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**Implementation of and follow-up to major  
United Nations conferences and summits:  
review and coordination of the  
implementation of the Programme of Action  
for the Least Developed Countries for the  
Decade 2022–2031**

## Follow-up to the Fifth United Nations Conference on the Least Developed Countries

### Report of the Secretary-General\*\*

#### *Summary*

The present report provides information on the implementation of the Doha Programme of Action for the Least Developed Countries for the decade 2022–2031 during its first year and is submitted pursuant to General Assembly resolution [77/177](#) and Economic and Social Council resolution [2022/19](#). It provides an overview of recent developments towards reaching the goals and targets of the Doha Programme of Action, as well as recommendations for its full implementation. The underlying data are published on the website of the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States.<sup>a</sup>

<sup>a</sup> See [www.un.org/ohrlls/content/official-documents-ldcs](http://www.un.org/ohrlls/content/official-documents-ldcs).

\* [A/78/50](#).

\*\* The present report was submitted for processing after the deadline for technical reasons beyond the control of the submitting office.



## **I. Investing in people in least developed countries: eradicating poverty and building capacity to leave no one behind**

### **Recovering from the coronavirus disease**

1. Projected data for 2020 show that the estimated 377 million people living in extreme poverty in the least developed countries represented more than 50 per cent of all people living in extreme poverty across the world. In 2020 alone, 32 million people in the least developed countries were pushed into extreme poverty, increasing the proportion of people living in poverty in these countries as a share of the world total. The social and economic effects of the coronavirus disease (COVID-19) will have long-lasting consequences for the development path of the least developed countries as a result of their limited capacity to cope with external shocks, weak health systems, inadequate social protection and limited government support and external assistance. The underlying structural features that constrain the ability of these countries to promote sustainable development also amplify the devastating impact of the pandemic.

### **Equal participation of women and girls in social, political and economic life**

2. National parliaments play a great role in enacting legislation and allocating funds that serve all in order to leave no one behind. Progress in the number of women serving in parliaments in least developed countries is uneven but by 2022, the average number of female parliamentarians had reached 23 per cent. Despite being far below parity, this compared favourably with the global average of 26.5 per cent. Since 2021, some 29 countries have made progress in this area; notably, 3 countries reached 40 per cent and 1 maintained over 60 per cent. However, in five countries, women made up less than 10 per cent of parliamentarians and in one country, women have effectively been removed from the public sphere.<sup>1</sup>

3. Many of the least developed countries displayed a reduction in their adolescent birth rates in recent years, with reductions recording double-digit declines in 25 of the 46 countries. Despite an aggregate decrease of 13 per cent in adolescent birth rates, girls continue to become mothers by age 15 in many of these countries.

4. The average female labour force participation rate in the least developed countries has fluctuated slightly over the years, with a high of 57.08 per cent in both 2019 and 2020. However, the rate remains lower than the global average. Just before the COVID-19 pandemic, nearly 9 out of 10 workers were in informal employment (88.9 per cent). In the least developed countries, informal employment is a greater source of employment for women (92 per cent) than for men (86.8 per cent). Women in informal employment more often work in the most vulnerable segments of the informal economy, for example as domestic workers, as homeworkers engaged on a piece-rate basis in the lower tiers of the global supply chain or as contributing family workers. They are almost three times more likely to be contributing family workers than men (36.1 per cent and 13.3 per cent, respectively).

5. The share of girls out of school in primary education was 17.89 per cent in 2019 in the least developed countries, almost double the world average of 8.96 per cent. Girls who receive an education are less likely to marry young and more likely to lead healthy, productive lives. Access to higher education and training is particularly important for women as they remain underrepresented in political life and in key fields of expertise such as the science and technology sectors. It is vital that women

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<sup>1</sup> United Nations Conference on Trade and Development, “The least developed countries report 2020: productive capacities for the new decade”, press information note, 3 December 2020.

participate equally in decision-making and policymaking in the least developed countries so that they can address challenges in a manner that is effective for all.

### **Investing in young people and education**

6. By 2030 one in five young people in the world will be born in a least developed country. Providing access to quality education, skills and training is essential to help fulfil fundamental human needs that expand an individual's agency, capabilities and ability to participate as a full member of society.

7. Over a quarter of young people in the least developed countries are neither in education, employment or training; over a third have an unmet need for family planning.

8. In 2022, 21.9 per cent of primary-school-age children were out of school in the least developed countries, more than double the world average. Access to quality education is necessary to promote better human development outcomes and is a crucial factor in addressing the long-term limitations preventing economic growth through higher value-added activities.

9. Enrolment rates in secondary and tertiary education remain stubbornly low. Access to quality higher education or vocational training is particularly important to ensure young people are equipped with the knowledge and skills they need for the future. With global climate and governance challenges inevitably shaping societies in the least developed countries, it is essential that young people in these countries contribute to solutions.

10. Young people can accelerate least developed country transformation, but failure to invest in them will stall growth and raise inequality, insecurity and instability. Just as adolescence is a turning point in life, today's large generation of adolescents can be a turning point for the least developed countries.

11. Online learning has the potential to scale up and democratize access to education around the world and keep education systems running even during global crises. Thus, the online university proposed in the Doha Programme of Action will utilize the potential of digitalization to advance quality education in the least developed countries, bridging global educational gaps and overcoming some of the challenges to provide quality education to these countries and beyond.

### **Universal social protection**

12. The least developed countries have lower levels of social protection compared with other developing nations. Only 14 per cent of the population in these countries are covered by at least one area of social protection, excluding health-care and sickness benefits. Only 6.2 per cent of the labour force, and just 4.2 per cent of women in the labour force, actively contribute to a pension scheme compared with 53.1 per cent and 55.6 per cent, respectively, in other developing countries. The high degree of informality in least developed country economies limits the expansion of social safety nets.

13. Weak social protection systems constrain poverty eradication and development prospects with widespread impacts across the Sustainable Development Goals. Gaps in social protection amplified the devastating impact of the pandemic in the least developed countries. Strengthening and expanding social protection systems in the least developed countries requires enhanced international cooperation and adjustments in the international financial and fiscal system that recognize the specific needs of these countries.

