



Ministerial Transport Conference of Landlocked Developing Countries

“Ashgabat Process: Financing for Better Connectivity”

15 and 16 August 2022
Turkmenbashi, Turkmenistan,

Opening Session,

Speech by Dr. Kunio Mikuriya, WCO Secretary General

Excellencies, distinguished participants,

Ladies and Gentlemen,

1. It is a great pleasure and honour for me to address the Ministerial Transport Conference of Landlocked Developing Countries (LLDC) in Turkmenistan, and I would like to express my most sincere thanks to the Government of Turkmenistan and the United Nations (UN) for inviting me to participate in this important gathering that prepares in preparation for the Third UN Conference on LLDCs.
2. The World Customs Organization (WCO) has been contributing to LLDCs' matters from the outset, as it believes that LLDCs should be the main beneficiaries of trade and transport facilitation efforts.
3. I remember addressing the First UN Conference on LLDCs held in Almaty, Kazakhstan back in 2003, where I stressed the importance of using international standards, such as the WCO's "International Convention for Simplification and Harmonization of Customs Procedures," known as the Revised Kyoto Convention or RKC, to enhance connectivity at borders.
4. Our vision is: "Borders divide, Customs connects". To this end, the WCO develops standards for Customs procedures, promotes Customs cooperation and provides capacity building support to Member Customs.
5. In this way, we support Customs in ensuring revenue collection, trade facilitation and protection of borders from illicit trade.

6. Transport ministers would naturally be interested in transport infrastructure and its associated financing.
7. However, Customs procedures represent soft infrastructure, and efficient and harmonized border procedures are crucial to support the hard infrastructure at the borders.
8. To support LLDCs, I visited the Central Asian countries in 2019 before the pandemic and had the pleasure of meeting the then President of Turkmenistan who expressed his aspiration to an open-door policy.
9. As a result of leaders' strong political will, Turkmenistan and all other Central Asian countries have completed the accession to the RKC by the end of 2021 to facilitate trade and transport at borders.
10. At the Second UN Conference on LLDCs held in Vienna in 2014, pledging that the WCO would remain committed to supporting LLDCs, I launched the WCO Transit Handbook as a concrete example.
11. Support for the implementation of the Vienna Programme of Action or VPoA is natural for the WCO, as all 32 LLDCs are its Members.
12. Since 2014, progress has been made, as evidenced by the increase in the number of Contracting Parties to the RKC from 15 to 23, including Central Asia as I mentioned, reaching 72% of LLDCs.
13. In addition to the RKC provisions on Customs transit and the Transit Handbook, the WCO developed the Transit Guidelines in 2017 and the Compendium of best practices in the area of transit in 2020.
14. The Transit Guidelines answer the question HOW to implement efficient and effective transit regimes.
15. The Compendium of best practices in the area of transit illustrates in practical terms how individual Members have implemented the guiding principles for efficient and effective transit regimes outlined in the Transit Guidelines.
16. It contains a total number of 34 good practices, such as the Regional Electronic Cargo Tracking System deployed in Uganda, Kenya, Rwanda and the DRC and the initiative for the interconnectivity of Customs IT systems in West Africa.
17. These are also relevant measures to mitigate the ill effects of the COVID-19 pandemic and more generally any other public health emergency or natural disaster by promoting paperless trade.
18. As these examples show, the WCO provides support not only in transit policy area, but also in the area of deployment of technologies, including Information and Communication Technologies, which are closely related to transport infrastructure.

19. The WCO has continued to work on various aspects of transit and recently launched its Railway Guidance, which is aimed at harmonizing the Customs procedures in railway transportation.
20. We are investing efforts in developing a harmonized dataset for Customs transit by rail, based on the WCO Data Model.
21. In terms of capacity building, the WCO's priority has been to provide support to Customs Members for the implementation of the WTO Trade Facilitation Agreement (TFA).
22. According to the Communication from the group of LLDCs, they are still lagging behind in the implementation of a number of TFA articles, with implementation rates below 40%.
23. Therefore, the WCO continues to provide capacity building support to LLDCs by making available its instruments and expertise in various areas of the TFA through the WCO Mercator Programme.
24. Let me turn to some of the WCO focus areas, which are certainly relevant to LLDCs.
25. With the digitalization of economy, we have more access to data, including those related to border-crossing that Customs collects from traders and Customs seizure records on illicit trade that poses health and security risks.
26. Therefore, the WCO has launched the Data Strategy this year, as we consider it necessary to provide useful information to governments and business through data analysis.
27. One existing example is Time Release Study (TRS), which allows Customs and its partners to identify bottlenecks at borders and ways to reduce delays by analyzing data on the time it takes at each step of the procedures.
28. The WCO recommends the implementation of TRS along the transit corridor of LLDCs, inviting other government agencies and the private sector to join in, as they potentially contribute to untangling delays and hold the key to improvement.
29. Likewise, the WCO has been working on how best to manage risks of e-commerce that has recently shown exponential growth, but the solution should come from collecting and analyzing advance electronic data from the relevant businesses and the use of technology.
30. Another focus area is how best Customs could contribute to Sustainable Development Goals (SDGs) by greening supply chains, including controlling environmentally hazardous goods and supporting the circular economy.
31. As the implementation of international standards and the use of technology depend on human resources, the WCO's capacity building support increasingly focuses on Customs institutional development, including gender equality and diversity.

32. These new focus areas and the lessons learned from the implementation of the Vienna Programme of Action for the LLDCs (VPoA) would form the basis for reviewing and renewing the framework for international support for LLDCs.

33. The WCO is committed to join its partners present here to support LLDCs in line with the SDGs and beyond.

Thank you for your attention.
