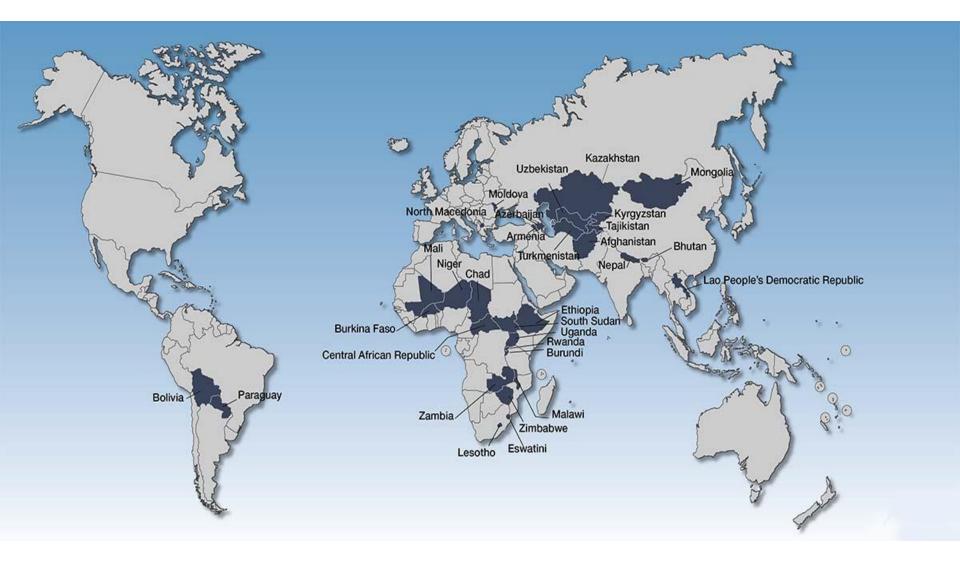


# **Landlocked Developing Countries**

Lucie Horáková, Tereza Marková





Source: UNCTAD (2021)





# **Landlocked Developing Countries**

insufficient access to the sea

isolation from world markets

high transit costs



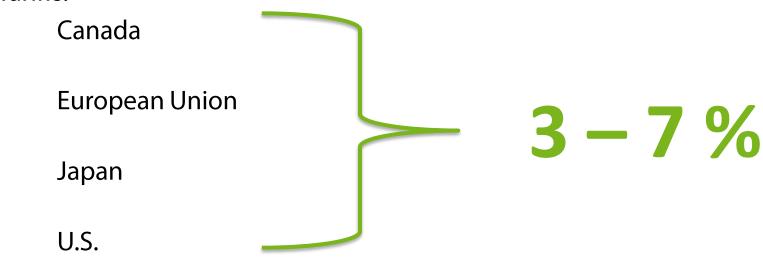




# Transport and logistic-related costs

35%-40% higher than in neighboring maritime countries
+
additional costs 50% of transportion expenses





**UNCTAD (2021)** 





#### **Vienna Programme of Action (VPoA)**

2014 – 2024

#### The Main Goals and Objectives:

- To promote unfettered, efficient and cost-effective access to and from the sea.
- 2. To reduce trade transaction costs and transport costs and improve international trade services.
- 3. To promote growth and increased participation in global trade.
- 4. To enhance and strengthen international support. (UNCTAD, 2021)