### **Hunger and malnutrition**

14. The average rate of undernourishment in the least developed countries slowly declined from 31.3 per cent in 2004 to 22.1 per cent in 2022. Despite progress, undernourishment remains a persistent obstacle for these countries. Food systems are highly vulnerable to external shocks and many have often experienced food emergencies. All least developed countries are classified as net food-importing developing countries by the World Trade Organization. Food imports as a percentage of merchandise imports for the least developed countries were 15 per cent for 2020, almost double the world average of 8 per cent. The high dependence of many of the least developed countries on international trade to secure access to food items and key agricultural inputs has deteriorated their food security and put millions at risk of hunger and malnourishment. Estimates from Food and Agriculture Organization of the United Nations show that the number of people experiencing severe food insecurity increased from 243.2 million in 2020 to 265.9 million in 2021 in these countries, amplified by the continued impact of the COVID-19 pandemic and the global fallout of the war in Ukraine, as highlighted by the Global Crisis Response Group on Food, Energy and Finance.

15. Food insecurity, malnourishment and the impact of food emergencies on the least developed countries put at risk their achievement of the Sustainable Development Goals. Member States initiated a process in the Doha Programme of Action to establish a dedicated stockholding system for the least developed countries. The Secretary-General prepared a report identifying a set of measures to help improve food security in these countries, including a food stockholding system, which would assist them in building resilience to external shocks and support them in building the capabilities to construct sustainable and resilient agrifood systems. Further work towards the operationalization of a food stockholding system for the least developed countries will be carried out in accordance with the request of the General Assembly in its resolution [77/177](#) to further assess the proposed recommendations for these countries, outlining their modalities, terms of reference, governance and support structures, and to submit a report with the Secretary-General's recommendations to the Assembly at its seventy-eighth session for consideration by the Member States.

### **Promoting health and well-being**

16. The infant mortality rate remains high in the least developed countries at 44.8 per 1,000 live births, which is 59 per cent higher than the world average of 28.2 per 1,000 live births. In 2019, 1.4 million children died before reaching one year of age in the least developed countries, many from preventable or treatable conditions such as pneumonia, diarrhoea and malaria. Reducing child mortality can be achieved by establishing preventative and curative interventions that target the leading age-specific causes of death and the most vulnerable populations. This entails free and affordable access to vaccination to prevent infectious diseases, better nutrition and improved health services.

17. In the least developed countries in 2021, 59 per cent of women of reproductive age had their family planning needs met with modern methods, well below the world average of 76.8 per cent. The low access to sexual and reproductive health hinders achievement of the Sustainable Development Goals. Providing access to family planning can minimize life-threatening complications for mothers and their children by reducing fertility-related risks. These risks include pregnancies in which the mother is too young or old, too many pregnancies that are too closely spaced and pregnancies that end in unsafe abortion.

18. The COVID-19 pandemic has brought to the forefront the interconnectedness of all people, regardless of their position, geographical location, nationality or belief.

The worldwide roll-out of vaccination campaigns has also laid bare inequalities between groups of countries, as illustrated by the meagre number of vaccines administered in the least developed countries. Supporting the production of vaccines or essential medical supplies and equipment in these countries should be a vital component of global efforts to increase the resilience of the world against any other future pandemic. Countries that already possess the necessary capabilities to produce vaccines should be provided with access to relevant technologies. In the medium term, countries that do not possess the necessary capabilities to produce vaccines or essential medical equipment should be supported to develop them domestically, or internationally in concert with partners.

### **Water, sanitation and hygiene**

19. Access to safe drinking water and basic sanitation is connected to human development and well-being. In the least developed countries, 35.5 per cent of the population lacked access to basic drinking water services compared with 10.4 per cent worldwide in 2021. More strikingly, 65.25 per cent of the population did not use safely managed drinking water services in 2017. The situation is worse in rural areas, where 73.84 per cent of people did not use safely managed drinking water and 72.35 per cent did not have on-premises access to basic handwashing facilities. However, access to drinking water increased by 16 per cent over the past 20 years (2002–2022), from 50 to 65.7 per cent. The historic United Nations Conference on the Midterm Comprehensive Review of the Implementation of the International Decade for Action, “Water for Sustainable Development”, 2018–2028, held in 2023, came up with concrete commitments and initiatives to address the water crisis and ensure equitable access to water for all.

### **Governance and peacebuilding**

20. Conflict poses a serious obstacle to sustainable development in the least developed countries and is an important factor for regional and global stability. Since 1991, two thirds of the least developed countries have experienced armed conflict. Supporting these countries in building democratic, strong and effective institutions should be a key priority of the international community. Addressing the linkages between lack of opportunity, poverty, inequality and conflict emphasizes the importance of linking long-term development objectives with the immediate needs of building peace and security. The Doha Programme of Action constitutes an important instrument in this regard for the least developed countries and their partners.

## **II. Leveraging the power of science, technology and innovation to fight against multidimensional vulnerabilities and to achieve the Sustainable Development Goals**

21. It is challenging to gauge the extent to which science, technology and innovation are advancing in least developed countries owing to the scarcity of data. Significant lag in major indicators relating to science, technology and innovation is evident among those least developed countries with available data. For example, there is very limited funding towards research and development in these countries, which is a major challenge to spurring innovation and reaping the benefits of science, technology and innovation.

22. The ratio of research and development expenditure as a share of gross domestic product (GDP) was a meagre 0.8 per cent or less between 2011 and 2020 in those least developed countries with available data. In comparison, some more advanced economies were allocating approximately 3 per cent of their much larger GDP

towards research and development. This implies a burgeoning investment gap in the least developed countries for research and development. These countries are therefore far behind in terms of their competitiveness and adaptive capacity for harnessing the full benefits of science, technology and innovation, especially state-of-the-art technologies.

