

FORUM: Economic & Financial Committee (GA2)

QUESTION OF: Easing Trade Bottlenecks in Landlocked Developing Countries

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INTRODUCTION

Landlocked Developing Countries (LLDCs) face significant challenges in conducting international trade due to a number of factors, those mainly being geographical constraints, infrastructure challenges, economic problems, and political issues, which in turn create trade bottlenecks. These bottlenecks can then result in the movement of trade goods being delayed due to reasons such as the overcrowding of trade goods in warehouses, natural barriers, and active conflict.

Geographical constraints can consist of mountainous terrain, lack of a coastline and deserts, which are all points that can make the movement of trade goods more difficult through the fact that it is more difficult to construct proper transportation infrastructure in rugged terrain and that coastlines are necessary to conduct maritime trade. Moreover, this committee's topic of easing trade bottlenecks in landlocked developing countries ties back to this year's CGSMUN theme of "Reassessing Our Values In A Fragile World" as the trade bottlenecks and troubles faced by landlocked developing countries clearly show how fragile these countries are in the field of global trade due to the issues they face in regards to it which are only further aggravated by their landlocked and developing status. This topic shows how global values need to be reassessed to help nations in need, specifically focusing on landlocked developing countries that are having their economies affected by trade bottlenecks.

DEFINITION OF KEY TERMS

Landlocked Developing Countries (LLDC)

Developing "countries with a lack of territorial access to the sea."¹

¹ *Landlocked Developing Countries Fact Sheet* *Landlocked Developing Countries Fact Sheet ...*, www.un.org/ohrrls/sites/www.un.org.ohrrls/files/landlocked_developing_countries_factsheet.pdf. Accessed 04 Sept. 2024.

Trade Bottlenecks

Points of congestion in a trade network in which the movement of trade goods is delayed.²

Transit Trade

The transportation of goods through one country on the way to another.³

Trade Facilitation

“The simplification, modernization and harmonization of export and import processes.”⁴

Transport Corridors

Designated routes and networks through which transit trade can be facilitated.⁵

Regional Integration

“The process by which two or more nation-states agree to co-operate and work closely together to achieve peace, stability and wealth.”⁶

Bilateral

“Involving two groups or countries”⁷

² The Investopedia. “Bottleneck: A Point of Congestion in a Production System.” *Investopedia*, Investopedia, www.investopedia.com/terms/b/bottleneck.asp#:~:text=Bottleneck%3A%20A%20Point%20of%20Congestion,Trade. Accessed 31 July 2024.

³ “What Is Transit Trade, Why Important?” *Impextur Naat Thalath Hracat Ticaret Limited Irketi*, www.impextur.com/en/what-is-transit-trade-why-important/index.html. Accessed 31 July 2024.

⁴ “World Trade Organization.” *WTO*, www.wto.org/english/tratop_e/tradfa_e/tradfa_e.htm. Accessed 31 July 2024.

⁵ “Effective Transit Transport Corridor Development and Management: Report on Best Practices (2020) | Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States.” *United Nations*, United Nations, 2020, www.un.org/ohrlls/news/effective-transit-transport-corridor-development-and-management-report-best-practices-2020.

⁶ “Carleton University Center for European Studies (CES).” *EU Learning*, carleton.ca/ces/eulearning/introduction/what-is-the-eu/extension-what-is-regional-integration/#:~:text=Regional%20integration%20is%20the%20process,achieve%20peace%2C%20stability%20and%20wealth. Accessed 31 July 2024.

⁷ “Bilateral | English Meaning - Cambridge Dictionary.” *Cambridge Dictionary*, dictionary.cambridge.org/dictionary/english/bilateral. Accessed 4 Sept. 2024.

BACKGROUND INFORMATION

Historical Overview of Maritime Trade

Historically, coastal areas where warm water ports could be constructed have been sought after by various civilizations for their significant importance in global trade as well as their geostrategic importance. This is because access to such ports gives countries the opportunity to conduct maritime trade and commerce, thus building up a lot of profit for that country which can then be used to further develop the country and strengthen it. During ancient times, maritime trade was also quite common and important for many Mediterranean states for the trading of materials that were not so widespread, such as certain types of metals and woods, as the acquisition of such materials was crucial for the advancement and development of many civilizations. Over time, as countries became more centralized and developed, more advanced and bigger vessels were constructed, and tools such as the compass and more detailed maps were created, conducting maritime trade became easier and thus the business significantly thrived. As part of this desire for coastal territory where ports could be constructed, various conflicts and wars were fought to acquire such territory. For example, the Russo-Turkish wars from 1569 to 1918 were often caused by the Russian Empire's desire for warm water ports which could be used for their military strategic importance as well as to conduct maritime trade across the Black and Mediterranean seas⁸.

