United Nations E/ECA/COE/42/19

Economic and Social Council

Distr.: General
20 December 2023

Original: English

Economic Commission for Africa
Committee of Experts of the Conference of African Ministers of Finance, Planning and Economic Development
Forty-second meeting
Victoria Falls, Zimbabwe (hybrid), 28 February–1 March 2024

Item 6 of the provisional agenda*
Statutory issues

Doha Programme of Action for the Least Developed Countries

Report on progress in implementation of priority areas in Africa

I. Introduction

1. The Doha Programme of Action for the Least Developed Countries, which covers the decade 2022–2031, was adopted on 17 March 2022 by the Fifth United Nations Conference on the Least Developed Countries. The Doha Programme of Action is the successor to the Programme of Action for the Least Developed Countries for the Decade 2011–2020, known as the Istanbul Programme of Action, and reflects the desire for a sustained and inclusive recovery from and greater resilience to the coronavirus disease (COVID-19) pandemic, with no one left behind. It is a set of renewed and strengthened commitments by least developed countries and their development partners.

2. Most of the 45 least developed countries, where 14 per cent of the global population live, have extremely high levels of poverty and vulnerability. The countries account for only 1.3 per cent of global gross domestic product (GDP), 1.4 per cent of global foreign direct investment (FDI) and less than 1 per cent of global merchandising exports.[1] The group of countries is facing a pressing challenge to achieve the Sustainable Development Goals within the given time frame of 2030. In order to facilitate social, economic and environmental development, a novel global alliance needs to be forged in the coming years to ensure the optimal use of resources and opportunities for the 45 countries in question.

* E/ECA/COE/42/1.

[1] A/CONF.219/2023/3.

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II. Graduation from least developed country status in Africa

3. Of the 45 least developed countries in the world, 33 are in Africa.

4. For a country to graduate from least developed country status, it must satisfy the graduation thresholds for any two of the three criteria in two consecutive triennial evaluations carried out by the Committee for Development Policy.[2] Countries with a sufficiently high per capita income, however, can graduate even if they continue to have low human assets and are highly vulnerable, as long as, in two consecutive evaluations, the income level (gross national income per capita) is greater than or equal to twice the graduation threshold or, starting from the triennial review in 2024, three times the graduation threshold.[3]

5. As of December 2023, three African countries had graduated from least developed country status: Botswana (1994), Cabo Verde (2007) and Equatorial Guinea (2017). In addition, some African countries have been recommended for graduation. Sao Tome and Principe, for instance, is expected to graduate in 2024, and, on 11 February 2021, the General Assembly granted Angola a three-year preparatory period, delaying its graduation from least developed country status until 2024. It is uncertain, however, whether Angola will be able to graduate by 2024, as it is expected to fail to meet the income-only criterion following the adjustment of the graduation threshold in that year.

6. In its review of the list of least developed countries in 2021, the Committee for Development Policy determined that the Comoros, Djibouti, Senegal and Zambia had met the graduation standards for the first time. Djibouti met the income-only criterion and the Comoros, Senegal and Zambia met the graduation standards for two of the three criteria, namely, income and human assets. If, as is expected, those countries meet the criteria again in 2024, they may be recommended for graduation, subject to other factors. Conversely, Djibouti and Zambia might not achieve the gross national income thresholds for graduation.[4] Sao Tome and Principe fulfilled all three requirements during the 2021 triennial review. However, there was a notable surge in its economic vulnerability index in 2023, mostly owing to the catastrophic floods that occurred in late December 2021, which affected about 9,000 people.[5] Although several African countries face challenges in sustaining their graduation performance, the picture is very different in Asia. All Asian countries that successfully met the criteria in 2021 appear to be consistently attaining those benchmarks and are projected to remain on course when the triennial reviews are carried out in 2024. Bhutan already graduated from least developed country status on 13 December 2023.

III. Progress in the priority areas

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

7. Least developed countries experienced a considerable economic slowdown in 2020 and 2021. They lost 10 per cent of their GDP in 2023 compared with the growth trajectory for 2010–2019, prior to the pandemic. If the 7 per cent growth target set in the Doha Programme of Action had been met, GDP per capita in 2023 would have been 16 per cent greater than its current estimated level. Moreover, according to

[2] The three criteria concern income, human assets and economic vulnerability.

[3] *Handbook on the Least Developed Country Category: Inclusion, Graduation and Special Support Measures*, 4th ed. (United Nations publication, 2021).

[4] Djibouti will not pass the income-only threshold in 2024.

[5] CDP2023/PLEN/9. a.

estimates, the economic downturn in the least developed countries has worsened extreme poverty, with at least 15 million more individuals living in extreme poverty than prior to the pandemic.[6]

8. The United Nations projects that, between 2020 and 2030, the population of the least developed countries will increase by 256 million to 1.3 billion.[7] The population, in particular young people, can drive structural transformation and growth if it is appropriately harnessed. Nearly 30 per cent of the population of least developed countries, however, will be classified as extremely poor by 2030.[8] Investing in the population of least developed countries is critical to achieving the targets of the Doha Programme of Action.

1. Significant prevalence of undernourishment and a pronounced state of food insecurity

9. In the least developed countries of Africa, undernourished has been rising since 2018, reaching a quarter of the population in 2021 (see figure 1).[9] This figure is above the prevalence of undernourishment in low-income food-deficit countries and significantly higher than the world average. Households spend more than a third of their income on food, and in Africa as a whole they spend 23 per cent. These high proportions of total income allocated to food expenditure make the continent especially susceptible to the anticipated surge in food costs in the future, which will substantially influence economic well-being, food security and nutritional diversity.[10] In addition, there is a notable correlation between that phenomenon and the prevalence of severe food insecurity in the continent's least developed countries, where severe food insecurity escalated to 30.1 per cent in 2021, up from 22.9 per cent in 2016.[11]

[6] *Crisis-Resilient Development Finance: the Least-Developed Countries Report 2023* (United Nations publication, 2023).

[7] A/RES/76/258.

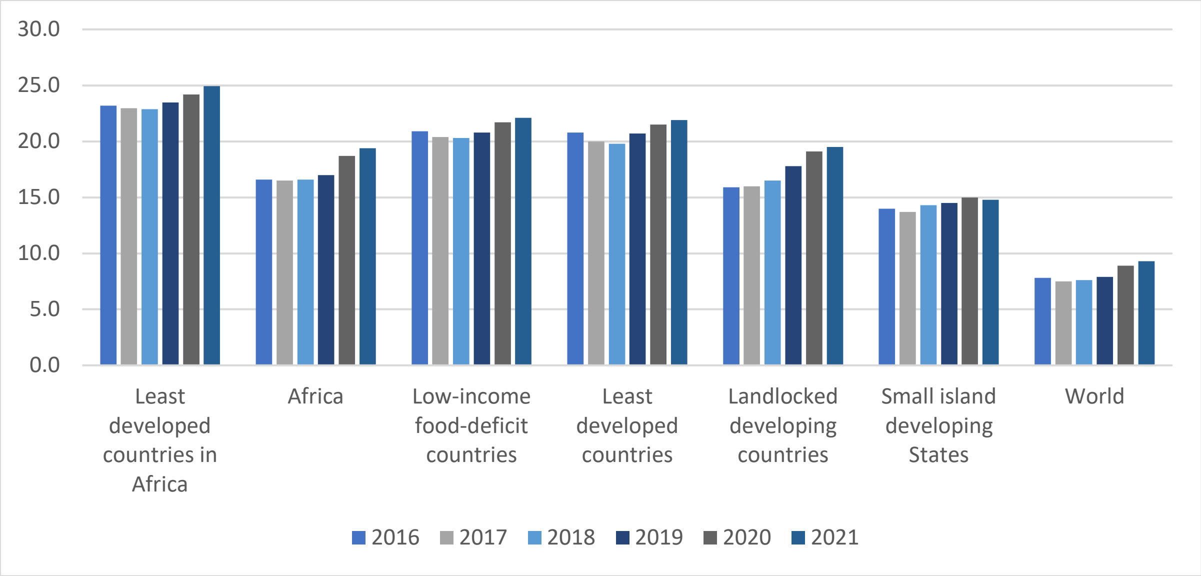
[8] Ibid.

[9] Food and Agriculture Organization of the United Nations, "Indicator 2.1.1: prevalence of undernourishment", SDG Indicators Data Portal. Available at www.fao.org/sustainable-development-goals-data-portal/data/indicators/2.1.1-prevalence-of-undernourishment/en (accessed on 18 December 2023).

[10] Lucas Tavares, Senior Liaison Officer of the FAO Liaison Office with the United Nations in New York, "African countries, LDCs and LLDCs: ensuring equal access to vaccines and resources in the poorest countries", statement to the High-level Political Forum on Sustainable Development 2022, New York, 6 July 2022.

[11] World Bank, "Prevalence of moderate or severe food insecurity in the population", World Development Indicators database. Available at https://databank.worldbank.org/ reports.aspx?source= 2&series= SN.ITK.MSFI.ZS (accessed on 4 October 2023).

Figure 1
Prevalence of undernourishment, 2016–2021
(Percentage of population)



Source: Food and Agriculture Organization of the United Nations, “Indicator 2.1.1: prevalence of undernourishment”, SDG Indicators Data Portal. Available at www.fao.org/sustainable-development-goals-data-portal/data/indicators/2.1.1-prevalence-of-undernourishment/en (accessed on 18 December 2023).

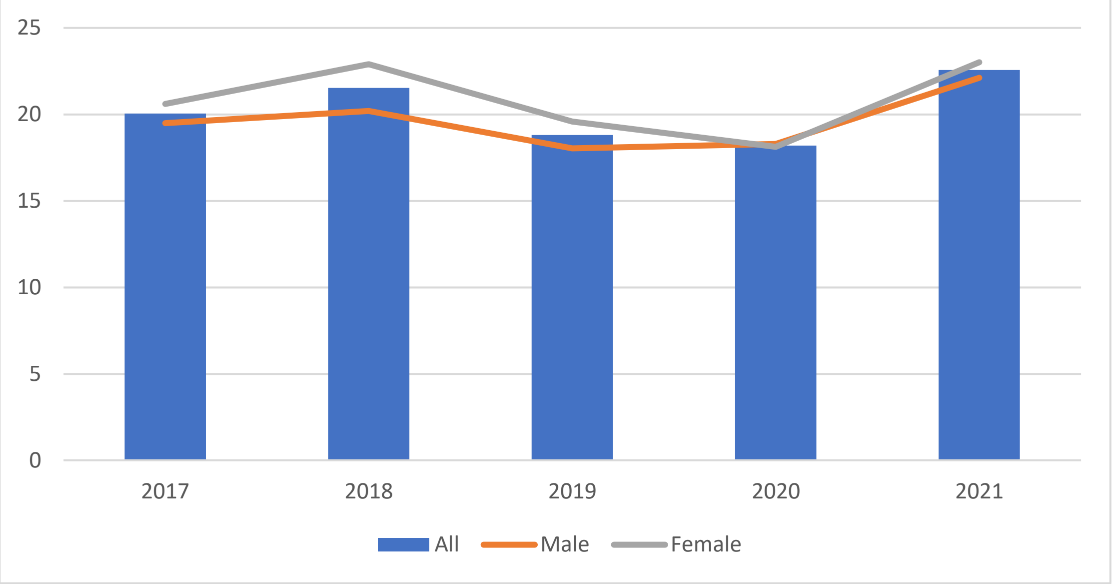
Note: Data for the least developed countries in Africa do not include Burundi, Eritrea and South Sudan.

