



5 November 2021

(21-8400)

Page: 1/6

General Council

Original: English

COMMUNICATION FROM MONGOLIA ON BEHALF OF THE GROUP OF LANDLOCKED DEVELOPING COUNTRIES

The following communication, dated 4 November 2021, is being circulated at the request of the delegation of Mongolia on behalf of the Group of Landlocked Developing Countries.

The Delegation of Mongolia on behalf of the Landlocked Developing Countries (LLDCs) presents the LLDCs Ministerial Declaration adopted on 4 November 2021 to be circulated as a document for the 12th Ministerial Conference.

MINISTERIAL DECLARATION

WTO MINISTERIAL MEETING OF THE GROUP OF LANDLOCKED DEVELOPING COUNTRIES

Geneva, 4 November 2021

We, the Ministers and Representatives of Landlocked Developing Countries (LLDCs) met on 4 November 2021 at the margins of the Twelfth Ministerial Conference of the World Trade Organization (WTO),

Recalling the Vienna Declaration and the Vienna Programme of Action (VPoA) for LLDCs for the Decade 2014–2024 adopted at the Second United Nations Conference on Landlocked Developing Countries in 2014,

Recalling also the Political Declaration of the Comprehensive High-level Midterm Review of the Implementation of the VPoA for LLDCs for the Decade 2014–2024, adopted by the General Assembly of the United Nations on 5 December 2019,

Further recalling the Roadmap for accelerated implementation of the VPoA, adopted in 2020, and recognizing its importance in accelerating the implementation of the VPoA and building back better after COVID-19,

Recalling the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs), the Addis Ababa Action Agenda of the Third International Conference on Financing for Development; and the Paris Agreement under the United Nations Framework Convention on Climate Change,

Recalling and reaffirming the objectives and principles of the Marrakesh Agreement establishing the WTO as global trade rule making body and the need to reinvigorate and strengthen its negotiating function,

Recalling the Astana Ministerial Declaration adopted on 17 May 2018 at the Ministerial Meeting of LLDCs on Trade and Transport held in Astana, Kazakhstan,

Recalling all Ministerial Declarations of the Group of LLDCs including the Ministerial Declaration at the margins of the Eleventh Ministerial Conference of the WTO on 10 December 2017 in Buenos Aires, Argentina, where the Ministers of LLDCs, reiterated the strong commitment of the Group of LLDCs to the Multilateral Trading System (MTS), especially in the framework of the negotiations of the Doha Development Agenda,

Recalling the Geneva Ministerial Declaration adopted at the Fifth Meeting of Trade Ministers of LLDCs in 2016 which aimed at Harnessing the trade potential of the LLDCs to accelerate the implementation of the VPoA and the 2030 Agenda for Sustainable Development,

Recalling Ministerial Declarations adopted during the 20th Annual meeting of Foreign Ministers of the LLDCs, held virtually on 23 September 2021 on the margins of the 76th Session of the United Nations General Assembly, and UNCTAD Ministerial Meeting of the LLDCs held on 2 September 2021,

Recalling the Fifteenth session of the Ministerial Conference of the UNCTAD in 2021 which recognizes the need to address the trade, investment and development challenges of the LLDCs including through continuing its support for effective implementation of the VPoA,

Recognizing the importance of unfettered, efficient and cost-effective access for LLDCs to and from the sea, on the basis of freedom of transit and other related matters, in accordance with the applicable rules of international law,

Recognizing also that high transport and trade transaction costs remain a major stumbling block in the pursuit of LLDCs to achieve their trade and development potentials,

Recognizing that LLDCs are dependent on transit countries to access international markets, and are particularly vulnerable to cross-border restrictions aimed at combating the spread of COVID-19 and the social and economic impacts of lockdown measures related to it, the health effects of the pandemic, commodity price shocks and a global recession, that the pandemic had impacted the LLDCs' trade as well as implementation of all the VPoA priorities and the fiscal implications of the pandemic has led to increased risk of debt distress in many LLDCs, limiting their fiscal and policy space for critical investments in recovery, including accessing vaccines,

