

WTO INPUT FOR UN-SG REPORT ON VPOA 2021

1.1 Introduction

Landlocked Developing Countries (LLDCs) face specific challenges to economic development due to remoteness including lack of sea access, distance from international markets, high transit cost amongst others, which also make their exports relatively uncompetitive. The effect of those challenges is sure to be more pronounced in the wake of the COVID-19 global pandemic. Border closures and social distancing measures instituted by governments across the world to combat the pandemic have caused a severe reduction in economic activity, the effect of which is likely to have added to challenges already being faced by LLDCs.

With only 3 years left in the implementation period of the Vienna Programme of Action (VPoA) for LLDCs, the regression the pandemic has brought is a major setback. Consequently, there must be an intensification of efforts from all stakeholders to recover and achieve meaningful progress by 2024. According to UNDESA¹, in 2020, global economy declined by 4.3%, and LLDCs' economies are estimated to contract by 2.4%.

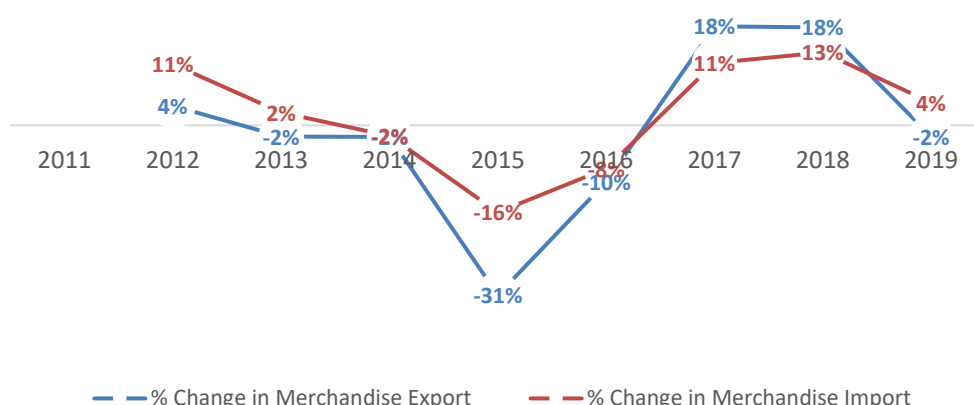
In implementing the VPoA, the WTO has a clear and important role to play – especially regarding Priority 3 on international trade and trade facilitation. The VPoA outlines precise actions that the LLDC themselves, transit countries, and development partners must take to support the economic development of LLDCs. The continuous and full implementation of the WTO's Trade Facilitation Agreement (TFA) is central to ensuring LLDCs can fully participate in the multilateral trading system. More so, Aid for Trade being a key pillar of the TFA is equally critical to LLDCs especially in the wake of the pandemic. This report examines these issues as well as long term trends in trade for LLDCs, the impact of COVID-19, and the status of implementation of priority 3 of the VPoA on international trade and trade facilitation from the WTO perspective.

1.2 Trends in Trade

LLDCs were net exporters of merchandises between 2011 and 2014 exporting as much as \$260 billion in 2014 and importing \$257 billion in the same year. 2015 onward saw the trajectory change with LLDCs becoming net importers of merchandise. In 2019, LLDC's goods trade deficit was \$41 billion, a 35% increase from 2018. Merchandise trade has been very volatile in LLDCs over the past decade (figure 1), with a series of negative swings between 2013 and 2016. Between 2014 and 2015, LLDC exports declined by as much as 31% year-on-year. Export growth slowed between 2018 and 2019 by -2%, which will likely make economic recovery for LLDCs in the wake of the pandemic even steeper. The trend line for LLDCs imports is similar to the export trend; between 2014 and 2016, imports fell by 16%. Equally, import growth slowed between 2018 and 2019 to 4% from a high of 13%.

¹ <https://www.un.org/ohrlls/events/impact-covid-19-landlocked-developing-countries-lldc-and-implications-resilient-recovery>

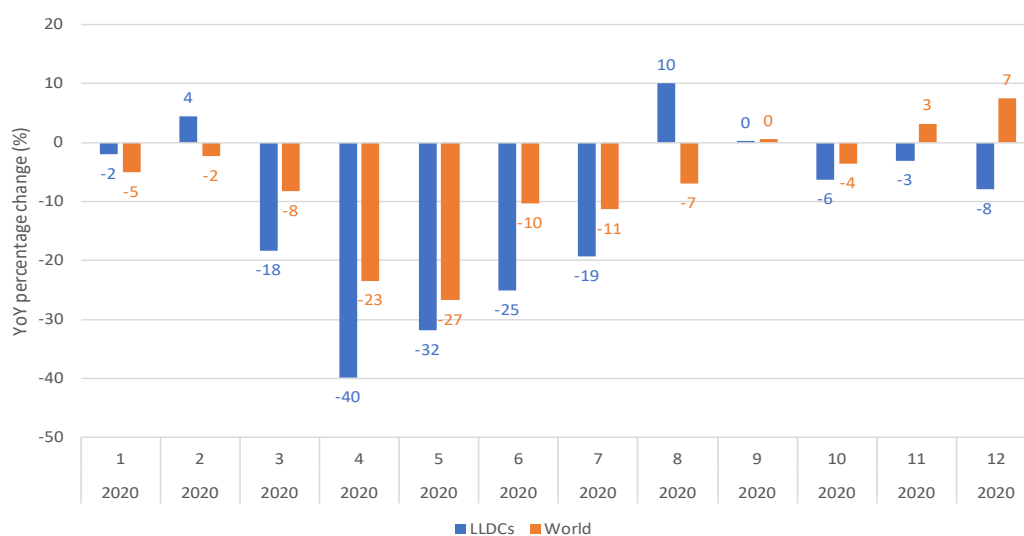
Figure 1: Percentage Change in Merchandise Trade for LLDCs (2011 -2019)



Source: WTO Secretariat

This negative merchandise import and export trends were worsened by the COVID-19 pandemic. As of April 2020 (figure 2), LLDC exports were 40% lower than in April 2019, which is almost twice the COVID-19 induced decline for world exports. As the world trade recovered towards the end of 2020, LLDC exports continue to decline by as much as 8% while global exports grew by 7%.

Figure 2: Monthly evolution of LLDC and World Exports

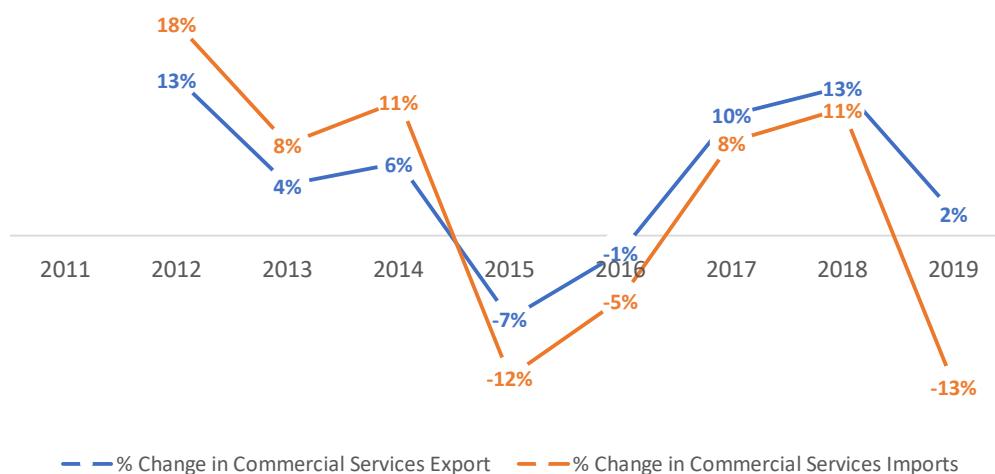


1) Based on the reported partner data of 98 economies for which data were available.

Source: WTO Secretariat, based on data from Trade Data Monitor.

LLDCs commercial services exports and imports have also experienced challenges over the past decade. In 2019, LLDCs commercial services trade deficit was \$11 billion, a 43% reduction from 2018. Commercial services exports for LLDCs have grown steadily since 2011 with a 2019 export value of \$48 billion; services export volatility for LLDCs has been less in comparison to services imports with double digit fluctuations in 2015 and 2019. A year after the launch of the VPoA in 2015, both commercial services import and exports declined by 12% and 7% respectively, with further decline into 2016. Mirroring the trends in merchandise trade, services trade growth slowed between 2018 and 2019 when services imports for LLDCs declined by 13%.