During the Age of Discovery, which lasted from the 15th to the 17th centuries, as well as early colonisation, coastal territories where ports⁹ could be constructed for the trade of exotic spices¹⁰ and materials were one of the highest priorities in terms of land acquisitions for the countries involved. As such, various European powers established numerous possessions all over the world which they extracted resources from while also trading goods with natives in return for local goods. For example, the Western European countries of the Netherlands, Portugal, and Great Britain established ports all over the Indian subcontinent and Indonesia which they used to profit off of by trading with locals as well as extracting valuable resources from the territories they controlled. This

⁸"What Is Russia Doing in the Black Sea?" *Carnegie Endowment for International Peace*, carnegieendowment.org/posts/2021/05/what-is-russia-doing-in-the-black-sea?lang=en. Accessed 4 Sept. 2024.

⁹ Mitchell, Jean Brown. "The Age of Discovery." *Encyclopædia Britannica*, Encyclopædia Britannica, inc., 11 Sept. 2024, www.britannica.com/topic/European-exploration/The-sea-route-west-to-Cathay.

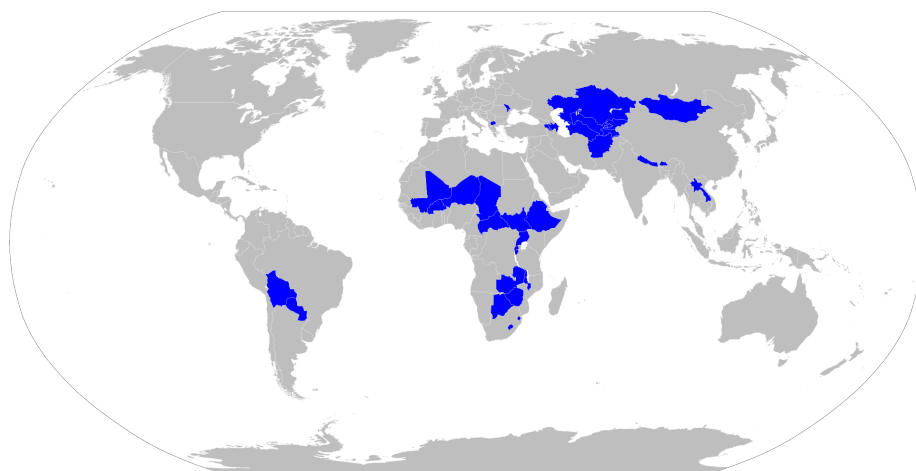
¹⁰ Cartwright, Mark. "The Spice Trade & The Age of Exploration." *World History Encyclopedia*, <https://www.worldhistory.org#organization>, 9 June 2021, www.worldhistory.org/article/1777/the-spice-trade--the-age-of-exploration/.

process of trade greatly benefited the colonial powers involved in colonization and maritime trade due to the large profit made by it and thus, maritime trade has continued ever since.

Present Situation

In the present day, maritime trade is the most important it has ever been in the globalised world that we live in today where foreign products can be found almost everywhere. As such, the total value of the annual world shipping trade has reached more than 14 trillion US Dollars as of 2019¹¹. At the same time however, the issue of trade bottlenecks persists in all nations, both landlocked and coastal, for a variety of reasons. Trade bottlenecks can be formed at any part of the trade good transportation process including both at land and at sea.

Furthermore, landlocked developing countries are at a severe disadvantage in terms of trade as unlike countries with coastal access, as they are unable to freely and directly conduct maritime trade and are instead forced to transport trade goods through transit states and reach foreign ports to conduct such trade. As such, landlocked developing countries are unable to profit as much as other nations in trade as they have to make a lot more payments in terms of transportation. Such payments can occur during the transportation of goods through trade customs checkpoints at borders and to the foreign ports used by them to conduct trade. Finally, transit states whose ports are used to transport landlocked developing countries' trade goods can place restrictions and limits on the number and type of goods they receive from landlocked developing countries, making them more vulnerable.



¹¹ "Shipping and World Trade: Driving Prosperity." *International Chamber of Shipping*, 2 Aug. 2022, www.ics-shipping.org/shipping-fact/shipping-and-world-trade-driving-prosperity/#:~:text=For%20an%20economic%20region%20such,than%2014%20trillion%20US%20Dollars.

