

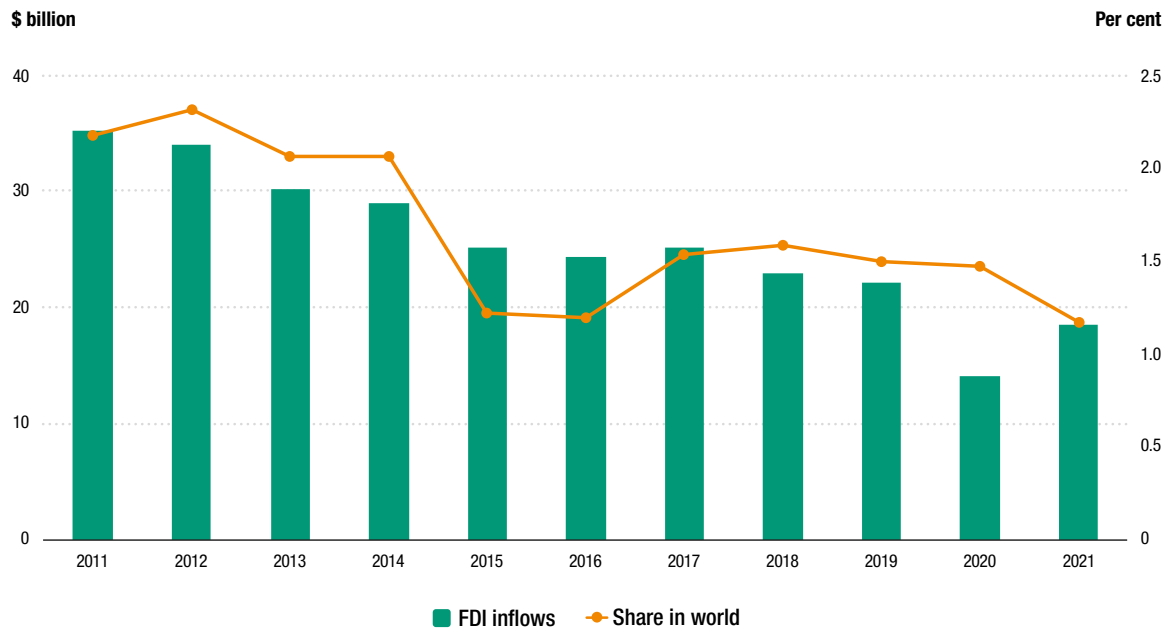
# REGIONAL TRENDS

# LANDLOCKED DEVELOPING COUNTRIES

## HIGHLIGHTS

- FDI inflows to the 32 landlocked developing countries (LLDCs) rose by 31 per cent to \$18 billion. Flows remained concentrated in a few economies, with the top five recipients (Ethiopia, Kazakhstan, Mongolia, Turkmenistan and Uzbekistan, in that order) accounting for more than 71 per cent of total FDI to the group.
- Flows to LLDCs in Africa, Latin America and the Caribbean, and Europe rose. Only flows to LLDCs in Central Asia fell.
  - In Africa, flows to the group increased by 53 per cent to \$7.8 billion, accounting for 42 per cent of total FDI in LLDCs. Ethiopia became the largest LLDC recipient. Flows to Mali rose by 23 per cent to \$660 million. Uganda saw its FDI rise by 31 per cent, to \$1.1 billion.
  - In the two Latin American LLDCs, FDI inflows turned positive in 2021 to \$716 million. After large divestments in 2020 in the Plurinational State of Bolivia, flows reached \$594 million. In Paraguay, flows remained flat, rising by 1 per cent to \$594 million. The country's lockdown, nationwide for two months and in selected areas afterwards, proved effective and the economy reopened relatively quickly.
  - Inflows to the LLDCs in developing Asia contracted by 6 per cent to \$9.1 billion. After the increase in 2020, flows to Kazakhstan fell by 14 per cent to \$3.2 billion. Investment in extractive industries and in transportation and storage declined, but rose in manufacturing and in finance and insurance. Flows to Mongolia rose by 24 per cent, to \$2.1 billion. FDI rose in Turkmenistan, Uzbekistan and the Lao People's Democratic Republic. In Azerbaijan, flows turned negative, to -\$1.7 billion, because of repatriation of funds by oil companies.
- Looking at the LLDCs as a group, the value of greenfield project announcements decreased to \$9.9 billion in 2021, although the number of projects rose by 26 per cent, to 173. The decrease in value was particularly pronounced in manufacturing and services. There was a jump in value in extractive industries.
- The number of international project finance deals in LLDCs was 46 per cent higher than in 2020, at 76 projects. The majority (41) targeted renewables, but projects were also announced in other sectors, including mining, power generation and infrastructure.
- FDI to LLDCs originates mostly from a few key investor countries. With \$20 billion, China was by far the largest investor in 2021 (with \$6 billion in Kazakhstan alone), followed by Thailand, the Netherlands and Canada.