2. Achieving universal access to high-quality education, skills and lifelong learning

10. Despite efforts to improve primary-school enrolment rates in the least developed countries of Africa, there was a setback in 2021, when the percentage of primary-school-age children not attending school rose to 18.9 per cent, slightly above the level observed in 2017 (see figure 2).[12] The convergence of COVID-19, conflict and climate change were contributing factors to the setback, which has far-reaching implications for the future of the children. Additional obstacles, including considerable distances between homes and schools, traditional gender norms and a heavy domestic workload (in particular for girls), compound the negative effects of emergencies on education. The African Union has made education its theme for 2024, which will provide an opportunity for ECA members to reinvigorate their efforts to attain the goals of the Continental Education Strategy for Africa 2016–2025 and Sustainable Development Goal 4.

[12] World Bank, “Children out of school (% of primary school age)”, World Development Indicators database. Available at https://databank.worldbank.org/reports.aspx?source=2&series=SE.PRM.UNER.ZS (accessed on 4 October 2023).

Figure 2
Children out of school in least developed countries in Africa, 2017–2021
(Percentage of primary-school-age children)



Source: World Bank, "Children out of school (% of primary school age)", World Development Indicators database. Available at https://databank.worldbank.org/reports.aspx?_source=2&series=SE.PRM.UNER.ZS (accessed on 4 October 2023).

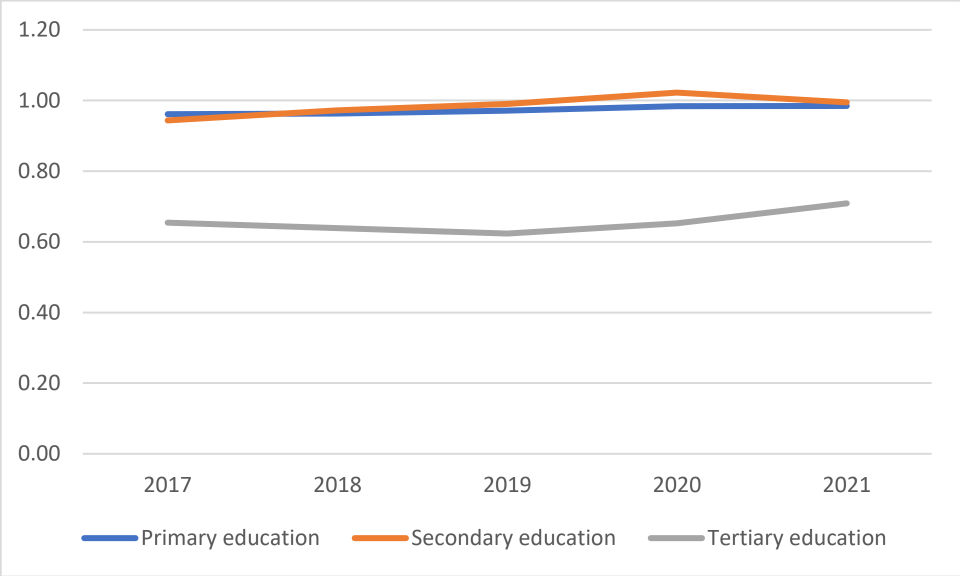
3. Achieving gender equality

11. Eliminating gender disparities in education would help to increase the status and capacity of women. The least developed countries in Africa have made great progress in that regard. The gender parity index for primary and secondary education stood at 0.99 in 2021,[13] indicating almost equal participation of girls and boys at those levels and reflecting the success of initiatives promoting equal access to education for both genders. Women in the least developed countries of Africa, however, continue to face barriers hindering their access to tertiary education. The gender

[13] World Bank, "School enrollment, primary and secondary (gross), gender parity index (GPI)", World Development Indicators database. Available at https://databank.worldbank.org/source/millennium-development-goals/Series/SE.ENR.PRSC.FM.ZS (accessed on 4 October 2023).

parity index for tertiary education increased from 0.65 in 2017 to 0.71 in 2021, but remains lower than the index for primary and secondary education (see Figure 3).[14]

Figure 3
Gender parity index for gross school enrolment rates in least developed countries in Africa, 2017–2021



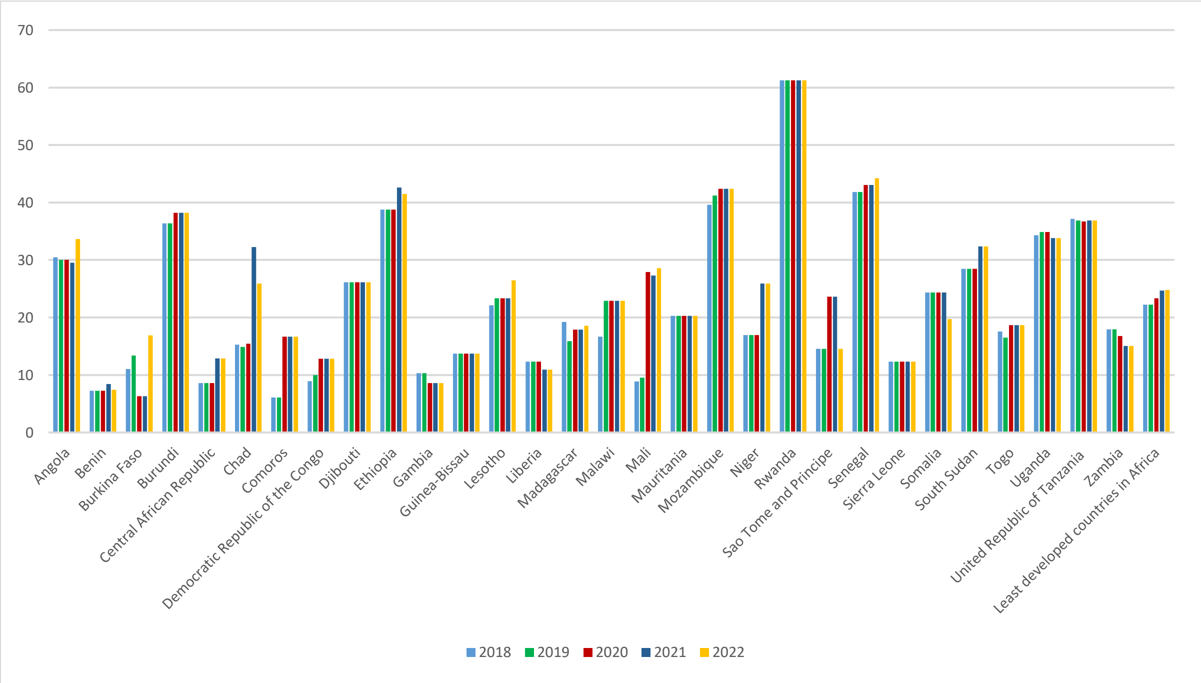
Source: World Bank, "School enrollment, primary and secondary (gross), gender parity index (GPI)", World Development Indicators database. Available at https://databank.worldbank.org/source/millennium-development-goals/Series/SE.ENR.PRSC.FM.ZS (accessed on 4 October 2023).

12. During the period 2018–2022, the average percentage of national parliamentary seats occupied by women in least developed countries in Africa rose from 22.2 per cent to 24.8 per cent (see figure 4).[15] The percentages varied greatly by country, with Rwanda (61.25 per cent) and Senegal (44.2 per cent) boasting the largest percentages of female representation in national parliaments. By contrast, Benin and the Gambia each had less than 10 per cent female representation in 2022. Granting women equitable access to opportunities empowers them to exert influence in society and to shape policies that promote inclusion.

[14] Ibid.

[15] World Bank, "Proportion of seats held by women in national parliaments (%)", World Development Indicators database. Available at https://databank.worldbank.org/source/world-development-indicators/Series/SG.GEN.PARL.ZS (accessed on 4 October 2023).

Figure 4
Seats held by women in national parliaments, 2018–2022
(Percentage)



Source: World Bank, "Proportion of seats held by women in national parliaments (%)", World Development Indicators database. Available at https://databank.worldbank.org/source/world-development-indicators/Series/SG.GEN.PARL.ZS (accessed on 4 October 2023).

Note: Eritrea, Guinea and the Sudan do not have full data available for the period.

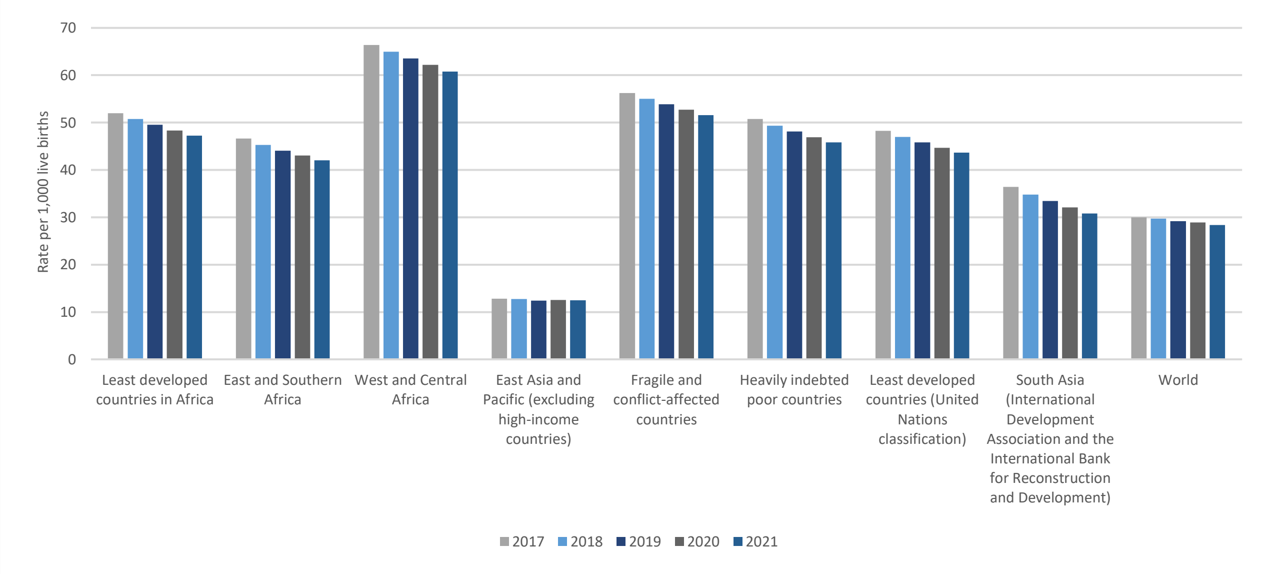
4. Accelerated progress in reducing the infant mortality rate and the maternal mortality ratio

13. The infant mortality rate in least developed countries in Africa fell from 52 deaths per 1,000 live births in 2017 to 47 per 1,000 live births in 2021 (see figure 5), although this remains slightly higher than the global least developed country average of 44.[16] The lowest infant mortality rates in the least developed countries in Africa in 2021 were in Sao Tome and Principe (12 per 1,000 live births), Eritrea (29 per 1,000 live births), Senegal (29 per 1,000 live births) and Rwanda (30 per 1,000 live births). Maternal mortality also decreased in those countries over a similar period, from 480 deaths per 100,000 live births in 2016 to 438 per 1,000 live births in 2020 (see figure 6).[17] That figure, however, masks wide variation among countries. For instance, maternal mortality was greater than 1,000 deaths per 100,000 live births in Chad (1,063) and South Sudan (1,223), but only 127 per 100,000 live births in Mozambique and 135 per 100,000 live births in Zambia. It is imperative for these countries to sustain their efforts to eradicate preventable maternal, infant and child fatalities by 2030.