Figure 1: World map of current LLDCs¹²

As of 2024, there are currently 32 internationally recognized landlocked developing countries. Some of which include Afghanistan, Armenia, Azerbaijan, Bhutan, Botswana, Burkina Faso, Burundi, Central African Republic, Chad, Eswatini, Ethiopia, Kazakhstan, Kyrgyzstan, Laos, Lesotho, Malawi, Mali, Mongolia, Nepal, Niger, North Macedonia, Paraguay, Bolivia, Moldova, Rwanda, South Sudan, Tajikistan, Turkmenistan, Uganda, Uzbekistan, Zambia, and Zimbabwe.¹³

Challenges Faced by Landlocked Developing Countries in Trade

Geographical Issues

The case of geographical constraints and issues is a severe challenge for landlocked developing nations in the trade world. Firstly, as these countries lack a coastline, they are thus unable to freely conduct maritime trade, limiting their trade capabilities. In addition, quite a lot of landlocked developing countries are also extremely mountainous, such as Afghanistan, Bhutan, and Nepal. As a result of this, the transportation of trade goods is made a more difficult action as the construction of transportation infrastructure in rugged terrain can be extremely difficult and costly and there are always the risks of landslides and avalanches in mountains. Finally, quite a few African landlocked developing countries, notably Mali, Burkina Faso, and Chad are located in the Sahara and Sahel regions, and thus have a lot of desert terrain. This desert also proves to be an issue in the transportation of trade goods as the construction of building foundations in deserts is extremely difficult and the issue of extreme heat could spoil edible trade goods and make construction of any infrastructure difficult.

Inadequate Infrastructure

Another significant challenge for landlocked developing countries is the issue of inadequate infrastructure and a lack of necessary infrastructure to conduct trade.¹⁴ In terms of trade, the most important types of infrastructure are transportation and storage infrastructure, which include things such as roads, railways, ports, pipelines, waterways, airports, and warehouses. Both of these types of infrastructure are necessary in the transportation of trade goods however in many cases for

¹² "Landlocked Developing Countries." *Wikipedia*, Wikimedia Foundation, 17 Jan. 2024, en.wikipedia.org/wiki/Landlocked_developing_countries.

¹³ "List of Lldcs | Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States." *United Nations*, United Nations, www.un.org/ohrlls/content/list-ldcs. Accessed 22 Sept. 2024.

¹⁴ "The Effects of Poor Infrastructure in Education, Transport and Communities." *Development Bank of Southern Africa*, www.dbsa.org/article/effects-poor-infrastructure-education-transport-and-communities. Accessed 22 Sept. 2024.

landlocked developing countries there is a lack of necessary infrastructure and some of what already exists is quite inadequate. This can be a result of poor maintenance of existing infrastructure or the fact that none is ever built in some cases, something which usually has to do with corruption, a lack of funding, or an ongoing armed conflict. The result of this would be that trading would be a lot more difficult and slower and delays in transportation would also most likely occur more often.

Economic Problems

Economic problems are also a serious challenge for landlocked nations that causes significant trade bottlenecks but also prevents them from being solved. When referring to economic problems in the sense of the transportation of trade goods, corruption, unemployment and lack of funding are the main examples of such problems. Corruption, which can harm economic progress and result in the wasting of money, is a very serious issue that is faced by all landlocked developing countries for multiple reasons. This is as excessive corruption in the form of the embezzlement and theft of funds and grafts in which funds are redirected to corrupt individuals, can result in trade infrastructure projects never being built or not being built properly due to a lack of funds, which could result in delays in trade good transportation. In terms of unemployment, this could also pose an issue to countries in ongoing conflict where large amounts of their population are fleeing the country as construction employees are necessary in the construction of any sort of transportation infrastructure. Finally, and most often the case, landlocked developing countries face trouble in their attempts to strengthen and expand their ability to trade because they lack the necessary funds to construct any transportation infrastructure to transport trade goods.

Political Issues

One of the biggest challenges for several issues in their ability to conduct trade is shrouded by various political issues. Such issues can include things like tensions with neighbors, territorial disputes, sanctions, and armed conflicts. For example, countries deciding to close their borders or sanction a country because of political disagreements with it, something that would limit the targeted country's trading capabilities. Moreover, internal conflict can also be a reason for a country to be cut off from the global marketplace as such conflict may lead to a rise in terrorism, stoking fears, or create risks that prevent trade shipments from going through. Moreover, armed conflicts make organizations more reluctant to create trade infrastructure development initiatives and projects in countries where they are ongoing due to the risk of any new infrastructure being damaged, destroyed, or not being prioritized and thus not maintained and simply going to waste.

Effects of Trade Bottlenecks on the Economy

The formation of trade bottlenecks for any country, let alone a landlocked developing country, has tremendous effects on the country's economy and population. To start off, trade bottlenecks result in a decrease in import and export of goods. As a result of this, products tend to become more scarce and their prices tend to increase, forcing consumers to pay more for their everyday goods and increasing the cost of living. Moreover, the economy is impacted in the sense that a decline in trade caused by trade bottlenecks results in lower GDP growth and lost revenue, weakening a country's economy. In extreme cases, this can in turn result in wages being lowered and job losses for workers due to severe financial difficulties within the state. Finally, in cases where extreme trade bottlenecks continue for long periods of time, a country's economy can become more isolated from the global market as international trade ceases.