**Figure 1.** Landlocked developing countries: FDI inflows and share in world inflows, 2011–2021  
 (Billions of dollars and per cent)



Source: UNCTAD, FDI/MNE database (<https://unctad.org/fdistatistics>).  
 Note: World excludes Caribbean financial centres.

**Table 1. LLDCs: FDI inflows and cross-border M&A sales, 2019–2021** (Millions of dollars and number)

Subregion/selected economy	FDI				Net cross-border M&A sales							
	Value				Value				Number			
	2019	2020	2021	2020–2021 growth rate (%)	2019	2020	2021	2020–2021 growth rate (%)	2019	2020	2021	2020–2021 growth rate (%)
<b>LLDCs</b>	<b>22 070</b>	<b>14 139</b>	<b>18 486</b>	<b>31</b>	<b>187</b>	<b>78</b>	<b>-869</b>	<b>..</b>	<b>31</b>	<b>23</b>	<b>43</b>	<b>87</b>
Africa (16)	7 593	5 112	7 800	53	-144	33	-1 377	..	11	9	15	67
Botswana	94	32	55	73	-150	-	-	..	1	-	-	..
Chad	567	558	562	1	-	-	-	..	-	-	-	..
Ethiopia	2 549	2 381	4 259	79	-	-	-	..	-	3	-	..
Mali	721	537	660	23	-	-	81	..	3	-	3	..
Niger	717	361	755	109	-	-	-	..	-1	-	-	..
Rwanda	354	274	212	-23	-	-	-	..	-	-	3	..
Uganda	1 274	874	1 142	31	-	-	37	..	1	2	2	0
Zimbabwe	280	194	166	-15	-	16	6	-66	1	1	2	..
Asia (12)	13 514	9 657	9 101	-6	282	44	458	933	15	12	18	50
Azerbaijan	1 504	507	-1 708	..	100	-	-	..	1	-	6	..
Kazakhstan	3 284	3 675	3 172	-14	136	10	436	4 214	6	4	6	50
Mongolia	2 443	1 719	2 140	24	-	11	-	-99	-	3	1	-67
Nepal	185	126	196	55	-	-	-	..	-	1	-	..
Lao People's Democratic Republic	756	968	1 072	11	38	-	-	..	3	-	-	..
Turkmenistan	2 129	1 169	1 453	24	-	-	-	..	-	-	-	..
Uzbekistan	2 316	1 726	2 044	18	9	23	17	-28	3	2	2	..
Europe (2)	955	380	869	129	43	-	-	..	4	1	4	300
North Macedonia	446	230	606	163	4	-	-	..	2	-	3	..
Moldova, Republic of	508	150	264	76	39	-	-	..	2	1	1	0
Latin America and the Caribbean (2)	8	-1 009	716	..	6	-	51	..	1	1	6	500
Bolivia, Plurinational State of	-217	-1 129	594	..	-	-	51	..	1	-	3	..
Paraguay	225	120	122	1	6	-	-	..	-	1	3	200
<i>Memorandum</i>												
World	1 480 626	963 139	1 582 310	64	507 396	474 864	727 880	53	7 118	6 201	8 846	43
Developed economies	764 456	319 190	745 739	134	428 468	388 581	615 083	58	5 949	5 333	7 838	47
Developing economies	716 170	643 949	836 571	30	78 928	86 283	112 797	31	1 169	868	1 008	16

Source: UNCTAD, FDI/MNE database (<https://unctad.org/fdistatistics>) for FDI and cross-border M&A database (<https://unctad.org/fdistatistics>) for M&As.

