GLOBAL LLDC WORKSHOP

Advancing Trade and Transport Connectivity in Landlocked Developing Countries: Trade Cost Estimation, Bankable Projects, and Digital Innovation for Sustainable Connectivity

5-8 May 2026
Nairobi, Kenya

Overview

Landlocked Developing Countries (LLDCs) face persistent challenges in accessing global markets due to geographical constraints, high transport and trade costs, and limited infrastructure connectivity[1] all of which hinder their ability to integrate effectively into the global economy and undermine progress toward sustainable development. This four-day global-level capacity-building workshop convenes policymakers from LLDCs and some transit countries, with technical experts and practitioners to strengthen evidence-based approaches for developing and financing trade and transport connectivity.

This global meeting comprises two interconnected workshops. The first two-day workshop focuses on equipping participants with practical tools for assessing transport and trade constraints and bottlenecks along transit corridors. This involves theory and hands-on training on a suite of easily applicable top-down and bottom-up tools followed by peer learning, experience sharing, and the exchange of policy best practices, to strengthen evidence-based policy design.

The second builds on the previous sessions to focus on how to develop related bankable transport infrastructure projects and leverage digital solutions for trade and transport facilitation. Participants will explore practical insights into project preparation, financing strategies, and digital integration.[2] Participating financial and technical institutions will provide guidance and demonstrations.

The purpose of the workshop is to contribute to strengthening LLDC transport and trade connectivity in line with the Awaza Programme of Action for the Landlocked Developing Countries for the Decade 2024-2034 (APoA). Its specific objectives are to improve associated technical skills and policy design. Expected outcomes include increased capacity to estimate and understand trade and transport costs and bottlenecks, greater preparedness to implement bankable transport infrastructure projects, and improved use of associated digital tools and techniques.

Expected outcomes

[1] See for instance, OHRLLS. 2025. Quantifying Logistics Costs of Landlocked Developing Countries, available: https://www.un.org/ohrlls/news/quantifying-logistics-costs-lldcs; and, OHRLLS. 2025. Cost of Being Landlocked: Lessons for Implementing the Programme of Action for the LLDCs for the Decade 2024-2034, available: https://www.un.org/ohrlls/news/cost-being-landlocked-lessons-implementing-programme-action

[2] Drawing on materials and case studies developed under Project Ref. No. PDF-SDG-2018-07

- Strengthened ability of participating experts to estimate transport and trade costs, identify the binding constraints to national trade competitiveness and identify policy options (at national, regional and global level) for addressing high trade costs;

- Improved capacity to prepare bankable transport infrastructure projects to expand or upgrade transport infrastructure.

- Policy recommendations to promote transport connectivity of LLDCs and transit countries.

- Enhanced ability to leverage digital solutions for trade and transport facilitation.

- Strengthened collaboration and partnerships across governments, and with development partners, international financial institutions, and UN technical and regional organisations.

Background

Part 1 - Estimating Trade and Transport Costs

Trade and transport costs in LLDCs arise from structural, institutional, and operational factors that, together, create a persistent competitiveness penalty. The result of these challenges is that logistics costs on exports from LLDCs are as much as 63% higher than neighbouring coastal countries, contributing to LLDCs accounting for only 1.2% of world trade.[3] Beyond visible costs (freight, handling, border fees) are indirect costs such as uncertainty, delay, and administrative complexity along entire corridors, which disproportionately affect small firms, women-owned enterprises, and traders in informal and peripheral markets. Evidence shows that these indirect frictions are often a primary determinant of competitiveness and are the most difficult to address without targeted policy interventions.[4]

The particular geography of LLDCs introduces an initial layer of cost through distance to ports, reliance on transit neighbors, and repeated cross border procedures. However, geography alone does not explain the scale of observed trade cost disparities. Institutional and procedural regimes, including misaligned documentation, fragmented agency mandates, overlapping inspections, and uneven implementation of transit agreements, amplify the penalty beyond what distance would predict. In many LLDC transit corridors, predictability is the decisive factor. Where delays are frequent and operational reliability is low, total logistics costs rise sharply even if nominal freight charges are close to global comparators.

[3] OHRLLS. 2025. Quantifying Logistics Costs of Landlocked Developing Countries, available: https://www.un.org/ohrlls/news/quantifying-logistics-costs-lldcs; and, OHRLLS. 2025. Cost of Being Landlocked: Lessons for Implementing the Programme of Action for the LLDCs for the Decade 2024-2034, available: https://www.un.org/ohrlls/news/cost-being-landlocked-lessons-implementing-programme-action

[4] OHRLLS. 2025. Estimating Trade and Transport Costs in Landlocked Developing Countries, available: https://www.un.org/ohrlls/sites/www.un.org.ohrlls/files/report_estimating_trade_and_transport_costs_in_lldcs_english.pdf

Climate change adds an increasingly significant dimension to the LLDC trade cost environment. Transport corridors in LLDCs are often highly vulnerable to climate-related disruptions, such as floods, landslides, extreme weather events, and infrastructure degradation, leading to sudden increases in delays and higher indirect costs. Climate risks tend to cluster around inland transport infrastructure, including roads and bridges, reinforcing volatility in transport times and magnifying competitiveness gaps for time-sensitive goods.

