Landlocked Developing Countries (LLDCs)

What are the LLDCs?
Landlocked developing countries are developing countries that lack territorial access to the sea and therefore face the double challenge of access and development.

Number and geographical distribution of LLDCs
31 countries:
» 15 in Africa   » 2 in Europe
» 12 in Asia    » 2 in Latin America
Total Population (2011): 409 million
Annual average population growth rate: 1.8%

Economic Growth
» The LLDCs are among the poorest countries in the world. Their positive economic performance was mainly driven by the boom in minerals and energy demand up to mid-2008. Their rate of GDP growth was severely hit by the global financial and economic crisis, declining from 5.8% in 2008 to 3.6% in 2009.
» By 2010, 11 of the 31 LLDCs were able to fully recover to 2008 levels, whereas the remaining 20 LLDCs recorded positive growth as compared to 2009.

Poverty
» Half of the 25 LLDCs for which data exists had reduced the population living in extreme poverty by more than 20% over the period 2002-2008. However, the global economic crisis reversed many of the gains made in poverty reduction by LLDCs as it led to job and income losses, especially in key export sectors.
» 10 out of the 20 lowest-ranked countries in the human development index (2010) were LLDCs.

Aid
» Total official development assistance (ODA) received by LLDCs increased from $22.6 billion in 2008 to $24.8 billion in 2009.
» ODA remains the main source of external finance for many LLDCs; for example, ODA accounted for 10% or more of GNI in 9 LLDCs.
» ODA for transport, storage and communications increased from $775 million in 2003 to US$ 1.8 billion in 2009.
» Aid for Trade flows to LLDCs continued to increase, from $4.7 billion in 2008 to $6 billion in 2009. The bulk of the funds went into building productive capacities, followed by investment into infrastructure development.
» In 2010, $988 million was loaned by the World Bank to finance projects in landlocked or transit developing countries in the area of customs reforms, road or rail corridor and aviation projects, or projects addressing other specific capacity constraints related to landlockness.

Foreign Direct Investment
» The LLDCs group experienced an aggregate decrease of 17% in FDI inflows in 2009 due to the impact of the global financial and economic crisis.
» Despite this contraction, LLDCs’ share of global FDI inflows increased to 2% in 2009, from 1.5% in 2008.
» The geographic distribution of FDI remains uneven. Investment continues to be heavily concentrated in a few resource-rich transition economies.
» Transnational corporations from developing countries, mainly from Asia and Africa, were the main sources of FDI in LLDCs in 2009.

Trade
» As a result of the global financial and economic crisis the LLDC group saw its exports fall from $154 billion in 2008 to $89 billion in 2009, a 42% decrease.
» LLDCs’ share of world exports fell from 0.96% to 0.75% between 2008 and 2009.
» In 2009, landlocked developing countries’ merchandise imports decreased by 16.5%.
» IMF estimates show that imports have recovered in 21 of the LLDCs in 2010.
Debt Relief

» External debt as a percentage of GNI of LLDCs rose from 43% in 2008 to 48% in 2009.

» Currently, 13 LLDCs receive debt relief under the Heavily Indebted Poor Countries Initiative and the Multilateral Debt Relief Initiative.

Infrastructure and Communication

» Only 9 LLDCs have over 50% of their total roads paved; 8 countries have between 20 to 49% of their roads paved.

» Although some progress is being made in developing and maintaining road infrastructure, outstanding challenges include inadequate resources for road funds, overloading of vehicles, and resource gap for road infrastructure development.

» Railway remains an underutilised form of transport for LLDCs—only 9 of LLDCs have 1,000 or more kilometers of railways for freight service.

» The total length of the Trans-Asian Railway network of 114,000 km has about 8,000 km missing links (7%); in Africa, the railway network of 74,775 km has very low density and is mostly in North Africa and Southern Africa.

» LLDCs recorded an increase of 25% and 37% in cellular phones and internet usage respectively from 2008 to 2009.

» The increased telephone and internet usage was made possible through liberalisation of the telecommunication sector and the resulting increased private sector investment.

Social Development

» LLDCs have made some progress towards achieving the MDGs in primary school enrolment, gender parity in primary education and women’s representation in national parliaments.

» Food security, eradicating poverty and reducing child and maternal mortality remain major social development challenges.

» The average adult literacy rate in the period 2005-2008 for LLDCs was 77%.*

» The net enrolment rate in primary education in the period 2001-2009 for LLDCs was 84%.*

» The average dropout rate for all grades in the period 2005-2008 for LLDCs was 27.6%.*

» The average life expectancy at birth in LLDCs in 2009 was 59 years.

» The average adult HIV prevalence rate in LLDCs (ages 15-49) was 4.8%.*

» The average infant mortality rate in LLDCs in 2008 was 60.9 per 1,000 inhabitants.

References


» The State of World’s Children, 2011, UNICEF.