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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 least developed countries saw their economies shrink significantly in 2020, amid a severe global recession caused by the coronavirus disease (COVID-19) pandemic. This situation poses a threat to progress made during the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011–2020 and also risks exacerbating structural challenges in least developed countries. Global inequality has increased, as has the risk of conflict and fragility, in particular in relation to democratic governance and the rule of law.

2. The pandemic also undermined the fiscal buffers of least developed countries. While many advanced economies deployed massive fiscal stimuli to cushion the impact of the pandemic, the policy response in least developed countries was much more limited, owing to weak fiscal conditions, major supply chain and logistical challenges, weak resilience capacity and static global support.

3. In this context, the Doha Programme of Action for the Least Developed Countries, which covers the decade 2022–2031 and was adopted on 17 March 2022 by the Fifth United Nations Conference on the Least Developed Countries as the successor to the Istanbul Programme of Action for the Least Developed Countries for the Decade 2011–2020, and reflects the desire for a sustained and inclusive recovery from and greater resilience to the COVID-19 pandemic, while leaving no one behind. The Doha Programme of Action is a set of renewed and strengthened commitments by least developed countries and their development partners, made on the basis of the following main objectives: ensuring speedy, sustained and inclusive recovery from the COVID-19 pandemic; building resilience against future shocks; eradicating extreme

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poverty and improving labour markets; enabling graduation from least developed country status; facilitating access to sustainable and innovative financing; addressing inequality; leveraging the power of science, technology and innovation; mainstreaming technology-driven entrepreneurship; bringing about structural transformation; and achieving the Sustainable Development Goals through a revitalized global partnership for sustainable development.

# II. Graduation from least developed country status in Africa

4. As at 2021, 46 countries, containing some 14 per cent of the global population,[1] had been designated by the United Nations as least developed countries, of which 33 (72 per cent) were African countries.[2] In order for a country to graduate from least developed country status, it must achieve the graduation thresholds for at least two out of three graduation criteria (income, human assets and economic vulnerability) in two consecutive triennial evaluations. Extremely vulnerable or human-capital-poor countries are eligible for graduation only if they meet the other two criteria by a considerable margin. A country whose per capita income is sustainably above the "income only" graduation criterion, which is set at twice the graduation threshold (set at $2,444 for the 2021 triennial review), is eligible for graduation even if it does not meet the other two conditions.

5. At the time of writing, three African countries had graduated from least developed country status: Botswana (1994), Cabo Verde (2007) and Equatorial Guinea (2017). Some African countries have been recommended for graduation; for instance, Sao Tome and Principe is expected to graduate in 2024, and the General Assembly granted Angola a three-year preparatory period on 11 February 2021, delaying its graduation from least developed country status until 2024. In the 2021 review of the list of least developed countries conducted by the Committee for Development Policy, Comoros, Djibouti, Senegal and Zambia were determined to have met the graduation standards for the first time (see table). Djibouti met the "income only" criterion, while Comoros, Senegal and Zambia met the graduation standards for two of the three criteria, namely, income and human assets. These nations will be re-evaluated in 2024, and, if they continue to meet the criteria, they may be recommended for graduation.[3]

[1] General Assembly resolution 76/258.

[2] United Nations, Department of Economic and Social Affairs, "The least developed country category: 2021 country snapshots", 5 May 2021.

[3] Ibid.

### Status towards graduation as at the 2021 triennial review

| *Country* | *Gross national income per capita (United States dollars)* | *Human assets index* | *Economic and environmental vulnerability index* | *Have the criteria been met?* | *Recommended for graduation? (year)* |
|---|---|---|---|---|---|
| Angola | **3 207** | 52.0 | 45.6 | Yes[a] | 2024 |
| Benin | 1 181 | 49.4 | 33.0 | | |
| Burkina Faso | 753 | 56.0 | 48.6 | | |
| Burundi | 282 | 53.9 | 38.7 | | |
| Central African Republic | 475 | 27.4 | **27.7** | | |
| Chad | 696 | 18.3 | 51.8 | | |
| Comoros | **1 367** | **67.2** | 37.7 | Yes | Met the criteria for the first time in 2021 |
| Democratic Republic of the Congo | 506 | 47.9 | **28.3** | | |
| Djibouti | **3 235** | 61.9 | 53.9 | Yes[a] | Met the criteria for the first time in 2021 |
| Eritrea | 589 | 57.2 | 50.2 | | |
| Ethiopia | 832 | 55.3 | 34.3 | | |
| Gambia | 711 | 63.8 | 51.3 | | |
| Guinea | 870 | 39.8 | **28.8** | | |
| Guinea-Bissau | 735 | 44.0 | 41.0 | | |
| Lesotho | 1 295 | 62.6 | 43.4 | | |
| Liberia | 507 | 45.2 | 40.2 | | |
| Madagascar | 496 | 60.7 | 34.8 | | |
| Malawi | 367 | 55.5 | 44.5 | | |
| Mali | 842 | 45.6 | 49.3 | | |
| Mauritania | **1 578** | 54.1 | 45.2 | | |
| Mozambique | 473 | 53.9 | 41.4 | | |
| Niger | 529 | 35.6 | 48.5 | | |
| Rwanda | 784 | 67.6 | 32.3 | | |
| Sao Tome and Principe | **1 843** | **89.4** | **25.8** | Yes | 2024 |
| Senegal | **1 370** | **66.4** | 43.0 | Yes | Met the criteria for the first time in 2021 |
| Sierra Leone | 532 | 41.7 | 40.3 | | |
| Somalia | 104 | 24.3 | 51.9 | | |
| South Sudan | 351 | 22.0 | 54.6 | | |
| Sudan | **1 582** | 61.9 | 37.9 | | |
| Togo | 867 | 58.8 | **23.3** | | |
| Uganda | 670 | 57.8 | **29.1** | | |
| United Republic of Tanzania | 1 031 | 61.1 | 34.7 | | |
| Zambia | **1 411** | **67.1** | 41.7 | Yes | Met the criteria for the first time in 2021 |
| Graduation thresholds | ≥ 1 222 | ≥ 66.0 | ≤ 32.0 | | |

*Source:* Department of Economic and Social Affairs, “The least developed country category: 2021 country snapshots”, 5 May 2021.

