

**PRESENTATION ON THE INTERNATIONAL LLDC THINK TANK**  
**Mr. Suren Badral, Interim Director**

Ulaanbaatar, 29 September 2009

**Background**

In 1776, Adam Smith observed that the inland parts of Africa and Asia were the least economically developed areas of the world.<sup>1</sup>

Much later today we can still see a stark picture for most of the landlocked developing countries.

Many seem to have found the generic answer to question: why? Landlockedness. Well, if this was such a simple, the remedy would have been also easy. But, it is not simple. It is more complicated.

The LLDCs have been looking for solutions that would help overcome the difficulties caused by their inherent development handicap. Since the physical and historic realities could not be changed, the only remedy, naturally, lies in human-induced policy measures.

Policy measures of not only the LLDCs themselves, but also of the transit countries and bilateral and multilateral donors. Not only individual measures, but also collective actions of the international community.

Until recently, the challenges faced by the LLDCs were largely ignored. There were no collective response.

That was changed by the Almaty Declaration and the Program of Action of 2003. This was the first time the United Nations family did acknowledge seriously the needs to address the LLDC issues internationally.

**Mongolia' Initiative**

Mongolia was one of the pioneers to organize and lead the Group of Landlocked Developing Countries in New York since 1994. The Group has carried out numerous important activities to mobilize political support and raise awareness at the United Nations.

The idea of a need to improve the analytical capability of the LLDCs through establishing an international think tank was first presented by the President of Mongolia<sup>2</sup> at the First Summit of the LLDCs in Habana in 2006.

The idea was further developed in his speech at the LLDC Trade Ministers' Meeting in Ulaanbaatar in 2007 which specifically invited to set up the Think Tank in Ulaanbaatar.

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<sup>1</sup> *The Challenges Facing Landlocked Developing Countries*, Michael L. Faye, John W. McArthur, Jeffrey D. Sachs and Thomas Snow; *Journal of Human Development*, Vol.5, No. 1, March 2004

<sup>2</sup> "If we want to maximize the efficiency of our coordinated efforts we should have an excellent analytical capacity. This we believe could be reached through establishing an international think-tank in one of our capitals. Putting such a 'brain' in place we could build optimal strategies on any matter of our interest and avoid duplication of our actions and endeavors".

The following are some important documents in which Mongolia's initiative was welcomed and supported:

1. ***Ulaanbaatar Declaration adopted at the Meeting of Trade Ministers of LLDCs, Ulaanbaatar, 28-29 August 2007***<sup>3</sup>.
2. ***Communiqué of the Seventh Annual Ministerial Meeting of Landlocked Developing Countries (LLDCs), New York, 28 September 2007***<sup>4</sup>.
3. ***LLDCs Ministerial Communiqué, Accra, 22 April 2008 (on the sideline of UNCTAD XII)***<sup>5</sup>.

In addition, Mongolia promoted the idea through a number of multilateral meetings, including the OSCE-Mongolia Conference<sup>6</sup>, the UNCTAD, the ESCAP<sup>7</sup>.

### **Steps Taken**

Thanks to the Almaty Program of Action and the initiative of Mongolia, the proposed Think Tank issue was well received. Mongolia as the initiator took several important steps to mobilize a broad support from the international community. These include:

1. The Midterm Review of the Implementation of the Almaty Program of Action by the General Assembly in 2008 resulted in adopting the Final Outcome Document<sup>8</sup> which incorporated a separate paragraph<sup>9</sup> on the proposed Think Tank.
2. The 65th session of the ESCAP that took place from 23-29 April 2009 unanimously adopted a full-fledged resolution<sup>10</sup> in support of establishing the Think Tank in Ulaanbaatar which we consider a landmark step forward in promoting our initiative.
3. With the UNDP support and funding, a Feasibility Study was carried out by an international consultant to charter the ways and means of establishing the Think Tank.
4. The Government of Mongolia took the formal decision to host the Think Tank in its Resolution #202 of 8 July 2009 which instructed the Minister of Foreign Affairs and

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<sup>3</sup> §22. LLDCs shall consider ***setting up an international think-tank which could be located in Ulaanbaatar***. For this purpose, LLDCs urge international organizations and donor countries to assist them in achieving this endeavor.