These characteristics shape three domains of concern for transport and trade policymaking in LLDCs:

1. Multi-dimensional cost drivers. Trade costs combine direct components, such as freight rates, handling charges, and border fees, with indirect components, such as time delays, uncertainty, and procedural burdens. Indirect costs often impose higher economic penalties, especially for time sensitive and perishable goods and for women-owned micro-enterprises with limited working capital. In many transit corridors, the steepest accumulation of time and cost occurs on inland and border segments rather than on long haul maritime legs. These are the segments where regulatory weaknesses, logistics market constraints, and operational inefficiencies intersect.

2. Institutional context. LLDCs often operate within complex transit governance ecosystems. Bilateral agreements must align with regional frameworks, and implementation should be coordinated across borders and agencies. Where common instruments are in place, gaps in application, enforcement, and interoperability can create bottlenecks. Fragmented coordination at border posts remains a principal cause of unpredictability, magnifying indirect costs for firms.

3. Methodological implications. Improving the evidence base for policymakers to identify bottlenecks and address challenges can greatly strengthen trade and transport policymaking. Top-down models of transport and trade costs are essential for comparability and trend analysis, while transit corridor diagnostics reveal border delays, modal gaps, procedural duplication, and informal fees. A hybrid analytical framework can connect macro level trends with actionable findings at specific borders and segments and with user-level distributional impacts, giving policymakers a clearer line of sight to reforms with the highest social return.

Within the context of the Awaza Programme of Action for the Decade 2024 to 2034, accurate cost estimation functions as a policy instrument for tracking progress in transit facilitation, infrastructure improvement, and regional integration. Regular use of comparable indicators, complemented by targeted corridor diagnostics, enables governments to prioritize reforms, negotiate with transit partners on the basis of shared evidence, and sequence infrastructure and facilitation measures for the highest payoff.

Part 2 - Developing Bankable Projects for Transport and Trade Facilitation

The binding constraint for many LLDCs is not the absence of infrastructure needs or financing interest, but the scarcity of projects that meet bankability thresholds. Bankability rests on technical robustness, institutional credibility, financial viability, and a structure that aligns with the expectations of lenders, investors, and development finance institutions. Increasingly climate resilience, environmental sustainability, and social inclusion, are now also central criteria in the due-diligence frameworks of development finance institutions and impact-oriented investors. Across regions, the gap between aspirations and investment readiness is associated with weaknesses in early-stage preparation, regulatory environments, risk allocation, and public sector capacity to manage complex, multi stakeholder processes.

A bankable project demonstrates a coherent results logic, credible demand drivers, a clear strategy for environmental and social risk management, and a financing and implementation structure with appropriate risk allocation. Many initiatives falter at feasibility and structuring because problem statements are weak, traffic or demand assumptions are optimistic, land and resettlement issues remain unresolved, or institutional and regulatory preconditions are not fully integrated, for example cross border memoranda, operating protocols, and revenue arrangements.

Three elements are central in developing bankable transport and trade infrastructure projects:

1. Political and institutional environment. For cross-border or corridor related investments, such as one-stop border posts, dry ports, multimodal terminals, or digital transit systems, the enabling environment is decisive. Financiers assess the stability and alignment of policies across the jurisdictions involved. Inconsistent regulatory enforcement, fragmented transit frameworks, and institutional uncertainty undermine investor confidence even where the asset is technically sound. Bankability depends on institutional coherence, including clear mandates, durable bilateral or regional agreements, transparent approvals and permitting, and predictable tariff or revenue policies.

2. Risk structuring and allocation. The distribution of construction, demand, operational, political, and currency risks is fundamental to investability. LLDCs often face heightened risks because of limited traffic histories, thinner logistics markets, and multi-agency operating environments. Credible mitigation measures, for example availability-based payment models, phased construction, performance-based contracting, cost recovery structures, climate resilient design, and cross-border coordination protocols, are essential to reduce the risk premium and improve financing terms.

3. Project preparation depth. Insufficient preparation is a consistent obstacle. High-quality feasibility studies, cost-benefit analysis, safeguard assessments, financial models, and implementation plans are frequently underdeveloped. Experience from regional corridors and major cross-border assets shows that early attention to land acquisition and resettlement, institutional capacity, and long-term operations and maintenance arrangements shortens the time to financial close and improves the

likelihood of success. Preparation costs are small relative to capital outlays but have outsized influence on viability.

These patterns imply that developing bankable projects cannot be separated from institutional strengthening. Ministries of transport, PPP units, corridor authorities, and border agencies need the capacity to coordinate planning, maintain credible data, and uphold agreements. Financing that blends concessional and commercial resources increasingly requires integration of resilience, inclusion, and sustainability criteria from the outset. Cross border projects, in particular, require harmonized legal and operational regimes, since the weakest institutional link can jeopardize the overall investment case.

Participants: Senior government officials, analysts and technical experts from ministries of transport, trade, finance and economic planning.

Format: In-person interactive training modules, access to analytical tools and materials, and policy-focused interactive sessions.