MAJOR COUNTRIES AND ORGANISATIONS INVOLVED

Afghanistan

Afghanistan is one of the most notable LLDCs which suffers from various issues that have led to the creation of serious trade bottlenecks for the country. Afghanistan is one of the most mountainous countries in the world, with approximately 75% of its landmass being mountainous.¹⁵ As a result of this, the transportation of goods to conduct trade can be quite difficult due to the rugged terrain. Moreover, Afghanistan has been long plagued by devastating internal conflict for the past couple of decades, making it even more difficult for the country to conduct international trade. Specifically, Afghanistan has been in 7 armed conflicts in the past 5 decades which have had disastrous consequences for the country.¹⁶ This is as the Soviet Afghan war that lasted from 1979 to 1989 paired with the US led intervention in Afghanistan from 2001 to 2021 have resulted in the deaths of more than 3 million Afghans and millions more displaced. In addition, millions of dollars worth of infrastructure have been damaged and destroyed during the intervention in Afghanistan, leaving the country with even less infrastructure to transport goods¹⁷. The remaining infrastructure that the country has is also quite outdated and inadequate. Thus, following the 2021 takeover of Afghanistan by the Taliban and the proclamation of the Islamic Emirate of Afghanistan, the Taliban

¹⁵ "Most Mountainous Countries 2024." *World Population Review*, <https://worldpopulationreview.com/country-rankings/most-mountainous-countries>. Accessed 04 Sept. 2024.

¹⁶ "Afghanistan War." *Encyclopædia Britannica*, Encyclopædia Britannica, inc., 29 Aug. 2024, www.britannica.com/event/Afghanistan-War.

¹⁷ Erin Cunningham, The Washington Post. "The US Spent Billions Building Roads in Afghanistan. Now Many of Them Are beyond Repair." *Anchorage Daily News*, Anchorage Daily News, 31 Oct. 2016, www.adn.com/nation-world/2016/10/31/the-us-spent-billions-building-roads-in-afghanistan-now-many-of-the-m-are-beyond-repair/.

have planned various infrastructure projects to improve the country in the sectors of infrastructure, health, energy and transportation¹⁸. An example of this is the Trans-Afghanistan railway project, an initiative by the Afghan, Pakistani, and Uzbek governments to create railway networks between the countries to help in the transportation of goods¹⁹. Finally, most of Afghanistan's longest border, that being the border with Pakistan, has been almost entirely fenced off by Pakistan in order to prevent skirmishes, terrorism, and arms and drug trafficking, something that also makes conducting trade between the two countries a lot more difficult²⁰.

Bhutan

Bhutan is a small nation that has experienced several issues with the transportation of trade goods as it is one of the most geographically difficult countries in the world to transport goods in as a result of the fact that it is the most mountainous country in the world with mountainous terrain covering approximately 98.8% of the country's total land area.²¹ Thus, the country has invested quite a lot into road infrastructure to try to overcome this issue and transport goods through its difficult terrain, helping ease trade good transportation bottlenecks. Due to transportation on the ground being difficult, Bhutan has also utilized its airports for international trade good transportation, the most notable example being the Gelephu Airport which is near the border with India is a great hub for cross-border trade²². Finally, Bhutan has sought to achieve strong relations with its neighboring country of India, which is also Bhutan's leading trade partner. As such, Bhutan has signed multiple trade agreements with India making trade with the country easier and as part of this, duty-free transit of Bhutanese goods is allowed through Indian territory. Thus, it can be concluded that Bhutan greatly relies on India for its international trade and in recent years has greatly developed and attempted to overcome the economic issues presented by its landlocked status.

¹⁸ "Taliban's Focus on Infrastructure Development." *Taliban's Focus on Infrastructure Development | Manohar Parrikar Institute for Defence Studies and Analyses*, www.idsa.in/idsacomments/Talibans-Focus-on-Infrastructure-Development-SUpadhyay-190224. Accessed 4 Sept. 2024.

¹⁹ "Pakistan, Uzbekistan Commit to Early Rail Line with Afghanistan." *Anadolu Ajansi*, www.aa.com.tr/en/asia-pacific/pakistan-uzbekistan-commit-to-early-rail-line-with-afghanistan/3213191#:~:text=The%20joint%20protocol%20for%20the,tons%20a%20year%20by%202030. Accessed 4 Sept. 2024.

²⁰ Basit, Abdul. "Pakistan-Afghanistan Border Fence, a Step in the Right Direction." *Al Jazeera*, 25 Feb. 2021, www.aljazeera.com/amp/opinions/2021/2/25/the-pak-afghan-border-fence-is-a-step-in-the-right-direction. Accessed 04 Sept. 2024.