23. In the least developed countries, a large segment of the population also does not have access to electricity or the Internet, which are key impediments for advancing science, technology and innovation and prevent them from fully competing in the digital era. While three quarters of the population in the least developed countries are covered by a mobile broadband network, only about 36 per cent are using it. In contrast, Internet use is 93 per cent in high-income countries.<sup>2</sup> As of 2022, the median number of fixed broadband subscriptions per 100 people in the least developed countries was only 0.2, highlighting the digital divide with developed countries where broadband subscriptions are more common. This scarcity restricts information and economic opportunities, impeding the full participation of the least developed countries in the global digital economy. Factors contributing to the large gap between these countries and more advanced economies in terms of Internet access and use include: the high price of services and devices, a lack of awareness of the Internet and its benefits, a lack of digital skills, a lack of relevant local content and uneven underlying access to stable and affordable electrification.

24. Citizens of the least developed countries, comprising both residents and non-residents, filed only 1,357 patents in 2020 compared with 875 in 2011. As a share of global figures, that number is almost zero. Even after patenting, it can be challenging for many of the least developed countries to scale up their efforts owing to a lack of funding.

25. Furthermore, since new technologies require skilled workers, another important indicator of the ease of science, technology and innovation enhancement is the availability of relevant skills. The digital revolution and other technological changes generated by the fourth industrial revolution that has increased the use of artificial intelligence, automation, big data and new materials in biotech, among other advancements, may offer the prospect of solutions and opportunities for the least developed countries to achieve sustainable development. However, they also create concerns about their impact on employment, especially for low-skilled workers, and competitiveness, which could make attracting investment to these countries even more difficult.

26. Many of the least developed countries face challenges in creating opportunities for productive work that delivers such things as a fair income, security in the workplace and social protection for families. In addition, many workers are informally employed, making it more challenging to achieve decent work. However, while informality affects all age groups, young people and older workers are more vulnerable. The number of young people aged 15 to 24 years is projected to grow from 207 million in 2019 to 336 million in 2050 in least developed countries. The COVID-19 pandemic disproportionately affected workers in informal, low-skilled and less productive urban employment, including retailing, transportation, construction, restaurants, personal services and domestic workers. International Labour Organization estimates suggest, for instance, that earnings for informal

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<sup>2</sup> International Telecommunication Union (ITU) and United Nations Educational, Scientific and Cultural Organization, *The State of Broadband 2022: Accelerating broadband for new realities* (Geneva, 2022). See also ITU and Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, *Connectivity in the Least Developed Countries: Status report 2021* (Geneva, 2021).

workers in the first month of the crisis might have declined by over 80 per cent in low-income countries, many of which are least developed countries.<sup>3</sup>

27. Digital technologies have the potential to bring significant benefits to the least developed countries, but investments are required to develop the necessary complementary skills and knowledge to use them effectively and inclusively. A well-defined industrial employment policy that is integrated into a broader development strategy is necessary to overcome challenges related to the integration of information and communications technology services into the economy. This is crucial to maximize private sector participation and ensure productive and inclusive use of digital connectivity and related technologies in the least developed countries. In these countries, micro-, small and medium-sized enterprises in particular face barriers to adopting digital tools, which could widen existing gaps. Investments in digital infrastructure can ensure accessibility and affordability of digital connectivity for all and enable a range of skills to be developed, including job-neutral and job-specific digital and soft skills.

28. The digital economy must become a mainstream concern across all policymaking. When the digital economy is seen as just the concern of information and communications technology regulators or a single line ministry, its potential to contribute to structural transformation is unlikely to be realized. All line ministries should therefore integrate digitalization into their portfolios and align themselves with national budgeting framed by the Sustainable Development Goals to ensure digitalization is used to advance the 2030 Agenda for Sustainable Development.

29. The Doha Programme of Action acknowledges the critical importance that science, technology and innovation, including inclusive and enabling innovation ecosystems, environmentally sound technologies and information and communications technology, can have in the pursuit of achieving the Sustainable Development Goals.

30. Enabling and sustaining catch-up growth will require development partners and the least developed countries themselves to invest in promoting science, technology and innovation and to ensure technology transfer that goes beyond the simple endowment of free technology and also helps these countries build deeper-level technological capabilities. There is a need to significantly increase the level of expenditure on research and development and related innovation capabilities, including relevant skilling, reskilling and upskilling in the least developed countries.

### **III. Supporting structural transformation as a driver of prosperity**

31. The Doha Programme of Action recognizes that without a structural transformation that prioritizes economic diversification and addresses institutional and capacity constraints, the least developed countries will remain vulnerable to various socioeconomic, health and environmental shocks. Therefore, supporting structural transformation as a driver of prosperity was established as one of its key focus areas for action.

32. The average share of employment in agriculture in the least developed countries has steadily declined over the years. However, the sector continues to employ more than half of the population in these countries, constituting the primary source of income in rural areas. Given the significance of agriculture to total employment in many of the least developed countries, high potential exists to advance structural transformation by creating links with the industrial and service side of agricultural

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<sup>3</sup> International Labour Organization, *Present and Future of Work in the Least Developed Countries* (Geneva, International Labour Office, 2022).

activities. Nevertheless, the scale of the agriculture sector also reflects the need for the least developed countries to achieve greater economic diversification to create more resilient economies.

33. Economic diversification is a key element of economic development in which a country moves to a more diverse production and trade structure. Diversification helps manage volatility and provides a more stable path for equitable growth and development. Successful diversification is even more important now in the wake of uncertain global growth, unstable global supply chains and the imperative in many developing countries to increase the number and quality of jobs.

