

Input by the UN Economic Commission for Europe
to the
Report of the Secretary General
“Implementation of the Vienna Programme of Action for Landlocked Developing
Countries for the Decade 2014 – 2024”

The following UNECE member States are considered LLDCs: Armenia, Azerbaijan, Kazakhstan, Kyrgyzstan, North Macedonia, Republic of Moldova, Tajikistan, Turkmenistan and Uzbekistan. In the context of the Vienna Programme of Action (VPOA), UNECE works very closely with these nations, participating in UNDAF/UNSDCFs in the region as well as offering tailor-made capacity building initiatives and policy review and advice. The COVID-19 crisis has undermined the very fabric of international economic relations, connectivity and trade. Connectivity has been impaired by restrictions to mobility and health compliance requirements. The fall of trade in the UNECE region due to the pandemic is expected to be in the double digits, being a major factor in the contraction of economic activity. Harnessing the potential of trade to support the recovery, and enhancing transport and transit connectivity, are essential components of an effective response to the COVID-19 crisis.

Priority 1 - Fundamental Transit Policy Issues

UNECE has developed multiple normative instruments on transport that facilitate connectivity, which are proving particularly useful in these circumstances. The TIR Convention, for example, is the only global customs transit system, facilitating trade and the seamless and secure movement of goods across borders connects over 70 economies around the world including the EU, China, India, Pakistan, the Russian Federation, Iran, Saudi Arabia and Qatar, and landlocked developing countries including all of Central Asia, and Afghanistan. TIR cuts transport times by nearly 60% and costs by up to 40%. This can help to maintain or resume trade flows safely and securely. The legal provisions providing the legal basis for the complete digitalization of the TIR Convention (the SO-

of promoting eCMR and facilitating its implementation within Afghanistan, Azerbaijan, Iran

One of the key challenges towards sustainable infrastructure development in the Euro-Asian region remains the lack of funding. In response to this, under the auspices of the UNECE an International Transport Infrastructure Observatory is being developed. Once operational, it will provide LLDCs with a practical tool to upload their planned transport infrastructure projects (in need of funding) onto a Geographical Information System (GIS) platform where they will be accessible for any Multilateral Development Bank or International Financial Institution to see, evaluate and eventually fund. The Observatory is expected to be presented to the UNECE Working Party on Transport Trends and Economics for endorsement in September 2021.

Meanwhile, several UN legal instruments and UNECE resolutions on inland water transport are very relevant to LLDCs with navigable waterways and coastal navigation (for the routes included in the European Agreement on Main Inland Waterways of International Importance (AGN)) such as Azerbaijan, Kazakhstan, Turkmenistan, North Macedonia and the Republic of Moldova as well as for countries with pleasure navigation on their lakes such as Armenia and Kyrgyzstan

Energy infrastructure

Sustainable management of natural resources is fundamental to attainment of the 2030 Agenda, is at the heart of a circular economy, and is crucial for supporting green recovery from the COVID-19 socio-economic crisis. UNECE thus calls for further development, global dissemination, education and research, consultation, and engagement among stakeholders on the United Nations Framework Classification for Resources and its derivative United Nations Resource Management System

Work on gases -methane, CO₂, and hydrogen- and on high performance buildings can have a major measurable net benefit for both climate and quality of life. That work should be a priority and should be pillars of strengthened country commitments. Further work is needed to enable a role for natural gas, hydrogen, and carbon capture, use, and storage, as well as on the management of anthropogenic methane emissions in the transition to a carbon neutral economy. Regarding buildings, transforming the built environment will drive sustainability and deliver quality of life in the broadest terms. It will be an important part of the world's responses to multiple crises across environmental, social, health, and economic facets, and the transformation can be a leading force defining the society that emerges from today's chaos.

Work in each of these areas will contribute to acceleration of the Vienna Programme of Action for LLDCs.

Public-Private Partnerships (PPPs)

UNECE ensures that infrastructure development and maintenance in LLDCs of the UNECE region is SDG-compliant through "Peoplefirst PPPs", with an emphasis on access and equity, environmental sustainability, economic effectiveness including fiscal sustainability, replicability, and stakeholder engagement. UNECE has also developed an evaluation methodology, the first version of the Peoplefirst PPP Evaluation Methodology, to evaluate and score PPP and other infrastructure projects in particular those in LLDCs (Kyrgyzstan) to ensure that projects are SDG-compliant. This Evaluation Methodology has also a focus on resilience, post-COVID recovery, circular economy and women's empowerment. Using the Evaluation Methodology, the UNECE is working with Kyrgyzstan to identify infrastructure projects that are compliant with the Peoplefirst approach and the SDGs. Technical assistance is also being provided to pilot the use of the Evaluation Methodology in Kyrgyzstan, and in particular the Self-assessment tool developed on the basis of the Evaluation Methodology. At a next phase of the development of the Evaluation Methodology, UNECE will launch an outreach programme with the bigger

development agencies and banks to raise awareness on this tool and encourage its use in their due diligence processes and investment decisions for projects in LLDCs.

Priority 3 - International Trade and Trade Facilitation

UNECE offers hundreds of freely available standards and recommendations for trade facilitation. These enable dematerialized trade processes that reduce physical contact throughout global supply chains, thereby enhancing their relevance in the context of the COVID

Furthermore, UNECE recently published a “Sub-regional Innovation Policy Outlook 2020: Eastern Europe and the South Caucasus” covering, among others, Armenia, Azerbaijan and the Republic of Moldova. The Innovation Policy Outlook (IPO) shows that further progress towards a diversified, increasingly knowledge-based economy is constrained by several factors: insufficient public support, weak investment into research and development, low levels of competitiveness and absorptive capacity in the private sector, and a mismatch of skills on the labour market. These issues need to be addressed, by systematically enabling experimentation across the economy. Policies, institutions, and mechanisms must be flexible, and incentives need to effectively support innovative development objectives. The UNECE Innovation Policy Outlook guides countries in responding to this imperative, by closely examining the scope and quality of the national innovation infrastructure, policies and processes across the sub-region.

The IPO methodology, now developed and tested in detail, could easily be replicated for other country groupings with similar features and challenges, such as those of SPECA. Continuously upgraded and repeated at regular intervals, UNECE hopes they will turn into regular flagship publications that serve as an important guide and reference for policy makers eager to put their commitment to promoting innovation into practice.