²¹ "Most Mountainous Countries 2024." *World Population Review*, <https://worldpopulationreview.com/country-rankings/most-mountainous-countries>. Accessed 04 Sept. 2024.

²² "All Airports." *Paro International Airport (Bhutan)*, [www.paroairport.com/airport/all-airport#:~:text=Gelephu%20Airport%20\(GLU\)&text=Gelephu%20is%20situated%20in%20southern,International%20Airport%20and%20Bathpalathang%20Airport](http://www.paroairport.com/airport/all-airport#:~:text=Gelephu%20Airport%20(GLU)&text=Gelephu%20is%20situated%20in%20southern,International%20Airport%20and%20Bathpalathang%20Airport). Accessed 04 Sept. 2024.

Ethiopia

Being situated on the Horn of Africa, Ethiopia has had coastal access for quite a lot of its history. Following Ethiopia's defeat in the Eritrean War of Independence on May 24th of 1991 however, Ethiopia had lost Eritrea, its only coastal territory, and thus became landlocked. Moreover, being plagued by ethnic conflicts²³ from all of its major ethnic groups and experiencing a regime change through the 1991 Fall of the Democratic People's Republic of Ethiopia resulted in the country experiencing new difficulties in its trade sector. The loss of Eritrean coastal ports has left Ethiopia quite vulnerable as it now needs to negotiate with its neighboring states to conduct maritime trade. In addition to this, Ethiopia is a country that is plagued with conflict, being involved in 9 armed conflicts in the past 2 decades. As a result of this, a lot of infrastructure in the country has been damaged or destroyed and the country's government does not have full control over the entire country, resulting in them being unable to properly conduct trade in various regions. As such, the Ethiopian government has attempted to recapture settlements and territories not under their control, often in ways that result in grave human rights violations and war crimes, and has also attempted to improve its economy and develop infrastructure. In this effort, Ethiopia has dedicated more funds to the construction of transport infrastructure²⁴ and has also joined BRICS (an intergovernmental organization consisting of various emerging countries, which aims at strengthening their economies and cooperation on global issues.). Ethiopia benefits quite significantly from its BRICS membership as it gives the country access to a larger trade market as well as partners it can rely on in helping construct infrastructure, those notably being India and China which have made great investments in the country. Finally, Ethiopia is also trying to bypass its landlocked status and further ease its trade bottlenecks by using foreign ports to transport their goods. Such examples include the ports of Djibouti and Sudan, both of which are neighboring countries of Ethiopia. In addition to this, Ethiopia now seeks to have more direct coastal access. It is attempting to do this through negotiations with the unrecognized state of Somaliland as seen through the signing of the 2024 Ethiopia–Somaliland memorandum of understanding, an agreement that would grant Ethiopia a lease of 19 kilometers of coastline in Somaliland and in return Ethiopia

²³ "Conflict in Ethiopia | Global Conflict Tracker." *Council on Foreign Relations*, www.cfr.org/global-conflict-tracker/conflict/conflict-ethiopia. Accessed 04 Sept. 2024.

²⁴ "Ethiopia Construction Industry Report 2024: Output to Register an AAGR of 8.9% during 2025-2028, Supported by Investments in Infrastructure, Energy, and Mining Sectors." *Yahoo! Finance*, Yahoo!, 29 July 2024, finance.yahoo.com/news/ethiopia-construction-industry-report-2024-092400058.html?guccounter=1&guce_referrer=aHR0cHM6Ly93d3cuZ29vZ2xlLmNvbS8&guce_referrer_sig=AQAAAClr8H6FOPQBhqDHCzqu-eepAZuG34eed7eBprQwtpQBz8Ala5600OeYl8eizGGXHWaOcXQ_pjTSviXcJ3H9k20_5B_5xTiHlqeUMfezNfsSLU8y3oY70m16l08srN8NYuYYjdeclBWB5MKbDJfgSY-XS34TXNJ2oGu-QOPWBrF. Accessed 04 Sept. 2024. .

would recognize Somaliland's independence in the future.²⁵ This would thus present Ethiopia with a great opportunity to construct a port on this territory to then conduct international trade on its own accord.