*Notes:* The table shows the values of the indicators for graduation and the corresponding thresholds as at the 2021 triennial review conducted by the Committee for Development Policy. The numbers in bold represent the values that satisfy the graduation thresholds.

[a] Have met the “income only” criterion for graduation.

# III. Baseline values in the priority areas

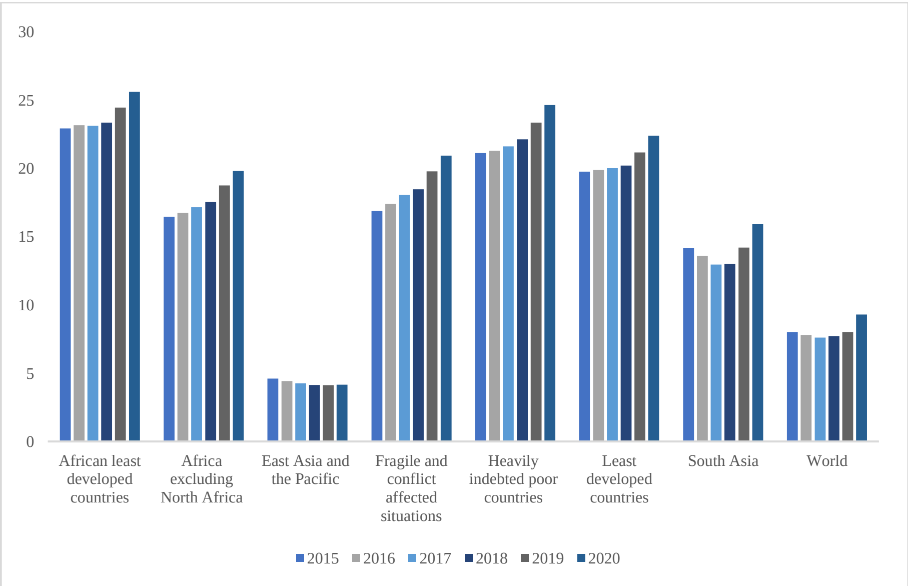
## A. Investing in people in least developed countries: eradicating poverty and building capacity so as to leave no one behind

6. The population of least developed countries will rise by 256 million to 1.3 billion by 2030. Before the COVID-19 pandemic, it was expected that nearly 30 per cent of those living in least developed countries would be living in extreme poverty by 2030. The COVID-19 pandemic has worsened extreme poverty and gender inequality in least developed countries, and this situation is associated with higher mortality rates, food insecurity, malnutrition, limited or no access to high-quality and inclusive education and health care, and a lack of decent employment opportunities. Poor people live in areas with inadequate infrastructure, limited access to water and sanitation, and insufficient social protection. Least developed countries also struggle to provide universal access to inclusive, equitable and high-quality education, social protection and essential health-care services, and their vulnerability and limited capacity amplify the effects of external shocks such as the COVID-19 pandemic, natural disasters, climate change and biodiversity loss.

### 1. High level of undernourishment and severe food insecurity

7. A considerable proportion of the population in African least developed countries is undernourished. The average prevalence of undernourishment in these countries increased almost three percentage points, from 23 per cent to 26 per cent, during the period 2015–2020 (see figure 1). It is even higher than the proportion in heavily indebted poor countries and fragile and conflict-affected countries, and it is far above the global average. This is also associated with a high level of severe food insecurity in African least developed countries, which reached 28 per cent in 2019, while the global average stood at only 10.5 per cent. This indicates the huge burden that these countries are facing in their efforts to reach the target envisioned in the Doha Programme of Action with regard to ending hunger and malnutrition.

Figure 1
**Prevalence of undernourishment**
(Percentage of population)

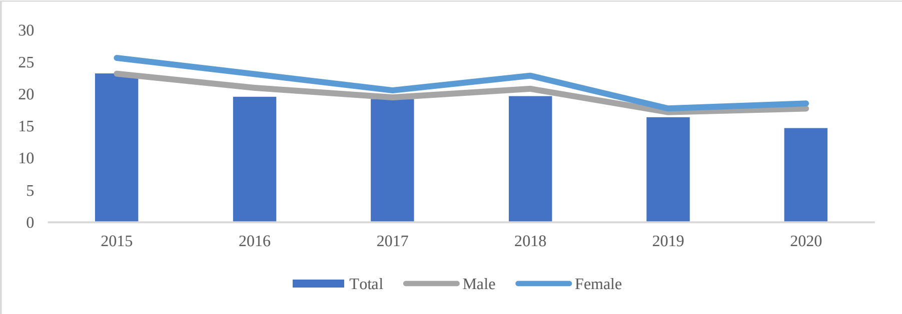



*Source*: World Bank, World Development Indicators database(accessed on 15 November 2022).

## 2. Access to high-quality education, skills and lifelong learning

8. In 2015, more than one quarter of primary-school-age children were out of school. African least developed countries achieved great success by reducing this to less than 15 per cent as at 2020 (see figure 2). On average, girls are more likely to be out of school compared with boys, but the gap between the two has lessened over the years. However, the percentage of children out of school in African least developed countries is still much higher than the global average, which stood at 9 per cent in 2020. The commitment to increasing enrolment and decreasing dropout rates, especially in primary and secondary school, must be fully enforced.