[16] World Bank, "Mortality rate, infant (per 1,000 live births)", World Development Indicators database. Available at https://databank.worldbank.org/reports.aspx?source=2&series=SP.DYN.IMRT.IN (accessed on 4 October 2023).

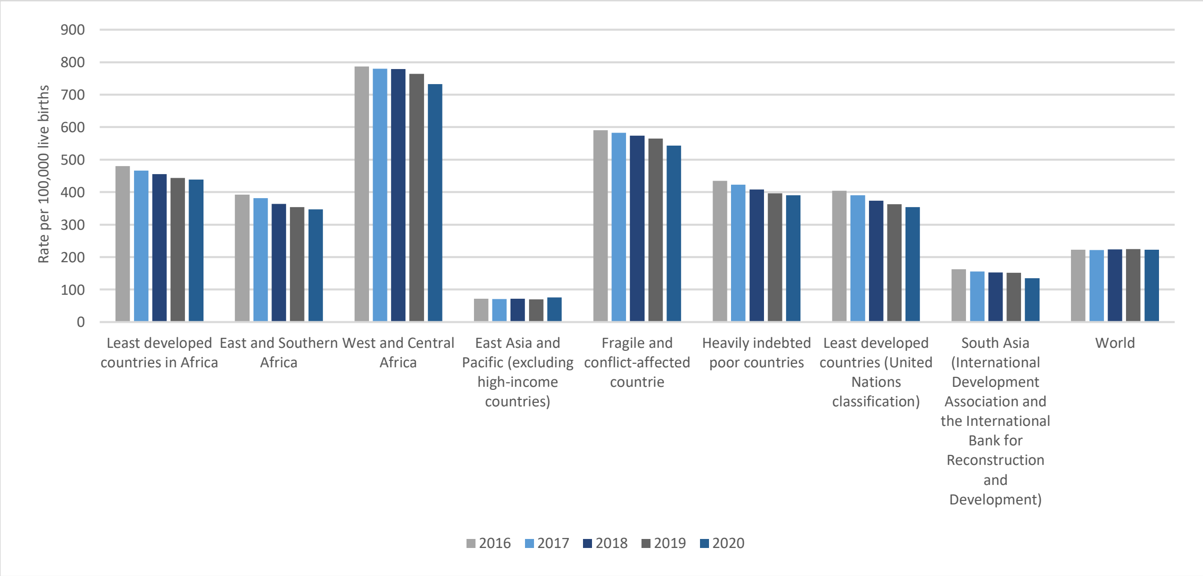
[17] World Bank, "Maternal mortality ratio (modeled estimate, per 100,000 live births)", World Development Indicators database. Available at https://databank.worldbank.org/reports.aspx?source=2&series=SH.STA.MMRT (accessed on 4 October 2023).

Figure 5
Infant mortalities per 1,000 live births, 2017–2021



Source: World Bank, "Mortality rate, infant (per 1,000 live births)", World Development Indicators database. Available at https://databank.worldbank.org/reports.aspx?source=2&series=SP.DYN.IMRT.IN (accessed on 4 October 2023).

Figure 6
Maternal mortalities per 100,000 live births, 2016–2020



Source: World Bank, "Maternal mortality ratio (modeled estimate, per 100,000 live births)", World Development Indicators database. Available at https://databank.worldbank.org/reports. aspx?source=2&series= SH.STA.MMRT (accessed on 4 October 2023).

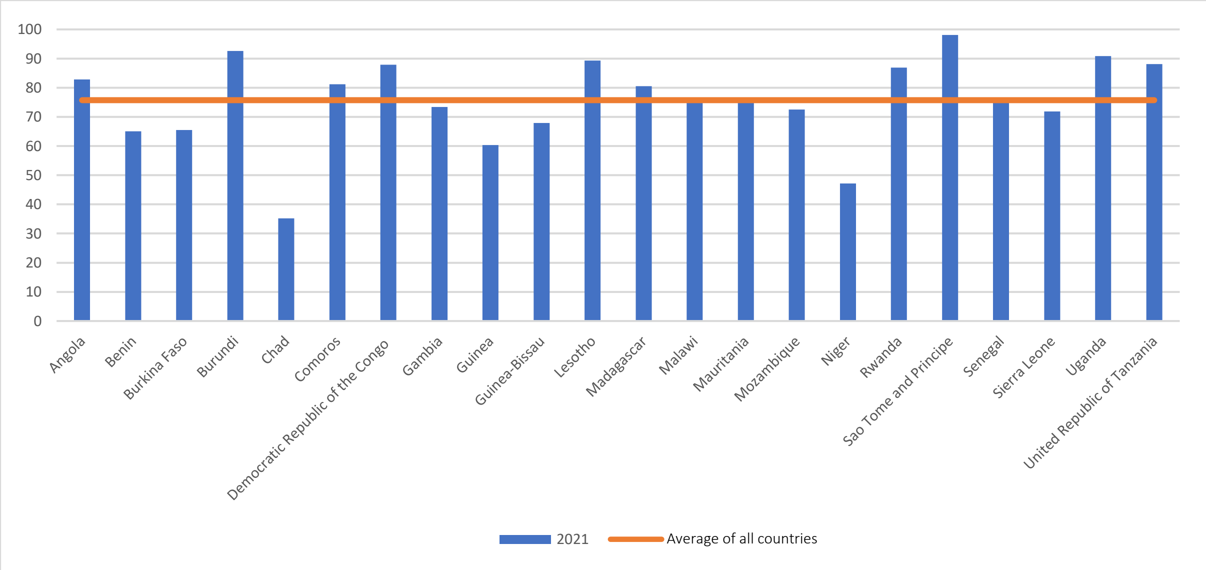
5. Investing in young people

14. By 2030, one fifth of the global youth population will be persons who were born in least developed countries.[18] In 2021, however, the average literacy rate in least developed countries in Africa among young people between the ages of 15 and

[18] A/RES/76/258.

24 was only 75.7 per cent (see figure 7),[19] compared with a global literacy rate of 91.8 per cent in 2020. Illiteracy imposes significant limitations on people's capabilities and productive capacity.[20] Moreover, in 2021, more than one in four young people in Rwanda and Zambia were not in employment, education or training.[21]

Figure 7
Literacy rate among persons aged 15–24 years, 2021
(Percentage)



Source: World Bank, "Literacy rate, youth total (% of people ages 15-24)", World Development Indicators database. Available at https://databank.worldbank.org/source/africa-development-indicators/Series/SE.ADT.1524.LT.ZS (accessed on 4 October 2023).

Note: The Central African Republic, Djibouti, Eritrea, Ethiopia, Liberia, Mali, Somalia, South Sudan, the Sudan, Togo and Zambia do not have data available for 2021.

6. Water, sanitation and hygiene

15. Even though access to safe drinking water in least developed countries in Africa increased from 18.4 per cent in 2018 to 20.0 per cent in 2022,[22] this figure is still far below the global rate of 72.9 per cent. Access to basic sanitation services also improved modestly during the same period, by more than 3 percentage points, albeit only to 34.4 per cent,[23] which is less than half of the global rate of 80.6 per cent. Furthermore, those numbers obscure a significant discrepancy between urban and rural areas: only 24.1 per cent of persons residing in rural areas had access to basic sanitation services, compared with 46 per cent of persons in urban areas (see figure 8).

[19] World Bank, "Literacy rate, youth total (% of people ages 15-24)", World Development Indicators database. Available at https://databank.worldbank.org/source/africa-development-indicators/Series/SE.ADT.1524.LT.ZS (accessed on 4 October 2023).

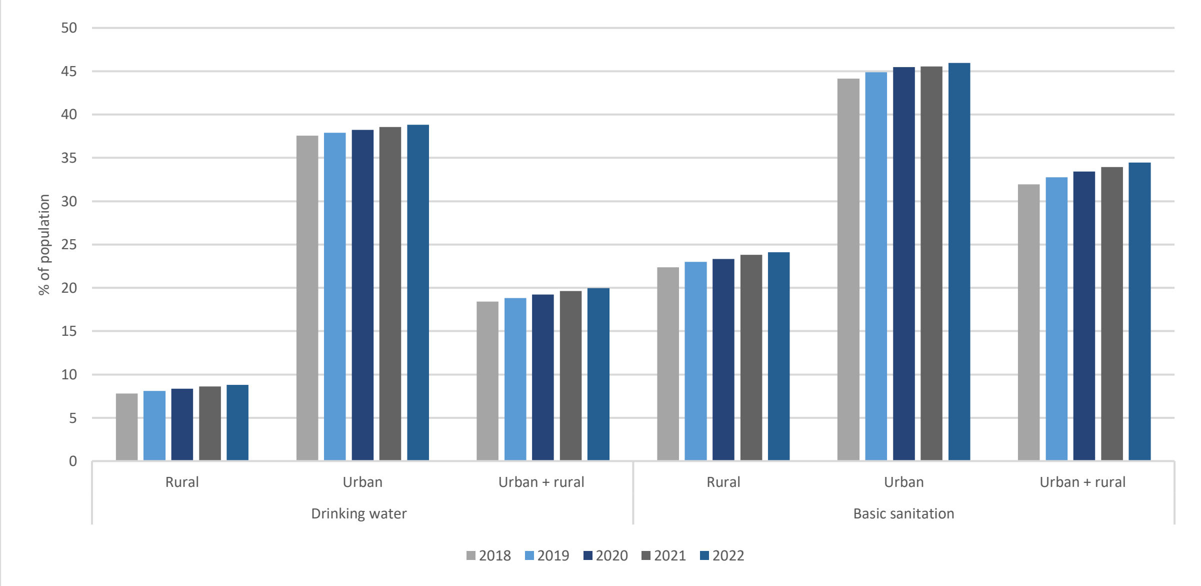
[20] Tara Lupus, "How do low literacy levels impact on the community?", LinkedIn, 16 June 2019.

[21] World Bank, "Share of youth not in education, employment or training, total (% of youth population)", World Development Indicators database. Available at https://data.worldbank.org/indicator/ SL.UEM.NEET.ZS (accessed on 4 October 2023).

[22] World Bank, "People using safely managed drinking water services (% of population)", World Development Indicators database. Available at https://databank.worldbank.org/reports.aspx?source=2&series=SH.H2O.SMDW.ZS (accessed on 4 October 2023).

[23] World Bank, "People using at least basic sanitation services, urban (% of urban population)". Available at https://databank.worldbank.org/source/world-development-indicators/Series/SH.STA.BASS.UR.ZS (accessed on 4 October 2023).

Figure 8
Use of safely managed drinking water services and basic sanitation services in least developed countries in Africa, 2018–2022
(Percentage of population)



Source: World Bank, "People using safely managed drinking water services (% of population)", World Development Indicators database. Available at https://databank.worldbank.org/reports.aspx?source=2&series=SH.H2O.SMDW.ZS (accessed on 4 October 2023); World Bank, "People using at least basic sanitation services, urban (% of urban population)". Available at https://databank.worldbank.org/source/world-development-indicators/ Series/SH.STA.BASS.UR.ZS (accessed on 4 October 2023).