34. Enhancing greater labour productivity is one of the most salient aims of structural transformation. During the past decade, the contribution of manufacturing to GDP has remained relatively constant at about 10 per cent, while the average share of value-added services as a percentage of GDP for the least developed countries grew from about 43 per cent in 2011 to about 45 per cent in 2017. These aggregated values mask the heterogeneity among different subsectors, as well as the disparities among the least developed countries.<sup>4</sup>

35. In African least developed countries, the bulk of tertiary employment is concentrated in less knowledge-intensive services such as retail, trade, accommodation and food, which are typically low-productivity and low value-added activities and often carried out in the informal sector. Many of the Asian least developed countries are undergoing what resembles a more classical process of industrialization characterized by a rising share of manufacturing in output and employment, specialization in manufacturing exports and the attendant reduction of poverty levels.<sup>5</sup> Transport and energy infrastructure are essential for the efficient operation of existing productive assets in the least developed countries. However, infrastructure in these countries continues to face severe challenges. The share of least developed country populations with access to electricity stood at 56 per cent in 2021, increasing from 33 per cent in 2010. Rural energy access remains even lower at around 45 per cent in 2021. In addition, while international financial flows to developing countries in support of clean and renewable energy have doubled since 2010, only 12 per cent reached the least developed countries.

36. While the role of the State remains vital to facilitate structural transformation, developing a dynamic private sector that supports inclusive growth, reduces poverty, creates jobs and provides access to critical goods, basic services and tax revenues is also vital to achieve structural transformation. Private sector development in the least developed countries has been constrained by access to finance (especially for micro-, small and medium-sized enterprises), the limited supply and high cost of energy, skill gaps and limited information and communications technology capacities. Many of the least developed countries have embarked on numerous reforms to make it easier for companies to do business, but opportunities related to digitalization and modernization of bureaucratic processes are yet to be seized (see also [A/75/72-E/2020/14](#)).

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<sup>4</sup> In terms of manufacturing, value added (percentage of GDP) countries, such as Bangladesh with a level of 21.4 per cent, score slightly higher than the average for middle-income countries (21.3 per cent) in 2021 – whereas countries such as Ethiopia and Nepal, with levels of 4.61 per cent and 4.67 per cent respectively, score far lower than the least developed country average (14.9 per cent). See World Bank, “World Development Indicators”, DataBank. Available at <https://databank.worldbank.org/source/world-development-indicators>.

<sup>5</sup> The importance of manufacturing has been increasing in Asian least developed countries. The sector accounted for 19 per cent of GDP and 12 per cent of employment in 2017, up from 12 per cent and 8 per cent in 2001, respectively.



37. The core task of increasing national productive capacities would require an approach combining enterprise development, skills formation, formalization and the application of new technologies, all of which figure extensively in the Doha Programme of Action. Existing large enterprises can take up a key role, not only by reinforcing their presence externally in global supply chains, but also internally by forging strong linkages with domestic micro-, small and medium-sized enterprises, thus helping them upgrade their own productive capacities.

38. For the least developed countries to meet the Sustainable Development Goals by 2030, it is vital to critically assess which sectors can contribute most to achieving higher productivity, enhancing growth and, ultimately, in creating decent jobs and eradicating poverty. Key sectors of strategic interest in the least developed countries need a reset and technologies represent an unrealized opportunity.<sup>6</sup> Moreover, creating the right conditions for industry development also requires building the right legal and institutional infrastructure.

#### **IV. Enhancing international trade of least developed countries and regional integration**

39. The Doha Programme of Action recognizes the significant benefits that the least developed countries can obtain from a universal, rules-based, open, transparent, predictable, inclusive, non-discriminatory and equitable multilateral trading system under the World Trade Organization, while at the same time acknowledging that these countries face considerable challenges to effective integration into global trading systems and in benefiting from the opportunities afforded by international trade and global value chains.

40. Based on data from the Enhanced Integrated Framework, close to 90 per cent of the least developed countries have integrated trade into their national development plans, while 35 least developed countries have absorbed project-based trade teams into their national government structures to better support coordination of trade-related technical assistance. This is a strong indicator of the great importance that the least developed countries attach to trade as an engine for development.

41. The COVID-19 pandemic shock and its combined adverse effects on development, trade and investment have exposed major gaps in the sustainability of achievements made towards implementing the 2030 Agenda. For the least developed countries, the Sustainable Development Goal target of doubling the share of global exports from the least developed countries between 2011 and 2020 (2 per cent target) has not been met.

42. Between 2017 and 2021, least developed country exports of goods and services grew at a slightly faster rate than world exports, with an average annual rate of 5.1 per cent compared with a global rate of 4.9 per cent. The least developed country share of world exports of goods and commercial services was 0.93 per cent in 2021, while their share of imports was 1.3 per cent. These figures remained static from the previous year.<sup>7</sup>

43. The share of total trade (exports and imports combined) in 2021 remained at 1.15 per cent, also unchanged from 2020 and slightly down from the most recent peak of 1.17 per cent in 2019. In 2021, the overall trade deficit of the least developed countries reached a new high of \$113.1 billion.

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<sup>6</sup> *The Least Developed Countries Report 2020: Productive capacities for the new decade* (United Nations publication, 2020).

<sup>7</sup> World Trade Organization, document WT/COMTD/LDC/W/58.

44. In terms of export of services, the impact of the pandemic was more pronounced for the least developed countries than for the rest of the world. Overall, the value of exports from these countries in 2021 remained depressed at 32 per cent below pre-pandemic levels. The least developed country share of world commercial service exports declined from 0.53 per cent in 2020 to 0.49 per cent in 2021.

45. Export diversification can help the least developed countries reduce their vulnerability to adverse terms of trade shocks and stabilize export revenues. These countries have achieved a fair degree of export diversification since 2011. While the share of primary products in total exports from the least developed countries decreased from 73 per cent in 2011 to 53 per cent in 2021, these countries are, on average, still highly dependent on commodities, which exacerbates vulnerability by exposing them to commodity price volatility and to other exogenous factors such as climate change shocks.

46. The e-commerce trend has dramatically accelerated its development because of the pandemic. E-commerce offers new opportunities for integrating the least developed countries into global trade, but also implies new challenges. Significant efforts are needed to help the least developed countries bridge the digital divide, strengthen their information and communications technology infrastructure and support their legal and regulatory frameworks so that they can take advantage of emerging opportunities.

