



How can LLDCs Overcome the Plight of Land Locked-ness?

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Landlocked developing countries (LLDCs) are amongst the most vulnerable countries in the world. They lack territorial access to the sea, and are hemmed in by more than just land. More daunting than the physical distance to the sea are the institutional, procedural, and logistical barriers – weak “supply chains” making the flows of LLDC’s exports and imports through adjacent transit countries unreliable, slow, and costly. To set the context further, about one-fifth of the world’s nations are landlocked. Of these 44 landlocked countries, 32 are developing economies and 16 are among the world’s least developed countries. Their 480 million people represent about 6% of the world’s population but only about 1% of world trade. Half of LLDCs remain in the lowest ranks of the human development index¹ and often lack the financial means and technical skills needed to design and implement necessary transit reforms to improve their regional connectivity. With most of the landlocked countries landing in the “bottom billion,” and an average GDP per capita of \$800, the World Bank Group (WBG) has been responding to the needs of LLDC’s through several interventions.

What have we done so far?

In 2014 the WBG endorsed United Nation’s Vienna Programme of Action, a 10-year plan aimed at accelerating sustainable development in 32 LLDCs. Through investment projects, institutional strengthening, and capacity building, over one-third of all Transport and Digital Development Global Practice (TDD GP) programs enhance connectivity and regional integration in landlocked countries. Assistance includes advisory services, regional integration and corridor projects, and intermodal connectivity operations especially on the interface between ports, rail, roads and inland waterways, international transport facilitation, border crossing interventions, asset preservation (road construction, maintenance and rehabilitation) and digital development.

Of the GP’s active transport portfolio of \$39 billion, 205 projects, and 204 analytics and advisory services carried-out in 81 countries (2018), 48 projects are being financed in 24 LLDCs with a volume of \$10.8 billion (2018). By 2020, the Practice will launch 16 new lending projects in 6 more countries, increasing its support to 30 LLDCs with a volume of \$12.5 billion.

As the majority of LLDCs are concentrated in the Europe and Central Asia, and Africa Regions, a bulk of the Transport and Digital Development GP’s portfolio is focused here as well (47%, 38%). About 70% of operations include maintenance or construction of new roads, while one third of lending and advisory programs focuses on digital development. Largest beneficiaries include Bolivia, Ethiopia, Afghanistan, Azerbaijan and Kazakhstan.

480 | million people
32 | landlocked developing countries
1% | of global trade

¹ UNDP, *Human Development Report 2016*, p. 234-2034 ([click here to see the report](#)).

- **Regional integration and cooperation:** In Kazakhstan, a \$7 billion project with WBG contribution of US\$3.2 billion financed a section of the Western China–Western Europe Corridor. The broader corridor investments have reduced transit times from Lianyungang, China to St. Petersburg from 15 to 9 days, improved 2,800 km of corridor assets in Kazakhstan, created 35,000 temporary jobs in 60 companies with 95% construction materials locally produced. Regional initiatives in Africa are becoming more focused on incentivizing transit neighbors to provide easier and less costly access to their landlocked neighbors.
- **Regional Communications Infrastructure Program:** The WBG is a partner in providing digital development solutions to LLDCs as well. The TDD GP has helped Malawi to improve the quality, availability and affordability of Broadband technology. Construction of the SimbaNet fiber optic network linked the [virtual landing point](#) in Lilongwe, Malawi to Zambia and Tanzania. The program enabled internet connectivity and provided Information and Communication Technology (ICT) equipment to 145 governmental and educational establishments. It also financed technical assistance needed to develop critical legislation.

Additionally, the World Bank is working in close cooperation with the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and the Small Island Developing States (UN-OHRLLS) to overcome the challenges faced by LLDCs. This support – central to the WBG mission of poverty reduction and shared prosperity - aims to connect people to economic and social opportunities and increase efficiency of mobility solutions in LLDCs.

Transport and Digital Development GP’s support to LLDCs has been showing a positive impact. Local governments have developed policies and institutional reforms on improved connectivity and regional cooperation. Regional transport infrastructure has been significantly modernized with almost 25,000 km of roads, and 800 bridges have been rehabilitated, maintained or constructed. The collaboration has linked isolated topographies to regional transport corridors and reduced travel times along corridors.

Where can we go from here?

Although there has been some success, a lot more needs to be done. Despite increase in transit speed and in the number of air shipments, import and export times for LLDCs are still nearly twice those for transit countries. Average costs of exporting a container from LLDCs are also 60% higher compared to transit countries. The main challenge is to obtain and maintain the political will and commitment of LLDCs and transit countries to create an enabling environment for improved transport logistics. The lending programs need to be tailored to address the need of transit countries and incentivize them to alleviate the constraints to their landlocked neighbors. These efforts require significant resources from all development partners – with a focus on promoting unfettered, efficient, and cost-effective access to the sea, improvement of transport infrastructure and services, completing missing links in transport corridors, reducing costs and non-tariff barriers through simplification and standardization of regulations and procedures, and enhancement of digital development.

**60%
higher**

Average costs of container export from LLDCs **Vs.** transit countries

Advocacy for LLDCs is a key priority for the World Bank Group. With coordinated and sustained efforts by countries and development agencies, the economies of Land Locked Development Countries can start realizing their full development potential.

Experts



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For more information, please visit [Internal WBG Link](#)

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