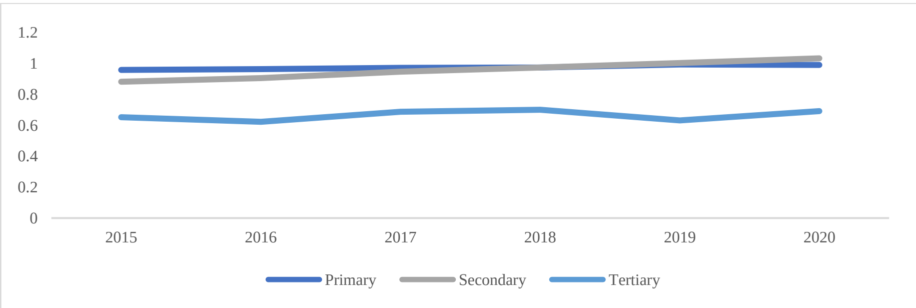
Figure 2
**Children out of school in African least developed countries, disaggregated by sex**
(Percentage of primary-school-age children)




*Source*: World Development Indicators.

9. Eliminating gender disparities in education would help to increase the status and capacity of women. African least developed countries have made great progress in this regard, with girls outnumbering boys in enrolment in secondary school in 2022. However, women in African least developed countries continue to face barriers in access to tertiary education. Despite the increase from 0.65 to 0.69 during the period 2015–2020, the gender parity index in tertiary school enrolment remains low (see figure 3).

Figure 3
**Gender parity index: values for gross primary, secondary and tertiary school enrolment in African least developed countries**



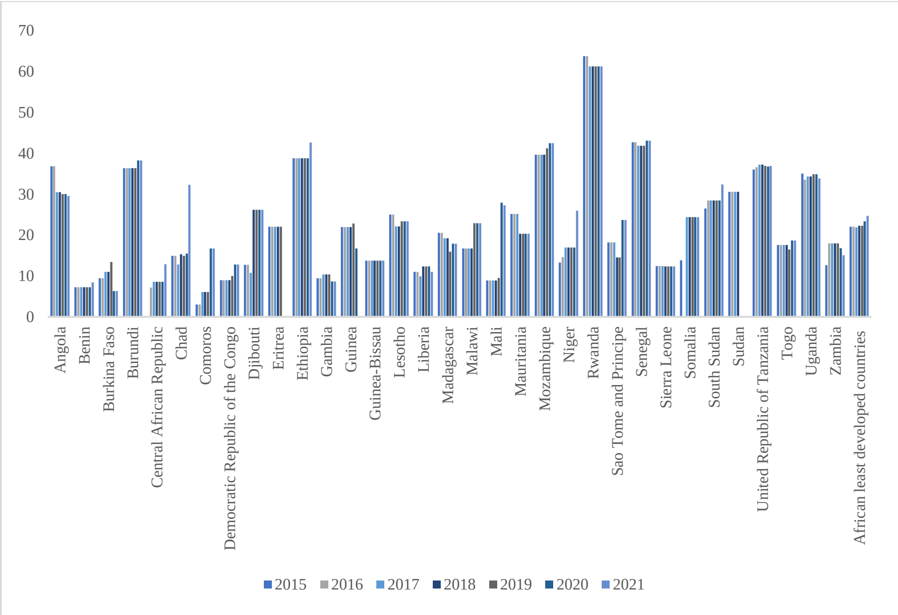

*Source*: World Development Indicators.

## 3. Achieving gender equality

10. The promotion of gender equality and the empowerment of women are crucial to achieving sustainable development. On average, women's representation in parliament in African least developed countries increased from 22 per cent to 25 per cent during the period 2015–2021 (see figure 4). This indicator is highly variable, with Rwanda (61.25 per cent) and Senegal (43 per cent) having the highest representation rates for women in national

parliaments, while less than 10 per cent of women held such positions in Burkina Faso, Benin and the Gambia in 2021. By removing obstacles that prevent women from enjoying equal access to human resources endowments, rights and economic opportunities, greater gender equality can increase economic efficiency and improve development in other areas. Providing women with equal access to opportunities enables them to emerge as social and economic stakeholders who can influence and shape more inclusive policies.

Figure 4
**Proportion of seats held by women in national parliaments**
(Percentage)

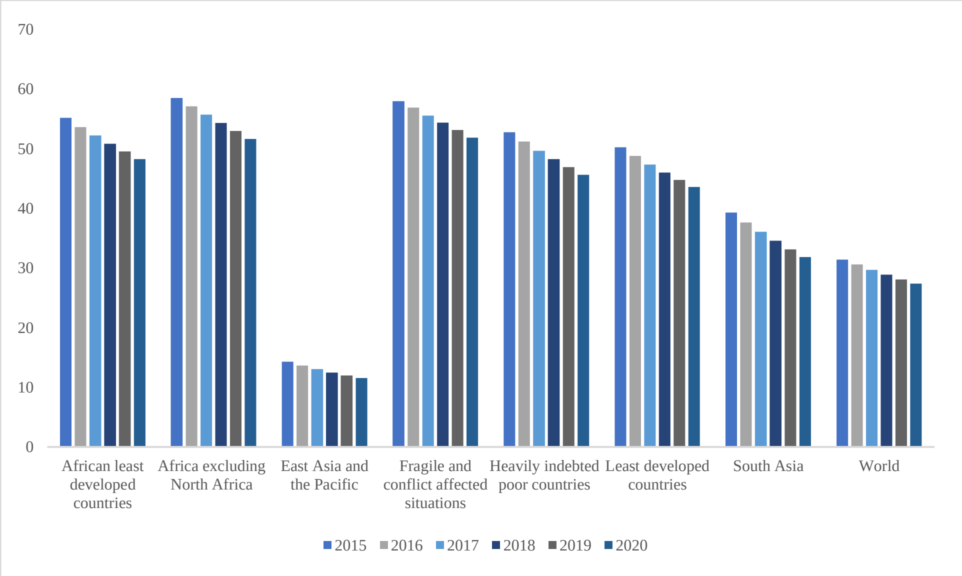



*Source*: World Development Indicators.