Languages: Simultaneous interpretation will be provided in English <> French <> Russian <> Spanish.

Organizers: UN-Office of the High Representative for Least Developed Countries, Landlocked Developing Countries, and Small Island Developing States (UN-OHRLLS) with UNCTAD, UNESCAP, UNECE, and UNECA.

Documentation Available Online

- Awaza Programme of Action for Landlocked Developing Countries for the Decade 2024-2034 A/RES/79/233
- UN-OHRLLS. 2025. Estimating Trade and Transport Costs in Landlocked Developing Countries, New York: UN-OHRLLS
- UN-OHRLLS. 2019. Developing Bankable Transport Infrastructure Projects: Case Studies, Experiences and Learning Materials for Landlocked Developing Countries and Transit Countries
- UN-OHRLLS. 2025. Quantifying Logistics Costs of Landlocked Developing Countries, New York: UN-OHRLLS.
- UN-OHRLLS. 2025. Cost of Being Landlocked: Lessons for Implementing the Programme of Action for the LLDCs for the Decade 2024-2034
- UN-OHRLLS. 2025. Climate Vulnerabilities of Landlocked Developing Countries, New York: UN-OHRLLS.

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DRAFT PROGRAMME OVERVIEW

DAY 1 Transport and Trade Analysis	
Session	Description
High-Level Opening Session ▪ Opening Remarks by Ms. Rabab Fatima, *High Representative and Under Secretary General, UN-OHRLLS* ▪ TBC	Workshop objectives, ambitions and strategic policy context.
High-level Ministerial Fireside Dialogue: LLDC Policy Priorities for Trade and Transport Connectivity	High-level dialogue on transport and trade policymaking in LLDCs in the context of the Awaza Programme of Action for Landlocked Developing Countries (LLDCs).
Session A1: **Understanding Trade and Transport Barriers: from the top-down to the bottom-up**	**Theory session**: Learn key concepts and explore "top-down" tools for estimating trade and transport costs, setting the foundation for evidence-based policy.
Session A2: **Hands-On with UNCTAD's Trade and Transport Cost Dataset**	**Hands-on session**: Work directly with real data to calculate and interpret trade cost estimates using UNCTAD's latest tools.
Session A3: **Mapping Transit Corridors with Time-Cost Distance Models**	**Hands-on session**: Build and analyse a Time Cost Distance Model (T/C-DM) to identify bottlenecks and prioritise policy interventions.
Day 1 Synthesis Discussion	**Recap and synthesis**: How to combine both top-down and bottom-up methods in a "triple helix" method.
DAY 2 **Turning Data into Action – Evidence-based Policy**	
Session	Description
Session A4: **Measuring Border Efficiency: Using the Border Performance Index (BPI)**	**Hands-on session**: Apply BPI methodology to assess border performance using sample survey results to compute and interpret scores.
Session A5: **Tools in Practice: Findings from the Field**	**Peer learning**: Peer learning and best practice sharing through case studies from LLDCs.

Session A6: **Policy pathways to efficient transit: Evidence-based insights** **Summary Recommendations** ▪ Session will directly generate structured meeting recommendations	**Dialogue session**: Recommend priorities for realizing efficient transit, based on data-driven approaches and regional best practices and considering cross-cutting issues of gender, sustainability and climate.
DAY 3 **Designing Bankable Projects – Principles and Practice**	
Session	Description
Session B1: **Definitions and principles of Bankable transport project Design**	**Theory session**: Define "bankability" from the perspective of financiers, DFIs, and investors. Understand what makes infrastructure projects attractive to investors.
Session B2: **Project Identification, preparation and structuring transport projects for success**	**Theory and hands-on session:** The session will introduce tools for needs assessments and diagnostic analysis and will discuss practical steps for aligning projects with financing requirements and demonstrating viability. It will also discuss how financiers evaluate financial viability. The discussions will include national and transboundary transport projects.
Session B3: **Risk Assessment & Mitigation Strategies**	**Hands-on session**: The session will discuss typical risks for public and private projects: regulatory, financial, social, environmental, operational and frameworks for risk mitigation plans that banks and investors expect.
Day 3 Synthesis Discussion **Group Exercise – Developing a Mini Bankable Project Concept**	**Recap and synthesis**: Peer review and facilitator feedback.
DAY 4 **From Design to Finance – Mobilizing Investment for Projects**	
Session	Description
Session B4: **Funding Instruments & Investor Expectations**	**Hands-on session**: The session will explore funding sources: grants, concessional loans, equity, blended finance, PPPs and will discuss due diligence criteria for commercial lenders, DFIs, and impact investors.
Session B5: **Bankable projects in practice: Experience sharing**	**Peer learning**: Explore real-world examples of LLDCs that have

	developed and financed infrastructure projects.
Session B6: **Mobilizing finance: LLDC Infrastructure Investment Financing Facility** **Summary Recommendations** ▪ Session will directly generate structured meeting recommendations	**Dialogue session**: Recommendations and shape multilateral financing priorities and initiatives for LLDCs.
Closing & Certificates	Wrap-up, reflection, and distribution of certificates.