Recognizing that COVID-19 pandemic also offers an opportunity for Members to take stock of the lessons learned and review the existing tools of the trade policy to enhance Members' resilience against any future health crisis of local, regional or global nature,

Expressing condolences and grave concern about the loss of life as a result of the COVID-19 pandemic and the significant adverse social and economic effects it has posed globally, and in particular recognizing that the LLDCs will be severely hit in the long term owing to the fragility of their health systems, limited coverage of their social protection systems, limited financial and other resources, and vulnerability to external shocks,

Have adopted the following Ministerial Declaration:

1. We underscore the importance of international trade as an engine for inclusive economic growth and poverty reduction, and an important means to achieve the SDGs, as recognized by the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda;
2. We recognize the need to "promote a universal, rules-based, open, non-discriminatory and equitable MTS under the WTO, including through the conclusion of negotiations under its Doha Development Agenda" to achieve the SDGs as stated in Goal 17.10;
3. We reiterate that the central role of Development in the WTO and the principle of Special and Differential (S&D) treatment represent the cornerstones of the WTO Agreements and that the reaffirmation of this principle should be an integral part of any agreement, package of the work of the organization;

4. We acknowledge the importance of the WTO Agreement on Trade Facilitation (TFA) and other WTO Agreements in addressing high trade costs faced by LLDCs and in promoting freedom of transit. We recognize that many LLDCs in collaboration with their neighbouring transit countries and with the support of development partners have made efforts to implement the Agreement, including simplification of trade regulations, documents and procedures, border agency cooperation including single-stop inspections, electronic payment, transparency, public-private-partnership and the modernization and automation of border posts and customs services. Despite the progress made, the implementation of the TFA is estimated to be 51.2 percent of the notifiable provisions by LLDCs compared with 71.0 per cent for developing countries and 100 per cent for developed countries;
5. We attach high importance to the first review of the operation and implementation of the TFA which is under consideration of the Committee on Trade Facilitation (CTF). We request that a substantive review on the progress of the TFA in improving transit for LLDCs be undertaken in the context of the first review of the operation and implementation of the TFA. We call upon the members of the CTF to positively consider the comments and suggestions proposed by the LLDC Group in this regard;
6. We emphasize the importance of mobilizing adequate resources to accelerate the implementation of the TFA. We urge development partners and other WTO Members in a position to do so, as well as the private sector, the United Nations system and other international and regional organizations to continue to provide technical, financial and capacity building assistance to LLDCs on a sustainable basis, for the effective implementation of the Agreement and other trade facilitation reforms. We also call for the resumption of activities under the Trade Facilitation Agreement Facility (TFAF) which was created to support developing countries in their implementation of the TFA;
7. We recognize the persistent challenges to trade and transport connectivity, particularly in LLDCs, and we underline that the close cooperation on trade facilitation and transport and transit connectivity remain vital to address specific needs and priorities while working on aligning the solutions with the global standards and we call for enhanced Aid for Trade, including international development assistance and multilateral financing in the development and maintenance of transport and trade-related infrastructure including ICT and cross-border transmission line and strengthening of the role of private sector including through, public-private-partnerships as well as other innovative means of finance;
8. We reiterate our call for constructive cooperation with transit countries for the effective and early implementation of disciplines that will contribute to reducing transit time and costs, simplify procedures, enhanced transparency and greater certainty in cross-border trade;
9. We encourage LLDCs and transit countries to appoint and notify their national transit coordinators in accordance with article 11.17 of the TFA;
10. In view of the impact of SPS and TBT measures imposed by trading partners on the trade interests of LLDCs, which rely on transit countries for both imports and exports, we underline the importance of development of more specific and simplified requirements to be applied to goods in transit, as well as notification of all proposed SPS and TBT measures to enable early consultations with affected countries, prior to adoption of the measure;
11. We support further digitalization of trade and customs procedures to establish interconnectivity and ensure the fast and secure exchange of data and information concerning cargo and means of transport, based on international standards and instruments and call for these systems to be interconnected and interoperable so as to cover the full transit operation;