<sup>4</sup> §9. We ***welcome the proposal made by the Government of Mongolia to set up in Ulaanbaatar an international think-tank*** to enhance the analytical capability of landlocked developing countries needed for maximizing the efficiency of our coordinated efforts for the effective implementation of the internationally agreed provisions, particularly the Almaty Program of Action and the Millennium Development Goals. For this purpose, ***LLDCs urge the international organizations and donor countries to assist them in achieving this endeavor***.

<sup>5</sup> §9. We call for the successful implementation of the Ulaanbaatar Declaration, adopted at the Meeting of Trade Ministers of the LLDCs in August, 2007, and request the Secretary-General of UNCTAD, in cooperation and consultation with the Office of the High Representative and other relevant United Nations organizations and international agencies, ***to assist in setting up an international think tank***, which will contribute towards addressing the challenges of LLDCs and their integration into the international trading system.

<sup>6</sup> OSCE-Mongolia Conference on Strengthening the Co-operative Security between the OSCE and the Asian Partners for Co-operation, Ulaanbaatar, 12-13 June 2007.

<sup>7</sup> ESCAP Expert Meeting on APA, May 2008; UNCTAD Meeting on APA, July 2008.

<sup>8</sup> UN General Assembly Resolution A/RES/63/2 of 23 October 2008

<sup>9</sup> §26. "Welcome the proposal to set up in Ulaanbaatar an international think tank to enhance the analytical capability of landlocked developing countries needed to maximize the efficiency of our coordinated efforts for the effective implementation of the internationally agreed provisions, particularly the Almaty Programme of Action and the Millennium Development Goals. For this purpose, we urge international organizations and donor countries to assist them in realizing this initiative"

<sup>10</sup> ESCAP Resolution E/ESCAP/65/6 of 25 April 2009

Trade, among others, to launch broad campaign in order to mobilize an international support of political, financial, academic and public nature.

5. During his recent official visit to Mongolia, Secretary-General Ban Ki-Moon together with the Foreign Minister attended the groundbreaking ceremony for establishing the Think Tank in Ulaanbaatar.
6. During the last week's meeting with the President of Mongolia at the UN, the Secretary General again praised Mongolia for this initiative and informed that he had instructed the Secretariat to render full support to the newly established Think Tank.

### **What the Think Tank will do?**

Think tanks can be defined as “public policy research, analysis and engagement institutions that generate policy-oriented research, analysis and advice on domestic and international issues that enable policymakers and the public to make informed decisions about public policy issues. Think tanks may be affiliated or independent institutions and are structured as permanent bodies, not ad hoc commissions. These institutions often act as a bridge between the academic and policymaking communities, serving in the public interest as an independent voice that translates applied and basic research into a language and form that is understandable, reliable, and accessible for policymakers and the public.”<sup>11</sup>

Generally, we foresee that the Think Tank in its full capacity will take research works on the priority areas identified in the Almaty Program of Action:

### **Summary of priorities within Almaty Program of Action<sup>12</sup>**

#### **1. Fundamental transit policy**

A number of areas are prioritised including border issues, international conventions on transport and transit; project financing; and a range of specific actions, including training and public outreach.

#### **2. Infrastructure development and maintenance**

This involves five specific actions: allocating more international support and domestic public investment to financing infrastructure; competition among different transport nodes; constructing ‘missing links’ in the regional and subregional transport network; private sector participation; and public-private partnerships. Specific actions are recommended in the areas of:

- a. Rail transport
- b. Road transport
- c. Ports
- d. Inland waterways
- e. Pipelines
- f. Air transport
- g. Communications

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<sup>11</sup> McGann, J. (2007) *Think Tanks and Policy Advice in the US: Academics, Advisors and Advocates* (Abingdon: Routledge)

<sup>12</sup> Source: [http://www.un.org/special-rep/ohrlls/lldc/Almaty\\_PoA.pdf](http://www.un.org/special-rep/ohrlls/lldc/Almaty_PoA.pdf)

3. International trade and trade facilitation

Amongst other things particular trade facilitation issues surrounding landlockedness are covered, including transactions costs, border measures and special access for LLDC goods. The Doha WTO Ministerial declaration is supported.

