

Implementation of the UN Programme of Action for Landlocked Developing Countries:

Overview of ADB Efforts

A. Introduction

1. Landlocked countries among ADB's developing member countries. According to the United Nations criteria,¹ there are 12 ADB developing member countries (DMCs) that are landlocked developing countries (LLDCs).² LLDCs usually face special difficulties in economic growth due to high transport costs which impede their trade. They have to route their merchandise through longer routes passing through neighboring transit and coastal countries.

2.

4. RCI is an important element in the ADB-assisted CPRO programs. To the extent possible, RCI opportunities were identified in the CRRO projects related to the following:

- (i) ensuring national responses to address COVID-19 are consistent with any inter-DMC agreements or other relevant commitments to implement joint surveillance measures or protocols on communicable diseases; and guided by learning from the experience of other countries;
- (ii) reducing shared health risks;
- (iii) enhancing private and public sector production and distribution, including through regional procurement of medical supplies and/or food supplies, reduced tariffs and/or trade facilitation of priority supplies;
- (iv) applying World Health Organization standards in relation to cross-border health protocols; and
- (v) supporting key trade sectors of the economy (e.g., tourism, SMEs) to ensure their resilience.

5. ADB's RCI lending support for LLDCs. Figure 3 shows ADB's lending support for LLDCs in 2018–2020, well reflected in its overall RCI support. Over the period of 2018–2020, ADB provided \$5.96 billion worth of loans and grants to LLDCs, accounting for 24.87% of ADB's overall RCI support in the same period. Figure 4 shows the sectoral distribution of ADB's support to LLDCs. Almost 70% of this lending volume was provided to the transport o9, TJ (0)3551001 Jtq 06032 89

6. ADB's RCI-related technical assistance for LLDCs . Substantial RCI technical assistance (TA) was also provided to LLDCs, amounting to \$39.05 million in 2018–2020 (Figure 5). Figure 6 shows that energy accounted for the bulk (32.91%) of this amount, followed by transport (31.82%), public sector management (8.30%), finance (7.43%), agriculture, natural resources, and rural development (6.53%),

7. ADB support to LLDCs in Central Asia. ADB has been providing significant support for LLDCs in different parts of Asia and the Pacific. The scaling-up of ADB's support for LLDCs has been particularly demonstrated in Central Asia. The CAREC Program, which includes 9 of ADB's LLDCs, has made special efforts in turning the landlocked nations into land-linked economies. This vision has been clearly built into the CAREC Program's long-term strategic framework, or the CAREC 2030, which was adopted in October 2017 with a new mission statement "A Regional

9. Key examples of ADB support to the LLDCs under the CAREC Program include:
- (i) ADB stepped up budget support and emergency assistance through its Countercyclical Support Facility—specifically the CPRO—to help CAREC LLDCs mitigate the health, social, and economic impacts of the pandemic. As of 31 December 2020, a total of \$2,579.8 million emergency and CPRO assistance in sovereign loans and grants were committed by ADB.
 - (ii) ~~ADB~~ o

natural gas pipeline project, and the Afghanistan Energy Supply Improvement Investment Program—Uzbekistan-Afghanistan 500 kV Power System Interconnection project, to help strengthen the sustainability of Afghanistan's power sector and promote cross-border energy trade.

(v)

12. In Southeast Asia, ADB provided \$20 million in grants and loans in 2020 to the Lao People's Democratic Republic to support regional health security. Specifically, the financing will support the Government of the Lao PDR's National Preparedness and Response Plan for COVID-19, which aims to mitigate the impact of possible large-scale community transmission and improve pandemic preparedness. In addition, ADB is supporting Lao PDR in COVID-19 response through technical assistance projects focused on strengthening regional health cooperation in the Greater Mekong Subregion and community-led and civil society responses to COVID-19. In 2021-2023, ADB is planning for future investments in healthy borders and special economic zones, cross-border livestock health and value chains improvements, transport network improvements, agriculture infrastructure in economic corridors, and urban infrastructure and livable cities.

13. In East Asia, ADB is supporting a bilateral agreement signed in June 2019 by Mongolia and

capacity building and skills development of CAREC LLDCs through piloting tourism projects with safety measures to mitigate COVID-19 impact. LLDCs can also jointly develop harmonized set of health and safety protocols for travel and tourism, through multisector collaboration among