The World Trade Organization (WTO)

The World Trade Organization, being an international organization with the aim of regulating and facilitating international trade, has made significant efforts to combat the trade bottlenecks faced by landlocked developing countries. As part of this effort, the World Trade Organization has convinced over two thirds of its member states²⁶, including a lot of landlocked developed countries, to sign an international agreement known as the Trade Facilitation Agreement (TFA). The Trade Facilitation Agreement, which was adopted in 2013, aims to accelerate the movement and clearance of goods in trade aka facilitate trade. This is set to happen through provisions within this agreement calling for the simplification of custom procedures to reduce transportation delays as well as more transparency in regards to customs procedures, again with the aim of using that information to facilitate trade.²⁷ Finally, in addition to there being many other world trade organization agreements that aim to facilitate trade through the taking of certain measures, the world trade organization has initiatives of its own which focus on developing and building countries' trade capacity and infrastructure. An example being the Aid for Trade initiative which helps fund developing countries to build the necessary infrastructure to help facilitate trade.²⁸

World Bank

The World Bank has greatly contributed to the effort of resolving the trade bottlenecks faced by landlocked developing countries through funding various projects and initiatives to assist in the improvement of infrastructure and to enhance trade facilitation. As such, the world bank has funded projects such as the Northern Corridor, a East African initiative which aims at connecting the landlocked developing countries of Uganda, Rwanda, and Burundi to the Kenyan coastal port of Mombasa through the creation of railway systems, roads, pipelines, and inland water transport systems. This is done with the aim of significantly improving the transportation of goods from several

²⁵ Šturdík, Stanislav "Ethiopia-Somaliland Memorandum of Understanding: Impact on Regional Security - Security Outlines." *Security Outlines - Česko-Slovenský Portál o Bezpečnosti*, 29 Apr. 2024, www.securityoutlines.cz/ethiopia-somaliland-memorandum-of-understanding-impact-on-regional-security/. Accessed 04 Sept. 2024.

²⁶ "Member Profiles." *TFAD*, www.tfadatabase.org/en/members. Accessed 04 Sept. 2024.

²⁷ "World Trade Organization." *WTO*, www.wto.org/english/tratop_e/tradfa_e/tradfatheagreement_e.htm. Accessed 04 Sept. 2024.

²⁸ "Aid for Trade - Gateway." *WTO*, www.wto.org/english/tratop_e/devel_e/a4t_e/aid4trade_e.htm. Accessed 04 Sept. 2024.

African landlocked developing countries to the coastal port of Mombasa for the purpose of maritime and international trade. As vast parts of Africa are underdeveloped and lacking the necessary infrastructure to transport a lot of goods, this initiative that is backed by the world bank presents a great opportunity to help facilitate trade in the region and also reduce current trade bottlenecks²⁹. This is as new transportation methods to transport goods to their endpoint in the coastal port of Mombasa would reduce delays in land ports and also accelerate the transportation of goods. Finally, in addition to granting financial support to infrastructure developing initiatives, the world bank also supports certain custom reforms in countries with the aim of helping facilitate trade.^{30 31}

TIMELINE OF EVENTS

Date	Description of Event
30 December 1964	The United Nations Conference on Trade and Development (UNCTAD) was established, which focuses on promoting the interests of developing countries in world trade by advocating for fairer trade policies, advocating for developing countries' interests, and encouraging regional integration.
10 December 1982	The United Nations Convention on the Law of the Sea (UNCLOS) was adopted, which includes provisions for transit rights of landlocked countries.
1 January 1995	The World Trade Organization (WTO) was established, which provided a platform for negotiating trade agreements and settling disputes.
2003	The Almaty Programme of Action was adopted at the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries in Almaty, Kazakhstan, aiming to

²⁹ "Development Projects: Northern Corridor Transport Improvement Project." *World Bank*, projects.worldbank.org/en/projects-operations/project-detail/P082615. Accessed 04 Sept. 2024.

³⁰ *Trade Facilitation Agenda*, www.worldbank.org/content/dam/Worldbank/document/Trade/Trade_Facilitation_brochure_WEB.pdf. Accessed 04 Sept. 2024.

³¹ Arvanitis, Yannis, and Gael Raballand. *Customs Reform in Developing Countries – Time for a Rethink?*, documents1.worldbank.org/curated/en/099058205082321364/pdf/IDU0fc1367f6055f0044e209adb06163ad425687.pdf. Accessed 04 Sept. 2024.

	address the needs of LLDCs in improving trade facilitation and transit transportation.
2014	The Vienna Programme of Action (VPoA) was adopted by the UN in 2014 as a ten-year plan to promote the development of LLDCs.
March 21, 2018	The African Continental Free Trade Area (AfCFTA) was signed, a free trade area which aims to facilitate trade through various methods.

UN INVOLVEMENT: RELEVANT RESOLUTIONS, TREATIES AND EVENTS

The United Nations Conference on Trade and Development (UNCTAD)

The United Nations Conference on Trade and Development (UNCTAD) is a UN intergovernmental organization that was formed on December 30th, 1964 with the primary objective of promoting the interests of developing countries in world trade, a category which landlocked developing countries fall under. Unlike other international trade organizations, the United Nations Conference on Trade and Development specifically focuses on developing countries and provides a forum where they can address problems related to their economic development³². As part of the effort to help facilitate trade and make it easier for landlocked developing countries, UNCTAD implemented the "Generalized System of Preferences" a tariff system that offers concessions to the exports of developing countries, helping developing countries with lower GDPs conduct trade more easily³³. Finally, it works to achieve its goal of helping developing countries in all aspects of trade, with the goal of strengthening global trade in mind, through providing policy recommendations, assisting in the implementation of international trade measures of developing countries, promoting the developing on transportation infrastructure, and supporting landlocked developing countries in negotiating regional trade agreements.