Note: World, developing economies, Latin America and the Caribbean, and the Caribbean exclude Caribbean financial centres.

**Table 2. LLDCs: announced greenfield projects and international project finance deals, 2019–2021** (Millions of dollars and number)

Region/selected economy	Announced greenfield investment projects								Announced international project finance deals							
	Value				Number				Value				Number			
	2019	2020	2021	2020–2021 growth rate (%)	2019	2020	2021	2020–2021 growth rate (%)	2019	2020	2021	2020–2021 growth rate (%)	2019	2020	2021	2020–2021 growth rate (%)
<b>LLDCs</b>	<b>25 058</b>	<b>12 604</b>	<b>9 937</b>	<b>-21</b>	<b>354</b>	<b>137</b>	<b>173</b>	<b>26</b>	<b>30 138</b>	<b>30 665</b>	<b>13 918</b>	<b>-55</b>	<b>78</b>	<b>52</b>	<b>76</b>	<b>46</b>
Africa (16)	7 532	3 361	4 412	31	148	58	65	12	19 485	19 235	4 254	-78	44	22	31	41
Botswana	85	133	340	156	8	3	4	33	1 640	462	100	-78	6	2	2	0
Chad	5	199	27	-87	1	1	2	100	323	202	-	..	1	1	-	..
Ethiopia	1 908	503	132	-74	32	11	7	-36	876	4 263	660	-85	5	3	5	67
Mali	203	450	450	0	3	4	3	-25	719	290	459	58	5	2	2	0
Niger	341	5	165	3 400	3	1	1	0	7 132	-	-	..	2	-	-	..
Rwanda	1 246	236	270	15	20	5	10	100	1 999	-	-	..	1	-	-	..
Uganda	960	354	260	-27	29	5	8	60	571	1 764	16	-99	5	3	1	-67
Zimbabwe	709	206	1 548	653	17	5	9	80	3 512	497	2 398	383	5	4	13	225
Asia (12)	13 362	5 242	4 105	-22	169	60	69	15	6 995	11 319	7 232	-36	30	29	35	21
Azerbaijan	741	325	43	-87	20	6	3	-50	476	700	394	-44	2	3	3	0
Kazakhstan	5 811	847	714	-16	60	10	20	100	1 626	931	1 706	83	10	4	7	75
Mongolia	66	12	-	..	4	1	-	..	19	924	477	-48	1	1	3	200
Nepal	425	225	31	-86	9	5	2	-60	39	48	619	1 191	1	1	2	100
Lao People's Democratic Republic	533	103	129	25	6	2	2	0	1 116	3 656	419	-89	5	7	4	-43
Turkmenistan	185	-	-	..	2	-	-	..	225	-	159	..	1	-	1	..
Uzbekistan	4 843	3 231	1 922	-41	45	22	25	14	2 919	4 945	3 071	-38	6	12	13	8
Europe (2)	367	270	1 099	307	16	8	24	200	72	-	2 214	..	1	-	8	..
North Macedonia	237	136	1 031	657	10	3	19	533	-	-	119	..	-	-	1	..
Moldova, Republic of	130	134	68	-49	6	5	5	0	72	-	2 094	..	1	-	7	..
Latin America and the Caribbean (2)	3 797	3 732	321	-91	21	11	15	36	3 586	110	218	98	3	1	2	100
Bolivia, Plurinational State of	2 905	309	241	-22	12	5	7	40	1 098	-	-	..	1	-	-	..
Paraguay	892	3 422	80	-98	9	6	8	33	2 488	110	218	98	2	1	2	100
<i>Memorandum</i>																
World	845 921	575 069	659 426	15	18 261	13 248	14 710	11	681 933	483 749	1 187 657	146	1 303	1 262	2 115	68
Developed economies	381 665	316 485	400 565	27	10 976	8 993	9 790	9	301 440	263 839	655 957	149	677	742	1 262	70
Developing economies	464 256	258 584	258 861	-	7 285	4 255	4 920	16	380 493	219 910	530 101	141	626	520	852	64

Source: UNCTAD, based on information from the Financial Times Ltd, fDi Markets ([www.fDimarkets.com](http://www.fDimarkets.com)) for announced greenfield FDI projects and Refinitiv SA for international project finance deals.

