



Regional trends

Landlocked developing countries



Highlights

Foreign direct investment (FDI) inflows to the 32 landlocked developing countries (LLDCs) rose by 3 per cent in 2023, to \$24 billion. Flows remained concentrated in a few economies, with the top five recipients (Ethiopia, Kazakhstan, Uganda, Mongolia and Uzbekistan, in that order) accounting for about 55 per cent of total FDI to the group. A large share of FDI to LLDCs originates with investors from just a few countries. At about \$20 billion, China was the main investor home country in 2023 (with \$7 billion of FDI stock in Kazakhstan alone), followed by Thailand, Canada and the Netherlands.

- In the 16 African LLDCs, inward FDI declined by 9 per cent. Total inflows were about \$11 billion. Ethiopia and Uganda received more than half of total inflows. The total value of greenfield projects and international project finance deals in the African LLDCs dropped, but the number of greenfield projects rose. The drop in greenfield values was the result of a large project in Uganda in 2022, which had substantially raised the total that year. Otherwise, several countries saw significant gains.
- FDI inflows to the LLDCs in developing Asia increased by 22 per cent to \$12 billion. The increase is largely attributable to positive flows to Azerbaijan after large negative values in 2022. The main recipients registered sizeable declines in 2023, including Kazakhstan (down 51 per cent) and Mongolia (down 10 per cent). There were significant increases in the value and number of greenfield projects for the Asian LLDCs (up 176 and 127 per cent, respectively).
- In the two Latin American LLDCs, FDI inflows fell by 27 per cent to \$530 million due in part to a drop in inflows to Paraguay. The number and value of both greenfield projects and project finance deals increased substantially for both countries, albeit from a relatively low baseline.
- FDI inflows fell by 20 per cent in the two European LLDCs, North Macedonia and the Republic of Moldova. Both greenfield projects and project finance deals saw declines.

The increase in value of announced greenfield projects was most pronounced in manufacturing, where the total jumped by \$20 billion, in large part because of the announcement in Kazakhstan of a \$7.7 billion project for polyethylene production. Overall, the gains in greenfield announcements for LLDCs outweighed the downturn in international project finance deals. Kazakhstan and Uzbekistan were the top destinations for greenfield projects in 2023, receiving together a large share of the total value (53 per cent) and number (40 per cent). Kazakhstan entered into a power purchase agreement with TotalEnergies (France) for a \$1.4 billion onshore wind farm and battery energy storage system. The Uzbekistan Government awarded contracts for several solar projects, which are expected to generate \$4 billion in investment.

The global downturn in the number and value of international project finance deals also affected LLDCs. Overall, the number of such deals declined by 33 per cent and values were 13 per cent lower than in 2022. There were a few exceptions. Activity picked up in Latin America, with a string of deals for lithium extraction and processing. In addition, the value of deals in renewables in LLDCs increased by 24 per cent to \$15 billion, with projects in Kazakhstan and Uzbekistan accounting for about half of the total. The largest projects in Africa were in copper mining, with a \$2 billion expansion in Zambia and a \$1.9 billion acquisition in Botswana.