Figure 3: Percentage Change in Commercial Services Trade (2011 - 2019)

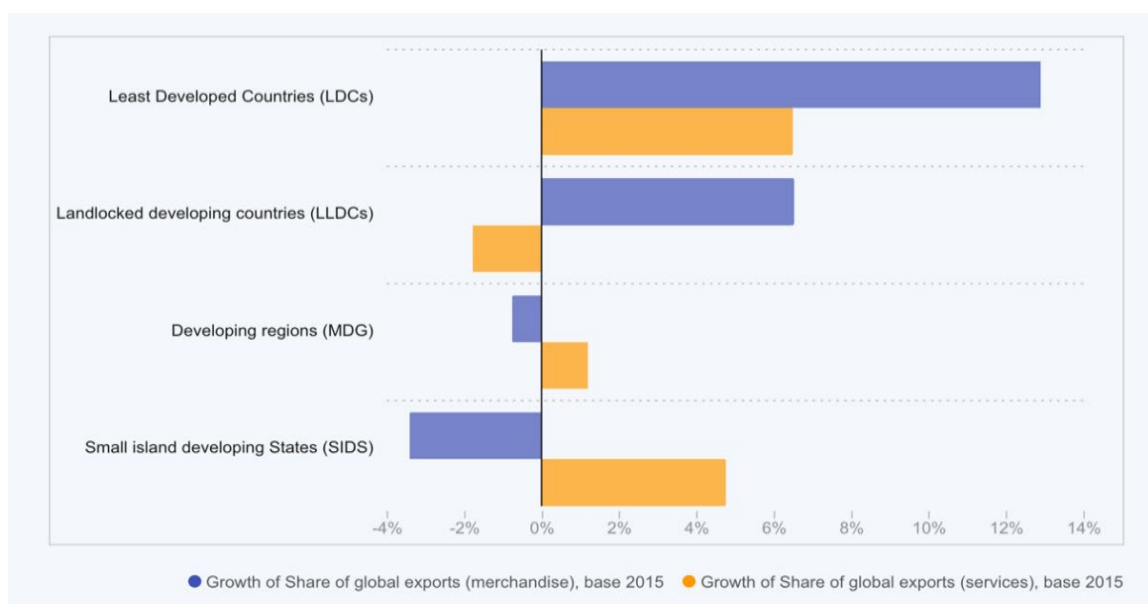


Source: WTO Secretariat

The COVID-19 pandemic poses unforeseen challenges to the multilateral trading system. LLDCs are especially vulnerable to the pandemic's negative effects as they possess relatively weak health and social safety nets, and struggle to mobilize needed resources to address the pandemic and fund a strong and inclusive economic recovery. It is equally concerning that, given the high number of people employed in the informal sector of LLDC economies, COVID-19 containment measures will have a greater economic impact on the population.

In figure 4, we are able to observe that while the share of LLDC merchandise exports has increased by 6% between 2015 and 2019, its services exports has declined over the same period by almost 2%. Increasing LLDCs' global share of exports provides increased revenue from trade as well as helps LLDCs fulfill SDG target 17.11, which calls for the increase of developing countries' share of global exports. The increased revenue from exports growth would afford LLDC governments the fiscal space required to invest in boosting the competitiveness of their respective economies.

Figure 4: Evolution in share of global exports (merchandise) and share of global exports (services)



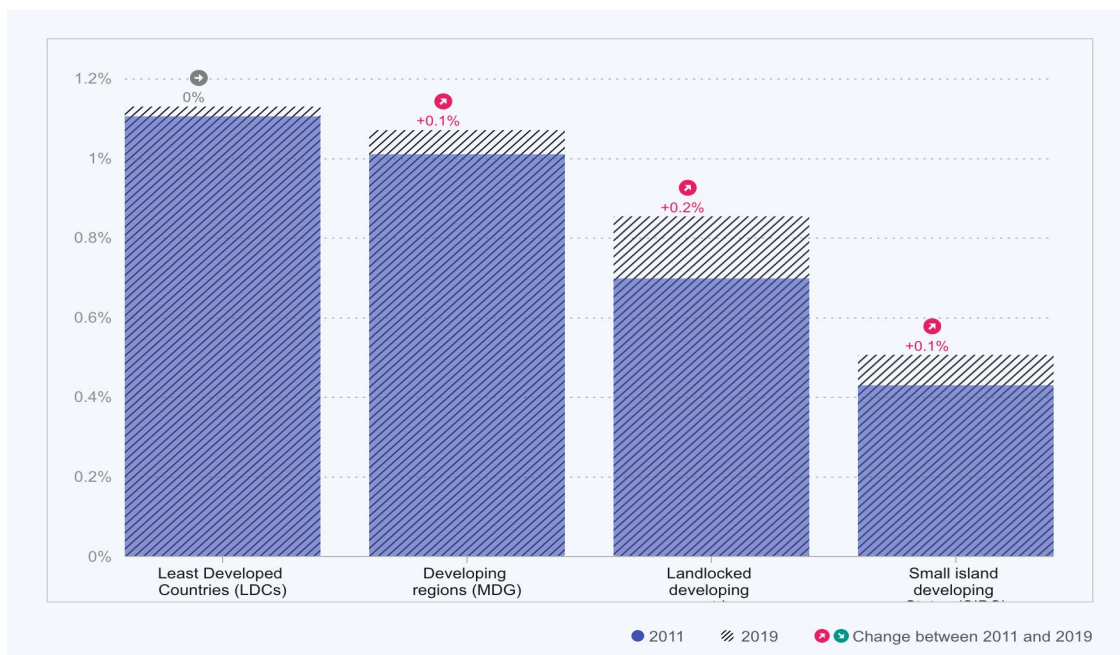
Source: SDG Trade Monitor <https://sdgtrade.org/en>

Unfortunately, LLDCs also present a very low level of diversification of export products. According to UNCTAD's product concentration index,² export products in LLDCs have become less concentrated amongst fewer products and the index value changes from 0.38 in 2011 to 0.27 in 2019. This is compared to values of 0.42 in 2011 to 0.21 in 2019 for LDCs, 0.13 in 2011 to 0.10 for developing countries excluding LDCs, and finally 0.06 in 2011 to 0.07 in 2019 for developed economies. Both LDCs and developing countries have been able to diversify their exports while LLDCs still lag behind.

In boosting the share of developing countries' exports, particularly those of LLDCs, attention must be paid to the level of tariffs faced by their exports in the developed regions of the world. The rationale is that lower tariffs would boost exports thereby increasing much needed revenue. Unfortunately, between 2011 and 2019, tariffs faced by LLDCs exports in developed regions have increased by 0.2%. Even more troubling when compared with tariffs faced by the larger developing regions that saw an increase of just 0.1% over the same period.

² Concentration index, also named Herfindahl-Hirschmann Index (Product HHI), is a measure of the degree of product concentration. The following normalized HHI is used in order to obtain values between 0 and 1. An index value closer to 1 indicates a country's exports or imports are highly concentrated on a few products. On the contrary, values closer to 0 reflect exports or imports are more homogeneously distributed among a series of products.