Note: The number of countries with data available is not the same for the two indicators, with more data available for basic sanitation than for drinking water.

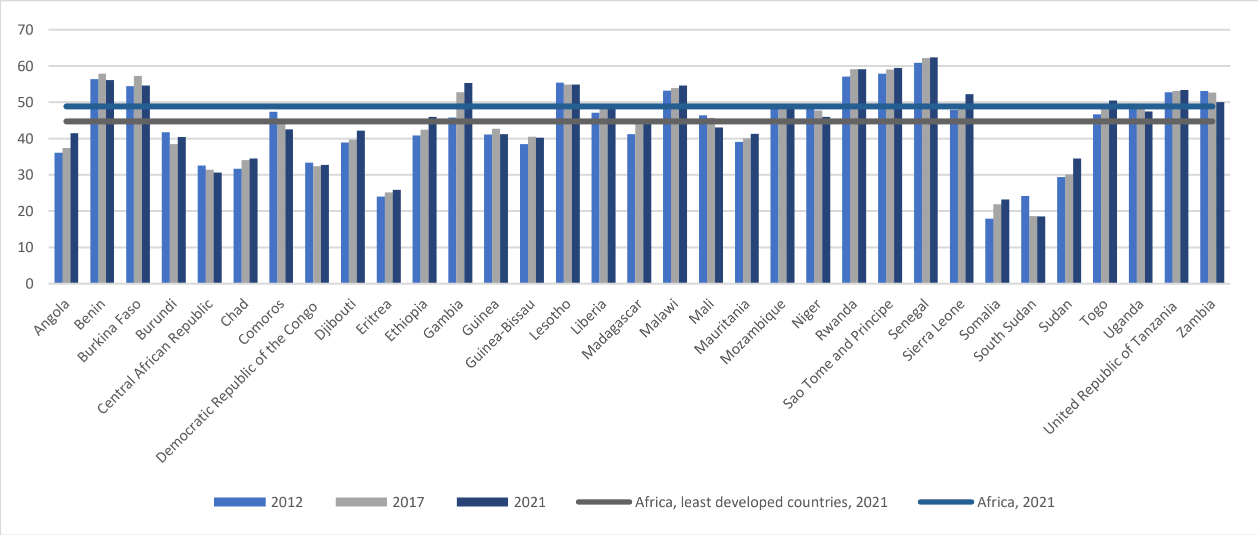
7. Good and effective governance at all levels

16. Good governance is important at every stage of the economic development process, but many of the least developed countries in Africa score poorly in the Ibrahim Index of African Governance. The overall governance score for Africa was 48.9 in 2021, but the average for African least developed countries was only 44.7 (see figure 9).[24] It is concerning that, from 2012 to 2021, the deterioration of governance accelerated in six of the least developed countries in Africa. On the other hand, in Angola, Djibouti, Equatorial Guinea, Ethiopia, Malawi, Mauritania, Sierra Leone, the Sudan and the United Republic of Tanzania, governance improved between 2012 and 2021, with the rate of improvement increasing after 2017.

[24] Mo Ibrahim Foundation, "Overall governance", Ibrahim Index of African Government. Available at https://iiag.online/data.html (accessed on 4 October 2023).

Figure 9

Overall governance scores, by country, according to the Ibrahim Index of African Governance, 2017–2021



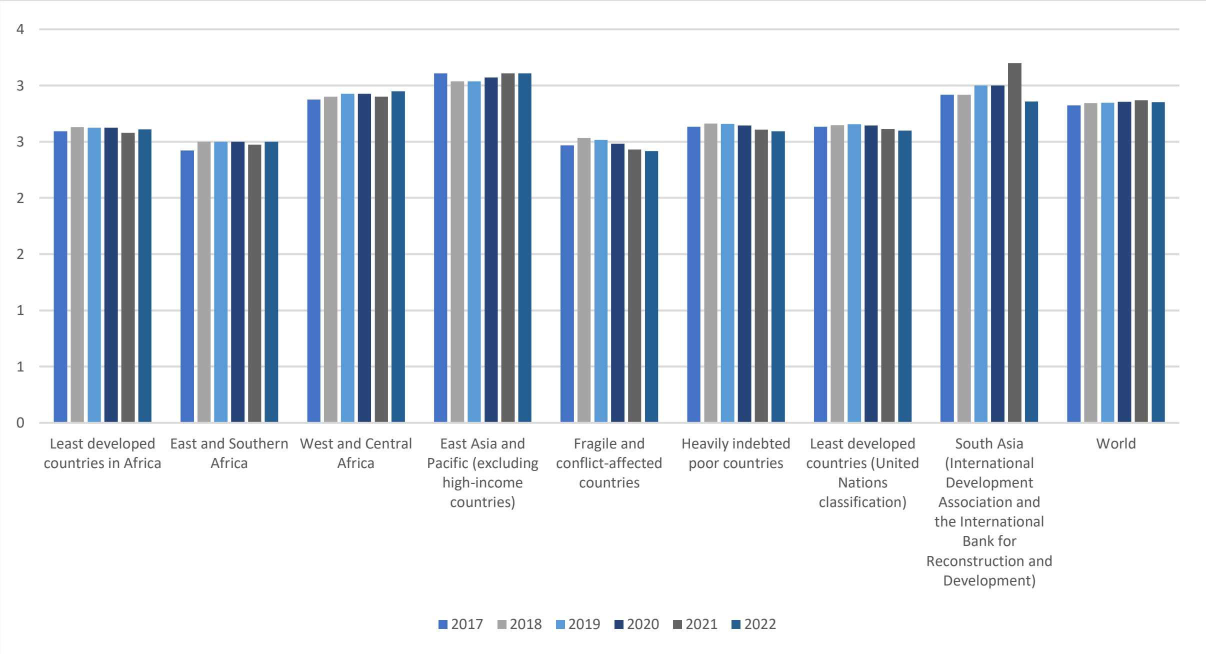
Source: Mo Ibrahim Foundation, "Overall governance", Ibrahim Index of African Government. Available at https://iiag.online/data.html (accessed on 4 October 2023).

17. The Country Policy and Institutional Assessment ratings calculated by the World Bank reveal that the performances of least developed countries in Africa on transparency, accountability and corruption in the public sector increased slightly between 2017 and 2022, from 2.59 to 2.61 (see figure 10).[25] Although governance has improved in the past decade in several of those countries,[26] further action is required.

[25] World Bank, "CPIA transparency, accountability, and corruption in the public sector", World Development Indicators database. Available at https://databank.worldbank.org/reports.aspx?source=2&series=IQ.CPA.TRAN.XQ (accessed on 4 October 2023).

[26] Mo Ibrahim Foundation, "Overall governance", Ibrahim Index of African Government. Available at https://iiag.online/data.html (accessed on 4 October 2023).

Figure 10
Transparency, accountability and corruption in the public sector, 2017–2022
(Ratings)



Source: World Bank, "CPIA transparency, accountability, and corruption in the public sector", World Development Indicators database. Available at https://databank.worldbank.org/reports.aspx?source=2&series=IQ.CPA.TRAN.XQ (accessed on 4 October 2023).
Note: 1 indicates the lowest rating; 6 indicates the highest rating.

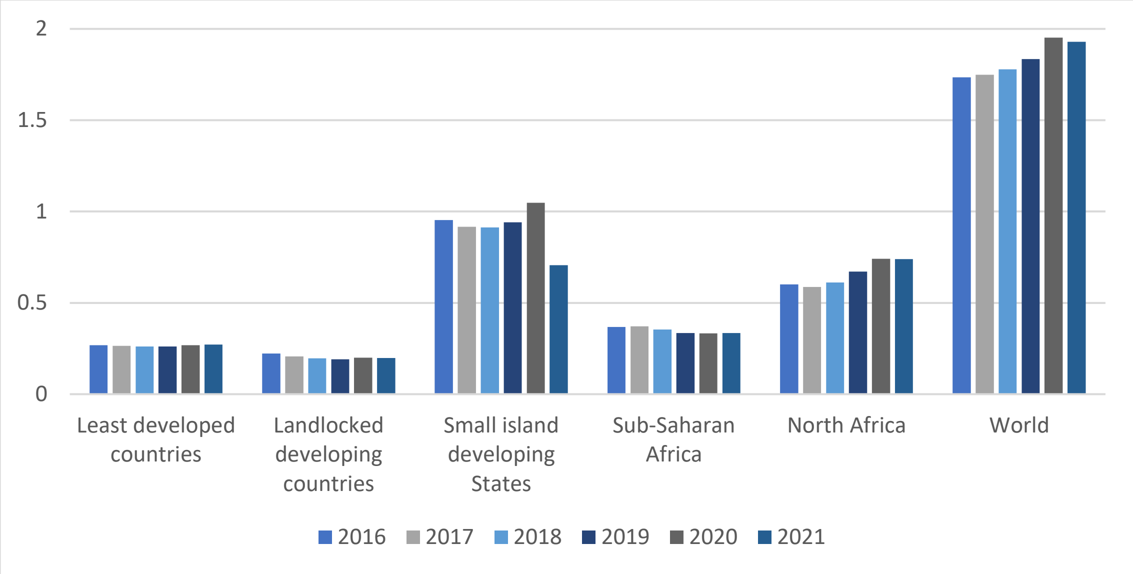
B. Leveraging the power of science, technology and innovation to address multidimensional vulnerabilities and achieve the Sustainable Development Goals

18. During the implementation of the Istanbul Programme of Action, least developed countries faced significant and persistent gaps in important science, technology and innovation-related indicators. In the Global Innovation Index, only 6 of the 17 least developed countries in Africa improved their rankings between 2022 and 2023, whereas 9 had a worse ranking in 2023 and 2 maintained their positions.[27] Research and development expenditure in least developed countries improved slightly from 0.268 per cent of GDP in 2016 to 0.271 per cent in 2021, but those spending levels are far lower than the 2 per cent that European countries spend, which is also a proportion of a much larger GDP.[28] Those figures, however, are calculated with no data for any least developed countries in Africa except Burkina Faso and Mali. The research and development spending levels in those two countries in 2021 were 0.25 per cent and 0.174 per cent of GDP, respectively.

[27] Soumitra Dutta and others, eds., *Global Innovation Index 2023: Innovation in the Face of Uncertainty* (Geneva, World Intellectual Property Organization, 2023); and Soumitra Dutta and others, eds., *Global Innovation Index 2022: What Is the Future of Innovation-Driven Growth?* (Geneva, World Intellectual Property Organization, 2022).

[28] United Nations Educational, Scientific and Cultural Organization, "Science, technology and innovation: 9.5.1 Research and development expenditure as a proportion of GDP", UIS. Stat database (accessed on 18 December 2023).

