



## **I. Introduction**

1. This report provides an overview of the preparatory process leading up to the final United Nations Conference on Landlocked Developing Countries (LLDC3). It details the main substantive outcomes from the thematic and regional review meetings, as well as the priority areas and instruments contained in the draft programme of action for landlocked developing countries for the decade 2024-2034 agreed upon at the Second Preparatory Committee of the Conference, which contains international support and partnership measures to overcome the unique vulnerabilities of Landlocked developing countries.





countries in achieving the SDGs and the new targets set out in the new Programme of Action. Additionally, the themes for the five round tables during LLDC3 and the report of the Intergovernmental Preparatory Committee, as well as the draft programme of action for landlocked developing countries for the decade 2024-2034 were adopted by consensus at the second session.

15. On 7 May 2024, the General Assembly decided to postpone the Third United Nations Conference on Landlocked Developing Countries to a later date. The General Assembly in its resolution 78/315 welcomed and accepted with appreciation the generous offer of the Government of Botswana to host the Conference, and decided to hold it from 10 to 13 December 2024 in Gaborone at the highest possible level, including Heads of State and Government, on the theme “Driving progress through partnerships”.

### **III. A new agenda for landlocked developing countries. Outcome of the Third United Nations Conference on Landlocked Developing Countries**

16. The draft programme of action for landlocked developing countries for the decade 2024-2034 identifies five priority areas for action: structural transformation and science, technology and innovation; trade, trade facilitation and regional integration; transit, transport and connectivity; enhancing adaptive capacity, strengthening resilience and reducing vulnerability to climate change and disasters; and means of implementation. The outcome document represents a strong demonstration of support and solidarity for Landlocked developing countries. It was approved by the Intergovernmental Preparatory Committee at its second meeting.

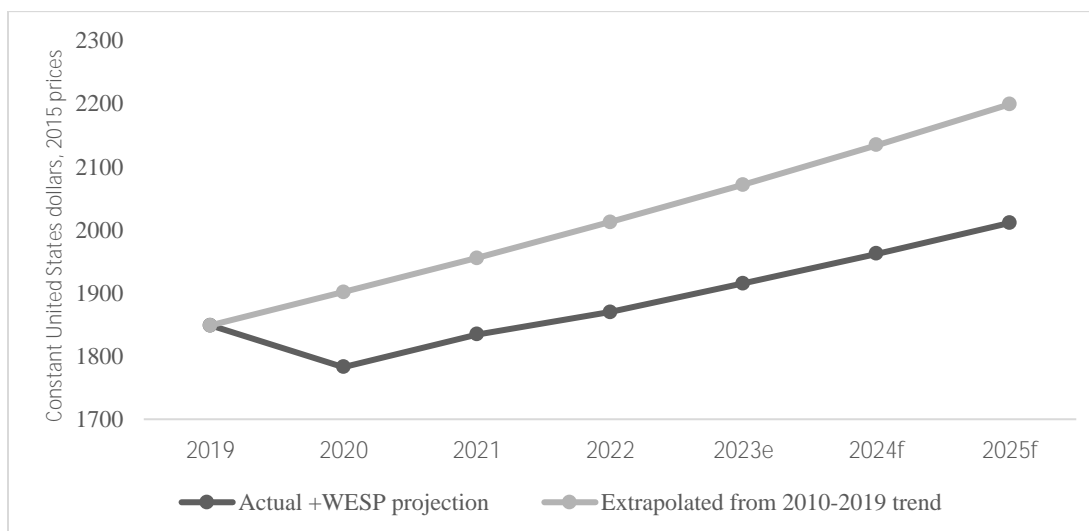
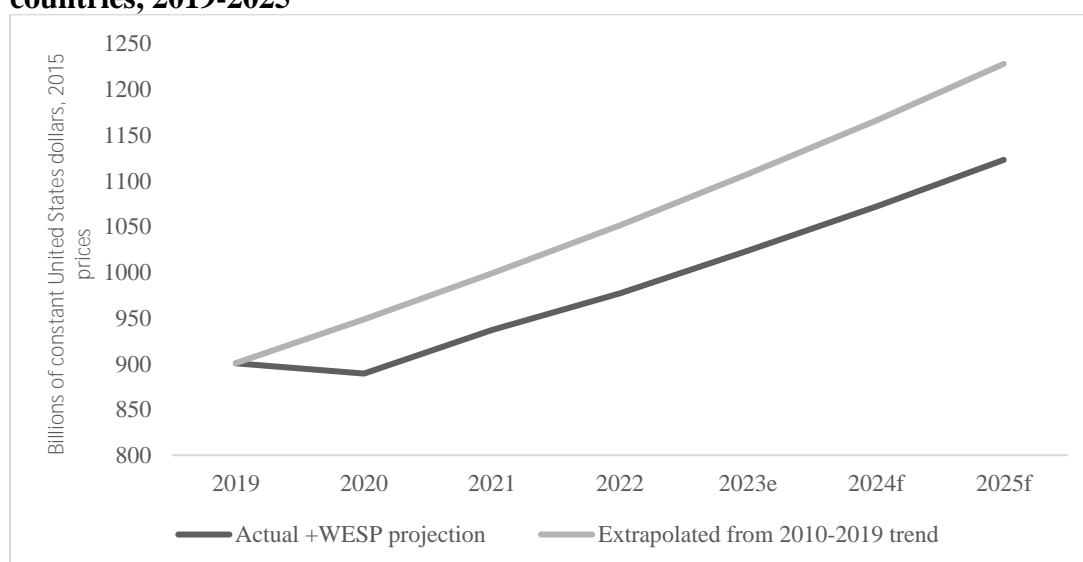
17. The priority areas set in the draft programme of action are the building blocks for a transformative agenda to support landlocked developing countries in overcoming their structural constraints and leveraging their potential into sustainable development.