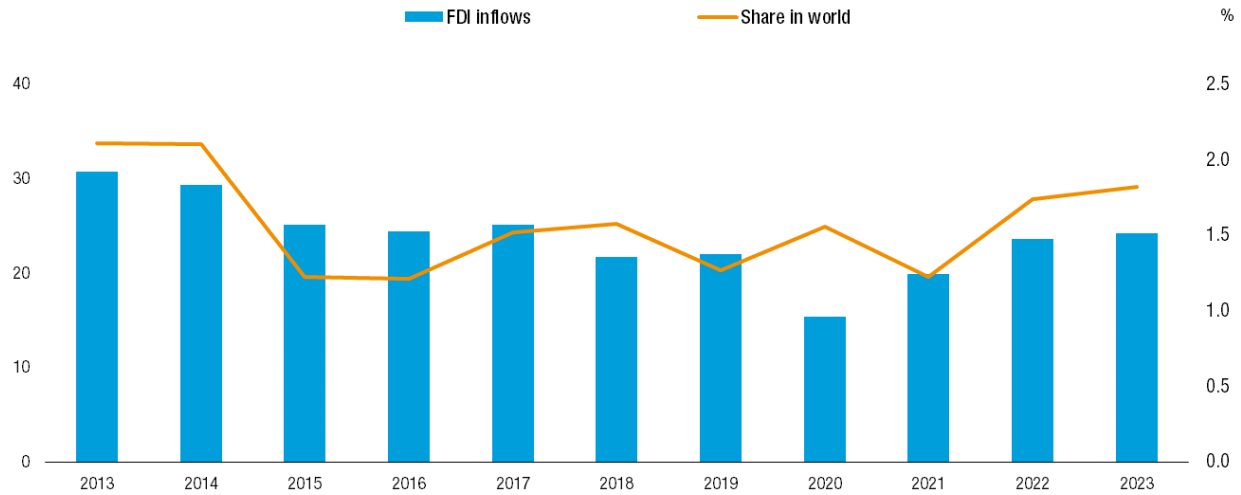
Overall, investment in sectors relevant to the Sustainable Development Goals\ registered gains. Greenfield projects registered significant growth in most sectors, except for water, sanitation and hygiene. The value of international project finance deals for power fell by about \$1 billion, but higher greenfield investment more than compensated for this drop.



Figure 1

Landlocked developing countries: FDI inflows and share in world inflows

(Billions of dollars and percentage)



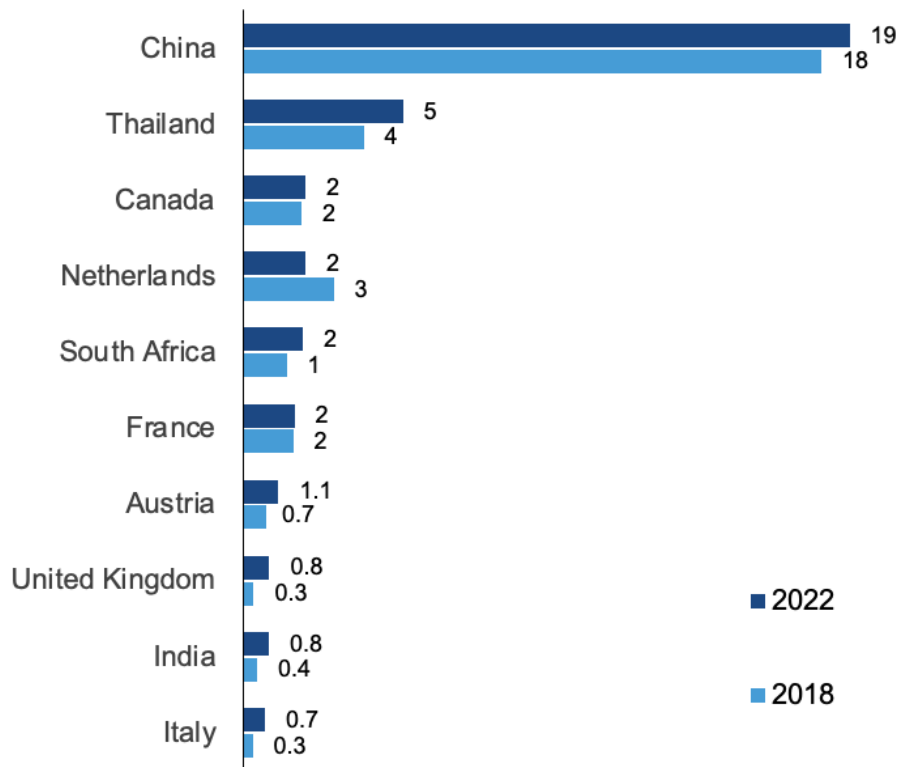
Source: UNCTAD, FDI/MNE database (<https://unctad.org/fdistatistics>).