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

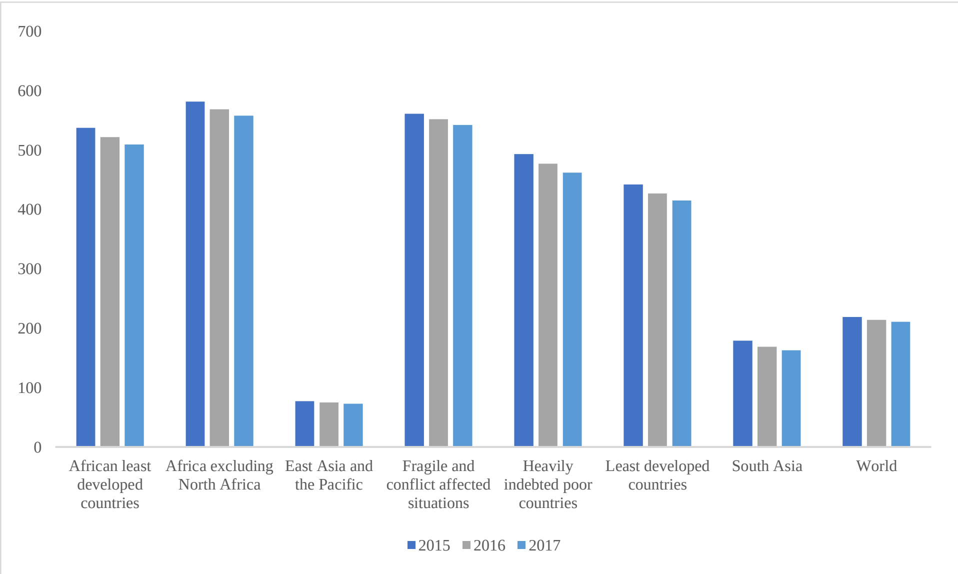
11. Infant mortality rates declined in all regions of the world. In African least developed countries, the rate per 1,000 live births fell from 55 in 2015 to 48 in 2020 (see figure 5). The latest available data show that, among African least developed countries, Sao Tome and Principe, Senegal, Malawi and Eritrea had the lowest infant mortality rates as at 2020, standing at 13, 29, 29 and 30 per 1,000 live births respectively. Maternal deaths also decreased in African least developed countries during the period 2015–2017, from 537 to 509 deaths per 100,000 live births (see figure 6), and progress was achieved in increasing the number of births attended by skilled health-care staff, from 59 per cent to 76 per cent of total births during the same period. However, this figure fluctuates and masks wide variation among countries. For instance, in 2019, almost all births in Sao Tome and Principe were attended by skilled health-care staff (97 per cent), but in Somalia that figure stood at only 32 per cent. African least developed countries must maintain the momentum and accelerate progress towards eliminating preventable maternal, infant and child deaths by the end of the decade.

Figure 5
**Infant mortality rate**
(Per 1,000 live births)




*Source*: World Development Indicators.

Figure 6
**Maternal mortality ratio**
(Modelled estimate, per 100,000 live births)

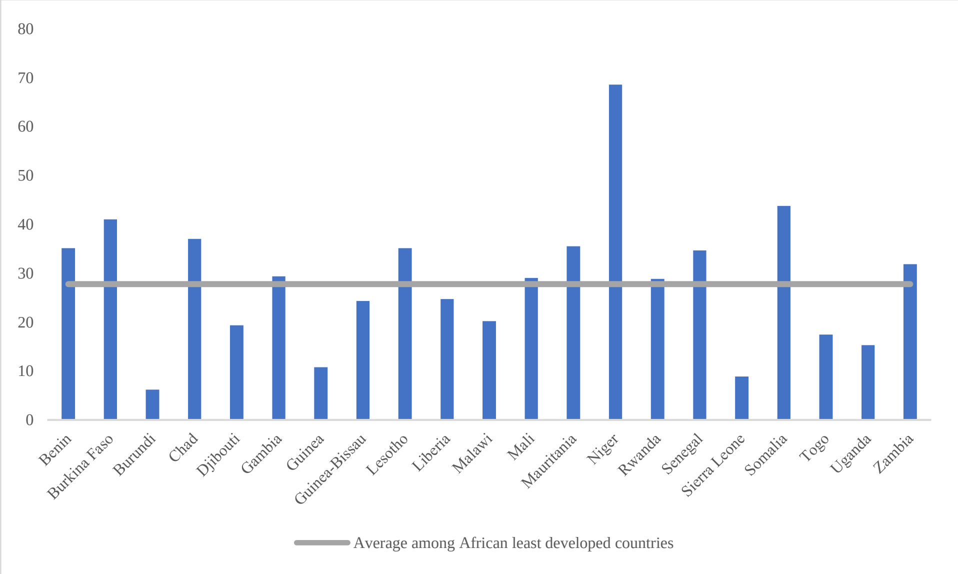



*Source*: World Development Indicators.

## 5. Investing in young people

12. By 2030, one fifth of the projected global youth population will have been born in least developed countries. Yet, in the period 2015–2020, on average more than one in four young people in African least developed countries were not in employment, education or training. In the Niger, almost 70 per cent of young people fell into this category (see figure 7). Moreover, the 70 per cent literacy rate among young people 15 to 24 years of age in African least developed countries during the period 2017–2018 is relatively low compared with the global average of 92 per cent.

Figure 7
**Young people not in education, employment or training, 2015–2020**
(Percentage)

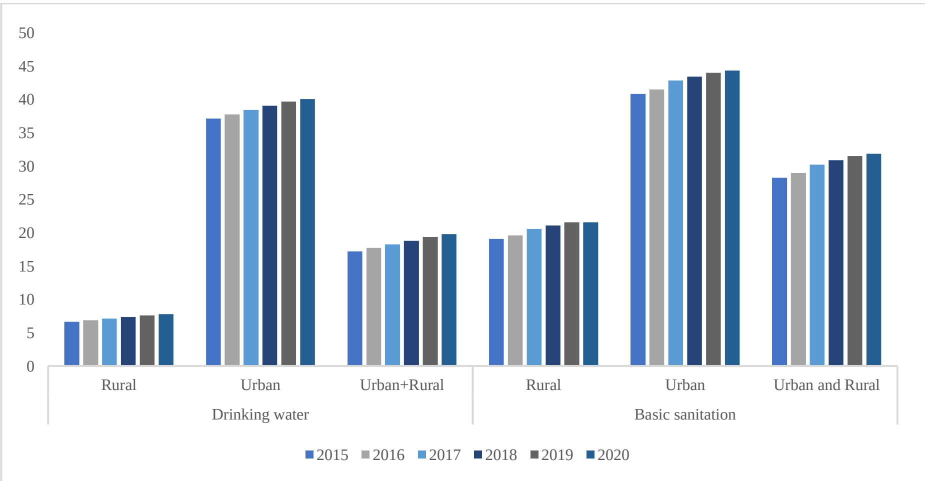



*Source*: World Development Indicators.