#### **Structural transformation and science, technology and innovation**

18. Landlocked developing countries’ ability to foster sustainable development and promote prosperity is threatened due to their high vulnerability to external shocks. The impact of extreme weather events, shrinking fiscal space, high inflation, increasing geopolitical tensions, and trade disruptions, compounded by their structural constraints, has limited progress towards eradicating poverty, ensuring food security and nutrition, improving health, education, and promoting gender equality. These crises continue to pose challenges to the long-term economic growth in the landlocked developing countries. Increasing debt-service costs amid reduced fiscal resources and tightening global financial conditions have placed several landlocked developing countries in situation where they have to choose between prioritizing investment on their long-term development or meeting debt service obligations.

19. In 2023, landlocked developing countries achieved an average real GDP growth of 4.8 per cent, surpassing both developed countries (1.5 per cent) and the overall developing country average (4.1 per cent). However, their combined GDP remained about 8 per cent below the level projected by pre-pandemic (2010-2019) growth trends. [Figure 1]. Per capita figures mask another critical concern- the stalled per capita income convergence, and reveal an even more significant setback, highlighting that landlocked developing countries, have yet to find a reliable path to prosperity. High levels of informality, gender disparities and high youth unemployment continue to remain widespread in many of these countries.

**Figure 1. Actual and projected GDP and GDP per capita of landlocked developing countries, 2019-2025**



Source: OHRLLS calculations, based on data from UNCTADStat database and WESP April 2024 Update (both accessed June 2024). Note: e = estimates; f = forecasts. Data do not include Afghanistan.







Source: OHRLLS calculations, based on data from UNCTADStat and ILOSTAT database (accessed June 2024)

23. Reducing commodity dependency is a priority for most landlocked developing countries. Increasing productivity in agricultural activities and strengthening the agri-food supply chain is key to promoting sustainable development, given the large share of the population engaged in agriculture. This includes increasing investment and scientific research for a more productive, resilient, and diversified agricultural sector. It can also involve supporting cross-border and regional agricultural trade.

24. The Regional Agriculture Research Hubs for landlocked developing countries proposed in the draft programme of action can support synergies between industrial and rural and sustainable agricultural development, and growth in manufacturing and services sectors. In addition, foreign direct investment can promote the development of downstream subsectors by bringing a package of assets, including capital, technology, managerial know-how and skills, and access to markets. Stronger partnerships including at the regional level be crucial for landlocked developing countries to benefit from opportunities to attract both efficiency-and market-seeking investment and enhance their participation in agriculture value chains.