47. Although progress has been made in providing comprehensive duty-free and quota-free market access for least developed country products, there is scope for further improvement of duty-free and quota-free coverage in certain export markets of interest to the least developed countries. Given the narrow export base of these countries, full duty-free and quota-free coverage for products originating from the least developed countries in all developed-country markets, and in as many developing-country markets as possible, is likely to increase least developed country participation in the merchandise trade and facilitate the integration of their producers into regional and global value chains. The least developed countries should be prioritized for support, especially in the areas of trade finance, trade facilitation measures and aid for trade.

## **V. Addressing climate change, environmental degradation, recovery from the COVID-19 pandemic and building resilience against future shocks for risk-informed sustainable development**

### **Multiple shocks interrupting the development path of the least developed countries**

48. The 46 least developed countries include some of the most vulnerable countries and are especially exposed to crises and shocks, including health epidemics, commodity price shocks and other economic crises/instability and natural disasters and extreme weather events, which are exacerbated by climate change. These shocks halt the pace of sustainable economic development, exacerbate poverty and put at risk the achievement of the 2030 Agenda and the Sustainable Development Goals in these countries. Their vulnerability arises in part from geological aspects such as faults, floodplains and coastal areas. The least developed countries are often commodity-dependent, and critical sectors such as agriculture and tourism are highly sensitive to climate impacts. In consequence, these shocks can severely derail the development trajectories of the least developed countries, often leading to a cycle of acute crises affecting already vulnerable socioeconomic progress. Building resilience against

various potential shocks and crises is the first line of defence to protect lives and livelihoods of the people in the least developed countries.

### **Addressing climate change and supporting the environment**

49. Despite being among the nations with the lowest responsibility for the current global climate and environmental crisis, the least developed countries are facing significant challenges as they find themselves at the forefront of this battle. While the least developed countries account for about 4 per cent of the GDP of reporting countries, they suffer 10 per cent of reported economic losses and 6 per cent of reported destruction or damage to critical infrastructure. These countries also reported that about 26 per cent of people had their livelihoods disrupted or destroyed by disasters, which accounts for 15 per cent of the total population affected by disasters in reporting countries.

50. At the twenty-sixth and twenty-seventh Conferences of the Parties to the United Nations Framework Convention on Climate Change, the parties agreed on several important outcomes for the least developed countries. The Sharm el-Sheikh Implementation Plan created a new loss and damage fund and issued a clear call for a reform of the multilateral development banks.

### **Crises that hit hardest those who are furthest behind**

51. In 2019, half of the 10 countries most affected by the impacts of extreme weather events were least developed countries. In addition, between 2019 and 2020, two of the three countries most affected by extreme weather events were least developed countries (Myanmar and Haiti).

52. Over the past 50 years, the least developed countries experienced 69 per cent of worldwide deaths caused by climate-related disasters, despite being hit by just 18 per cent of disasters and representing only 13 per cent of the world population.

53. Many of the least developed countries, such as Afghanistan, Chad, Ethiopia, Mali, Mozambique, the Niger, Somalia, South Sudan and Yemen, are at a very high risk across multiple indicators, including hazard and exposure, vulnerability and lack of coping capacity.

54. Based on the estimated economic impacts caused by the COVID-19 pandemic, the least developed countries are projected to need at least four to five years to return to their projected path under the original baseline scenario in the absence of the COVID-19 crisis.

### **Access to vaccines and recovering from the pandemic**

55. While the COVID-19 pandemic started to spread later in many of the least developed countries, their responses have also been more limited, given tighter financing constraints. In fact, the least developed countries as a group increased direct and indirect COVID-19 fiscal support by only 2.6 per cent of GDP, compared with 15.8 per cent of GDP in the developed countries.<sup>8</sup> This gap highlights the risk of an increasingly unequal world in which some countries lack the financial resources to combat COVID-19. Similarly, there is a stark gap between vaccination roll-out in different countries. Several wealthy countries are offering booster shots while many of the least developed countries have yet to administer a single vaccine dose. By November 2022, the Department of Economic and Social Affairs reported that 41 per cent of the population in the least developed countries had received at least one shot

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<sup>8</sup> *Financing for Sustainable Development Report 2021* (United Nations publication, 2021).

compared with 75 per cent in developed countries (34 per cent fully vaccinated versus 69 per cent, respectively).

56. The COVID-19 Vaccine Global Access (COVAX) Facility works to accelerate the development and manufacture of COVID-19 vaccines, and to guarantee fair and equitable access for every country in the world.

57. In line with the Sendai Framework for Disaster Risk Reduction 2015–2030, there is also a need to further strengthen disaster preparedness for emergency response, including by integrating disaster risk reduction and mitigation into national policies and programmes, taking early action in anticipation of crises and ensuring that capacities are in place for effective response and recovery at all levels.

#### **Update on loss and damage**

58. The twenty-seventh Conference of the Parties to the United Nations Framework Convention on Climate Change established new funding arrangements and a fund to assist developing countries that are particularly vulnerable to the adverse effects of climate change. The fund includes a focus on responding to loss and damage. The Transitional Committee was also established on the operationalization of the new funding arrangements and fund. A mapping exercise of funding arrangements and innovative sources relevant for addressing loss and damage was under way and was presented at the second meeting of the Transitional Committee, which took place from 25 to 27 May 2023.

59. It is important that the fund tackle the gaps that current climate finance institutions do not fill. Addressing loss and damage financing will contribute to the ability of the least developed countries to mitigate and adapt to climate change.

#### **Update on climate finance**

60. Between the establishment of the Least Developed Countries Fund in 2001 and September 2021, 51 current and graduated least developed countries gained access to \$1.8 billion in grants for 380 projects. However, the demand for fund resources continued to exceed the funds available for new approvals. As of May 2021, the least developed countries had received a cumulative total of \$971 million from the Global Environment Facility trust fund for national projects on climate, an amount only equivalent to 14.5 per cent of total climate change funding since the creation of the Global Environment Facility. Under the Green Climate Fund, the largest dedicated climate fund, total funding for the least developed countries had reached \$2.9 billion by October 2021, representing 29 per cent of its global portfolio. Meanwhile, between its creation in 2001 and the end of 2020, the Adaptation Fund had approved a cumulative total of \$205 million in project funding and \$844,000 in readiness grants to the least developed countries.

