful LLDC development

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20

Thank You



3rd United Nations
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