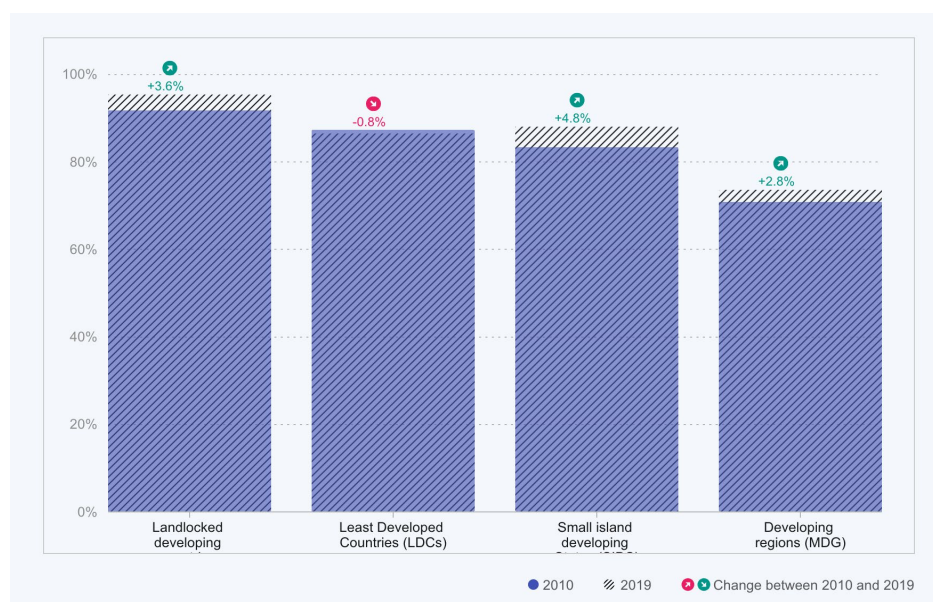
Figure 5: Average tariff faced (incl. preferences) in Developed regions (MDG) on all products



Source: SDG Trade Monitor <https://sdgtrade.org/en>

Even though the percentage of LLDC exports to the developed regions which faced tariff increased in the past decade, we observe from figure 6 that share of exports admitted duty free to developed regions for LLDCs actually increased by 3.6% between 2010 and 2019. Again, the reasoning being that an increased share of exports entering developed regions' market duty free is indicative of expanding economic opportunities for LLDCs.

Figure 6: Share of exports admitted duty free to Developed regions on all products

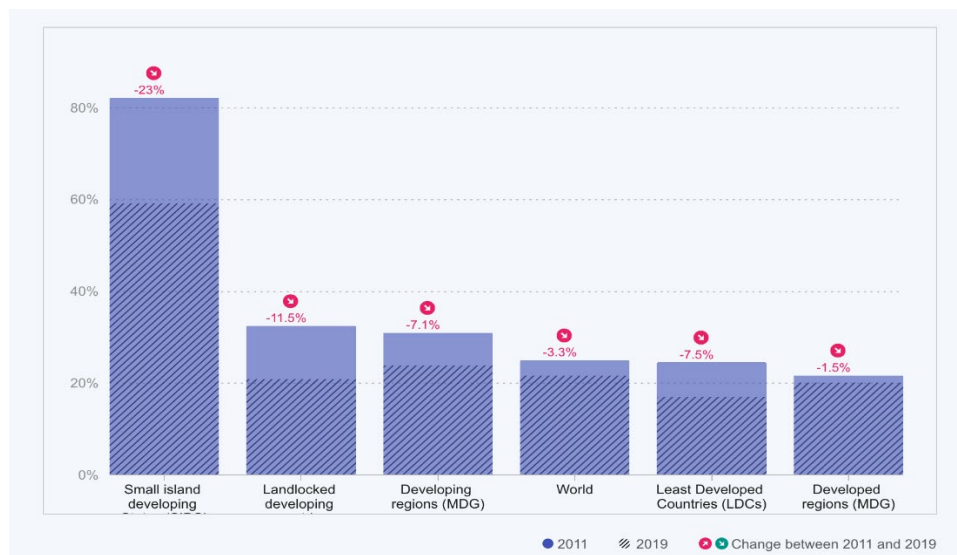


Source: SDG Trade Monitor <https://sdgtrade.org/en>

To show consistency in the effect of the increasing challenges experienced by LLDCs exports, we observe that the share of merchandise exports over GDP for LLDCs have decreased by 11.5% between 2011 and 2019. This is not encouraging as an increase in the share of exports of goods in domestic production is indicative of the significance of trade in the economy. Fortunately, though,

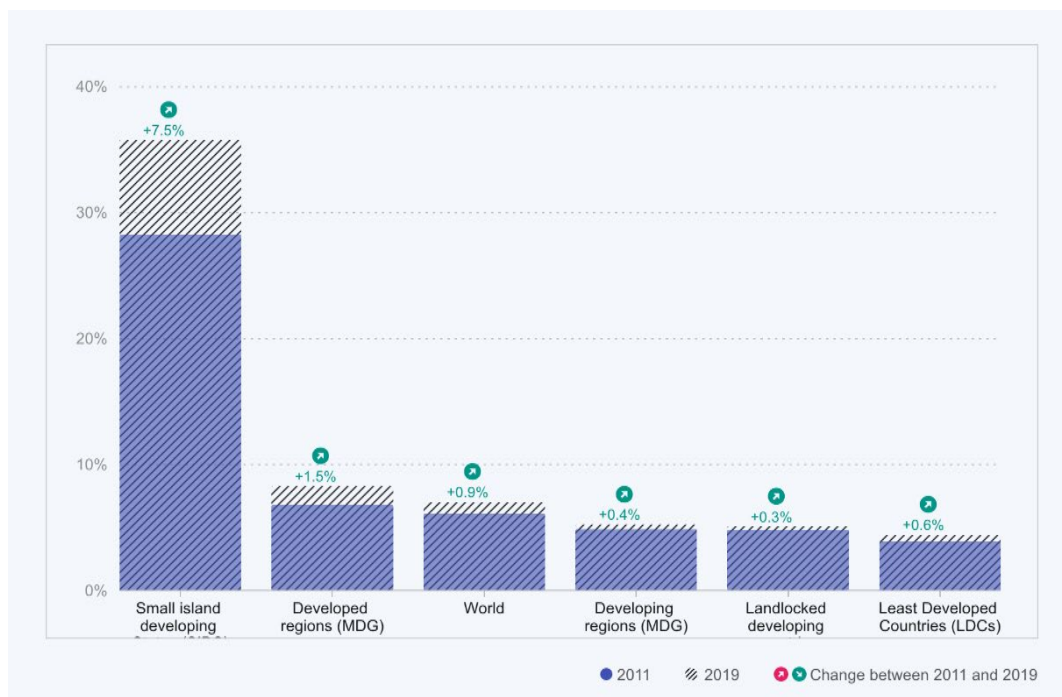
the share of services export over GDP for LLDCs increased by 0.3% between 2011 and 2019 – even though minuscule, the increase is significant in mainstreaming trade into the economic development of LLDCs.

Figure 7: Share of exports (merchandise) over GDP



Source: SDG Trade Monitor <https://sdgtrade.org/en>

Figure 8: Share of exports (services) over GDP



Source: SDG Trade Monitor <https://sdgtrade.org/en>

1.3 Implementation of the Vienna Programme of Action

1.3.1 Trade Facilitation

The Vienna Programme of Action correctly identifies the high transport and trade costs of LLDCs as a key barrier to the pursuit of LLDCs trade potential. As a result, it is of utmost importance to address these costs in order to achieve greater integration of LLDCs into world trade and global value chains.

In December 2013, after almost a decade of intense negotiations WTO members concluded negotiations on a Trade Facilitation Agreement at the Bali Ministerial Conference. On 27 November 2014, WTO members adopted a Protocol of Amendment to insert the new Agreement into Annex 1A of the WTO Agreement. The Trade Facilitation Agreement entered into force on 22 February 2017 when 2/3 of the 164 WTO Members ratified the Agreement.

The Trade Facilitation Agreement contains provisions for expediting the movement, release and clearance of goods, including goods in transit. It also sets out measures for effective cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues. It further contains provisions for technical assistance and capacity building in this area.

As of 23rd March 2021, 153 out of 164 WTO Members have ratified the TFA, which represents 93.3% of the Membership, and an additional two Members since the WTO last reported on this issue.³ Out of 26 LLDC Members, all have ratified the TFA. The last LLDC to ratify was Burundi on 12th December 2019. Lastly, 29 out of 30 transit developing countries have ratified the TFA. The latest was Tanzania on the 8th of April 2020. The Dem. Rep. of Congo is the only transit country yet to ratify the TFA. These numbers remain unchanged since the 2020 VPoA review.

As of 30th March, the TFA boasts a 70.1% rate of implementation of commitments by all WTO Members.⁴ Amongst all Members, 7.9% of total commitments have been flagged for future implementation (category B future implementation). Members have also signalled that 19.3% of commitments shall be implemented *with additional time and* upon receipt of capacity building support (*category C future implementation with capacity building*). The figures thus leave *only* 2.7% of commitments that are yet to be designated, meaning that they have not been notified under any category. It is important to note that implementation obligations only commence once the Member has completed the ratification process.