### 6. Limited access to safe, adequate and equitable water, sanitation and hygiene

13. Inadequate access to potable water and basic sanitation contributes to negative health outcomes. In African least developed countries, the average percentage of people with access to safe drinking water remains low, having increased marginally from 17 per cent in 2015 to 20 per cent in 2020. Access to basic sanitation services has also improved modestly, showing an increase of four percentage points from 2015 to 2020. In 2020, only 8 per cent of people living in rural areas used safe drinking water services, compared with 40 per cent in urban areas, and only 21.5 per cent of rural residents had access to basic sanitation services, compared with 44 per cent of urban residents (see figure 8).

Figure 8
**People using safely managed drinking water services and at least basic sanitation services in African least developed countries**
(Percentage of population)

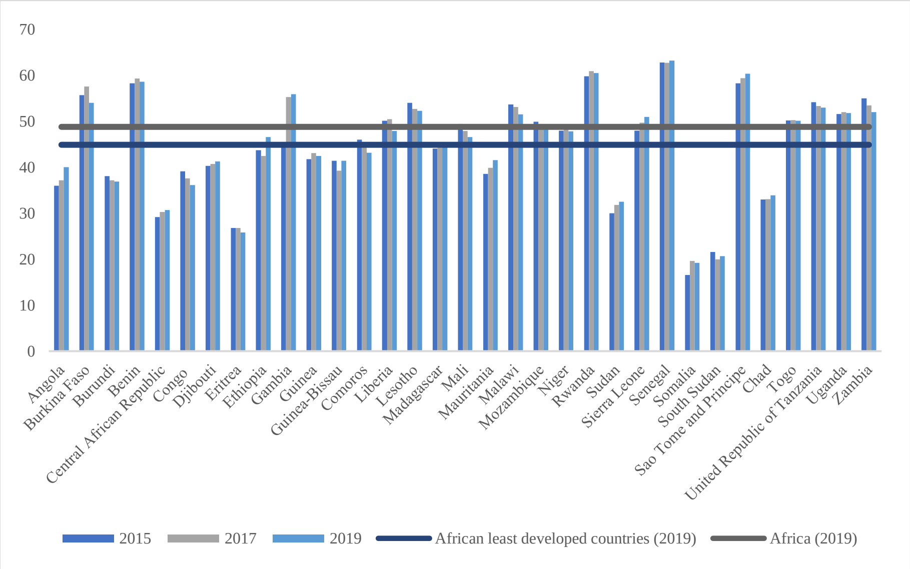



*Source*: World Development Indicators.

## 7. Good and effective governance at all levels

14. Good governance is important at every stage of the economic development process. Many African least developed countries score poorly on the Ibrahim Index of African Governance. The overall governance score for Africa was 48.8 in 2019, but the average for African least developed countries was only 44.9 (see figure 9). Concerningly, during the period 2010–2019, the score for overall governance fell by 1.34 points on average in 10 African least developed countries. The countries with the largest absolute increases in this metric are Angola, Ethiopia, the Gambia and Somalia.

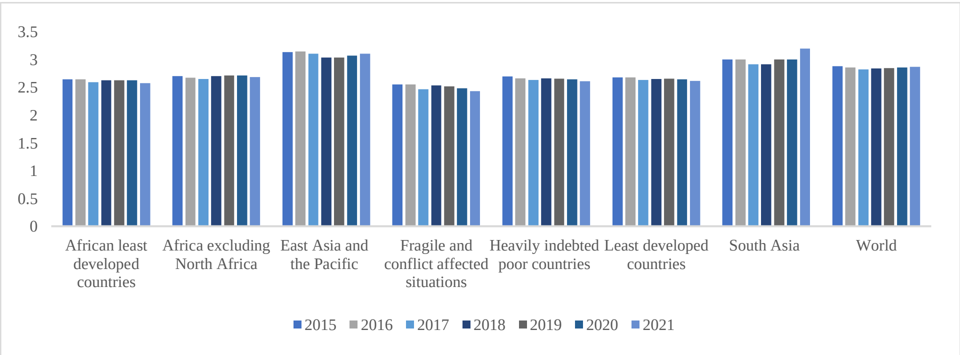
Figure 9
**Overall ranking on the Ibrahim Index of African Governance**




*Source*: Mo Ibrahim Foundation, Ibrahim Index of Governance, available at http://iiag.online/ (accessed on 5 December 2022).

15. According to the Country Policy and Institutional Assessment, during the period 2015–2021, the average rating of African least developed countries with regard to transparency and accountability deteriorated slightly, from 2.65 to 2.58, falling to the same extent as the average for all least developed countries (see figure 10). While in the past decade governance has improved in several least developed countries, further action to accelerate progress is required.