The United Nations Convention on the Law of the Sea (UNCLOS)

The United Nations Convention on the Law of the Sea (UNCLOS), which was signed on December 10th, 1982, is an international treaty that established certain legal frameworks for

³² "About UN Trade and Development (UNCTAD)." *UNCTAD*, unctad.org/about. Accessed 04 Sept. 2024.

³³ "Generalized System of Preferences." *UNCTAD*, unctad.org/topic/trade-agreements/generalized-system-of-preferences. Accessed 04 Sept. 2024.

maritime activities.³⁴ Though this treaty mainly focuses on the activities of countries with coastlines in regards to mainly Exclusive Economic Zones (EEZ) and territorial waters, there are several provisions regarding landlocked states. As part of this treaty, several provisions are included in which landlocked states are given certain rights such as the right of access to and from the sea, without taxation of traffic through transit states. This is greatly beneficial to landlocked developing countries as it makes it easier for them to conduct maritime trade through transit states by guaranteeing their access to the sea. Though this doesn't quite ease trade bottlenecks for landlocked developing countries, the treaty is important in cementing landlocked states' rights in maritime activities so that they can at least have the right to conduct maritime trade.

PREVIOUS ATTEMPTS TO SOLVE THE ISSUE

Trans-African Highway

In an effort to solve the issue of landlocked developing countries facing trade bottlenecks, numerous infrastructure development projects have been launched with the aim of improving transportation infrastructure to help ease such bottlenecks in trade. Such projects include the Central Corridor, the Trans-Saharan Road Corridor, and the Trans-African Highway network. Infrastructure development projects are one of the main ways in which trade bottlenecks can be overcome as improvement in transportation infrastructure such as roads, railways, and ports can accelerate the transportation of trade goods, thus reducing delays. In addition, the existence of more than one form of trade goods transportation also ensures the continuation of the transportation of goods if one such system is damaged or not working due to certain circumstances, thus preventing the creation of more trade bottlenecks. The Trans-African Highway network is an example of a transportation infrastructure development project as it is a multilateral transcontinental project aiming to develop road infrastructure in the African continent in a way that also promotes regional cooperation. The specific road infrastructure that this network aims to achieve would go through most African countries, including many landlocked developing countries, and thus give them the opportunity to transport trade goods through it to conduct regional trade as well as to reach the international market.³⁵

³⁴ *United Nations Convention on the Law of the Sea*, www.un.org/depts/los/convention_agreements/texts/unclos/unclos_e.pdf. Accessed 04 Sept. 2024.

³⁵ Agyei-Boakye, Oforiwa Pee. "Transafrica Highway, the next Transport Project of the Century?" *Transport Africa*, 10 July 2022, www.transportafrica.org/transafrica-highway-the-next-transport-project-of-the-century/.

Programme for Infrastructure Development in Africa (PIDA)

The Programme for Infrastructure Development in Africa (PIDA) is an initiative launched in July of 2010 and endorsed by the African Union Summit in January 2012 which aims to improve infrastructure across the entire African continent. As part of this initiative, various infrastructure development projects have been launched in fields such as energy, transport, cross-border water and information and communication technologies.³⁶ An example of this being the Dakar - Bamako Standard Gauge Railway which falls under the field of transportation and aims to help ease trade bottlenecks faced by the landlocked country of Mali through the creation of a railway linking it to the coastal Senegalese city of Dakar³⁷. Such a railway would allow goods from the landlocked developing country of Mali to be transported to Senegal where they could then be used in maritime and international trade. Such a project would help ease trade bottlenecks for the country as it would give Mali a point from which it can both import and export goods to and from the international market with faster transportation and less delays due to the fact that a new transportation method would be opened and thus more goods can be transported through it instead of being left in storage. Finally, this is just one of the many initiatives launched by the programme for infrastructure development in Africa that aim to benefit all African countries, including both landlocked and coastal countries, with the ultimate goal of developing infrastructure in Africa and strengthening trade capabilities.