Figure 11
Research and development expenditure, by country grouping, 2016–2021
(Percentage of gross domestic product)



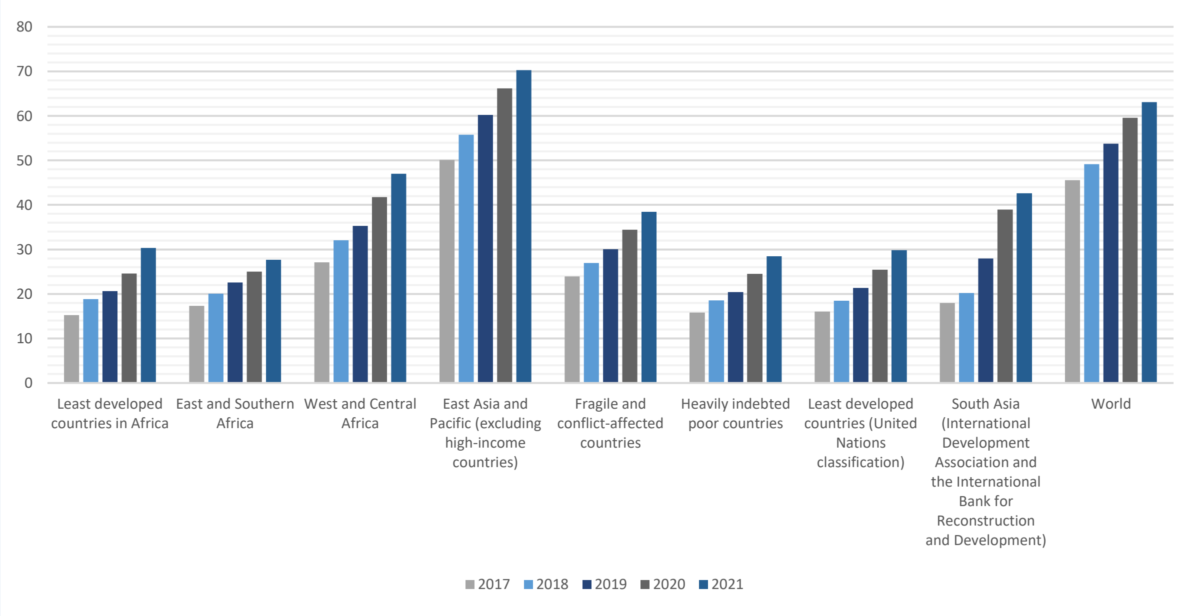
Source: United Nations Educational, Scientific and Cultural Organization, "Science, technology and innovation: 9.5.1 Research and development expenditure as a proportion of GDP", UIS.Stat database (accessed on 18 December 2023).

Note: Not enough data are available for least developed countries in Africa.

19. Least developed countries, including in Africa, also suffer from low productive capacity and low value addition. Inadequate Internet access, human and institutional capacity and infrastructure prevent least developed countries from benefiting from and using modern technologies, including through the information and communications technology revolution and financial technologies. Between 2017 and 2021, the proportion of Internet users in least developed countries in Africa increased from about 15 per cent to about 30 per cent, although that is still less than half the global rate (see figure 12).[29] Despite that progress, a significant proportion of the population in those countries does not have Internet access and is unable to engage in online political, social or cultural activities.

[29] World Bank, "Individuals using the Internet (% of population)", World Development Indicators database. Available at https://databank.worldbank.org/Southeast-Asian-internet-usage/id/9a2d532c (accessed on 4 October 2023).

Figure 12
Internet usage, 2017–2021
(Percentage of population)



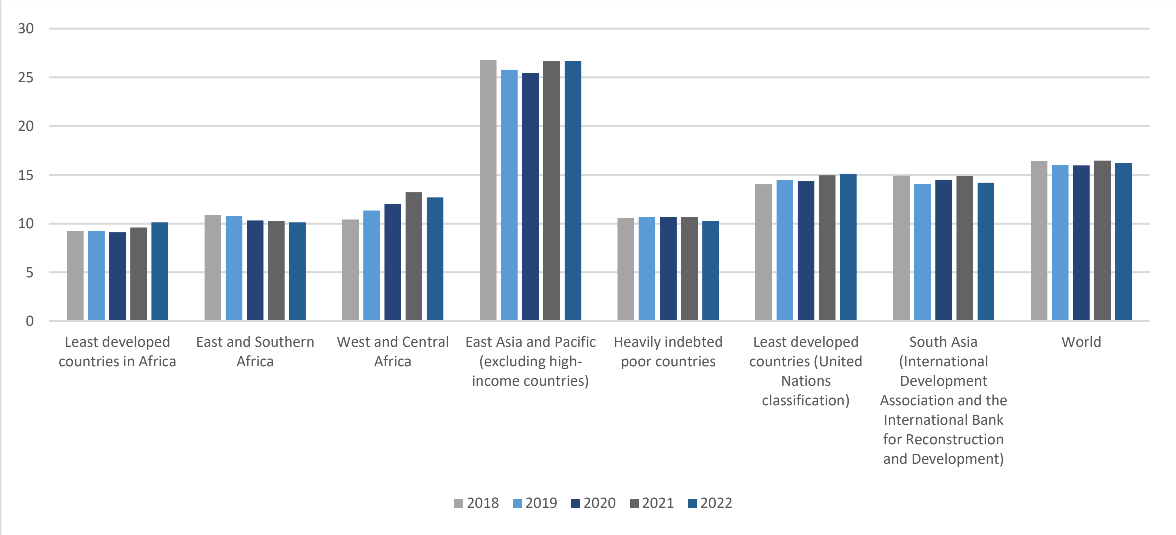
Source: World Bank, "Individuals using the Internet (% of population)", World Development Indicators database. Available at https://databank.worldbank.org/Southeast-Asian-internet-usage/id/9a2d532c (accessed on 4 October 2023).

20. Least developed countries in Africa exhibit comparatively low levels of value addition and productive capacity. Although mean manufacturing value addition increased from 9 per cent of GDP in 2018 to 10 per cent in 2022, it remains well behind the global average of 16 per cent.[30] These countries need to move away from low value added natural resources and low-technology products to higher value added manufactures and higher-technology products. One of the main initiatives to support the move is the creation of special economic zones for the production of precursors of batteries and electric vehicles. The Executive Secretary of ECA, Claver Gatete, has said that rich mineral endowments allow Africa to lead the dynamic battery value chain and electric vehicle revolution, and that the work of ECA in the Democratic Republic of the Congo, Zambia and across the continent will help ECA members to seize that opportunity.[31]

[30] World Bank, "Manufacturing, value added (% of GDP)", World Development Indicators database. Available at https://databank.worldbank.org/reports.aspx?source=2&series=NV.IND.MANF.ZS (accessed on 4 October 2023).

[31] Economic Commission for Africa, "Africa's Battery and Electric Vehicles Ambitions gain momentum at COP28", 3 December 2023.

Figure 13
Manufacturing, value added, 2018–2022
(Percentage of gross domestic product)



Source: World Bank, "Manufacturing, value added (% of GDP)", World Development Indicators database. Available at https://databank.worldbank.org/reports.aspx?source=2&series=NV.IND.MANF.ZS (accessed on 4 October 2023).

C. Supporting structural transformation as a driver of prosperity

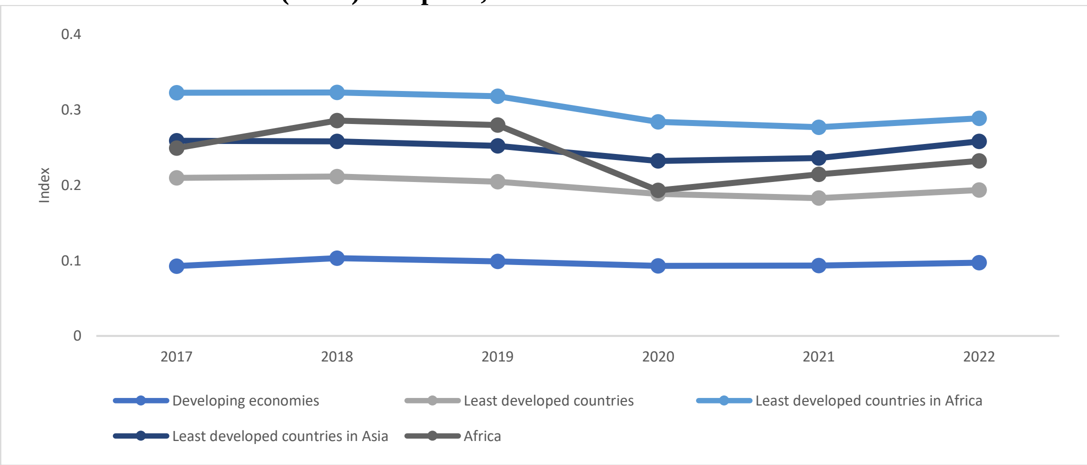
21. Developing the requisite skills for innovation and value addition, improving agricultural productivity and investing in energy and transport infrastructure are essential for the structural transformation of the economies of least developed countries. To date, however, least developed countries remain net exporters of raw materials, even though they are low-value exports with highly volatile prices. The Doha Programme of Action provides a platform on which least developed countries can mobilize the support that they need to transform their economies.

1. Development of productive capacity

22. Least developed countries in African have relatively high product concentration levels, despite a drop in their export product concentration index from 0.32 in 2017 to 0.29 in 2022 (see figure 14).[32] Nevertheless, they still have a lower concentration than other developing countries. For African countries to achieve parity with other developing countries along the value chain, as envisioned in the Doha Programme of Action, they will need to invest in processing raw materials, including green minerals.

[32] United Nations Conference on Trade and Development, "Merchandise: Product concentration and diversification indices of exports and imports, annual", UNCTADstat. Available at https://unctadstat.unctad.org/datacentre/dataviewer/US.ConcentDiversIndices (accessed on 4 October 2023).

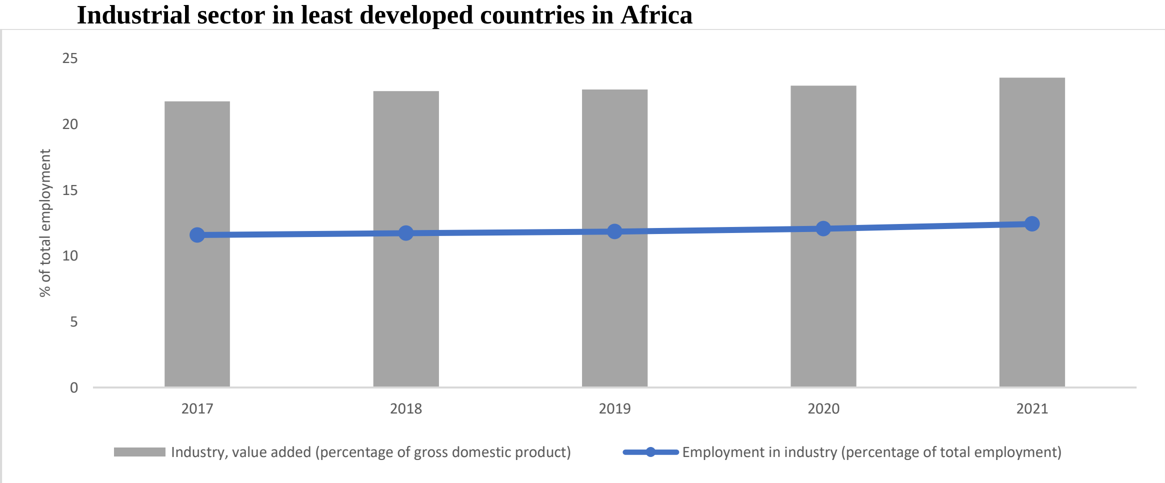
Figure 14
Product concentration (index) of exports, 2017–2022



Source: United Nations Conference on Trade and Development, "Merchandise: Product concentration and diversification indices of exports and imports, annual", UNCTADstat. Available at https://unctadstat.unctad.org/datacentre/dataviewer/US.ConcentDiversIndices (accessed on 4 October 2023).