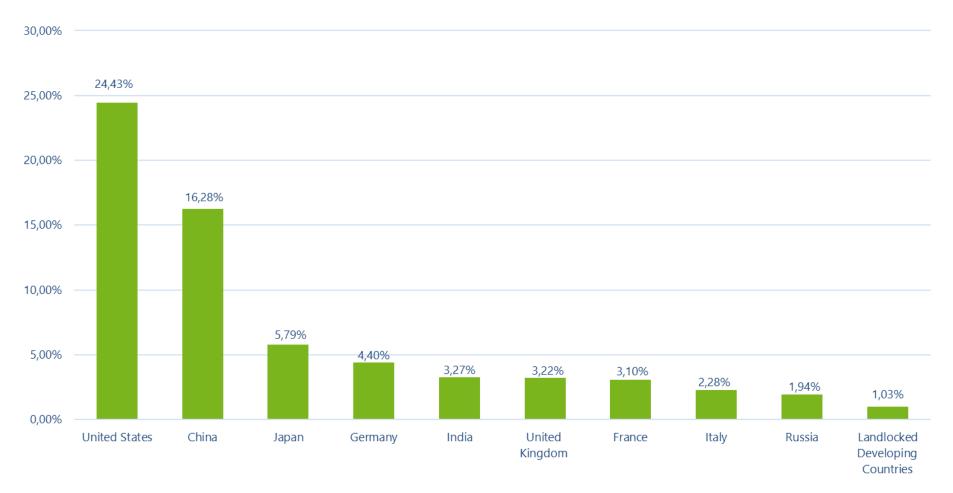
#### **Global Indicators**

- global area 15,9 million km<sup>2</sup> (UN-OHRLLS, 2019)
- global population 520 million people (2019) (UN-OHRLLS, 2019)
- global exports \$237 billion (2019) (UNCTAD, 2019)
- global imports \$285 billion (2019) (UNCTAD, 2019)
- global GDP \$900 billion (2019) (UNCAD, 2019)
- foreign direct investment
  - inward flows and stock \$22 billion (2019)
  - outward flows and stock \$482 million (2019) (UNCAD, 2019)
- global dept to GDP 46,14 % (2019) (Statista.com, 2019)
- CO2 production 632 113 kt (2016) (World Bank, 2016)





#### **Share of World GDP (2019)**

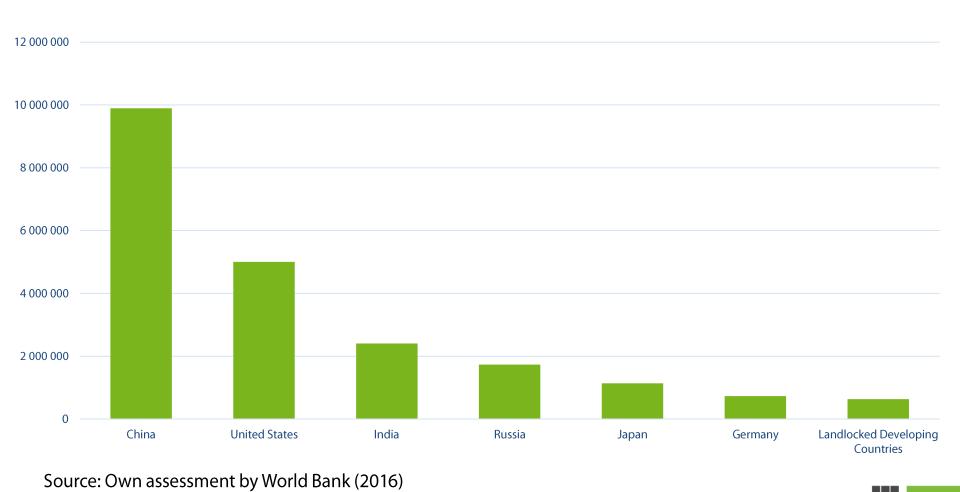


Source: Own assessment by World Bank (2019)





#### **CO2** production (kt)







# **Case Study**

# "Crucial factors influencing international logistics operations for African landlocked countries – A case study of Burkina Faso".

- General information about Burkina Faso.
- Practical example of logistics challenges in LLDCs.
- Results of questionnaire survey.





# **Burkina Faso – general information**

- Population: 20.9 million,
  - population density: 76.4 per km<sup>2</sup> (UN Data, 2020),
- GDP 15.991 billion USD (World Bank, 2019),
- national currency: CFA Franc,
  - 1 USD = 551 XOF (Kurzy.cz, 2021).