Note: Data exclude financial centres in the Caribbean and special-purpose entities in reporting countries.

Figure 2

Least developed countries: top 10 investor economies by FDI stock

(Billions of dollars)



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

Table 1
Landlocked developing countries: FDI inflows and cross-border M&A sales

Subregion / selected economy	FDI				Net cross-border M&A sales							
	Value (millions of dollars)			Growth, 2022–2023 (%)	Value (millions of dollars)			Growth, 2022–2023 (%)	Number			Growth, 2022–2023 (%)
	2021	2022	2023		2021	2022	2023		2021	2022	2023	
LLDCs	19 899	23 599	24 255	3	-867	1553	-595	..	46	31	37	19
Africa (16)	8 822	11 543	10 503	-9	-1 377	53	67	29	16	4	9	125
Botswana	- 319	708	198	-72	0.5	1	-	..	1	2	-	..
Chad	705	614	913	49	-	-	-	..	-	-	-	..
Ethiopia	4 260	3 670	3 263	-11	-	-	-	..	-	-	-	..
Mali	640	716	698	-2	81	-	-	..	3	-	2	..
Niger	595	966	966	0	-	-	-	..	-	-	-	..
Rwanda	399	496	523	5	-	-	67	..	3	1	6	500
Uganda	1 648	2 953	2 886	-2	37	-	-	..	2	1	1	0
Zimbabwe	250	395	588	49	6	77	-	..	2	-	-	..
Asia (12)	9 347	9 949	12 123	22	459	1 486	- 674	..	21	20	20	0
Armenia	366	998	443	-56	-	2	-	..	2	3	1	-67
Azerbaijan	-1 708	-4 474	253	..	1	1 450	-	..	6	4	5	25
Kazakhstan	3 353	6 541	3 223	-51	436	-94	-986	..	6	1	3	200
Mongolia	2 173	2 504	2 248	-10	0.1	10	60	481	1	1	2	100
Nepal	196	65	74	13	-	1	-	..	-	1	-	..
Lao People's Democratic Republic	1 072	636	1 668	162	-	-	-	..	-	-	-	..
Turkmenistan	1 287	936	1 378	47	-	-	-	..	-	-	-	..
Uzbekistan	2 275	2 498	2 187	-12	17	117	252	116	4	10	8	-20
Europe (2)	961	1 376	1 095	-20	-	15	12	-18	4	6	4	-33
North Macedonia	556	785	667	-15	-	-	10	..	3	-	3	..
Republic of Moldova	404	591	428	-28	-	15	2	-87	1	6	1	-83
Latin America and the Caribbean (2)	769	731	534	-27	51	-	-	..	5	1	4	300
Bolivia (Plurinational State of)	584	6	294	..	51	-	-	..	3	-1	1	..
Paraguay	185	725	241	-67	-	-	-	..	2	2	3	50
Memorandum												
World	#####	1 355 749	1 331 813	-2	737 452	706 572	378 370	-46	8 571	7 763	6 717	-13
Developed economies	#####	731 843	464 397	9	624 070	599 315	301 936	-50	7 610	6 710	5 862	-13
Developing economies	#####	889 965	867 417	-7	113 382	107 257	76 434	-29	961	1 053	855	-19

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

Note: Data exclude financial centres in the Caribbean and special-purpose entities in reporting countries.