The rate of implementation by developing and LDC Members is 61.0%. Amongst these Members, 10.3% of total commitments have been flagged for future implementation (category B future implementation). Members have also signalled that 25.1% of commitments shall be implemented with additional time and upon receipt of capacity building support (category C future implementation with capacity building). The figures thus leave only 3.6% of commitments that are yet to be designated, meaning that they have not been notified under any category. It is important to note that implementation obligations only commence once the Member has completed the ratification process.

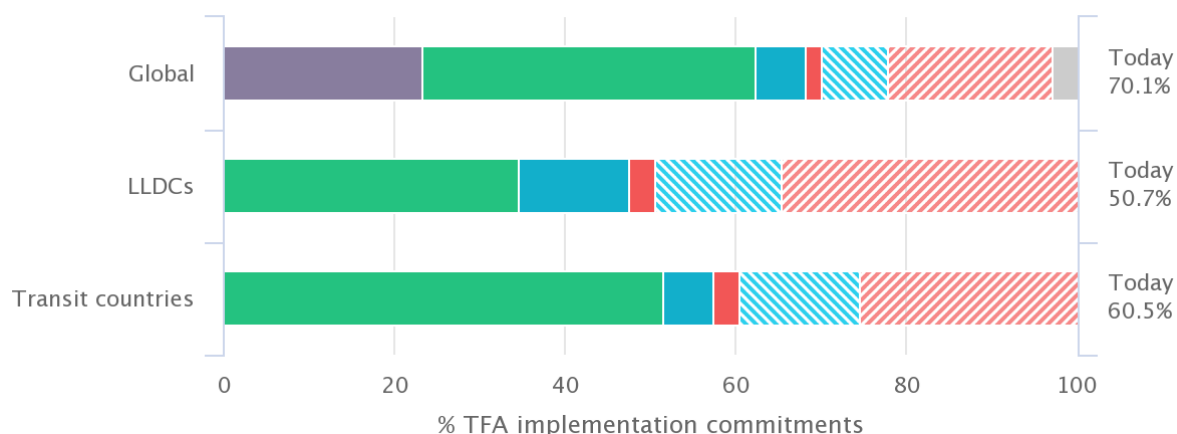
When it comes to implementation by LLDCs, it is estimated that LLDCs have already implemented 50.7% of all notifiable commitments, up from 34.7% in 2020. 14.7% of those commitments have been designated to be implemented with additional time (category B future implementation), and an additional 34.7% of the commitments have been flagged by LLDCs as needing technical assistance support for implementation (category C future implementation).

In the case of the transit developing countries, an analysis of these notifications shows that transit developing countries have implemented 60.5% of the obligations in the TFA, up from 51.0% in 2020. 14.0% will be implemented at a later date and technical assistance has been requested in order to implement an additional 25.5% of obligations. Unlike last year, transit countries have categorized all their obligations into A, B or C.

³ Democratic Republic of Congo, Guinea-Bissau, Haiti, Liberia, Mauritania, Solomon Islands, Suriname, Tonga, Venezuela (Bolivarian Republic of), and Yemen remain to ratify the TFA.

⁴ The current and future rate of implementation figures are based on implementation commitments by Developed Members who have committed to implement the Agreement upon entry into force, that is by 22/02/2017, and Developing Members have committed to implement their category A designations by 22/02/2017 and LDCs by 22/02/2018. Categories B and C commitments of both developing and LDCs are taken into account when definitive dates have been notified, otherwise they are counted as implementation commitment date "unknown".

Figure 9. Implementation Progress of the Trade Facilitation Agreement

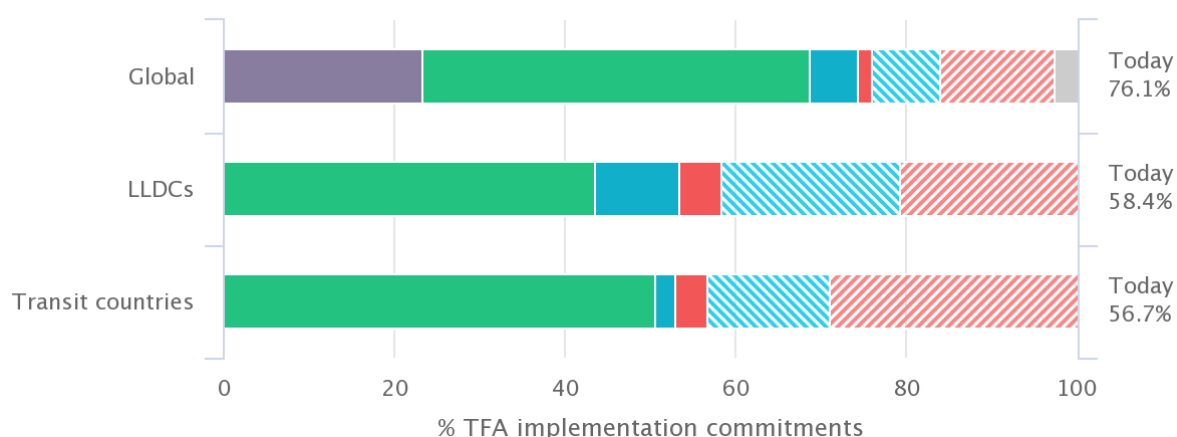


- Developed members
- Category A current implementation
- Category B current implementation
- Category C current implementation
- ▨ Category B future implementation
- ▨ Category C future implementation
- Unknown

Source: TFAD (Trade Facilitation Agreement Database) www.tfadatabase.org

When we bring our attention to notifications received for key provisions with the potential to most benefit LLDCs we see some progress as well as key challenges slowing implementation. For example, one of the key provisions of the TFA for the LLDCs is Article 11 on Freedom of Transit. This article contains a series of commitments intended to facilitate the transit of goods through a country, covering issues such as, transit fees, non-discrimination, guarantees, and even transit infrastructure. Notifications on Article 11 show that LLDCs have implemented 58.4% of obligations a 12.8% improvement compared to 2020. 20.9% of Article 11 obligations will be implemented after a transition period and a further 20.7% will be implemented after the acquisition of capacity through technical assistance. In the case of the transit developing countries these figures are 56.7%, 14.3% and 29.0%, respectively.

Figure 10. Rate of implementation commitments for Article 11 by LLDCs, transit and developing countries (March 2021)



- Developed members
- Category A current implementation
- Category B current implementation
- Category C current implementation
- ▨ Category B future implementation
- ▨ Category C future implementation
- Unknown

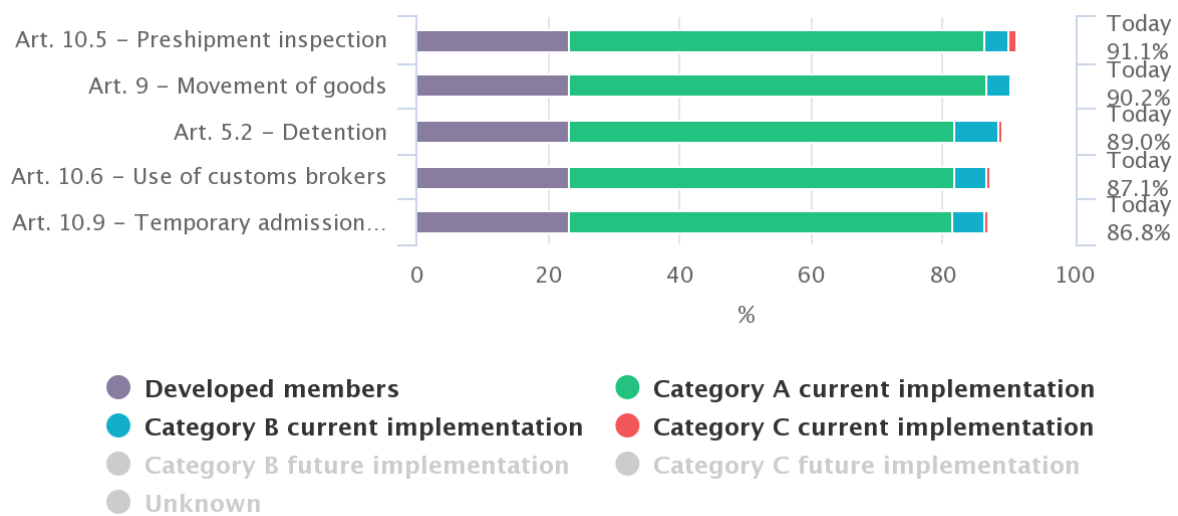
Note: TFAD (Trade Facilitation Agreement Database) www.tfaddatabase.org

DVP means Developing Country Members

Implementation of TFA measures is not uniform. Under Article 10 most LLDCs have committed not to use pre-shipment inspection, or mandate the use of customs brokers, and implemented systems for temporary admission of goods for inward and outward processing. Article 9 on movement of goods and 5.2 on detention are also close to full implementation.