61. The total amount of climate-related financing from the Global Environment Facility trust fund to the least developed countries, including from national projects and the share of financing to the least developed countries from regional/global projects, was \$2.58 billion as of December 2022. This represents 13 per cent of all climate and environment trust fund financing since the inception of the Global Environment Facility.

#### **Update on adaptation**

62. Weather-related hazards are the primary cause of economic loss from natural hazards, and the least developed countries consistently rank food, water, ecosystems and infrastructure as the systems most vulnerable to climate change hazards.

Adaptation in agriculture and livestock is of primary importance for these countries and has major implications for food security.

63. The process of formulating and implementing national adaptation plans was established in 2010 to enable the least developed countries to formulate and implement national adaptation plans as a means of identifying medium- and long-term adaptation needs and developing and implementing strategies and programmes to address those needs. As of May 2023, 19 least developed countries had submitted national adaptation plans under the United Nations Framework Convention on Climate Change. Approximately 16 other least developed countries are in various stages of national adaptation plan preparation, but additional interventions are required to ensure completion. Greater support is required for the least developed countries to expedite the process of preparing and implementing national adaptation plans, and to develop related projects.

#### **Update on multi-hazard early warning systems**

64. The Doha Programme of Action highlights the importance of comprehensive multi-hazard early warning systems. As of 2022, only 95 countries had reported the existence of multi-hazard early warning systems, with one in three people inadequately covered globally. Early warning systems are a proven, effective and feasible climate adaptation measure that saves lives and provides an estimated tenfold return on investment. Meanwhile, the number of recorded disasters has increased five times, driven in part by human-induced climate change and more extreme weather.

65. The Early Warning for All initiative of the Secretary-General, launched at twenty-seventh Conference of the Parties to the United Nations Framework Convention on Climate Change, aims at ensuring that everyone in the world is protected by early warning systems by 2027. Through this initiative, Member States, the United Nations and partners are working together to reduce the risks of human disasters, economic disasters and infrastructural disasters by investing in new technologies such as monitoring, forecasting and preparedness for multi-hazard crises that may occur. A related action plan, signed by 50 countries, intends to invest more than \$3.1 billion in multi-hazard early warning systems. The Early Warning for All initiative has identified a first group of 30 countries for priority action that includes 19 least developed countries. Additional countries will be added as this vital work with partners gathers pace, scale and resourcing.

#### **Sendai Framework for Disaster Risk Reduction 2015–2030**

66. While progress has been made towards realizing Sendai Framework for Disaster Risk Reduction priorities, it is not consistent across countries. The unique challenges the least developed countries face, such as resource and capacity constraints, continue to hinder realization of the Framework's outcomes and goals.

67. A total of 123 countries reported the development of national disaster risk reduction strategies, yet implementation at the local level faces critical gaps. The least developed countries are lagging behind; only 61 per cent have reported the development of national disaster risk reduction strategies.

68. The midterm review of the Sendai Framework for Disaster Risk Reduction offers an important opportunity to take stock of progress in achieving the principles and targets. The political declaration acknowledges that additional support is needed for the least developed countries, in particular for the provision of adequate, sustainable and timely means of implementation through capacity-building, financial and technical assistance and transfer of technology. Furthermore, it notes the detrimental impact of disasters on debt sustainability, the importance of investments

that contribute to the reduction of disaster risk and the need to urgently extend the reach of multi-hazard early warning systems.

## **VI. Mobilizing international solidarity, reinvigorated global partnerships and innovative tools and instruments: a march towards sustainable graduation**

### **Financing challenges of the least developed countries**

69. Resource mobilization for sustainable development in the least developed countries is challenging because of the underlying systemic and structural vulnerabilities of these countries, in addition to an international financial architecture that is short-sighted, crisis-prone and skewed towards the rich. In addition, private finance in support of the Sustainable Development Goals in the least developed countries has remained low.<sup>9</sup>

70. These challenges contributed to the fact that GDP growth of the least developed countries was below the 7 per cent target during the period 2011 to 2022. Growth was measured at between 5 and 6 per cent at the beginning of the last decade, declining afterwards to an estimated 4.3 per cent in 2022.

### **Support for domestic resource mobilization and the fight against illicit financial flows**

71. The least developed countries are the group of countries with the lowest median tax to GDP ratios, which has declined since 2015 to around 12 per cent – well short of the Doha Programme of Action target of at least 15 per cent in all such countries to enable them to become self-sustainable.

### **International public and external finance to contribute to sustainable development in the least developed countries**

72. In 2021, gross official development assistance (ODA) disbursements were 4.25 per cent of the GDP of the least developed countries, lower than during the five previous years. ODA contributes a larger share of the financing for the least developed countries than for other country groups, making them more vulnerable to fluctuations in that assistance.

73. The average share of gross national income provided as ODA to the least developed countries from Development Assistance Committee donors remained relatively stable at around 0.1 per cent over the past decade. Six of these donor countries met the target of disbursing 0.15 per cent or above of their gross national incomes as ODA to the least developed countries in 2021, down from 10 donor countries in 2011. Development Assistance Committee donors allocated 27 per cent of their total ODA to the least developed countries.

74. Addressing financing needs for the Sustainable Development Goals in the least developed countries requires both immediate action within the current financial system, as proposed in the Sustainable Development Goal stimulus, and a fundamental transformation of the international financial architecture to respond to

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<sup>9</sup> For more information about financing gaps and sources, see Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, *State of the Least Developed Countries 2021: Building back better in response to COVID-19* (New York, 2021); and *Financing for Sustainable Development Report 2023* (United Nations publication, 2023).

the needs of the world today and to be fairer while enhancing resilience, including through a robust financial safety net.

