

MIDTERM REVIEW VIENNA PROGRAMME OF ACTION FOR LANDLOCKED DEVELOPING COUNTRIES DECEMBER 2019, NEW YORK

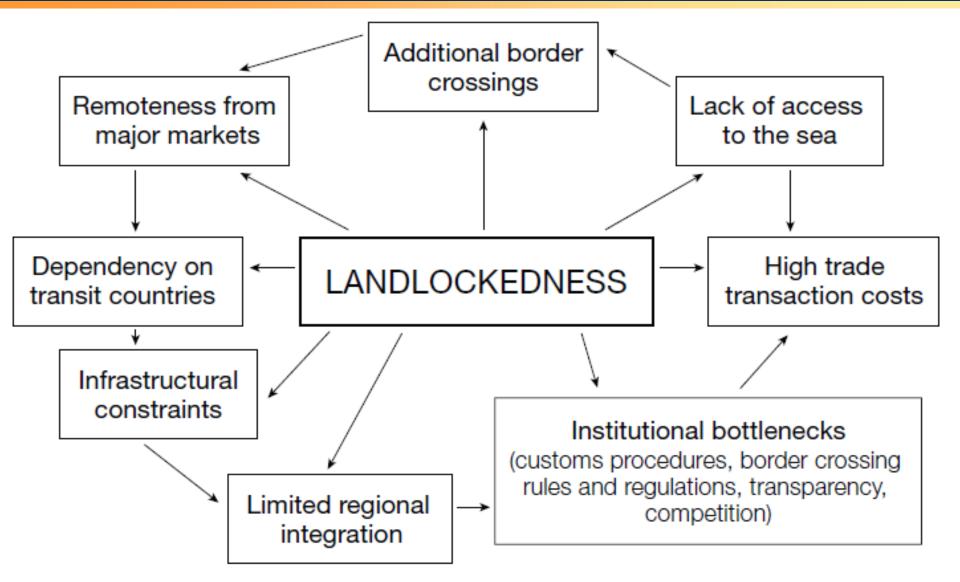
Workshop – Quantifying transport costs for landlocked developing countries

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Development Challenges Linked to Landlockedness



LLDCs Transport Costs

- LLDCs' transport costs are on average 45% higher than coastal economies (UN-OHRLLS, 2013)
- Transport costs are 50% higher in LLDCs (Radelet and Sachs, 1998)
- Median LLDC transport costs are 46%-55% higher than coastal economy (Limao and Venables, 2001)
- Freight payments/total imports higher than 10% in 13 African LLDCs; higher than 20% in 7 LLDCs (Stone, 2001)

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Why are LLDCs' transport costs higher?

- Longer distances to sea ports
- Frequent changes in mode of transport
- Inadequate or low-quality infrastructure
- Dependence on transit countries
- Additional costs in transit
- Inefficient transport systems
- Time losses, delays and inefficiencies at border crossings



Why it is difficult to measure transport costs?

- Different approaches/models
- Limited data availability in LLDCs
- Limitations of data and modelling
- Different modes of transport
- Different methodologies in different regions/transit routes



Common method for quantifying 'actual' transport costs

- What would this method or model entail?
- Which data it would use?
- How would it identify and categorize transport costs?
- How would it incorporate the soft and hard infrastructure, measure economic distance, assess efficiency of administrative processes?



Thank You

Find out more on the midterm review of the Vienna Programme of Action at <u>www.lldc2conference.org/mtr</u>



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