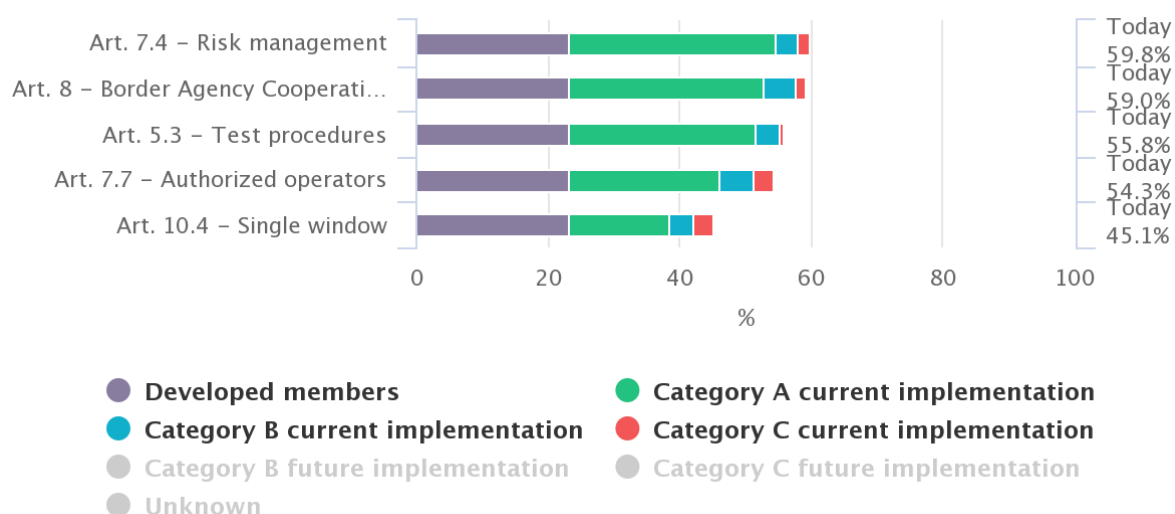
On the other hand, articles 7.4, 8, 5.3, 7.7, and 10.4 lag behind with implementation rates of between 59.8% and 45.1%. These implementation rates are consistent with those of other developing countries on a whole, as these measures require the most investment and technical knowledge in order to implement. For example, Article 7.4 requires the updating of Customs methodologies and procedures apply risk management to control of goods while 7.7 requires the provision of preferential customs treatment for authorized operators determined to present low risk of non-compliance with legal requirements. Under Article 8, most LLDCs have not yet coordinated/coordinating the different national and cross-border authorities in order to streamline and coordinate cross-border trade. Article 5.3 would require the development of procedures to allow a second laboratory test where a first test of imported goods shows adverse findings⁴ while 10.4 requires that Members shall endeavour to establish a "single window" to which a trader can submit all documents and/or data required by customs and all other border or licensing authorities for the import, export or transit of goods, and from which the trader will receive all notifications. However, many aspects of these measures have been flagged by LLDCs as needing capacity building and training in order to complete. Figures 11 and 12 below details measures with the highest and lowest implementation rates in LLDCs as of March 2021.

Figure 11. Measures with the highest implementation rates in LLDCs (March 2021)



Source: TFAD (Trade Facilitation Agreement Database) www.tfaddatabase.org

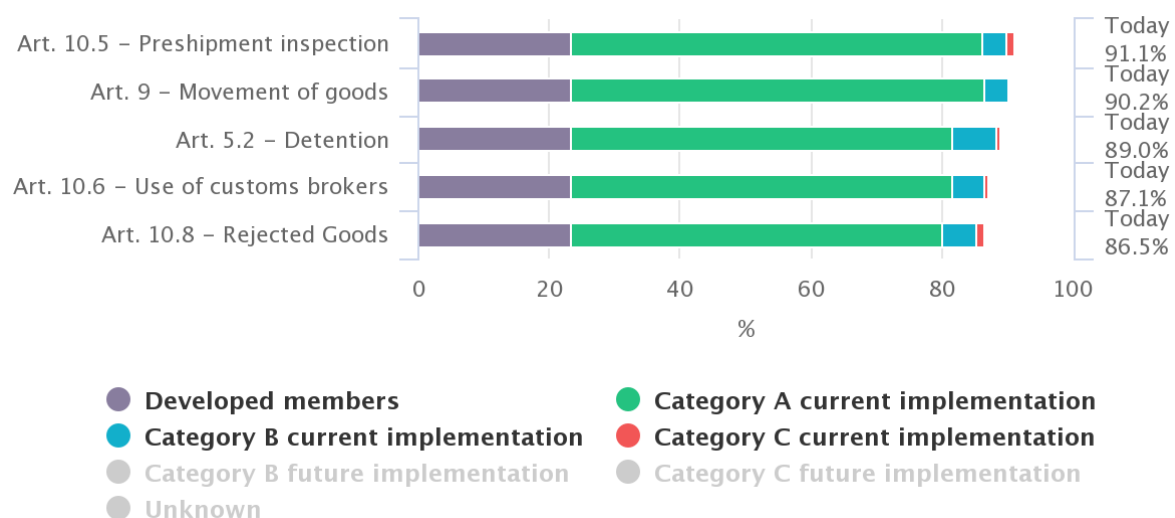
Figure 12. Measures with the lowest implementation rates in LLDCs (March 2021)



Source: TFAD (Trade Facilitation Agreement Database) www.tfaddatabase.org

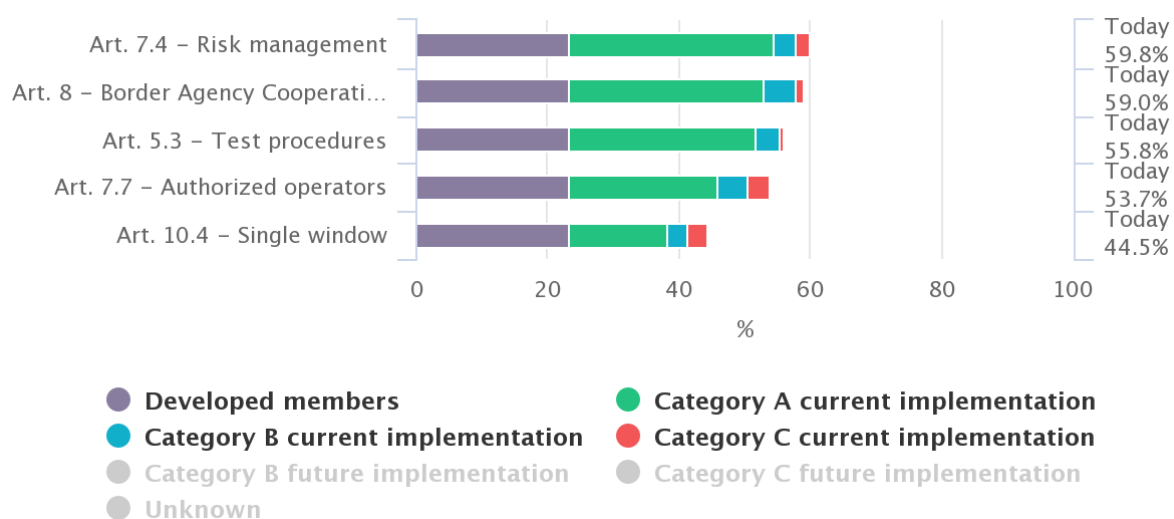
Implementation rates also vary in transit countries. Transit countries have also been successful in the implementation of 5.2, 9, 10.5, 10.6, and 10.9 as before, with current implementation rates between 91.1% and 86.8%. As with LLDCs, articles 7.4, 8, 5.3, 7.7, and 10.4 are also the measures with the lowest implementation rates in transit countries. As before they are flagged for implementation upon receipt of capacity building support. Figure 13 and 14 below detail measures with the highest and lowest implementation rates in transit countries as of March 2021.