25. Structural transformation of the economies of the landlocked developing countries remains a key priority of the draft programme of action. The commitments contained in the draft programme of action by landlocked developing countries, development partners, transit countries, and international organizations are key instruments to this end, particularly in what pertains to the necessary support required by landlocked developing countries. The concomitance of crises exacerbate the challenges faced by landlocked developing countries and highlight their higher degree of vulnerability as we begin the decade of implementation of beg(t)7(y )-62-h67(a)7mCation of Qq0.00000912 0 612 792 r



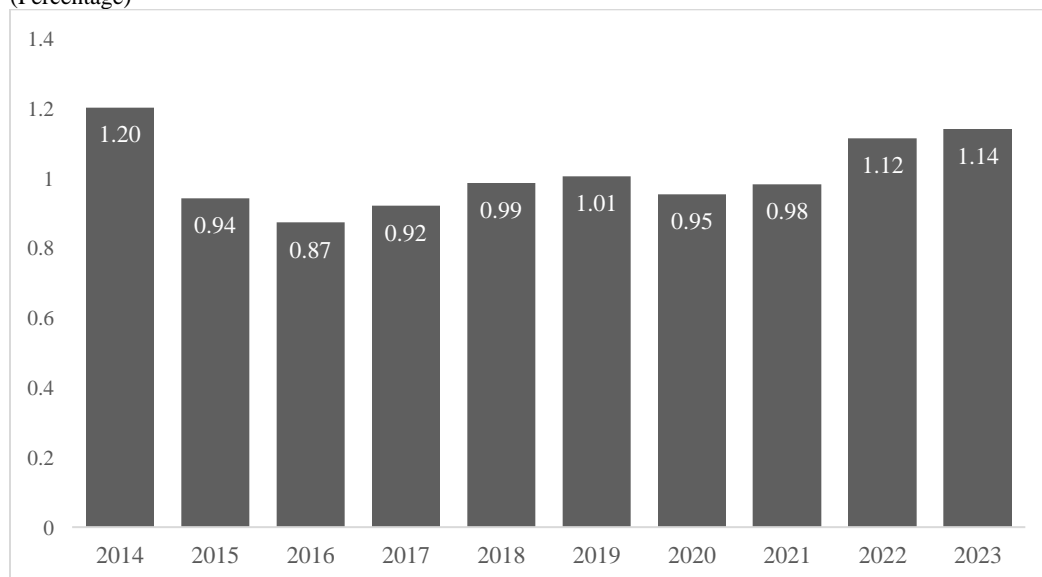
workforce with the skills for thriving in digital economies requires enhanced support and it is an area in which existing mechanism and new initiatives should be leveraged to accelerate progress in landlocked developing countries.

### Trade, trade facilitation and regional integration

31. The new programme of action aims to support landlocked developing countries to better seize trade as a tool for their sustainable development. It sets goals to at least double the share of exports from landlocked developing countries in global merchandise trade, to diversify their exports by increasing the value-added and manufactured component of their exports, and to expand their exports of services and e-commerce. Achieving these goals will require considerable concerted efforts.

32. Exports from landlocked developing countries are relatively limited in value and highly concentrated in primary commodities. Despite accounting for 7 per cent of the world’s population, exports from landlocked developing countries represented just 1.1 percent of world trade in 2023 and as little as 0.28 per cent of world trade in manufactured goods.<sup>2</sup>

**Figure 5**  
**Landlocked developing countries merchandise exports as a share of world trade**  
 (Percentage)



Source: OHRLLS calculations based on UNCTADStat

33. Growth patterns were correlated to the prices of mineral, ore and metal, and fuel commodity prices over the period (Figure 6), belying the persisting concentration of the exports of these countries in those commodities. In 2022, fuels, metals, ores and

<sup>2</sup> OHRLLS Calculations based on UNCTADStat 2024



**Growth in exports of goods, services and digitally-deliverable services from landlocked developing countries**  
(Indices 2010=100)

*Source:* OHRLLS calculations based on UNCTADStat

38. Trade facilitation plays an important role in reducing trade costs for landlocked developing countries, involving efforts to reduce the bureaucratic burden that goods face when moving across borders, including through simplification, modernization and harmonization of trade processes.