Note: World, developing economies, Latin America and the Caribbean and the Caribbean exclude Caribbean financial centres.

**Table 3. LLDCs: announced greenfield projects, by sector and selected industries, 2019–2021**

Sector/industry	Value (Millions of dollars)			2020–2021 growth rate (%)	Number			2020–2021 growth rate (%)
	2019	2020	2021		2019	2020	2021	
<b>Total</b>	25 058	12 604	9 937	-21	354	137	173	26
<b>Primary</b>	704	46	1 479	3 151	10	3	6	100
<b>Manufacturing</b>	13 892	4 452	1 925	-57	173	45	57	27
<b>Services</b>	10 463	8 106	6 533	-19	171	89	110	24
<i>Top 10 industries in value terms</i>								
Energy and gas supply	5 116	4 471	3 795	-15	24	17	22	29
Information and communication	307	2 050	1 560	-24	18	25	38	52
Extractive industries	335	6	1 471	24 422	3	1	5	400
Basic metal and metal products	368	77	502	549	8	1	5	400
Other non-metallic mineral products	2 188	294	462	57	19	3	2	-33
Transportation and storage	2 140	679	335	-51	22	10	13	30
Trade	318	144	325	126	18	5	10	100
Pharmaceuticals	616	101	260	157	19	3	5	67
Professional services	148	127	171	35	12	9	11	22
Automotives	851	231	170	-26	11	9	7	-22

Source: UNCTAD, based on information from the Financial Times Ltd, fDi Markets ([www.fDimarkets.com](http://www.fDimarkets.com)).

**Table 4. LLDCs: announced international project finance deals, selected industries, 2019–2021**

Industry	Value (Millions of dollars)			2020–2021 growth rate (%)	Number			2020–2021 growth rate (%)
	2019	2020	2021		2019	2020	2021	
<b>Total</b>	30 138	30 665	13 918	-55	78	52	76	46
<i>Top 10 industries by number</i>								
Renewable energy	7 158	12 990	6 147	-53	42	29	41	41
Mining	5 660	687	1 484	116	12	4	8	100
Industrial real estate	2 894	836	787	-6	5	5	6	20
Power	3 140	2 945	2 562	-13	5	3	5	67
Residential/commercial real estate	2 818	514	140	-73	6	5	3	-40
Oil and gas	7 954	240	571	138	4	1	3	200
Transportation infrastructure	188	11 480	1 023	-91	1	2	3	50
Agriculture	181	850	559	-34	1	2	2	0
Water and sewerage	130	122	144	19	1	1	2	100
Education	-	-	78	..	-	-	1	..

Source: UNCTAD, based on data from Refinitiv SA.

**Table 5. LLDCs: net cross-border M&A sales, by sector and selected industries, 2019–2021**

Sector/industry	Value (Millions of dollars)			2020–2021 growth rate (%)	Number			2020–2021 growth rate (%)
	2019	2020	2021		2019	2020	2021	
<b>Total</b>	187	78	-869	..	<b>31</b>	<b>23</b>	<b>43</b>	87
<b>Primary</b>	-19	27	-982	..	2	3	15	400
<b>Manufacturing</b>	-	17	1	-95	11	4	4	0
<b>Services</b>	206	33	113	239	18	16	24	50
<i>Top 10 industries in value terms</i>								
Financial and insurance	149	10	66	547	8	6	9	50
Transportation and storage	9	-	47	..	3	1	3	200
Agriculture	6	-	2	..	2	-	7	..
Electronic and electrical equipment	-	-	1	..	-	-	1	..
Construction	-	-	1	..	-	-	2	..
Utilities	-25	-	0.1	..	-	1	2	100
Food, beverages and tobacco	-	-	-	..	6	-	2	..
Coke and refined petroleum	-	-	-	..	1	-	1	..
Administrative and support services	-	-	-	..	-	-	2	..
Health services	38	-	-	..	1	-	-1	..

Source: UNCTAD, cross-border M&A database (<https://unctad.org/fdistatistics>).