12. We affirm our commitment to take appropriate action in facilitating trade and transport and in maintaining the integrity of the supply chains for the benefit of all. In that regard we call on all WTO Members to support LLDCs in their efforts aimed at sustainable socio-economic recovery in post-COVID-19 times;
13. We urge members and the WTO Secretariat to study the impact that the current situation of container shortages and high shipping costs is having on trade of the LLDCs. Work on this issue should be carried out under the auspices of the Council for Trade in Services and the Council for Trade in Goods. In the area of trade in goods we also urge the Committee on Rules of Origin of the WTO to explore the issue of how rules of origin affect the ability of LLDCs to take advantage of preferential access to markets given the particularities of their trade;
14. We recognize that COVID-19 pandemic has heightened the need for deepened regional integration through strengthening of transport, energy and digital infrastructure connectivity; increased intraregional trade and the development of regional value chains; improving the quality and effective implementation of regional integration agreements. We call upon the UN system, and other international organizations to strengthen their technical, financial and capacity building support to LLDCs and transit countries to enable them to advance their regional integration efforts;
15. We recognize the need to reduce commodity dependence and LLDCs' vulnerability to external shocks as demonstrated by COVID-19 pandemic and call for concerted measures and actions to support LLDCs' efforts including support towards diversification of their export base, and enhanced processing of the commodities, investment facilitation, trade diversification, trade finance, and building conducive business and trade environment;
16. We continue to make efforts to mainstream building of productive capacities in our development strategies and call for international support including financial, technical and capacity-building assistance;
17. We recognize that foreign direct investment (FDI) can be a catalyst for structural transformation, raising the value added of the domestic economy and linking it more effectively into global value chains (GVCs). We commit to continue promoting conducive policies to attract FDI that promotes trade as well as sustainable development of LLDCs;
18. We recognize the importance of official development assistance (ODA), including the Aid for Trade support, to LLDCs and transit countries in addressing the impact of COVID-19 and supporting their post-COVID 19 recovery efforts. In this regard, we call upon ODA providers to increase their ODA allocations to LLDCs. We also reiterate that the Aid for Trade should give special consideration to the special needs and requirements of LLDCs, including capacity-building for the formulation of trade policies, participation in trade negotiations and implementation of trade facilitation measures, trade finance, development of trade related infrastructure as well as the diversification of export products and strengthening of productive capacities with a view to increasing the competitiveness of LLDCs' products in export markets;
19. We emphasize that agriculture, including the role of trade in achieving food security, is of critical importance to the LLDCs. The continuation of the reform process in order to promote market access; reduction of distortive domestic support measures; the total elimination of all forms of export subsidies; and the promotion of fair rules for agriculture sector will constitute an important tool for the promotion of economic activities and development in LLDCs. We also urge WTO members to examine the issue of the application of SPS measures to goods in transit in the SPS Committee;