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grown faster than their exports of manufactures in general (Figure 8) and by 2022 accounted for almost 50 per cent of exports of manufactures from landlocked developing countries.

43. While the majority of landlocked developing countries are now covered by a range of regional trade agreements, their effective implementation varies. Strengthened efforts are required to boost their effective implementation, including through learning from the exchange of best practices among landlocked developing countries from different regions.

Figure 8

### **exports of manufactures, by destination**

(Indices 2003=100)

*Source:* OHRLLS calculations based on UNCTADStat

44. The coming decade may involve considerable new challenges to trade in landlocked developing countries. Owing to their inherently more complex supply chains, landlocked developing countries are predisposed to the implications of geopolitical tensions and supply bottlenecks.

45. Most landlocked developing countries that have achieved higher levels of GDP per capita have relatively higher dependencies upon carbon emissions per dollar of GDP than other developing countries at a comparable level of development, while many are also fuel exporters. These landlocked developing countries may face challenges in adjusting in the global energy transition.

### **Transit, transport and connectivity**

46. Landlocked developing countries' distinct vulnerabilities emanate from their lack



50. Landlocked developing countries' transport costs are 1.4 times higher than those of developing countries with a coastline.<sup>3</sup> This is attributable to inadequate





*Climate adaptation*

56. Despite contributing only 1 per cent of global CO2 emissions in 2022, landlocked developing countries, which are home to 7 per cent of the global population, face disproportionate challenges due to climate change. 60 per cent of 570 million people in landlocked developing countries

Kunming-Montreal Global Biodiversity Framework. Ensuring the effective restoration of degraded terrestrial and inland water ecosystems in landlocked developing countries remains essential to enhance biodiversity, ecosystem functions, ecological integrity, and connectivity.

*Disaster risk reduction*

61. Landlocked developing countries suffer disproportionately high human and economic losses from climate-induced hazards and disasters. Between 2013 and 2022, disaster mortality rates averaged 2.12 deaths annually per 100,000 population in reporting landlocked developing countries, significantly higher than the global average of 0.84. Landlocked developing countries accounted for 4.14 per cent of globally reported economic losses between 2015 and 2022, despite accounting for only 1.05 per cent of global GDP. The average number of disaster-affected people per 100,000 was 3,120 in Landlocked developing countries between 2013 and 2022, compared to the global average of 2,034. Despite this high risk, in 2022, only 59 per cent of landlocked developing countries had multi-hazard early warning systems in place.

62. The draft programme of action emphasizes supporting and reinforcing existing

Public sources of climate finance to landlocked developing countries saw a decline from \$10.7 billion in 2019 to \$8 billion in 2021, when the total climate finance flows to developing countries was \$89.6 billion (Figure 9), with only a tenth reaching landlocked developing countries.

**Figure 9: Climate finance flows to Landlocked developing countries, by channel, 2016-2021**

*Source: OHRLLS calculation based on OECD (2023)*

65. Despite the urgent need for adaptation measures in landlocked developing countries, mitigation efforts received a larger share (53 per cent) of funding compared to adaptation (40 per cent) over 2016-2021. In stark contrast to middle-income countries, which received 67 per cent (or \$70.7 billion) of the total public adaptation finance between 2016-2021, landlocked developing countries only received 19 per cent (or \$19.8 billion) during the same time period. Landlocked developing countries require climate finance flows in a way commensurate with their high levels of vulnerability, low resilience, declining fiscal space, and increasing financing needs. In this regard, the New Collective Quantified Goal (NCQG) on climate finance, which will be adopted at COP29, could provide a valuable framework to address the financial needs of landlocked developing countries in their efforts to fight against climate change beyond 2025.

66. The draft programme of action recalls that the Paris Agreement mandates developed countries to provide financial resources and lead in mobilizing climate finance. This includes committing to provide information on financial support, technology transfer, and capacity-building to assist landlocked developing countries with both mitigation and adaptation. The draft programme of action emphasizes the importance of formulating and implementing national adaptation plans and related projects.