Table 2
Landlocked developing countries: announced greenfield projects and international project finance deals

Region/selected economy	Announced greenfield projects								International project finance deals							
	Value (millions of dollars)			Growth, 2022–2023 (%)	Number			Growth, 2022–2023 (%)	Value (millions of dollars)			Growth, 2022–2023 (%)	Number			Growth, 2022–2023 (%)
	2021	2022	2023		2021	2022	2023		2021	2022	2023		2021	2022	2023	
LLDCs	14 698	32 758	51 368	57	176	212	346	63	74 863	32 017	27 788	-13	86	75	50	-33
Africa (16)	4 855	18 813	11 319	-40	66	71	94	32	7 956	14 521	8 826	-39	34	26	18	-31
Botswana	346	296	1 143	286	4	8	8	0	100	1 607	2 087	30	2	3	2	-33
Chad	36	10	..	..	2	1	-	..	-	1 393	-	..	-	3	-	..
Ethiopia	139	555	3 597	548	7	7	12	71	1 147	540	600	11	5	1	1	0
Mali	434	225	30	-87	3	1	2	100	713	-	-	..	2	-	-	..
Niger	165	39	-	..	1	2	-	..	-	2 245	1 136	-49	-	6	4	-33
Rwanda	277	371	402	8	10	11	13	18	-	-	10	..	-	-	1	..
Uganda	284	10 208	1 501	-85	8	10	19	90	16	477	810	70	1	1	3	200
Zimbabwe	1 881	5 004	1 626	-68	10	15	12	-20	4 756	5 453	1 490	-73	14	6	2	-67
Asia (12)	8 447	12 877	35 562	176	72	93	211	127	63 379	16 385	14 235	-13	41	41	25	-39
Azerbaijan	43	675	1 256	86	3	9	15	67	844	2 249	1 502	-33	5	7	5	-29
Kazakhstan	889	1 644	16 990	933	20	28	65	132	52 582	4 028	3 538	-12	6	8	7	-13
Mongolia	-	7	109	1582	-	1	3	200	937	771	-	..	4	2	-	..
Nepal	1 232	33	785	2316	5	6	9	50	1 493	1 499	-	..	3	5	-	..
Lao People's Democratic Republic	166	541	731	35	2	2	7	250	536	3 989	159	-96	3	8	1	-88
Turkmenistan	-	7 782	135	-98	-	3	4	33	519	605	-	..	1	1	-	..
Uzbekistan	4 717	1 696	10 387	513	25	14	75	436	5 433	2 383	8 277	247	16	7	10	43
Europe (2)	1 096	867	830	-4	23	38	21	-45	1 543	658	107	-84	7	6	1	-83
North Macedonia	1 025	623	592	-5	18	29	14	-52	1 424	658	107	-84	6	6	1	-83
Moldova, Republic of	71	243	238	-2	5	9	7	-22	119	-	-	..	1	-	-	..
Latin America and the Caribbean (2)	301	202	3 656	1714	15	10	20	100	1 985	453	4 621	920	4	2	6	200
Bolivia (Plurinational State of)	222	71	2 455	3362	7	3	7	133	1 536	-	4 399	..	3	-	5	..
Paraguay	79	131	1 202	820	8	7	13	86	450	453	222	-51	1	2	1	-50
Memorandum:																
World	829 693	#####	#####	5	15 514	18 061	18 442	2	1440 058	1301 183	958 210	-26	2 500	2 858	2 196	-23
Developed economies	536 858	687 018	630 989	-8	10 438	11 112	10 435	-6	674 059	728 289	562 055	-23	1 496	1 720	1 357	-21
Developing economies	292 835	622 048	749 412	20	5 076	6 949	8 007	15	766 000	572 894	396 155	-31	1 004	1 138	839	-26

Source: UNCTAD, based on information from The Financial Times, fDi Markets (www.fDimarkets.com) and Refinitiv.

Note: Data exclude financial centres in the Caribbean.