Figure 13. Measures with the highest implementation rates in transit countries (March 2021)



Source: TFAD (Trade Facilitation Agreement Database) www.tfaddatabase.org

Figure 14. Measures with the lowest implementation rates in transit countries (March 2021)

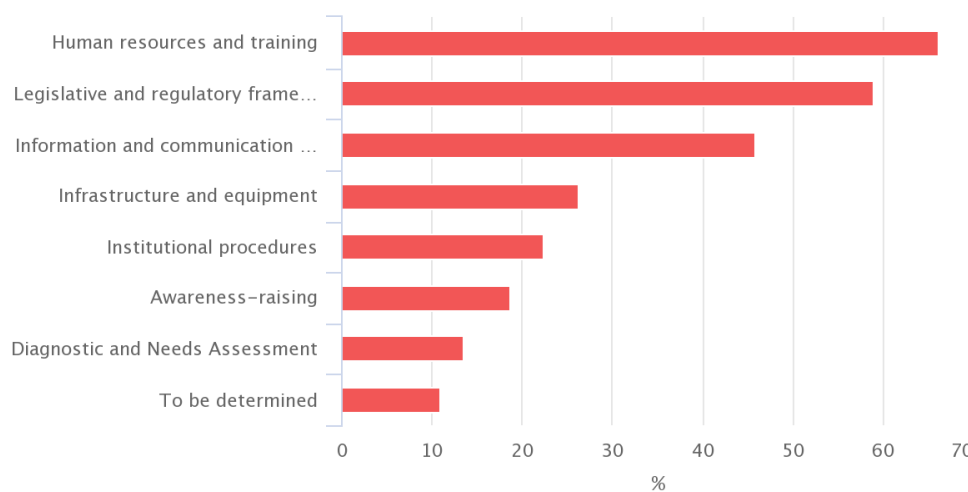


Source: TFAD (Trade Facilitation Agreement Database) www.tfadatabase.org

The WTO and partner agencies recognize the importance of technical assistance in the implementation of the TFA, including in LLDCs and transit countries. The TFA notifications set out the technical assistance needs for the category C provisions. LLDCs have identified human resources and training, legislative and regulatory frameworks, and information and communication technologies as their primary concerns, in order of importance (figure 15). For transit countries human resources and training, information and communication technologies, and legislative and regulatory frameworks are of primary importance, followed closely by infrastructure and equipment (figure 16). The TFA also established a Trade Facilitation Committee in the WTO which serves as a forum to discuss problems regarding implementation; review progress in provision of TACB; share experiences and information; and review notifications. The Committee is required to meet at least once a year

The WTO Trade Facilitation Agreement Facility (TFAF) was created at the request of developing and least-developed country (LDC) Members to help ensure that they receive the assistance they need to reap the full benefits of the Trade Facilitation Agreement (TFA). The TFAF assists Members through a range of activities such as workshops and national events to assist members to identify their needs and prepare their notifications, www.TFAFacility.org, matchmaking, and by providing project preparation and project implementation grants in cases where donor support is not forthcoming. For example, Namibia has been awarded a TFAF project preparation grant for 11 TFA provisions while Mongolia has been awarded a project preparation grant for four TFA provisions.

Figure 15. Types of Technical Assistance requested by LLDCs (March 2021)



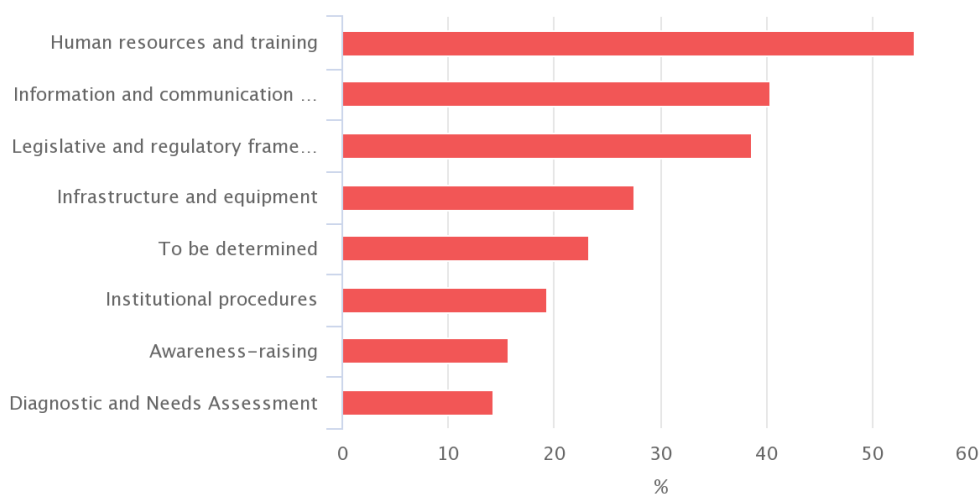
● Share of technical assistance requested

TFAD (Trade Facilitation Agreement Database) www.tfadatabase.org

Figure 16. Types of Technical Assistance requested by Transit Countries (March 2021)

Type of technical assistance requested

Grouping: Transit countries



● Share of technical assistance requested

TFAD (Trade Facilitation Agreement Database) www.tfadatabase.org

1.3.2 The Aid-For-Trade Initiative

The WTO-led Aid-for-Trade initiative is enshrined as a priority in the VPoA. Aid for Trade helps developing countries, including LLDCs, to build the trade infrastructure necessary to complement efforts made on trade facilitation. Building supply side capacity and trade-related infrastructure is particularly important for LLDCs and is necessary to support trade expansion and market opening. Together, these elements constitute a tried recipe for increased growth, economic opportunities, development, poverty reduction and job creation.

In recent times, the COVID-19 pandemic has provided a powerful reminder of the importance for trade to continue to flow. In 2021, even more acutely than in the past, global populations have been relying on the effective production and circulation of vaccines, of medical equipment and other essential goods – not only for food but also as a means for them to earn a living. As this report was being produced, the pandemic continues to exact a severe toll on the health and wealth of countries. To remedy this, major aid-for-trade donors have stepped up their response. However, as a result, they have also seen their budgets becoming more stretch than ever. In this context, it is ever more important to make sure that the funds that are available are put to the most effective use.

Set to begin in 2020, the implementation of the Aid-for-Trade Work Programme on "*Empowering, Connected, Sustainable Trade*" was extended by WTO Members to cover the year 2022. It was also updated to include an assessment of the trade and economic impacts of COVID-19. This took shape on 23-25 March as the WTO organized the [2021 Aid-for-Trade Stocktaking event](#). The conference marked the occasion for the trade and development community to survey the trade impacts of the pandemic and make the case for the mobilization of aid-for-trade financing to support recovery and foster resilience. The conference included sessions organized by WTO Members (developing, developed and least-developed), international financial organizations, international non-governmental organizations, international organizations (many of them belonging to the United Nations family), multilateral development banks, regional economic communities and other trade support facilities.

One of the sessions, entitled "*Impact of COVID-19 on Landlocked Developing Countries and implications for resilient recovery*" (Session 7), was co-organized by Kazakhstan and the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and the Small Island Developing States (UN-OHRLLS). Speakers from across the World Trade Organization (WTO), United Nations Conference on Trade and Development (UNCTAD), Organisation for Economic Co-operation and Development (OECD), amongst others, discussed the impact of COVID-19 pandemic on LLDCs and identified those challenges that LLDCs had been facing over the period 2020-2021 in the context of the pandemic. Cross-border restrictions enacted by transit economies and ineffective trade facilitation had resulted in pronounced challenges for LLDCs. Recommendations towards resilient recovery for LLDCs included enhancing connectivity through digitization of border management measures, enhanced implementation of the Trade Facilitation Agreement (TFA), and targeted aid-for-trade support for LLDCs. A recording and summary report of Session 7 are available on the [WTO Aid-for-Trade webpage](#).