23. In 2017, employment in industry accounted for an average of 11.6 per cent of jobs in least developed countries in Africa. By 2021, this country average had increased slightly to 12.4 per cent – still well below the total proportion of employment in industry in all least developed countries (12.9 per cent) and in the world (23.1 per cent) (see figure 15).[33] Similarly, industrial value added in least developed countries in Africa increased by more than 2 percentage points between 2017 and 2021, although it remained 4 percentage points behind the global average.

Figure 15
Industrial sector in least developed countries in Africa



Source: World Bank, "Employment in industry (% of total employment) (modeled ILO estimate)". World Development Indicators database. Available at https://data.worldbank.org/indicator/SL.IND.EMPL.ZS (accessed on 4 October 2023); World Bank, "Value added: Industry (including construction), value added (% of GDP)". World Development Indicators database. Available at https://data.worldbank.org/indicator/NV.IND.TOTL.ZS (accessed on 4 October 2023).

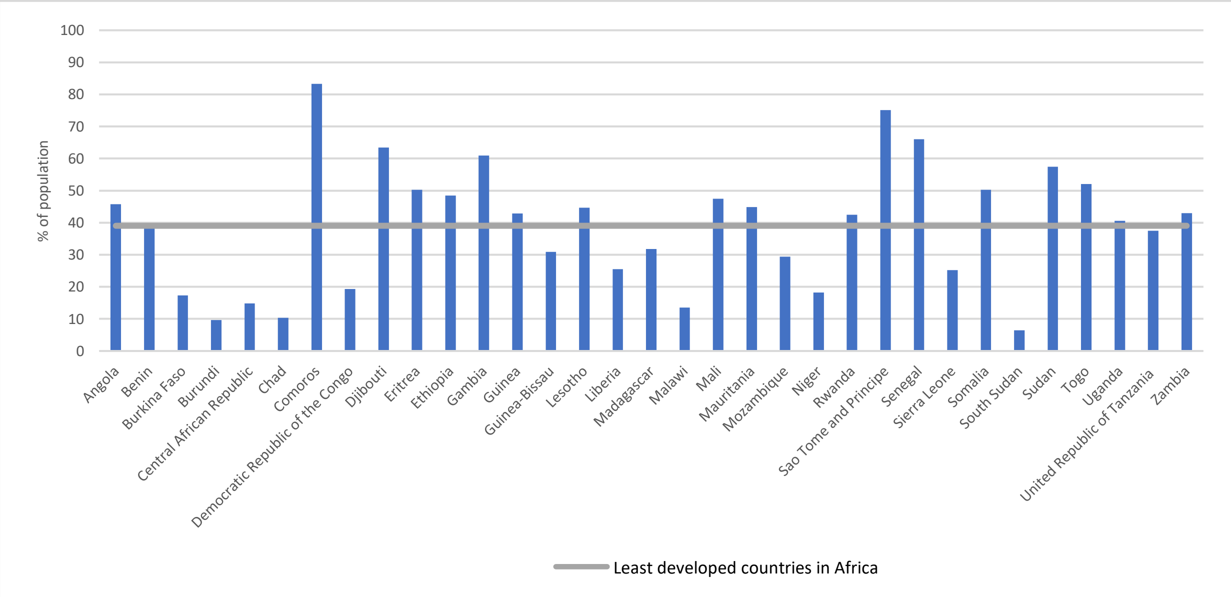
Note: The figures shown are averages of the figures for each country.

[33] World Bank, "Employment in industry (% of total employment) (modeled ILO estimate)". World Development Indicators database. Available at https://data.worldbank.org/indicator/SL.IND.EMPL.ZS (accessed on 4 October 2023).

2. Limited access to affordable, reliable, sustainable and modern energy

24. Least developed countries face energy challenges at three levels: generation, transmission and use. Although average electricity access in least developed countries in Africa increased from 35 per cent of the population in 2017 to 42 per cent in 2021, in most of those countries more than half the population still did not have access, and the countries remain well short of the target of doubling access to electricity. In addition, there are considerable urban-rural disparities, with rates of access of about 24 per cent in rural areas and 72 per cent in urban areas in 2021. Access to electricity also varies significantly among countries. Between 2017 and 2021, the proportion of the population with access to electricity each year was, on average, greater than 80 per cent in the Comoros, but less than 10 per cent in Burundi and South Sudan.[34]

Figure 16
Access to electricity, 2017–2021
(Percentage of population)



Source: World Bank, "Access to electricity (% of population)", World Development Indicators database. Available at https://databank.worldbank.org/reports.aspx? source=2&series= EG.ELC. ACCS.ZS (accessed on 4 October 2023).

25. Renewable energy accounts for a significant share of the energy mix of least developed countries in Africa (see figure 17). On average, between 2016 and 2020, 69 per cent of annual final energy consumption in those countries came from renewable sources. Average annual renewable energy consumption was greater than 90 per cent in the Central African Republic, the Democratic Republic of the Congo, Liberia, Somalia and Uganda, but less than 30 per cent in Djibouti and Mauritania.[35] In least developed countries, guaranteeing clean and universal access to energy is crucial to foster rapid economic expansion, facilitate structural transformation, enhance productive capabilities and augment export growth.

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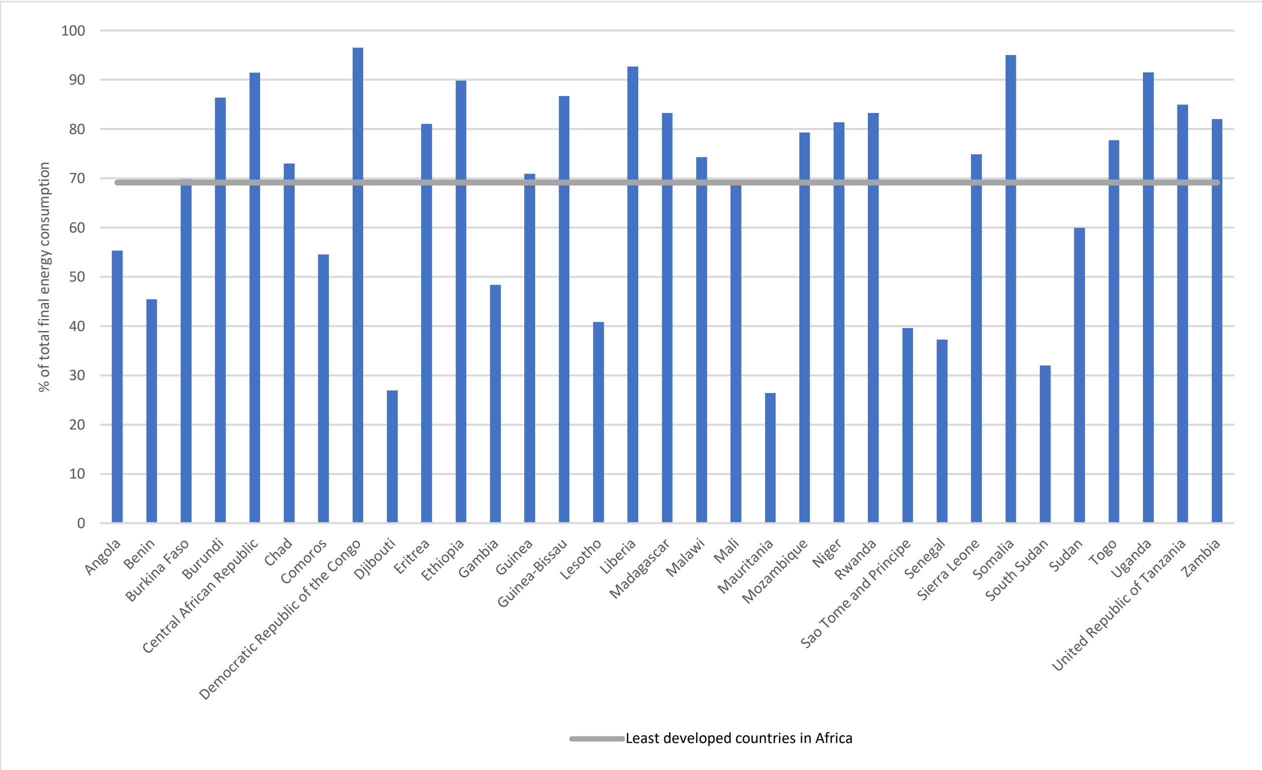
[34] World Bank, "Access to electricity (% of population)", World Development Indicators database. Available at https://databank.worldbank.org/reports.aspx?source=2&series=EG.ELC.ACCS.ZS (accessed on 4 October 2023).

[35] World Bank, "Renewable energy consumption (% of total final energy consumption)", World Development Indicators database. Available at https://databank.worldbank.org/reports.aspx?source=2&series=EG.FEC.RNEW.ZS (accessed on 4 October 2023).

Figure 17
Average renewable energy consumption, 2016–2020
(Percentage of total final energy consumption)



Source: World Bank, "Renewable energy consumption (% of total final energy consumption)", World Development Indicators database. Available at https://databank.worldbank.org/reports.aspx?source=2&series=EG.FEC.RNEW.ZS (accessed on 4 October 2023).

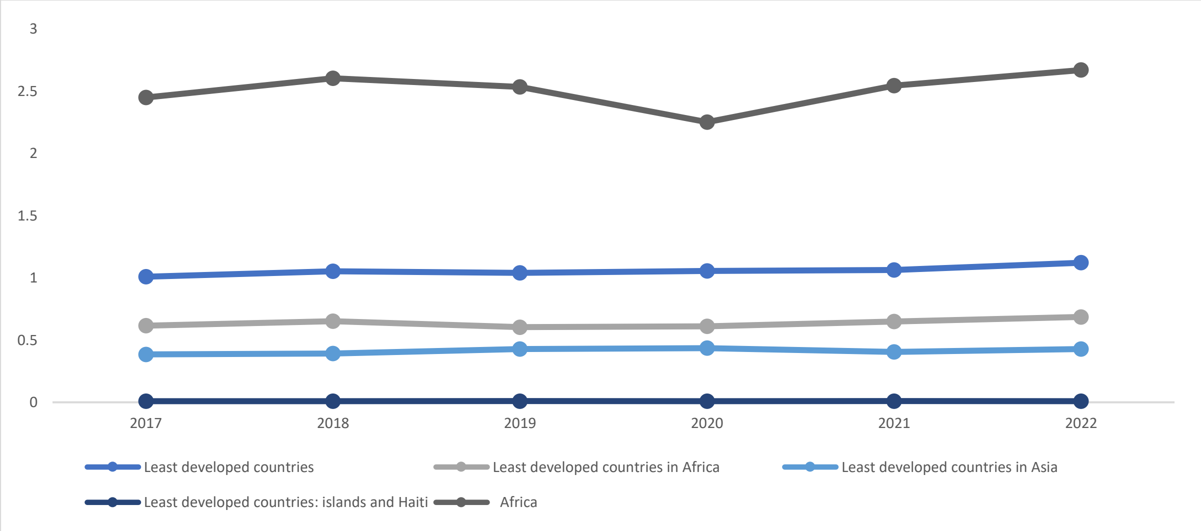
D. Enhancing international trade in least developed countries and regional integration

26. Least developed countries encounter considerable barriers that impede their capacity to integrate successfully into worldwide trading networks and benefit from international trade and global value chains. On the basis of their current trajectory, those countries are expected to fall short of target 17.11 of the Goals, under which they should collectively account for 2 per cent of global trade by 2030.[36] Exports from those countries account for around 1 per cent of total global exports, as shown in figure 18, compared with more than 40 per cent for other developing countries.[37] The target of doubling the African least developed countries' share of global exports has also not been met, with a negligible rise of only 0.071 percentage points from 2017 to 2022.