4. International support measures

Whilst it is emphasised that LLDCs themselves should remain responsible for achieving the objectives within the Almaty Programme, a large number of areas are recommended for international technical assistance and financial support, ranging from rehabilitation and reconstruction of infrastructure; to helping governments accede to relevant international conventions; to facilitating increased access to bond markets.

5. Implementation and review

Measures are put in place to monitor, evaluate and review the Almaty Programme with the help of the international community.

However, in order to carry out the institutional and capacity building smoothly, we expect that the Think Tank will focus first on only trade issues of the Landlocked Developing Countries which are more relevant and can be more value-added, given the ongoing negotiations at the WTO on Trade Facilitation.

As the Feasibility Study<sup>13</sup> suggests, the Think Tank may have the following key activities:

**The following mission statement is suggested:**

*“Using top-quality research and advocacy the Institute endeavors to improve the ability of landlocked developing countries to benefit from international trade, with the ultimate aim of raising human development and reducing poverty.”*

**Key activities should include:**

1. The production of research and briefings on trade-related issues in LLDCs.
2. Domestic and international advocacy on LLDC and trade-related issues, including the communication of existing research to a domestic and international audience.
3. Promoting the trade-related interests of LLDCs in international forums including the WTO and UN.

The first four of the following short and medium-term goals are directly quantifiable and should occur in the first year:

- During the first year of operations publish at least one in-depth policy paper on a trade-related issue facing Mongolia which has relevance to other LLDCs.
- Compile a summary paper of research on trade and LLDCs.
- Issue and publicise one or more briefings on trade and LLDCs, aimed at a domestic and international non-specialist audience.
- Establish a website and build its content.
- With the assistance of the High Representative for the Least Developed Countries, Landlocked Developing Countries and the Small Island Developing

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<sup>13</sup> PROPOSAL TO LAUNCH THINK TANK ON TRADE AND LANDLOCKED DEVELOPING COUNTRIES (LLDCs) IN ULAANBAATAR, UNDP Mongolia; *Daniel Gay & Haliun Dalantai*

- States (UNOHRRLLS), establish and maintain regular contact with LLDC representatives as well as those of other developing countries.
- Help formulate the interests of LLDCs in international forums, identify priority areas to target at international meetings, and deliver material or advocacy work related to those areas.
  - Establish and maintain relations with the LLDC group of countries at UN headquarters in New York, and with the informal LLDC group of countries at the WTO in Geneva.
  - Establish and develop a network of think tanks, institutes, university researchers and consultants working in related areas.
  - Achieve formal consultative status at the UN Economic and Social Council.

**Long-term goals include the following:**

- Expand, if demand exists, to a fully-fledged research institute with several analysts. Aim to attract visiting professors on a regular basis.
- Publish a series of high-quality papers on trade and landlocked issues, publishing them in peer-reviewed journals or as a book.
- Establish a reputation as the foremost international institution on research and analysis on trade and LLDCs.

**What Benefits?**

1. Maximization of the efficiency of our coordinated efforts for the effective implementation of the internationally agreed provisions, particularly the Almaty Programme of Action and the Millennium Development Goals;
2. Building of optimal strategies on any matter of our interest and avoid duplication of our actions and endeavors;
3. Learning from best practices of the landlocked developed countries;
4. Improving the analytical capability of the landlocked developing countries;
5. Formulation of joint platform for concerted actions of the LLDCs at international fora, including the Trade Facilitation negotiations at the WTO;
6. Campaigning for and raising awareness of challenges faced by the LLDCs;
7. Presenting justifications for establishing by the donor community of a specific pipeline of assistance designed to help the LLDCs in improving their economic competitiveness;
8. Research and identification of transit and transport costs that may be offset by other policy measures at national, bilateral and plurilateral (regional) levels;
9. Analysis of benefits of and capacity building for negotiations by the LLDCs on regional trade agreements (FTA, BIT, etc.);
10. Presenting of portal and digital library of research papers and information on issues of interest to the LLDCs.