20. We acknowledge the importance of global equitable access to safe and effective COVID-19 vaccines, therapeutics and health technologies. We call on all WTO Members to unite for meaningful solidarity in effectively responding to the pandemic, addressing all possible barriers and ramping up the production and equal distribution of the essential health commodities;
21. We commit to working together with our development partners to seize the opportunities offered by technologies to address the COVID-19 crisis, including by scaling up collaboration on essential medicines, vaccines and innovations in health systems;
22. We recognize that the COVID-19 pandemic spotlighted that digital transformation and connectivity creates tremendous opportunity for achieving the SDG. However, LLDCs face fundamental challenges including inadequate infrastructure, limited internet access, high cost of broadband, inadequate digital skills and regulatory and data policies. We aim to foster favorable conditions for the development of the digital economy by creating appropriate enabling environment including the necessary policies, legal and regulatory framework to support ICT development in particular the development of broadband, enhancement of digital skills, promotion of digital inclusion, increased adoption and utilization of ICT applications and services. We also call for increased public-private-partnerships and support from the development partners to enable LLDCs to reap the full potentials of the digital technologies and e-commerce and close the digital divide;
23. We recognize that the growth in e-commerce provides international trade opportunities including new market opportunities for LLDCs. We call on UN-OHRLLS, UNCTAD, ITU and partners to provide technical assistance to promote e-commerce in LLDCs including through capacity building and advice on, developing the necessary legal framework and improving digital infrastructure. We recognize the importance of a conducive multilateral trade framework for the promotion of digital inclusion and the development of e-commerce in LLDCs. We commit ourselves to fully take into account our interests in multilateral, regional and bilateral negotiations on this subject including our fundamental challenges specially the inadequate infrastructure, the underdeveloped legal and regulatory framework as well as the limited digital skills.
24. We note that the effects of the COVID-19 pandemic and the measures taken to mitigate its impact have resulted in lower business and industrial activity, and we call on development partners and international organizations to provide assistance to LLDCs to establish initiatives and adopt resilient policies to support MSMEs such as through provision of enhanced finance, including trade finance and access to credit, capacity building for entrepreneurship and employing ICTs and innovation in business operations that may help in building the resilience of LLDCs' economies in the post-COVID-19 era;
25. We recognize that the LLDCs' share in services exports still remains very low, and emphasize that an efficient and productive services industry will contribute significantly to productivity growth and for the overall competitiveness of LLDCs' economies. We recognize the importance of a conducive multilateral trade framework for the development of their services sector as well as the importance of addressing supply side constraints. We commit ourselves to fully take into account their interests and constraints in multilateral, regional and bilateral negotiations on this subject including the granting of economically relevant preferential access to their markets. We call on international organizations and bilateral donors to assist the development of their services sector. In that regard, we affirm our commitment to develop the service sector with the view to addressing supply side constraints, and call on development partners and international organizations to support LLDCs to develop their services sectors and provide market access to LLDCs service providers;

26. We commit to strengthen the works of the LLDCs group in Geneva, in order to maintain regular meetings, share experiences and seek for enhanced support including capacity building for LLDCs, in the main areas of work of the WTO: monitoring, rules making, dispute settlement and capacity building. This effort should allow the Group to enhance our role and establish work plan;
 27. In view of the continued hardships in international trade suffered by the LLDCs, we stress the importance to have a specific Work Programme for LLDCs in the WTO that will study the special needs, challenges and vulnerabilities of LLDCs in order to increase their participation in the MTS. We call for exploratory discussions on the establishment of this Work Programme to take place in the Committee on Trade and Development and for the Committee to report to the 13th Ministerial Conference on the outcome of these discussions;
 28. We recognize the significant contribution to the strengthening of the MTS of the LLDCs that acceded under Article XII of the Marrakesh Agreement establishing the WTO. For a balanced outcome of trade liberalization negotiations, we stress the need to take into account the extensive commitments undertaken by the Article XII Members upon their accession to the WTO;
 29. We recognize the increasing role of environmental sustainability in international trade, and the impact of climate change on trade of the LLDCs. In this framework, we call upon the LLDCs to pay more attention to address their trade-related environmental issues, provide comprehensive review on this matter and share their best practices based on past experiences;
 30. We express appreciation to the Governments of Kazakhstan and Switzerland for hosting of the 12th WTO Ministerial Conference in Geneva and we look forward to a balanced and inclusive outcome that takes into account the needs of the most vulnerable;
 31. We request UN-OHRLLS, WTO, UNCTAD, UN Regional Commissions, UNDP, ITC, ITU, and WCO, among others in close cooperation and coordination with relevant organizations and stakeholders of recipient countries to continue to assist the LLDCs in their effective participation and negotiations in international trade.
-