[36] United Nations Conference on Trade and Development, "Economic transformation and progress towards the SDGs through trade".

[37] United Nations Conference on Trade and Development, "Merchandise: Total trade and share, annual", UNCTADstat (accessed on 19 October 2023).

Figure 18
Merchandise exports from least developed countries and African countries, 2017–2022 (Percentage of total global exports)

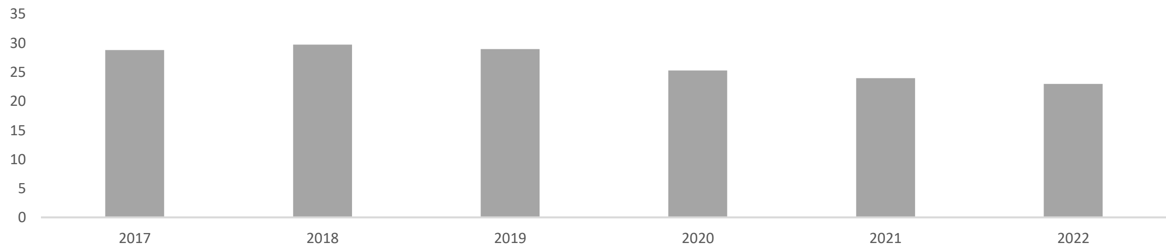


Source: United Nations Conference on Trade and Development, “Merchandise: Total trade and share, annual”, UNCTADstat (accessed on 19 October 2023).

Note: The designation “Least developed countries; islands and Haiti” is used in UNCTADstat to refer the Comoros, Haiti, Kiribati, Sao Tome and Principe, the Solomon Islands, Timor-Leste and Tuvalu.

27. As shown in figure 19, during the period 2017–2022, average exports of goods and services as a share of GDP by least developed countries in Africa peaked in 2018, at 29.7 per cent, then declined every year from 2019 to 2022, falling to 22.9 per cent in 2022, almost 8 percentage points behind the global average.[38] Nevertheless, the decline by a single percentage point in 2022 was a slower decline than in the two previous years.

Figure 19
Exports of goods and services in least developed countries in Africa
(Average percentage of gross domestic product per country)



Source: World Bank, “Exports of goods and services (% of GDP)”, World Development Indicators database. Available at https://data.worldbank.org/indicator/NE.EXP.GNFS.ZS (accessed on 4 October 2023).

[38] World Bank, “Exports of goods and services (% of GDP)”, World Development Indicators database. Available at https://data.worldbank.org/indicator/NE.EXP.GNFS.ZS (accessed on 4 October 2023).

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

28. Least developed countries have made the least significant contribution to climate change. They account for approximately 3–4 per cent of current greenhouse gas emissions and less than 0.5 per cent of historic emissions. Despite their lower emissions, they have experienced the most severe consequences of climate change. Persons living in least developed countries are almost 15 times more likely to die from climate-related causes than persons in developed countries.[39] Climate change has exerted a significant influence on poverty, food security and migration, and, therefore, it poses a substantial challenge to the successful implementation of the Doha Programme of Action and the attainment of the Sustainable Development Goals.

29. In 2019, a comprehensive analysis of more than 120 countries participating in the Sendai Framework for Disaster Risk Reduction 2015–2030 revealed that least developed countries experienced a significant share of adverse consequences of climate change, with 48 per cent of livelihood disruptions, 40 per cent of fatalities, 17 per cent of economic losses and 14 per cent of infrastructure damage occurring in those countries.[40] The figures are disproportionate considering that the combined GDP of the countries was only 1 per cent of global GDP and their combined population was only 18 per cent of the global population.

30. The COVID-19 pandemic has shown and intensified the significant vulnerability of least developed countries and the potential for one crisis to lead to another. There is growing apprehension of the potential negative impact that an extended economic decline, as a result of the pandemic, could have on the successful implementation of the Paris Agreement, the 2030 Agenda for Sustainable Development and the Sendai Framework. Furthermore, the economic downturn resulting from the pandemic poses a significant challenge to countries, in particular those classified as least developed, as they try to address effectively the detrimental consequences of climate change and environmental degradation. Enhancing resilience to external shocks should be the priority of the global community. It is crucial to support least developed countries in strengthening their capacity to withstand forthcoming shocks.[41]

F. Mobilizing international solidarity, reinvigorated global partnerships and innovative tools for sustainable graduation

31. Least developed countries rely heavily on the use of public funds to finance their sustainable development needs and to transition seamlessly from their least developed country classification. The domestic, external, public and private resources at their disposal have proven to be inadequate in financing their development needs. Those countries continue to rely heavily on external resources, including private flows, such as remittances and portfolio investment, concessional lending, FDI and official development assistance. A major concern for those countries is that graduation would lead to the withdrawal of the international support that is specifically targeted at least developed countries, including access to certain concessional finance instruments, or certain modalities for such instruments, and preferential market access for exports.

32. The low tax-to-GDP ratios of least developed countries can be partially explained by their economic structures, their high rates of poverty, their ineffective

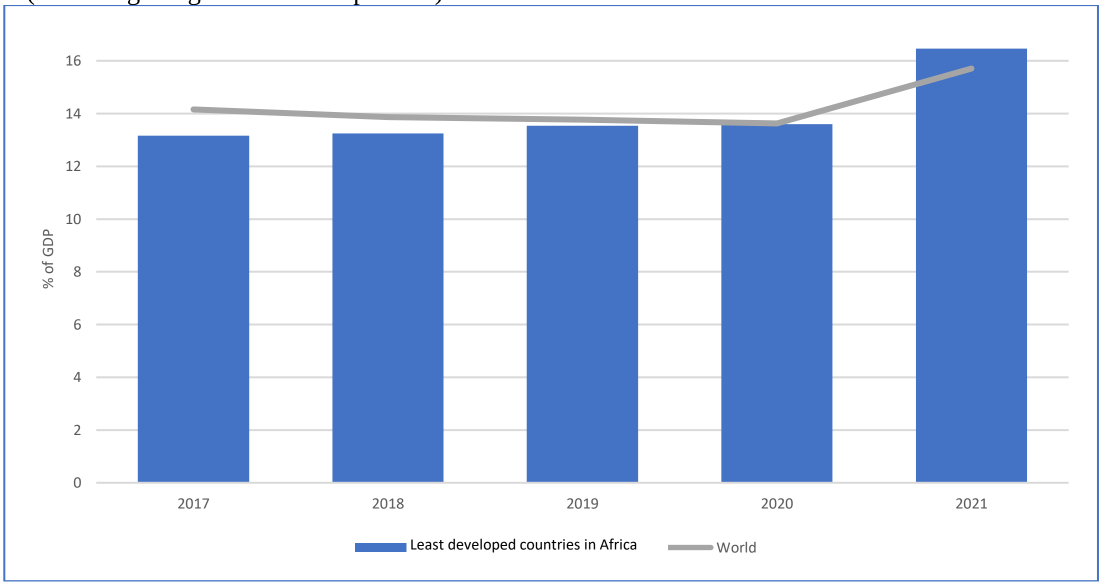
[39] A/CONF.219/2023/3.

[40] Ibid.

[41] A/CONF.219/2023/3.

tax administration and the nature of their tax systems. In Africa, tax-to-GDP ratios remain below 10 per cent in several least developed countries, although the average ratio of such countries increased from 13.2 per cent in 2017 to 16.5 per cent in 2021, as shown in figure 20.[42] In Africa, five least developed countries – Burkina Faso, Lesotho, Mozambique, Senegal and Zambia continuously achieved tax-to-GDP ratios of at least 15 per cent between 2018 and 2021, which means that they are better able to become self-sustainable than countries with very low ratios, such as Somalia, which had a ratio of less than 0.001 per cent between 2017 and 2020.

Figure 20
Average tax revenue, 2017–2021
(Percentage of gross domestic product)



Source: World Bank, "Average tax revenue (% of GDP)", World Development Indicators. World Development Indicators database. Available at https://data.worldbank.org/indicator/ GC.TAX.TOTL.GD.ZS (accessed on 4 October 2023).

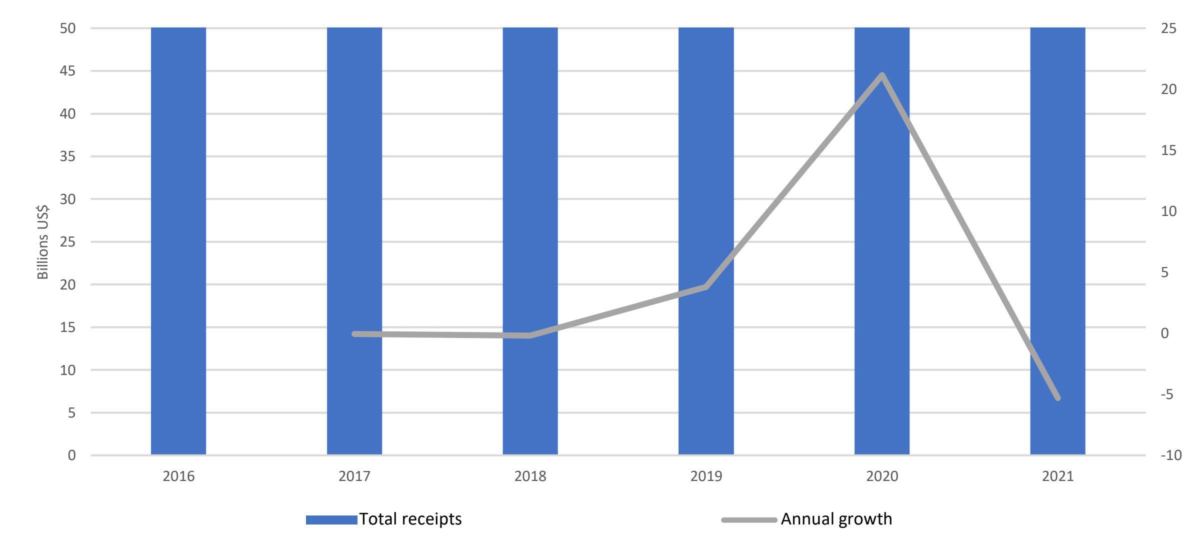
1. Official development assistance

33. Innovative sources of financing, such as blended finance, have remained scarce in least developed countries, whereas official development assistance remained crucial for financing investment in sustainable development. Total receipts from official donors to least developed countries in Africa grew by 21.2 per cent in 2020, but contracted by 5.3 per cent in 2021 (see Figure 21) to $42 billion, which is 64.4 per cent of such receipts by all least developed countries, including those outside Africa, and 44.2 per cent of such receipts by all African countries.[43]

[42] World Bank, "Average tax revenue (% of GDP)", World Development Indicators. World Development Indicators database. Available at https://data.worldbank.org/indicator/GC.TAX.TOTL.GD.ZS (accessed on 4 October 2023).