In relation to aid-for trade-flows to LLDCs: since 2006, LLDC have received close to USD 85 billion in aid-for-trade disbursements. In 2019, LLDCs, received disbursements of USD 7.7 billion, slightly less than in 2018 (USD 8.0 billion). Yet, at 17%, the share of Aid for Trade going to LLDCs as compared to global disbursements has been relatively stable since 2017. Nearly a third of aid-for-trade flows for LLDCs in 2019 went to energy infrastructure (30.8%), 27.6% went to agriculture, 20.1% to transport and storage infrastructure and 21.5% to the remaining categories. In terms of support to trade policy, trade facilitation was the most important sub-category, and accounted for 1.08% of overall aid-for-trade flows to LLDCs.

1.3.3 Border Control Measures under COVID-19

As the ongoing COVID 19 pandemic threatens to erode some of the progress made in trade development and liberalization across the international community, the effects on LLDCs) and Landlocked Least Developed Countries remains particularly acute. Since the onset of the pandemic, each WTO member has coped with increased trading costs, time delays and other impediments on a dual front:

- (1) Measures within their own borders** including logistics, self-imposed Export Prohibitions & Restrictions, and other Technical Barriers to Trade (TBT), and
- (2) New Protective Measures as imposed by Trading partners** including heightened Sanitary and Phytosanitary (SPS) controls, Quantitative Restrictions and other related TBT. However, in the case of the LLDCs, this category of members face a third obstacle as they must navigate also, new COVID-19 related protective measures and restrictions being implemented by the Transit Countries on which they rely.

The immense trade impacts of COVID-19 on LLDCs was highlighted by the East African Community (EAC) during the recent Aid for Trade Stocktaking event held in March 2021.⁵ During the initial months of the pandemic, LLDCs and their transit country partners within the region implemented COVID-19 testing requirements for cargo drivers and other trade personnel navigating across borders. However, as this testing was largely paper based and there was no mutual recognition of tests between these countries, this situation quickly led to massive delays in cross border transactions. In some cases there was a 12 day waiting period for cargo-drivers being recorded and up to 80km of backed up cargo traffic.¹ These delays are perhaps even more alarming considering that a large percentage of trade by LLDCs within this region deals with perishable goods oftentimes bound for third party exports. In the EAC case, efforts to mitigate these delays include mutual recognition for testing and digitized testing solutions have been successful. Unfortunately, these solutions have been largely targeted towards facilitating bulk trade and issues still persist for MSMEs and women traders. The example of the EAC is one of several instances of trade debilitating situations that LLDCs must circumvent.

While the long-term impact of COVID-19 on LLDC trade cannot be fully assessed or estimated at this time, this report aims to provide some preliminary insight by analysing the actions taken on three fronts (LLDCs, Transit Countries and Global). The referenced summary tables of COVID-19 notifications, trade and trade-related measures has been compiled by the WTO Secretariat. These serve as an informal situation analysis and an attempt to provide transparency with respect to trade and trade-related measures taken in the context of the COVID-19 crisis. It does not pass judgment on or question the right of WTO members to take such actions.

From a total of 336 official COVID-19 related notifications received from WTO members as of mid-March 2021, 22 were issued by LLDCs and 105 from Transit countries. TBT and SPS measures made up the bulk of these notifications, along with quantitative restrictions aimed at ensuring domestic food and medical supplies. In addition to official notifications, the WTO trade monitoring exercise has identified several COVID-19 trade and trade-related measures⁶ including 310⁷ goods-related measures, 102 service-related measures and 62 measures impacting Trade Related aspects of Intellectual Property Rights (TRIPS). The table below provides a breakdown of the interventions recorded to date:

Table 1. Trade-related notifications and measures by WTO Members during COVID-19

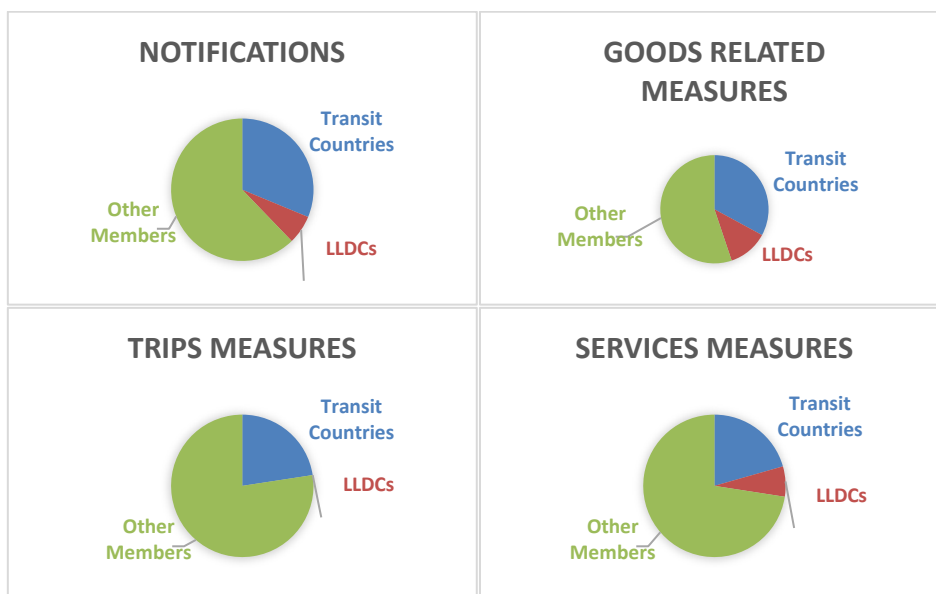
	All WTO Members		Transit Countries		LLDCs	
	Quantity	Share %	Quantity	Share %	Quantity	Share %
Notifications	336	100%	105	31%	22	7%
Goods Related Measures	310	100%	102	33%	37	12%
Services Measures	102	100%	21	21%	7	7%
TRIPS Measures	62	100%	14	23%	0	0%

⁵ Reference Report on Aid for Trade stocktaking Event 32 - Promoting Safe Trade in Eastern Africa

⁶ Trade Related measures pertaining to Goods and TRIPS are updated to mid-March 2021, while Service-related measures are relevant up to mid-November 2020. The identified trade-related measures covered a broad range of areas and were not focused on TBT and SPS specifically as in the case of official notifications.

⁷ Of the 310 measures indicated, 288 were identified from official sources, e.g. government and ministry websites and communications. The remaining 22 measures contains information and measures obtained from other public sources, e.g. media reports.

Figure 17. Trade-related notifications and measures by WTO Members during COVID-19



1.3.4 Trade Facilitation Agreement Facility – Surveying the effect of COVID-19 on LLDCs

The WTO conducted a survey of trade-related Government agencies and private sector partners between March and May 2020 through the Trade Facilitation Agreement Facility website. The survey questioned Members on which trade-related processes have become MORE cumbersome or time consuming in the context of the COVID-19 containment efforts; which trade-related processes have become less cumbersome or time consuming in the context of the COVID-19 containment efforts; and finally, which trade-related processes would have the most positive impact if implemented in the current context. The results are summarized in figures 18, 19, and 20 below.

For LLDCs, overall, respondents identified release and clearance of good and freedom of transit as the processes that had become harder while access to trade related information had become easier. Furthermore, they identified import/export documentary requirements and border agency co-operation as the areas where implementation of trade facilitation measures could have the most impact in the current atmosphere.