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regional development and financial institutions, are called to provide capacity-building support to landlocked developing countries, enhancing their investment in climate action projects. The draft programme of action also highlights the role of increased private sector participation in climate action to unlock additional resources and expertise for landlocked developing countries' climate finance needs.

#### *Resilient infrastructure development*

68. Climate-resilient infrastructure is a vital aspect of sustainable development in landlocked developing countries. Developing climate-resilient and sustainable transport infrastructure not only mitigates direct losses due to damage, delays, and disruptions but also serves as a foundation for economic development. Resilient transport infrastructure, supported by better risk analysis, disaster planning, and the development of national adaptation plans, can ensure access to markets and services, lift the population of landlocked developing countries out of poverty, and avoid regressions caused by disasters. Between 2015 and 2022, disasters destroyed or damaged 36,532 critical infrastructure units and facilities on average annually. For low- and middle-income countries, including landlocked developing countries, maintaining



Source:OECD

*Foreign investment*

72. Foreign investment is critical for landlocked developing countries not only to facilitate structural economic transformation, i.e., the transition of their economies from lower-value-added to higher-value-added activities, but also to overcome infrastructure deficits. Yet despite increasing unfulfilled needs, investment trends in landlocked developing countries have been tepid in recent years.

**Figure 11: Long-**





for development. Against this backdrop and in line with the Secretary-General's SDG Stimulus Plan, debt relief support that goes beyond existing mechanisms is crucial for sustainable development in the landlocked developing countries. Development partners are encouraged to use all available mechanisms of debt relief for landlocked developing countries ranging from the conversion of debt to grants and the channeling of outstanding debt to development projects through debt-for-development and debt-for-climate swaps. Debt relief support for landlocked developing countries should also include the private sector and be grounded in an inclusive and synergistic approach. Furthermore, to avoid increasing their debt burden, support to landlocked developing countries should materialize in the form of grants, instead of loans, that align with their high vulnerability to the impacts of climate change and their substantial financing needs.

**Figure 12: Landlocked developing countries e**

commodity dependence, enhancing labor productivity across sectors, fostering entrepreneurship, advancing in science, technology and innovation, and investing in human capital development to capitalize on potential demographic dividends. Their digital connectivity gap calls for greater investment in digital infrastructure to bridge the digital divide and leverage digital trade opportunities. Coordinated international support and investment to overcome the distinct vulnerabilities of landlocked developing countries related to transit, transport and communication are of paramount importance for their sustainable development.

79. Strengthening resilience to climate change in landlocked developing countries is essential for safeguarding their economies and communities. This involves implementing adaptive capacity-building initiatives that equip these nations to better cope with extreme weather events and environmental challenges. By investing in sustainable agricultural practices, enhancing water management, and promoting disaster risk reduction strategies, landlocked developing countries can mitigate the adverse effects of climate change on their livelihoods.

80. Mobilizing financial resources is equally crucial. Landlocked developing countries require increased access to funding from diverse sources, including foreign direct investment, international aid, and innovative financing mechanisms. Establishing partnerships with development organizations and leveraging South-South cooperation can facilitate the flow of resources needed for climate resilience projects. Additionally, creating an enabling environment for investment—through improved governance, transparency, and regulatory frameworks—will attract necessary capital.

81. The draft programme of action provides a crucial framework for addressing these challenges, emphasizing the need for coordinated efforts from landlocked developing countries, development partners, transit countries, and international organizations. It aims to contribute to restructuring trade to better support sustainable economic development. Substantial efforts will be required at different levels. At the national level, support is needed for the effective implementation of national trade strategies, policies and measures in landlocked developing countries, including through

landlocked developing countries is needed as well as frameworks that can create conducive

**89.** Landlocked developing countries face escalating external debt levels post-COVID-19, threatening macroeconomic stability and diverting resources from development. In line with the Secretary-General's SDG Stimulus, enhanced debt relief mechanisms, including debt-for-development swaps, are essential to alleviate debt burdens.