Table 3
Landlocked developing countries: announced greenfield projects, by sector and selected industries

Sector/industry	Value (Millions of dollars)			Growth, 2022–2023 (%)	Number			Growth, 2022–2023 (%)
	2021	2022	2023		2021	2022	2023	
Total	14 698	32 758	51 368	57	176	212	346	63
Primary	1 787	17 604	8 685	-51	7	12	22	83
Manufacturing	1 905	1 889	21 619	1 044	58	56	115	105
Services	11 006	13 265	21 063	59	111	144	209	45
<i>Top 10 industries in value terms</i>								
Energy and gas supply	8 002	5 603	14 181	153	24	15	42	180
Chemicals	60	-	9 766	..	4	-	10	..
Extractive industries	1 779	17 604	7 976	-55	6	12	18	50
Other non-metallic mineral products	445	460	4 478	873	2	5	17	240
Coke and refined petroleum	-	6	3 054	..	-	1	5	400
Transportation and storage	331	4 119	2 163	-47	13	18	38	111
Information and communication	1 794	1 233	2 020	64	38	50	46	-8
Basic metal and metal products	508	3	1 211	..	5	1	11	..
Automotive	132	674	1 174	74	7	13	17	31
Construction	-	1 076	935	-13	-	2	5	150

Source: UNCTAD, based on information from The Financial Times, fDi Markets (www.fDimarkets.com).

Table 4
Landlocked developing countries: announced international project finance deals, selected industries

Sector/industry	Value (Millions of dollars)			Growth, 2022–2023 (%)	Number			Growth, 2022–2023 (%)
	2021	2022	2023		2021	2022	2023	
Total	74 863	32 017	27 788	-13	86	75	50	-33
<i>Top 10 industries by number</i>								
Renewable energy	10 242	12 300	15 254	24	47	37	30	-19
Mining	2 142	2 354	6 553	178	8	6	8	33
Power	53 974	3 186	2 273	-29	6	7	4	-43
Oil and gas	1 113	20	1 331	..	3	1	3	200
Industrial real estate	3 604	7 596	1 557	-80	7	7	2	-71
Petrochemicals	450	-	402	..	1	-	2	..
Agriculture	519	904	418	-54	1	2	1	-50
Residential/commercial real estate	312	2 826	-	..	2	4	-	..
Transport infrastructure	1 312	1 599	-	..	3	4	-	..
Water and sewerage	286	449	-	..	3	3	-	..

Source: UNCTAD, based on information from Refinitiv.

Table 5
Landlocked developing countries: announced international project finance deals, selected industries

Sector/industry	Value (Millions of dollars)			Growth, 2022–2023 (%)	Number			Growth, 2022–2023 (%)
	2021	2022	2023		2021	2022	2023	
Total	-867	1 553	-595	..	46	31	37	19
Primary	-982	1 517	-916	..	16	-1	4	..
Manufacturing	2	101	257	154	3	6	14	133
Services	113	-65	64	..	27	26	19	-27
<i>Top 10 industries in value terms</i>								
Chemicals	-	-	140	..	-	-	2	..
Rubber and plastics products	-	-	82	..	-	-	2	..
Finance and insurance	66	23	56	142	9	5	4	-20
Basic metal and metal products	-	-	22	..	-	1	3	200
Non-metallic mineral products	-	-	11	..	-	1	2	100
Agriculture, forestry and fishing	2	-	10	..	7	-	2	..
Construction	1	-	8	..	3	2	2	0
Food, beverages and tobacco	1	-	1	..	1	1	1	0
Textiles, clothing and leather	-	-	-	..	-	-	1	..
Coke and refined petroleum	-	100	-	..	1	1	1	0

Source: UNCTAD, based on information from Refinitiv.