Figure 10
**Country Policy and Institutional Assessment: ratings for transparency, accountability and corruption in the public sector**
(Scale from 1 to 6, with 1 being lowest and 6 being highest)

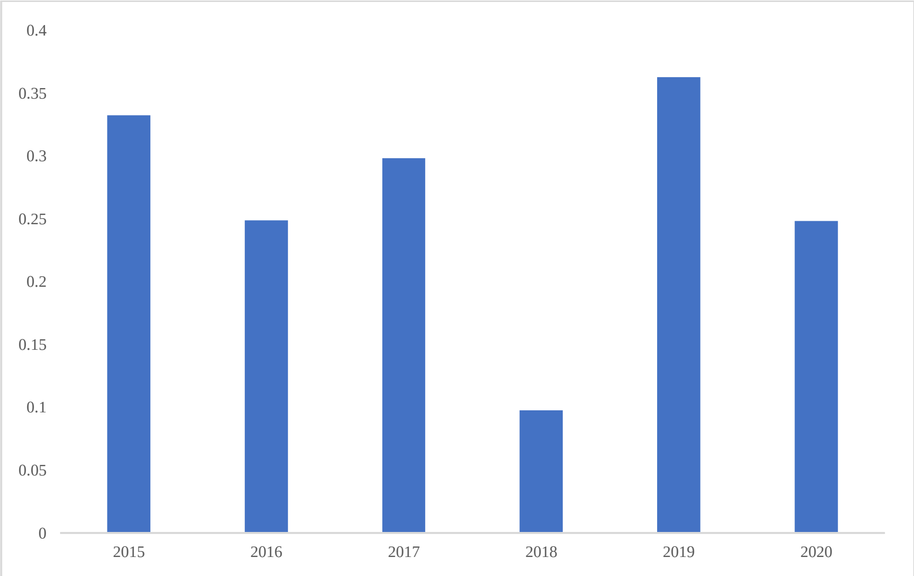



*Source*: World Development Indicators.

## B. Leveraging the power of science, technology and innovation to combat multidimensional vulnerability and to achieve the Sustainable Development Goals

16. During the implementation of the Istanbul Programme of Action from 2011 to 2020, least developed countries showed significant and persistent gaps in key science, technology and innovation-related indicators. Eight of the 14 African least developed countries had improved their rankings in the 2022 Global Innovation Index, while those of the remaining 6 had decreased.[4] Already low, the ratio of research and development expenditure in African least developed countries as a share of gross domestic product (GDP) dropped 0.08 percentage points, from 0.33 per cent to 0.25 per cent between 2015 and 2020 (see figure 11). This contrasts with developed countries, which, by definition, have much larger GDPs, where the average ratio of research and development expenditure to GDP is 2 per cent.

Figure 11
**Average research and development expenditure in African least developed countries**
(Percentage of GDP)



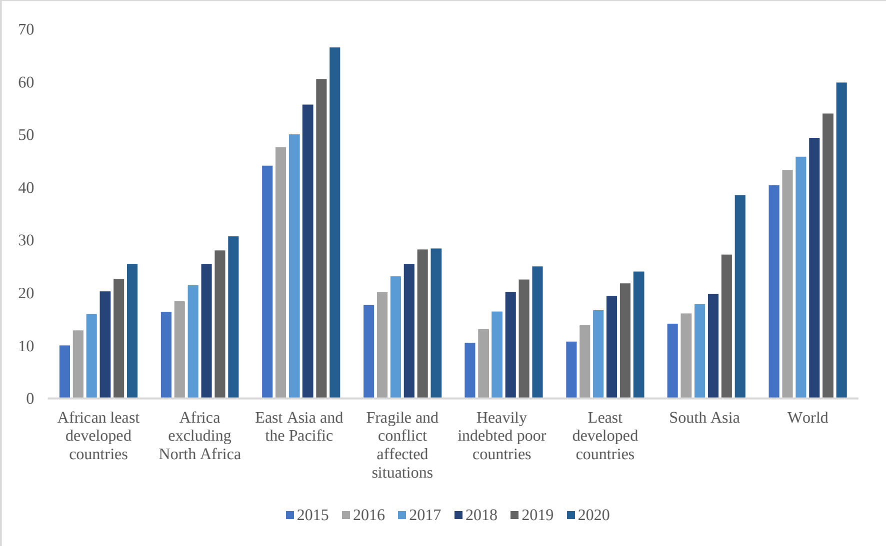

*Source*: World Development Indicators.

*Note*: Data from each year are only representative of a few African least developed countries (five or fewer). Data from 2020 are only for Benin.

17. Least developed countries, with limited infrastructure, human and institutional capacity and Internet access, are unable to benefit from modern technologies. During the period 2015–2021, Internet access in African least developed countries increased from approximately 9 per cent to 11 per cent (see figure 12). This progress notwithstanding, a considerable number of people still cannot participate in economic, political, social or cultural activities online. Without a massive expansion of national digital infrastructure, the risk that the African least developed countries will be trapped in a low-level equilibrium is likely to increase.

[4] Soumitra Dutta and others, eds., *Global Innovation Index 2022: What is the Future of Innovation-Driven Growth?*, 15th ed. (Geneva, World Intellectual Property Organization (WIPO), 2022); and Soumitra Dutta, Bruno Lanvin and Sacha Wunsch-Vincent, eds., *The Global Innovation Index 2020: Who Will Finance Innovation?*, 13th ed. (Ithaca, Fontainebleau and Geneva; Cornell University, Institut Européen dAdministration des Affaires (INSEAD) and WIPO; 2020).

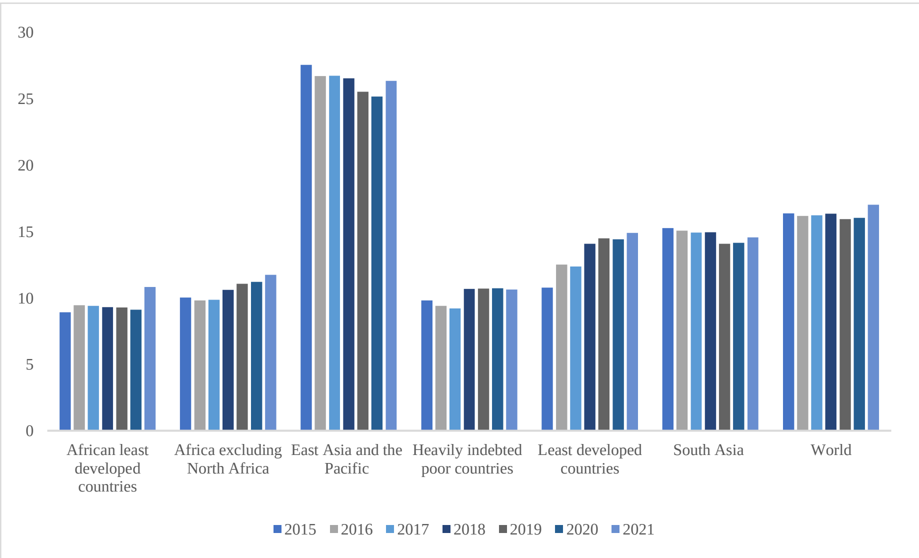
Figure 12
**Individuals using the Internet**
(Percentage of population)




*Source*: World Development Indicators.