African Continental Free Trade Area (AfCFTA)

Another attempt to help alleviate the issue of trade bottlenecks faced by landlocked developing countries in the African continent was recently launched through the signing of the African Continental Free Trade Area (AfCFTA). The African Continental Free Trade Area, which was signed on March 21, 2018 is a free trade area agreement ratified by a majority of African states and brokered by the African Union (AU). This is also the largest free trade area after the World Trade Organization in the number of member states as well as population and geographic size. The aim of this agreement is to create a single African continental market for goods and services as well as promote infrastructure development, expedite regional integration processes, and contribute to the movement of capital and natural resources.³⁸ As such, the African continental free trade area seeks a 90% tariff liberalisation/removal of goods within the African continent as well as to improve trade

³⁶ *Programme for Infrastructure Development in Africa (PIDA) | African Development Bank Group*, www.afdb.org/en/topics-and-sectors/initiatives-partnerships/programme-for-infrastructure-development-in-africa-pida. Accessed 04 Sept. 2024.

³⁷ "Dakar - Bamako Standard Gauge Railway (Senegal Section)." *VPIC* -, 12 Aug. 2019, www.au-pida.org/view-project/939/. Accessed 04 Sept. 2024.

³⁸ "The African Continental Free Trade Area." *The African Continental Free Trade Area | African Union*, au.int/en/african-continental-free-trade-area. Accessed 04 Sept. 2024.

infrastructure. Moreover, the organization aims at also creating a pan-African payment with the aim of instilling confidence in the system. It has also been estimated by the World Bank that the organization could generate \$450 billion in income by 2035.³⁹ In addition to the organization's goals and aims for the future through regional cooperation, it has already taken quite some action on its own to help achieve their goals. An example being the Guided Trade Initiative (GTI), an initiative in which its member states are selected to start trading various goods under AfCFTA provisions to promote regional trade and trust as well as enhance trade readiness and give the opportunity to address any encountered challenges.

POSSIBLE SOLUTIONS

Simplifying Customs Procedures

A possible solution to alleviate the issue of landlocked developing nations facing trade bottlenecks could be with the simplification of customs procedures. The main way in which this would be beneficial is that it would reduce the trade bottlenecks faced by landlocked developing countries. This is as many of the trade goods delays faced by landlocked developing countries are often caused by complicated customs procedures between the landlocked developing countries and transit states. Therefore, the simplification of such customs procedures through the removal of any such procedures that may be deemed unnecessary, such as certain overly complex documentation requirements and excessive border checks, would accelerate the speed at which the transportation of goods occurs.⁴⁰ Finally, in addition to the transportation of goods through customs becoming faster, things like reduced custom costs and increased goods volumes through customs would also greatly benefit landlocked developing nations as they would be able to make bigger profits from trade, which they could then use to benefit their own economies and further develop themselves.

Boosting Digital Trade

Boosting digital trade is another possible solution to help landlocked developing countries in the field of trade that would bypass the traditional trade bottlenecks faced by them during trade good transportation. For the most part, trade in the world consists of the buying and selling of physical trade goods such as raw materials, food, and resources. Digital trade however, is based

³⁹ "The African Continental Free Trade Area." *World Bank*, World Bank Group, 27 July 2020, www.worldbank.org/en/topic/trade/publication/the-african-continental-free-trade-area. Accessed 04 Sept. 2024.

⁴⁰ Newbould, Bee. "What the SCDP!" *Customs Support*, 9 Feb. 2023, www.customssupport.co.uk/insights/what-scdp.

around the buying and selling of digital goods.⁴¹ Such goods include things like software, video games, music, and videos. A great upside with digital commerce is that it does not require any sort of transportation infrastructure to be conducted and thus doesn't face any sort of transportation delays such as those faced by landlocked developing countries. In addition, the creation of new streams of revenue for landlocked developing countries would be greatly beneficial in the sense that these countries which lack many funds would be making additional profit that they could then use to further develop themselves. Finally, this also opens these countries up to the digital global marketplace where such digital products can be easily sold on the internet almost instantaneously once a buyer is found, thus being both quick and effective.

Coastal Port Leases

Another possible solution to ease trade bottlenecks for landlocked developing countries would be for them to negotiate bilateral agreements with nearby states in the same region as them with coastal access on coastal port leases.⁴² Coastal port leases are not a new practice, though they are traditionally agreed upon due to pressure from more significant world powers and thus more often than not are in relation to geostrategic importance rather than trade. Nevertheless, their importance in the trade world would be just as important for landlocked developing countries. This is as coastal port leases would give landlocked developing countries direct access to the sea so that they can freely conduct maritime trade once trade goods are transported from their country of origin to the leased port. Thus, though the land transportation trade bottlenecks may remain unsolved with this proposal, the issue of reaching the international marketplace through maritime trade is solved in a way that benefits both landlocked developing countries and transit states who lease their ports, in the form of financial compensation.

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⁴¹ "Digital Trade." World Economic Forum, www.weforum.org/projects/digital-trade/. Accessed 22 Sept. 2024.

⁴² Ronen, Yael. "Territory, Lease." *Oxford Public International Law*, Nov. 2019, opil.ouplaw.com/display/10.1093/law:epil/9780199231690/law-9780199231690-e1120.

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