Figure 18. Trade-related processes that have become more difficult due to COVID-19

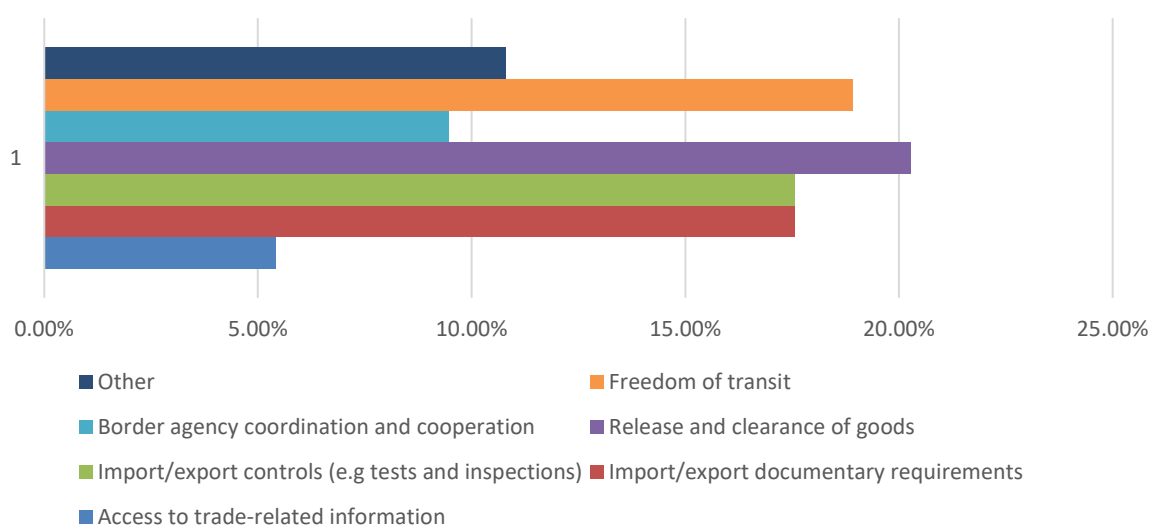


Figure 19. Trade-related processes that have become less difficult due to COVID-19

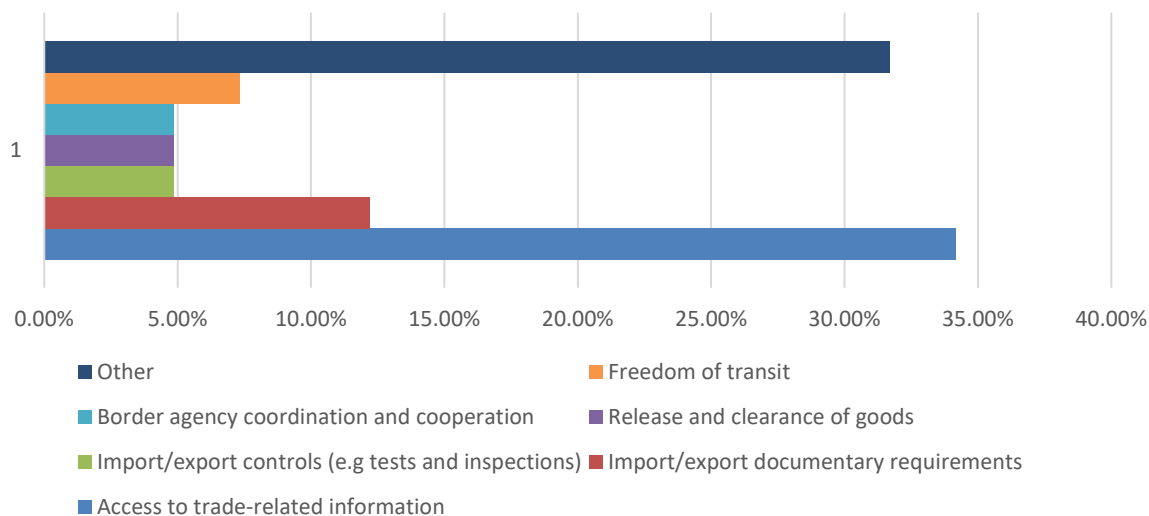
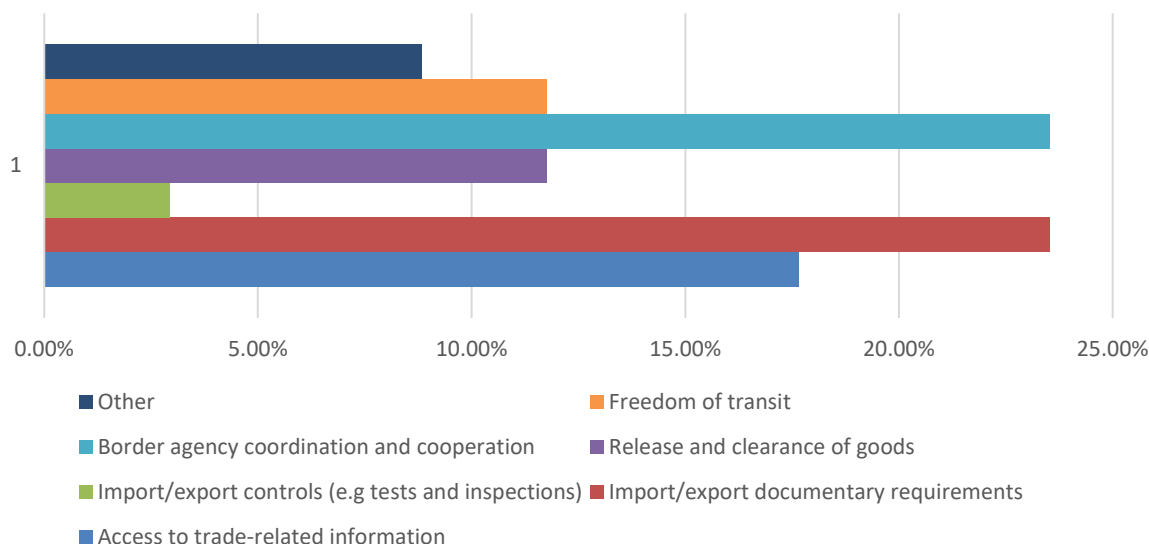


Figure 20. Most urgent TFA provisions with positive impact on Members given COVID-19



Given these bottlenecks, the WTO Trade Facilitation Agreement Facility, with its partners WCO, UNCTAD, ITC, and IATA have launched a COVID-19 Trade Facilitation Repository. The repository, which can be accessed through the TFAF website, is a platform consolidating the actions and initiatives on trade facilitation adopted by partner organizations and stakeholders. It ensures access to these resources is user-friendly, easily available, searchable, and unified.

1.4 Conclusion

The trade performance of LLDCs has been uneven despite the implementation of the Vienna Programme of Action in 2014. LLDCs continue to depend on exports of a few low value-added products. There has been a better performance when it comes to exports of services, but LLDC's share in services exports remains very low. Unfortunately, between 2011 and 2019, tariffs faced by LLDCs exports in developed regions have increased by 0.2%. Fortunately, the share of exports admitted duty free to developed regions for LLDCs actually increased by 3.6% between 2010 and 2019.

LLDCs have registered significant amounts of progress in the implementation of the Trade Facilitation Agreement. LLDCs have already implemented 50.7% of all notifiable commitments, up from 34.7% in 2020 while 14.7% of those commitments have been designated to be implemented with additional time, and a final 34.7% of the commitments have been flagged by LLDCs as needing technical assistance support for implementation. The WTO and partner agencies recognize the importance of technical assistance in the implementation of the TFA, and LLDCs have identified human resources and training, legislative and regulatory frameworks, and information and communication technologies as their primary concerns, in order of importance.

LLDCs benefit from a number of projects to address these concerns, coordinated and monitored through the Aid for Trade initiative. The WTO-led Aid-for-Trade initiative is enshrined as a priority in the VPoA and has resulted in increased aid flows targeted at addressing the needs that have been expressed by the LLDCs in the biennial monitoring and evaluation exercises. The new Aid-for-Trade Work Programme on "*Empowering, Connected, Sustainable Trade*" has been updated to include an assessment of the trade and economic impacts of COVID-19, in fact a session of the [2021 Aid-for-Trade Stocktaking event](#) discussed the impact of COVID-19 pandemic on LLDCs, and identified those challenges that LLDCs had been facing over the period 2020-2021 in the context of the pandemic.

LLDCs face unprecedented challenges due to the pandemic, particularly trading costs, time delays and other impediments due to an increase in trade restrictive measures within their own borders including logistics, self-imposed export prohibitions & restrictions, and other technical barriers to trade. They also face a variety of new protective measures imposed by their trading partners including heightened sanitary and phytosanitary (SPS) controls, quantitative restrictions and other related TBT. In the case of LLDCs, these concerns are magnified because they rely on transit countries for both imports and exports.

The pandemic presents a challenge unprecedented in the history of the multilateral trading system. LLDCs are no exception. The international community must rally to ensure that protectionism does not disrupt the potential for recovery from the COVID-19 pandemic. Countries must maintain open flows of trade and investment which, along with fiscal and monetary policy, can lead to a strong inclusive economic recovery. This is the only way for LLDCs to return LLDCs to the path intended by the Vienna Programme of Action.