75. Currently, the least developed countries receive only 6 per cent of private finance mobilized by official development finance interventions, which is concentrated in a few profitable sectors, such as energy, banking or financial services, while social sectors are excluded.<sup>10</sup>

### **Foreign direct investment**

76. Foreign direct investment (FDI) flows to the least developed countries increased slightly over the past decade. After a peak in 2015, FDI fell to between \$20 billion and \$25 billion annually. This represents about 3 per cent of all inflows to developing countries. Preliminary data for 2022 shows a possible decline in FDI flows to the least developed countries of about 30 per cent.<sup>11</sup>

77. The global polycrisis has disproportionately affected investment flows towards critical sectors that contribute to the Sustainable Development Goals in the most vulnerable countries. Investment promotion agencies in the least developed countries are facing challenges related to a lack of resources for aftercare services, the post-pandemic promotion of new sectors, government budget cuts and insufficient digital technology.<sup>12</sup>

### **Debt sustainability and debt cancellation initiatives through improved and transparent debt architecture**

78. The average external debt of the least developed countries rose from 41 per cent in 2011 to 54 per cent in 2022. More than half of the least developed countries are either in debt distress or at serious risk of debt default, which is severely hampering their ability to invest in recovery and increasing resilience to future crises.

79. Over the past decade, the composition of least developed country debt changed considerably towards less concessional finance. The strong bond issuance reflected continued market access during 2021 prior to the tightening of global financial conditions observed in 2022. Credit from official bilateral lenders, including China, continued to grow in 2021, though at a slower pace. The delivery of capacity development to the least developed countries in all areas of public debt management is being scaled up. Several debt service relief initiatives were initiated due to the COVID-19 crisis; however, they are insufficient to cover the increased spending needs. In the least developed countries, interest payments on public external debt resumed their upward trajectory in 2021, after the small respite in 2020 owing to the Debt Service Suspension Initiative.

### **Remittances**

80. Remittance flows to the least developed countries had increased relatively rapidly from \$28.2 billion in 2011 to \$52.1 billion in 2019, which corresponds to 3.6 per cent of their GDP. By 2022, remittances to the least developed countries had

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<sup>10</sup> United Nations Capital Development Fund and Organisation for Economic Co-operation and Development, *Blended Finance in the Least Developed Countries, 2020: Supporting a Resilient COVID-19 Recovery* (Paris, 2020).

<sup>11</sup> United Nations Conference on Trade and Development, "Investment flows to least developed countries affected disproportionately by global crises", *Investment Trends Monitor*, No. 45, special issue (March 2023).

<sup>12</sup> Ibid., "Investment promotion in LDCs: a needs assessment", *IPA Observer 13*, special issue (March 2023).

increased to 4.1 per cent of GDP, somewhat balancing the decline in other external resources.

81. At the same time, costs of remittances to the least developed countries have remained disproportionately high. Sending \$200 to Africa cost 7.8 per cent on average in the second quarter of 2022, down from 8.7 per cent a year earlier. It is cheapest to send remittances via mobile operators (3.5 per cent), but they accounted for less than one per cent of total transaction volume.<sup>13</sup>

### **Graduation and graduation support**

82. Twenty least developed countries have reached the graduation threshold since 2011. Four of these countries have graduated since 2011, and another seven have been designated to graduate between now and 2026. In addition, nine least developed countries have met the graduation criteria at least once.

83. At its 2021 triennial review, the Committee for Development Policy recommended a longer preparatory period of five years for the graduating least developed countries, as well as continuous monitoring of the impacts of the pandemic over the coming years and at the next Committee for Development Policy review in 2024 (see [E/2021/33](#)).

84. Development and trading partners and the United Nations system should continue their support for the implementation of smooth transition strategies to avoid any abrupt reductions in either ODA, least-developed-country-specific trade preferences, special and differential treatments, the Aid for Trade initiative or other technical and financial assistance.

85. The Inter-Agency Task Force on Least Developed Country Graduation, led by the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, has stepped up support for graduating countries and has conducted missions to Solomon Islands, Sao Tome and Principe, Angola and Bangladesh, in addition to providing information and advice to all graduating least developed countries. At the Fifth United Nations Conference on the Least Developed Countries, Member States called for further strengthening graduation support at a high-level thematic round table on supporting sustainable and irreversible graduation from the least developed country category.

86. Country-specific, partnership-based global support offered through the Sustainable Graduation Support Facility can be a key stepping stone for graduating and graduated countries to achieve the 2030 Agenda for Sustainable Development. The Sustainable Graduation Support Facility offers six main service lines: (a) addressing the loss of existing least-developed-country-specific international support measures; (b) improving the ability of graduating and graduated least developed countries to access non-least-developed-country-specific support; (c) preparing and implementing a smooth transition strategy; (d) assistance in accessing financing transition and beyond; (e) facilitating South-South cooperation, dialogue and sharing country- and region-specific knowledge and experience; and (f) ensuring effective participation in the monitoring process of the Committee for Development Policy.

87. The Committee for Development Policy calls for a reinvigorated forward-looking global partnership with an imperative role for the international community to fully resource the support needed by graduating and graduated countries. Such support should provide the necessary tools for sustainable graduation, the building of

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<sup>13</sup> World Bank, “Remittances grow 5% in 2022, despite global headwinds”, press release, 30 November 2022.



resilience to future economic, environmental and social shocks and enhanced monitoring so that graduation is irreversible. It requires the urgent attention and support of key development and trading partners and the wider international community.

## VII. Conclusions and recommendations

88. The Doha Programme of Action represents a clear blueprint for recovery, renewal and resilience in the world's most vulnerable countries. Taken together, the five key deliverables from the Doha Programme of Action – a graduation support package, an online university, a food stock holding solution, an investment support centre and crisis mitigation and resilience building measures – will answer key challenges facing the least developed countries, setting the path for a more prosperous, equitable future.