[43] Organisation for Economic Co-operation and Development, "Total receipts by country and region (ODA+OOF+private)", OECD.Stat database. Available at https://stats.oecd.org/Index.aspx?DataSetCode=REF_TOTALRECPTS (accessed on 19 October 2023).

Figure 21
Total receipts from official donors and annual growth in least developed countries in Africa, 2016–2021
(Billions of United States dollars, left axis; percentage of gross domestic product, right axis)



Source: Organisation for Economic Co-operation and Development, "Total receipts by country and region (ODA+OOF+private)", OECD.Stat database. Available at https://stats.oecd.org/Index.aspx?DataSetCode=REF_TOTALRECPTS (accessed on 19 October 2023).

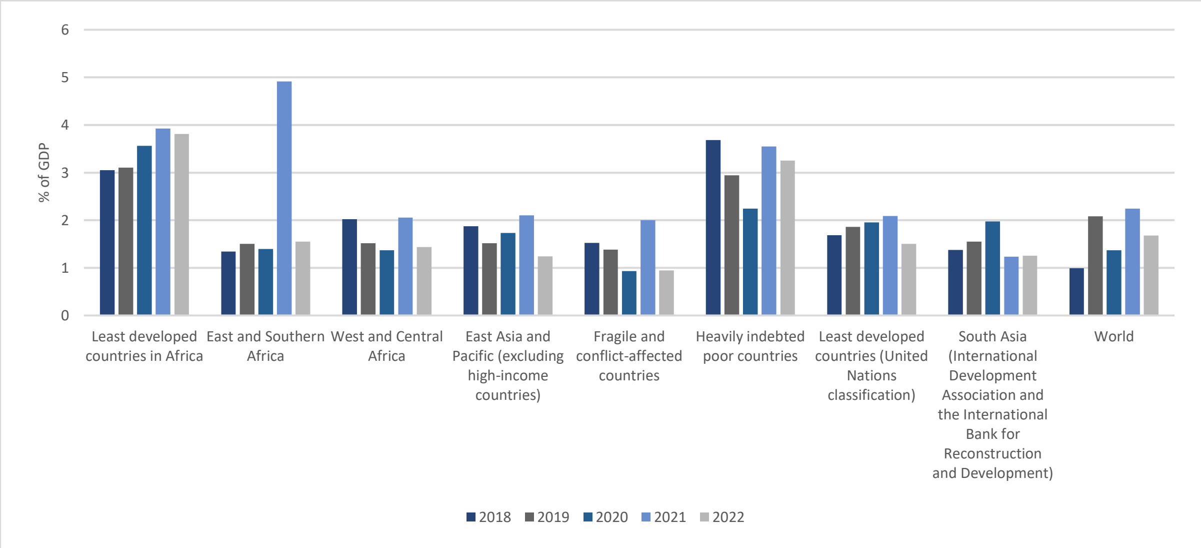
Note: Total receipts is the sum of official development assistance, other official flows and private flows.

2. Foreign direct investment

34. FDI has the potential to reduce finance gaps significantly and facilitate knowledge transfer. It is, therefore, imperative that least developed countries in Africa increase the FDI they receive to support their diversification policies. The average net FDI flows of those countries increased from 3.0 per cent of GDP in 2018 to 3.9 per cent in 2021 before declining slightly to 3.8 per cent in 2022, as shown in figure 22.[44]

[44] World Bank, "Foreign direct investment, net inflows (% of GDP)", World Development Indicators database. Available at https://databank.worldbank.org/reports.aspx?source=2&series=BX.KLT.DINV.WD.GD.ZS (accessed on 4 October 2023).

Figure 22
Foreign direct investment, net inflows, 2018–2022
(Average percentage of gross domestic product of the countries in each grouping)



Source: World Bank, "Foreign direct investment, net inflows (% of GDP)", World Development Indicators database. Available at https://databank.worldbank.org/reports.aspx?source= 2&series= BX.KLT.DINV.WD.GD.ZS (accessed on 4 October 2023).

3. Debt sustainability

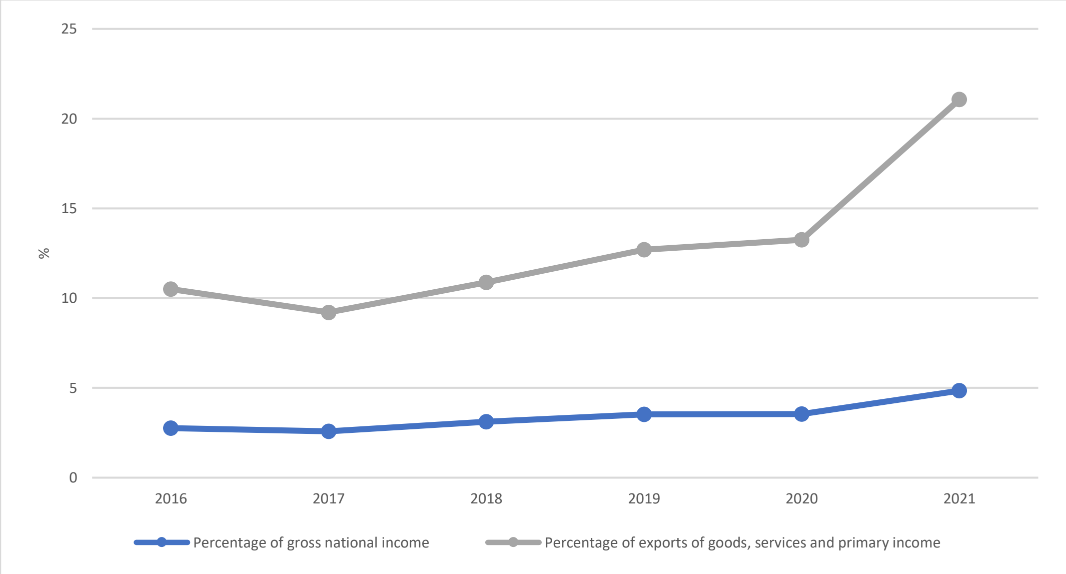
35. The average debt service of least developed countries in Africa increased significantly from 10.5 per cent of exports of goods and services in 2016 to 21.1 per cent in 2021 (see figure 23).[45] Guinea-Bissau, Lesotho and Rwanda all had a twofold increase in their debt service ratios between 2020 and 2021, and the ratio of Mozambique increased the most of all least developed countries in Africa, from 24.3 per cent in 2020 to 109.3 per cent in 2021. As of October 2023, 6 of the countries were classified as being in overall debt distress, 12 were at a high risk of debt distress and several other countries were at a moderate risk. [46,47]

[45] *Source*: World Bank, "Total debt service (% of GNI)", World Development Indicators database. Available at https://databank.worldbank.org/source/world-development-indicators/Series/DT.TDS. DECT.GN.ZS (accessed on 4 October 2023).

[46] Malawi, Mozambique, Sao Tome and Principe, Somalia, Sudan and Zambia were in debt distress and Burundi, Central African Republic, Chad, Comoros, Djibouti, Ethiopia, Gambia, Guinea-Bissau, Liberia, Sierra Leone, South Sudan and Togo were at a high risk of debt distress.

[47] World Bank, "Debt sustainability analysis". Available at www.worldbank.org/en/programs/debt-toolkit/dsa (accessed on 4 October 2023). No data are available for Angola or Eritrea.

Figure 23
Average total debt service in least developed countries in Africa



Source: World Bank, “Total debt service (% of GNI)”, World Development Indicators database. Available at https://databank.worldbank.org/source/world-development-indicators/Series/DT.TDS.DECT.GN.ZS (accessed on 4 October 2023).

IV. Principal challenges and way forward

A. Availability of data

36. The majority of least developed countries lack timely and reliable data to track progress towards the achievement of the goals and targets of the Doha Programme of Action and Agenda 2063: The Africa We Want, of the African Union. The average statistical capacity score of least developed countries in Africa fell from 59.0 in 2015 to 56.5 in 2020; Eritrea and Somalia had scores below 35 per cent.[48] Those countries must strengthen their use of traditional data sources, such as surveys and administrative records, supplement them with new sources and strengthen their efforts to collect, analyse and disseminate high-quality, accessible, timely and reliable data to improve their monitoring, policymaking and implementation of the Doha Programme of Action.

B. Implementation, follow-up and monitoring

37. For African countries to graduate from their least developed country status, they must align their national development plans with the Doha Programme of Action and monitor the implementation of those plans. In addition, they must ensure that the national development plans are linked with national budgets to ensure adequate and consistent financing in line with the principles of integrated national financing frameworks. The frameworks help countries to operationalize the Doha Programme of Action by reprioritizing investments and aligning budgets with development priorities. The integrated planning and reporting toolkit of ECA was designed precisely for that purpose. The toolkit provides a digital platform on which countries can align their national development planning frameworks with international agendas, such as the Doha Programme of Action, and national budgets. The toolkit

[48] World Bank, “Statistical capacity score”, World Development Indicators database. Available at https://databank.worldbank.org/source/world-development-indicators/Series/IQ.SCI.OVRL (accessed on 30 October 2023).

can support the implementation of integrated national financing frameworks in least developed countries by equipping policymakers with financing dashboards and helping them to align their annual budgets with their development priorities digitally.

38. Least developed countries will require assistance and support from development partners to provide scaled-up concessional financing and technical assistance to support the implementation of the Doha Programme of Action. Such technical assistance is not limited to traditional forms. It could be provided through digital platforms or community of practice platforms on which development practitioners and partners can exchange ideas and share experiences with policymakers from least developed countries.

C. Way forward

39. Accelerating the graduation from least developed country status will require commitment from the leaders of those countries underpinned by scaled-up financial and technical support. Rising debt service costs are undermining the liquidity of such countries in Africa and reducing their fiscal capacity to finance their development needs adequately. The effective implementation of the Doha Programme of Action will, therefore, require debt treatments for least developed countries, including the postponement of interest payments, similar to the Debt Service Suspension Initiative, and the outright cancellation of the debts of eligible countries. Furthermore, a special, one-off allocation of special drawing rights exclusively for least developed countries should be considered to provide them with concessional financing without burdening them with additional debt. Such countries should also be helped to develop bankable projects to attract investment, including green investment that could benefit from the abundant green resources that the countries possess.

40. Moreover, it is crucial to support the Technology Bank for the Least Developed Countries in its efforts to enhance the scientific, technological and innovative capabilities of such countries. The support is essential to facilitate structural transformation and foster the growth of the countries' productive capacity. The countries should implement the necessary reforms to enable them to obtain market access through the African Continental Free Trade Area. Policies and initiatives that strengthen governance institutions, in particular in public resource management and public debt disclosure, are essential to optimize the use of existing resources. All parts of the United Nations system need to mobilize and collaborate to ensure the coordinated implementation and coherence in the follow-up to and monitoring of the Doha Programme of Action at the national, subregional, regional and global levels.

41. Least developed countries in Africa must forge new social contracts among the Government, their people, civil society and the private sector. The social contracts should address employment, sustainable development and social protection on the basis of equality and non-discrimination, prioritizing people and meeting their needs.