**Table 6. Landlocked developing countries: investment project announcements in SDG sectors, 2019–2021** (Millions of dollars and per cent)

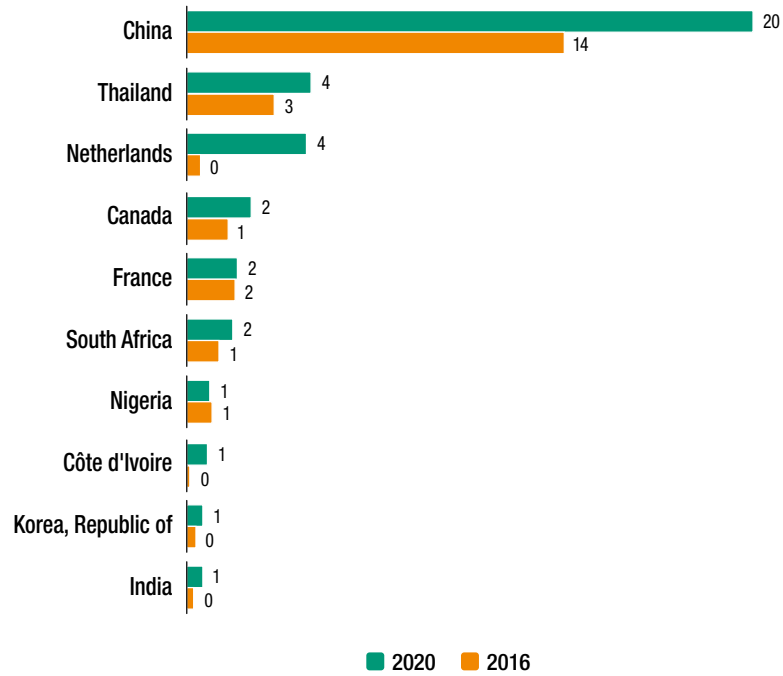
SDG-relevant sector	Greenfield projects				International project finance deals			
	2019	2020	2021	2020–2021 growth rate (%)	2019	2020	2021	2020–2021 growth rate (%)
<b>Total</b>								
<b>Value</b>	<b>12 002</b>	<b>7 392</b>	<b>5 732</b>	<b>-22</b>	<b>10 812</b>	<b>28 387</b>	<b>10 816</b>	-62
<b>Number of projects</b>	<b>124</b>	<b>60</b>	<b>75</b>	<b>25</b>	<b>51</b>	<b>37</b>	<b>55</b>	49
<i>Power<sup>a</sup></i>								
Value	2 219	2 218	420	-81	3 140	2 945	2 562	-13
Number of projects	4	3	2	-33	5	3	5	67
<i>Renewable energy</i>								
Value	2 897	2 254	3 375	50	7 158	12 990	6 147	-53
Number of projects	20	15	20	33	42	29	41	41
<i>Transport services<sup>b</sup></i>								
Value	2 140	679	171	-75	188	11 480	1 023	-91
Number of projects	22	10	12	20	1	2	3	50
<i>Telecommunication</i>								
Value	208	1 833	1 101	-40	15	-	-	..
Number of projects	7	19	14	-26	1	-	-	..
<i>Water, sanitation and hygiene (WASH)</i>								
Value	61	-	-	..	130	122	144	19
Number of projects	1	-	-	..	1	1	2	100
<i>Food and agriculture</i>								
Value	3 661	299	369	23	181	850	559	-34
Number of projects	41	9	18	100	1	2	2	-
<i>Health</i>								
Value	711	101	264	161	-	-	303	..
Number of projects	21	3	6	100	-	-	1	..
<i>Education</i>								
Value	106	7	32	357	-	-	78	..
Number of projects	8	1	3	200	-	-	1	..

Source: UNCTAD, information from the Financial Times Ltd, fDI Markets ([www.fdimarkets.com](http://www.fdimarkets.com)) for announced greenfield FDI projects and Refinitiv SA for international project finance deals.

<sup>a</sup> Excluding renewable energy.

<sup>b</sup> Transport services for greenfield projects and transport infrastructure for project finance.

**Figure 2. | LLDCs: top 10 investor economies by FDI stock, 2016 and 2020** (Billions of dollars)



Source: UNCTAD, FDI/MNE database (<https://unctad.org/fdistatistics>).