18. African least developed countries have relatively low capacity for value-added manufacturing. For instance, despite its growth from 9 per cent in 2015 to 11 per cent in 2021, the average level of value-added manufacturing in African least developed countries in 2021 was much lower than the global average of 17 per cent (see figure 13). There is an urgent need to move away from low-value-added natural resources and low-technology products to higher-value-added manufacturing and higher-technology products.

Figure 13
**Value-added manufacturing**
(Percentage of GDP)




*Source*: World Development Indicators.

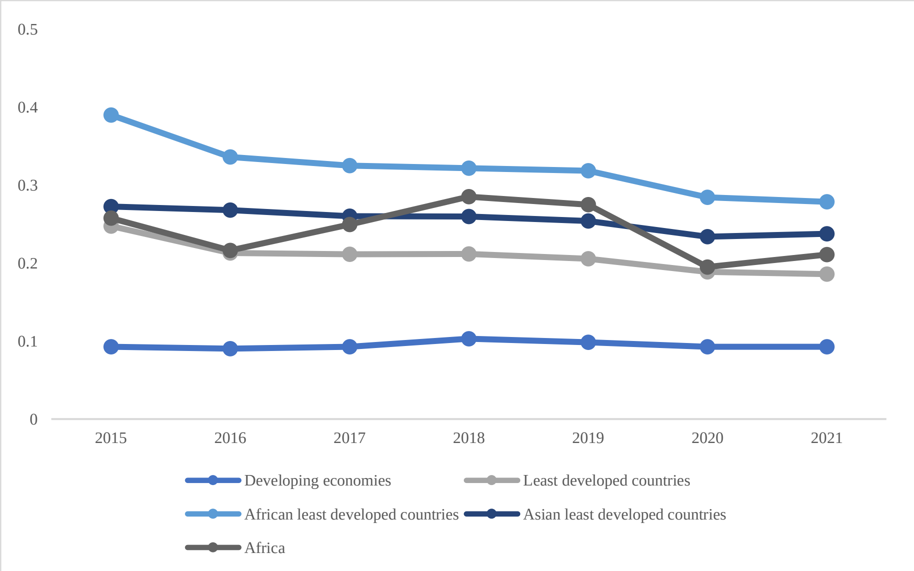
## C. Supporting structural transformation as a driver of prosperity

19. For least developed countries, initiating a sustained process of structural transformation remains a crucial challenge. Their economies are largely undiversified, highly reliant on raw materials and foreign aid, and at the bottom of regional and global value chains. The contribution of high-productivity manufacturing and services to GDP in least developed countries is negligible.

### 1. Productive capacity-building

20. During the period 2015–2021, product concentration of exports declined for all least developed countries. Despite relatively high levels, the product concentration index for African least developed countries declined from 0.39 in 2015 to 0.28 in 2021 (see figure 14). This trend suggests that African least developed countries are diversifying their commodity exports. However, they still have a much higher level of export concentration than other developing countries. To reduce the level of concentration, African least developed countries must invest in value addition, in particular in the manufacturing sector.

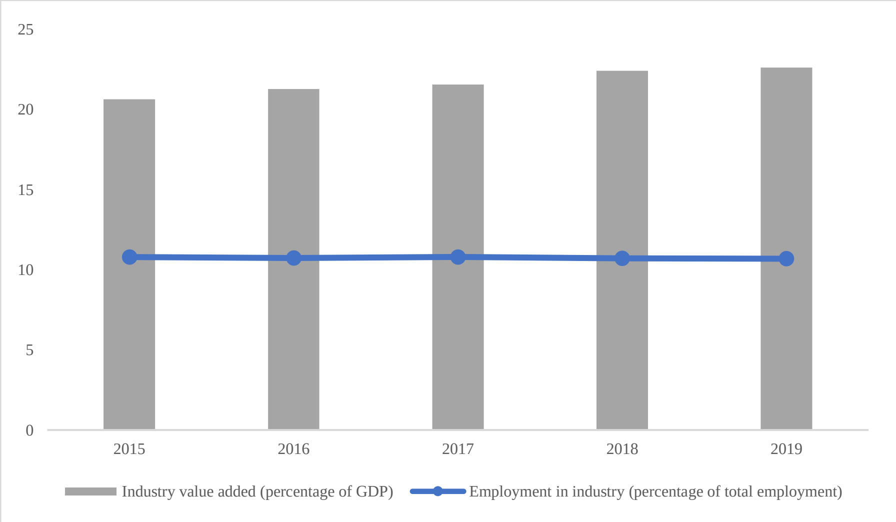
Figure 14
**Product concentration index: values for exports by selected country groupings**




*Source*: United Nations Conference on Trade and Development (UNCTAD), UNCTADStat (accessed in 9 December 2022).

21. The share of employment in industry in African least developed countries was considerably low during the period 2015–2019, standing at around 10 per cent (see figure 15), compared with an average of 12 per cent among all least developed countries and a global average of 23 per cent. The share dropped slightly from 10.8 per cent in 2015 to 10.7 per cent in 2019. Conversely, a positive trend was seen in value-added industry in African least developed countries, increasing by one percentage point from 2015 to 2019.