Table 6
Landlocked developing countries: investment project announcements in sectors relevant to the Sustainable Development Goals

Goals-relevant sector	Announced greenfield projects				International project finance deals			
	2021	2022	2023	Growth, 2022–2023 (%)	2021	2022	2023	Growth, 2022–2023 (%)
Total								
Value	10 160	7 511	19 273	157	67 123	19 090	17 945	-6
Number of projects	76	64	131	105	64	56	35	-38
Power ^a								
Value	420	148	1 874	1170	53 974	3 186	2 273	-29
Number of projects	2	1	5	400	6	7	4	-43
Renewable energy								
Value	7 582	5 455	12 307	126	10 242	12 300	15 254	24
Number of projects	22	14	37	164	47	37	30	-19
Transport services ^b								
Value	167	619	2 163	249	1 312	1 599	-	..
Number of projects	12	17	38	124	3	4	-	..
Telecommunication								
Value	1 325	697	1 156	66	-	267	-	..
Number of projects	14	11	13	18	-	1	-	..
Water, sanitation and hygiene (WASH)								
Value	-	12	2	-84	286	449	-	..
Number of projects	-	1	1	0	3	3	-	..
Agrifood systems								
Value	356	527	1 630	209	519	904	418	-54
Number of projects	17	15	28	87	1	2	1	-50
Health								
Value	279	18	98	459	200	-	-	..
Number of projects	6	3	5	67	1	-	-	..
Education								
Value	32	35	44	25	589	386	-	..
Number of projects	3	2	4	100	3	2	-	..

Source: UNCTAD, based on information from The Financial Times, fDi Markets (www.fdimarkets.com) and Refinitiv.

^a Excluding renewable energy.

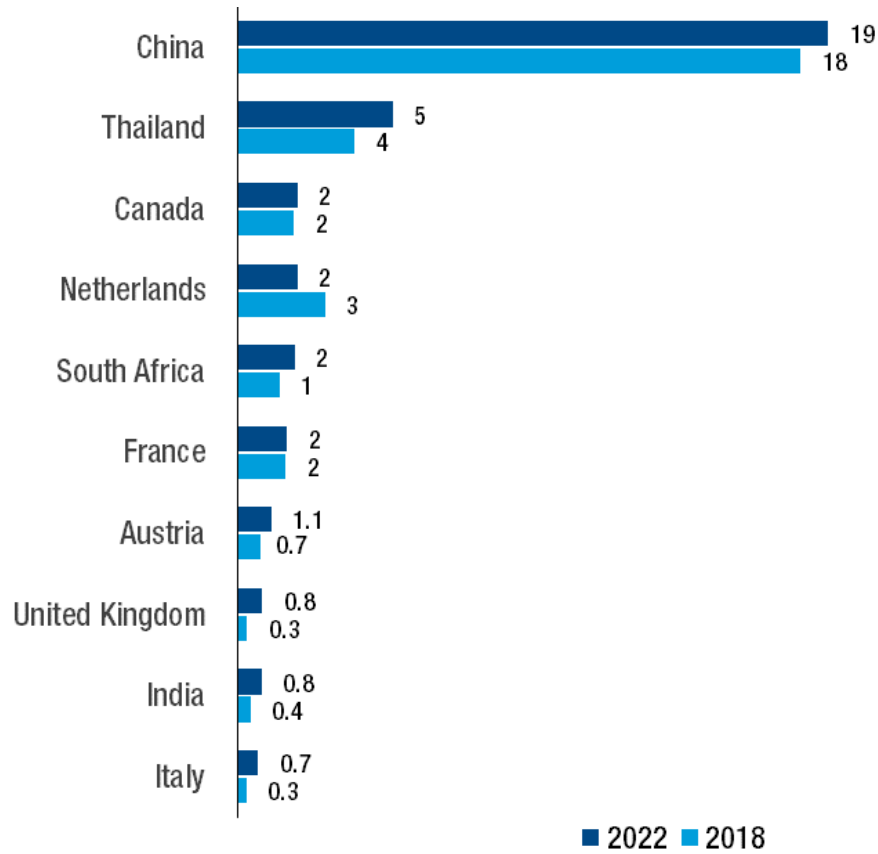
^b Transport services for greenfield projects and transport infrastructure for project finance.



Figure 2

Landlocked developing countries: Top 10 investor economies by FDI stock

(Billions of dollars)



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