89. Therefore, all stakeholders need to work together to make them a reality:

(a) The graduation support package (Sustainable Graduation Support Facility) established in 2021 needs enhanced resources to be able to support all graduating countries to achieve a smooth transition from the least developed country category and protect development gains of graduated countries. The Sustainable Graduation Support Facility aims at strengthening the capacities of graduating least developed countries to prepare for graduation and access and utilize non-least-developed-country-specific support, including transition financing and beyond. It will also enable graduating and graduated countries to effectively participate in South-South cooperation, benefiting from dialogue and exchanges on country experience;

(b) The establishment of an online university for the least developed countries must be supported based on a feasibility study. The online university will aim at providing graduate and post-graduate studies in science, technology, engineering and mathematics; supporting the least developed countries in the creation of a virtual network of educational institutions, the designing of courses and the development of curricula; and facilitating the development of online educational infrastructure and ecosystems to reduce accessibility gaps in high-level education, research and development (see also [A/77/291](#));

(c) The Doha Programme of Action recognizes the need to address severe food insecurities in the least developed countries and has tasked the Secretary-General with studying the feasibility, effectiveness and administrative modalities of a system of stockholding for these countries on a regional and subregional basis. Establishing food stockholding measures and the corresponding complementary measures to support the least developed countries in addressing food insecurity is a crucial aspect of achieving the Doha Programme of Action and the Sustainable Development Goals, given that almost a quarter of the population in least developed countries experiences severe food insecurity;

(d) The establishment of an international investment support centre will be essential to support the adoption and implementation of investment promotion regimes in the least developed countries in line with target 5 of Sustainable Development Goal 17 and the Addis Ababa Action Agenda. These investment promotion regimes need to be supported in order to provide the following: financial and technical support for project preparation and contract negotiation; advisory support for investment-related dispute resolution; access to information on investment facilities; improved enabling environments; and risk insurance and guarantees, such as through the Multilateral Investment Guarantee Agency. The investment support centre should aim at delivering more private financing for

sustainable development to the least developed countries in the form of a one-stop shop;

(e) Priority crisis mitigation and resilience building measures in the least developed countries will include, among others: support for capacity-building for adaptation planning and implementation, especially through the formulation of national adaptation plans and related projects; the provision of technical assistance to develop operational national risk information systems to support policymaking, including in the insurance sector; and strengthening multi-hazard early warning systems.

90. Analysis of the most recent data reveals that while significant progress was made, the least developed countries are not on track to meet the targets of the Doha Programme of Action and the Sustainable Development Goals. Data gaps persist for several indicators, which makes reporting on some targets all but impossible. People who are most at risk of being left behind are also most affected by data gaps, since they are more likely to be underrepresented or missed by the data. The lack of some of the data necessary to monitor progress also creates blind spots for policymakers. Thus, the goal to significantly increase the availability of high-quality, timely, reliable and disaggregated data needs to be urgently addressed.

91. The Fifth United Nations Conference on the Least Developed Countries, held in Doha from 5 to 9 March 2023, reiterated the urgency of Doha Programme of Action implementation and brought together all relevant stakeholders. The stakeholders demonstrated extraordinary commitment to put the least developed countries on a transformative track from potential to prosperity.

92. Deliberations highlighted the need for strong national ownership and leadership by the least developed countries themselves to implement the Doha Programme of Action, as well as scaled-up support from development partner countries and the continued full engagement of all stakeholders, including parliaments, the private sector, civil society, young people and academia.

93. The least developed countries will certainly need more concessional loans, especially grants, to minimize the scarring effects of the pandemic and to restart progress towards the Sustainable Development Goals. Public finances are being stretched in most countries but strengthening domestic public resources, especially tax resources, remain a critically important means for least developed country Governments themselves to support the Goals.

94. Reforms of the international financial architecture are needed, coupled with a large-scale Sustainable Development Goal stimulus to deliver the 2030 Agenda, including greater channelling of these resources towards long-term sustainable development outcomes and just transitions for all. As debt vulnerabilities and risks remain elevated in the least developed countries, the debt architecture needs to be made more efficient for those who do need debt restructuring.

95. At the ministerial meeting on South-South cooperation, the importance of leveraging South-South cooperation in crucial areas for least developed countries was highlighted. These areas included climate resilience, technology transfer, digital transformation, trade and investment, human capital development, including investment in young people, and development financing, including innovative financing through public-private partnerships.

96. Members of the Parliamentary Forum issued a message emphasizing the need for deep reforms in global economic governance to level a playing field that to the present day remained heavily biased in favour of the more advanced economies. The least developed countries needed to pay greater attention to their domestic governance by preventing or quelling conflict and by stimulating economic and trade synergies

among themselves. Greater sharing of experiences and mutual learning among the least developed countries, capitalizing on local knowledge, investments and institutional reforms, provided a critical path forward.

97. Members of the Private Sector Forum flagged the importance of growing investment in the least developed countries on scalable and sustainable projects for development, including through sustainable business models. Public-private partnerships were deemed to provide the best chance for scalable projects to develop in the least developed countries. Governments could de-risk the investment climate, increasing economic opportunity for their population. Furthermore, blended financing through new funds and mechanisms, the transformational potential of digital technology and the need to affordably and meaningfully connect all people within these countries was strongly and repeatedly expressed.

98. Participants in the Civil Society Organization Forum stressed that lasting solutions would come from building on least developed country strengths. Farmers, pastoralists, fisherfolk, Indigenous Peoples and local communities used agroecology to steward their land sustainably and produce nourishing food that celebrated cultural heritage, strengthened local markets and economies and helped solve the climate crisis. They concluded that least developed countries needed a development path that protected and promoted human rights and human development for all to catalyse national socioeconomic and structural transformation.

99. Members of the Youth Forum called for enhanced support, including more funding allocated to initiatives for young people, including a policy that promoted their thriving businesses. Young people were participants in new, renewed and stronger partnerships to address the challenges that their mothers, children, brothers and sisters faced. Young people were not only beneficiaries of aid. When provided with the necessary skills and opportunities to participate in decision-making and realize their full potential, young people could be a driving force for sustainable development, peace and security, able to make a positive impact at massive scale.

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