# **Map of Burkina Faso**





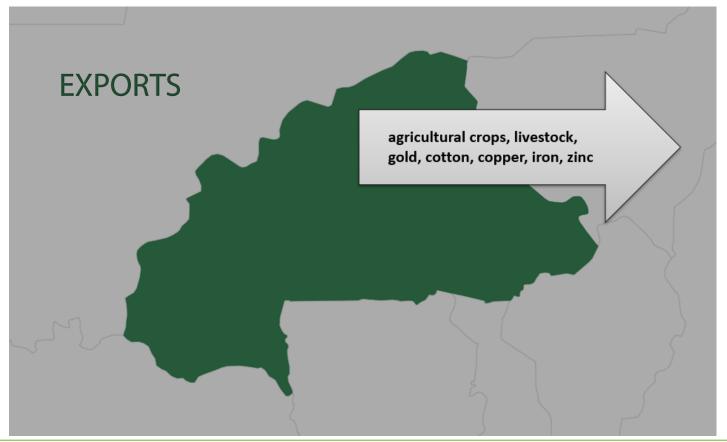




#### Merchandise trade

Exports: 28% of GDP,

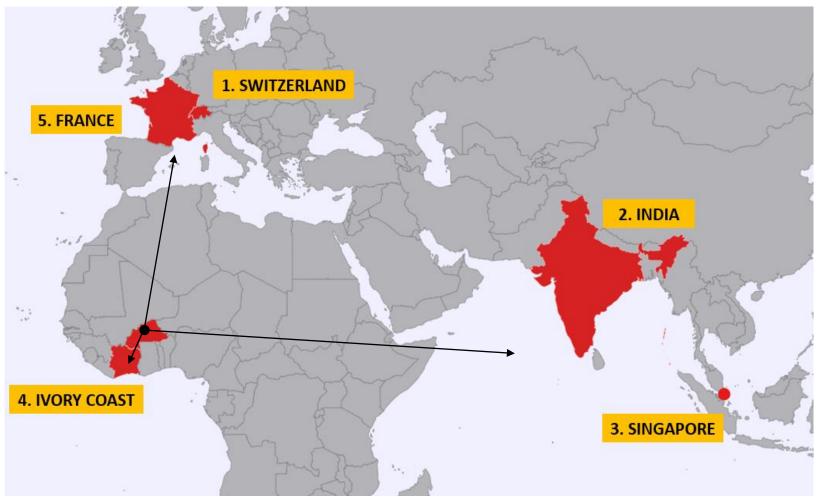
• imports: 32% of GDP (World Bank, 2018).







# **Top trading partners (2019)**



Source: Own assessment by UNCTAD (2019)





# International logistics operations in Burkina Faso





# Taiwan – Hong Kong





**Hong Kong - Abidjan** 





# Abidjan - Ouagadougou





# International logistics operations in Burkina Faso - conclusion

- Total time of the transport:
  - final stage by train 42 days,
  - final stage by truck 46 days.
- Many import/export procedures and extra costs

   → negative impact on importers.
- Factors to consider: product tariffs, certificate of origin, scope of insurance, local agents (Yang, 2019).





# The questionnaire survey

- Respondents profile.
- 6 crucial factors:
  - transportation capability,
  - external risks,
  - information integration,
  - logistics infrastructure,
  - local agents' logistics capability,
  - national law and policy (Yang, 2019).





Transportation capability

Develop transportation capability and carefully select maritime supply chain partners when providing shipping and logistics services in LLDCs.

# Practical implications

Information integration

Build a cooperation platform to get quick customer responses and efficient information feedback from supply chain partners.

Local agents

Select local agents carefully in order to their financial requirements, reliability etc.

National law and policy Incorporate the risk management into strategic activities such as selection of supply chain partners, customers, and foreign investment.





# Thank you for your attention ©





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