

Inaugural Meeting of the International Think Tank for Landlocked Developing Countries Ulaanbaatar, Mongolia

Summary of the meeting

The meeting started off with the **opening session** where participants heard from the H.E. Deputy Prime Minister of Mongolia; Ambassador of Paraguay and Chair of the Group of LLDCs; the Under Secretary-General and High Representative who all presented statements that welcomed the establishment of the International Think Tank for LLDCs and stressed its importance in addressing the special needs of the LLDCs. They all acclaimed that the Think Tank is the very first intergovernmental body of the LLDCs and this marked a major milestone. The statements also highlighted the need to look at issues affecting LLDCs such as climate change, desertification, land degradation, migration and others.

The message of the **Secretary General** of UN, delivered at the meeting, indicated that the Think Tank by becoming a centre of excellence for research and policy advice, and to strengthen the analytical capacities of LLDCs on issues of critical importance to their development, will foster informed solutions, promote national ownership, and help accelerate implementation of the 2030 Agenda and the Vienna Programme of Action.

Session 1 focussed on Introduction of the International Think Tank for LLDCs

The first presentation provided an overview of the journey towards the establishment of the Think Tank from the time the idea was first proposed by the President of Mongolia in 2006 in Havana to date. It also presented the achievements that the ITT have accomplished under interim management and it completed by highlighting future vision of the ITT.

The Chairperson of the Board of Governors of the ITT for LLDCs presented the outcome of the first meeting the Board of Governors that was held last month including the relevant decisions on Draft General Principles and Rules of Procedure for the operation of the International Think Tank, Draft Host Country Agreement, Financial and budgetary issues including setting-up a Trust Fund of the International Think Tank, the election of the Executive Director of the International Think Tank for LLDCs. She also indicated that the Governors also agreed that the next session of the Board should be held in the fourth quarter of 2019.

In the ensuing discussion, member states expressed their readiness to collaborate with the Think Tank. Participants stressed the following points:

- The Think Tank should ensure that member country specific research should be undertaken.
- The Think Tank should link up with domestic/national Think Tanks and try to find homegrown solutions.
- The Think Tank should conduct research that includes transit countries.

Session 2 focussed on Future collaboration within the framework of the ITT for LLDCs. Presentations were made by the following member states Bhutan, Kazakhstan, Paraguay, and Azerbaijan, and UNDP and UN-OHRLLS. In the ensuing discussion several Member States made interventions including Nepal, Ethiopia, Afghanistan, Lao PDR and Mongolia and WIPO. The key issues that were raised include the following:

- The ITT, should augment the analytical capabilities of LLDCs, especially, in the six specific areas of the VPoA (1) fundamental transit policy, (2) infrastructural development, (3) international trade and trade facilitation, (4) regional integration and cooperation; (5) structural economic transformation and (6) means of implementation).
- The ITT should better prepare LLDCs community for the High-Level Comprehensive Mid-term Review of the Vienna Programme of Action in 2019 – it should be involved in the preparations of the VPoA.
- The ITT should facilitate sharing of success stories on regional integration and conduct regional studies on issues relevant to LLDCs. It should also look at ways the LLDCs could foster cooperation between LLDCs and transit countries and how to improve regional connectivity.
- The ITT should work on areas to support the full implementation of the SDGs by the LLDCs.
- LLDCs need more entrepreneurs who can export, the ITT should address this.
- The ITT should do country specific research.
- Research should focus on infrastructure development, trade expansion and trade facilitation.
- The Think Tank should share results of studies with the concerned member states before finalizing.
- Think Tank Member States are encouraged to contribute to the financial needs of the Think Tank.
- The research of the Think Tank should be aligned with the intergovernmental processes.
- The ITT should request the Global Chair of the LLDCs to submit a draft resolution to seek observer status of the Think Tank at the UN General Assembly.

Thematic panel/session 1 focussed on Foreign Direct Investment and Economic diversification of LLDC. 5 presentations were made that covered global, regional and national experiences on the impact of FDI on diversification. After the presentations several countries and organizations made observations and contributions. Some highlights of the session:

- LLDCs need technical support to create conducive business environment needed to attract FDI - investment facilitation
- Technical and capacity building assistance need to be increased – contracts, bankable projects, on investment facilitation or on preparing investment briefs.
- LLDCs need assistance to design strategic diversification approaches that includes use of industrial policies --- the selective promotion of certain targeted economic activities over others.
- The government should nudge private sector towards targeted economic activities that are more likely to increase productive activities and diversify the economy, with clear benchmarks for success so that there is a sunset timeframe for infant industry protection.

- International investment agreements can help balance the rights and obligations of states and investors, which could help negate some negative impacts of FDI.
- Science, technology and innovation are important in achieving structural economic transformation, productive capacity development and value addition in LLDCs,
- Possible area of future research is impact of Belt and road initiative on international business and trade facilitation.
- National security is important for promoting diversification.
- There is need to explore what countries with little diversification should do – maybe they should focus on trade expansion.
- Countries fail to diversify because of high trade costs – it's important to include looking at transit countries in order to find ways of improving diversification.

Thematic panel/session 2 was focused on ICT-Connectivity and LLDCs. The session had 4 panellists followed by interactive discussion. Some of the highlights that are of relevance to the LLDCs and ITT include:

- Promote strategies to increase international bandwidth – missing or lack of access to international fiber-optic cables, (infrastructure sharing and co-deployment and financing of ICT infrastructure development).
- Support conducive regulations for development of ICT infrastructure; and resilient ICT infrastructure (E-resilience);
- Support access to affordable and reliable energy sources;
- Experience sharing on technology leapfrogging which is a means of achieving the cutting edge in connectivity and ICT development.
- How can FDI be attracted to ICT.
- Undertake ICT requirements & gaps study, then make an integration between related LLDCs.

Thematic panel/session 3 focused on Infrastructure Development, Transit Transport Corridors and trade facilitation: Challenges and opportunities of LLDCs. Five presentations were made followed by a discussion. Key highlights include

- Many countries are concerned whether their airlines and company can survive with liberalization – LLDCs should be encouraged to liberalize their airspace.
- It's important to establish cargo connectivity.
- Modern, efficient and resilient transport infrastructure is important. Promote sharing of transport, energy and ICT should share
- Closing the existing infrastructure gap is critical
- Resource mobilization for infrastructure development is important from all sources
- Capacity building or skills development for both infrastructure development and trade facilitation
- Corridor approach important
- Rapid Implementation of the WTO TFA is crucial
- Capacity to effectively implement multilateral, regional and bilateral transport and trade agreements such as WTO TFA

- Increased cooperation between LLDCs & transit countries necessary - for infrastructure and trade facilitation.
- Data collection critical and Maintain strong M&E mechanisms to assist policy makers on informed decisions.
- Sharing of experiences
- Cooperation between LLDCs and their transit neighbors - Continuously negotiate collaborative and mutually beneficial transit-transport agreements with transit neighbors.
- Trade facilitation and export diversification should go hand in hand;
- Promote greater use of ICTs in customs modernization and clearance systems
- Harmonizing and streamlining of policy, legal framework and regulations.

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