Figure 15
**Percentage employment in industry and percentage value-added by industry in African least developed countries**

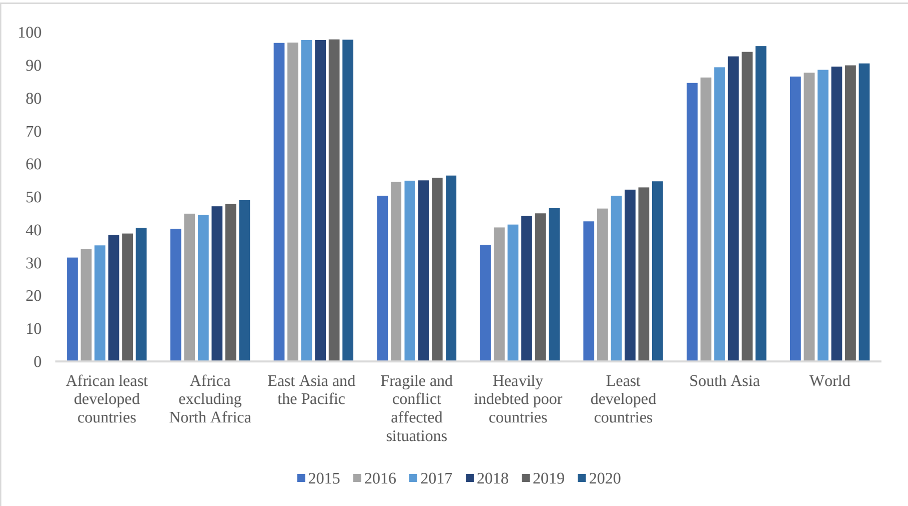



*Source*: World Development Indicators.

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

22. Least developed countries face energy challenges at three levels – generation, transmission and utilization. As at 2020, less than half the population of Africa, excluding North Africa, had access to electricity (see figure 16). Access was even more limited for African least developed countries, although electricity access increased from 32 per cent in 2015 to 41 per cent in 2020. However, the increase was miniscule compared with the target of doubling the rate of electricity access by 2030, and there was a considerable gap between access in urban and in rural areas, with rates of access in rural areas of approximately 24 per cent compared with 70 per cent in urban areas in 2020.

Figure 16
**Access to electricity**
(Percentage of population)

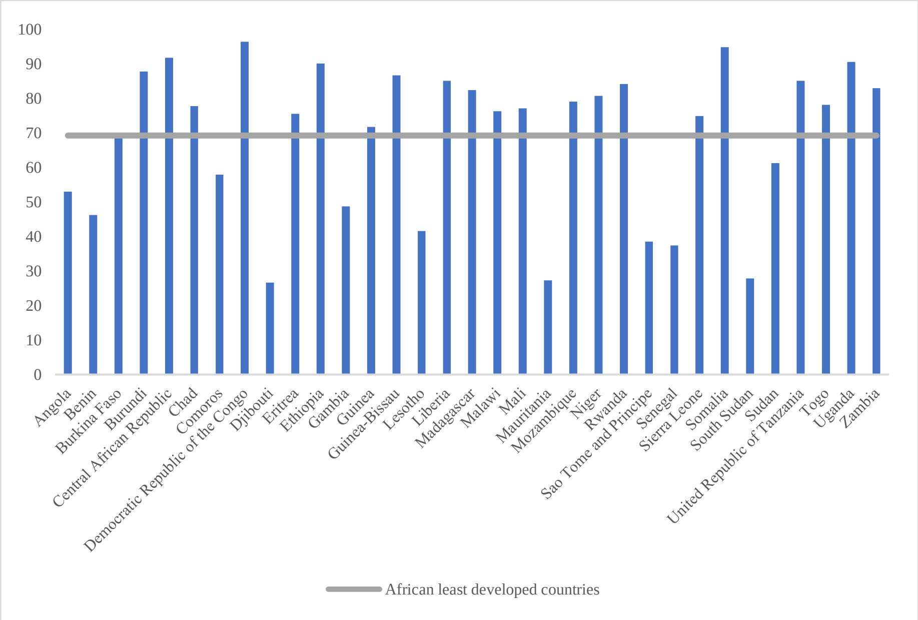



*Source*: World Development Indicators.

23. A considerable amount of renewable energy is consumed in African least developed countries. On average, during the period 2015–2019, 69 per cent of

final energy consumption in African least developed countries was of renewable energy sources (see figure 17). In countries such as the Democratic Republic of the Congo and Somalia, on average more than 90 per cent of the energy consumed was renewable. Conversely, in countries such as Djibouti, Mauritania and South Sudan, renewable energy consumption fell short, at below 30 per cent, and should be increased significantly.

Figure 17
**Average renewable energy consumption, 2015–2019**
(Percentage of total final energy consumption)

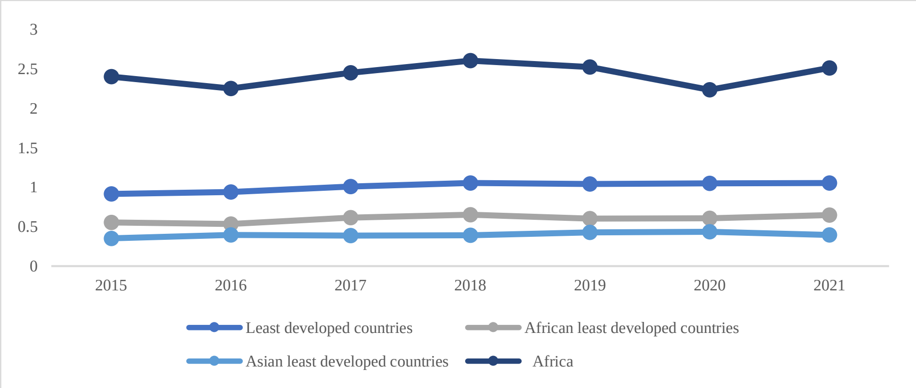



*Source*: World Development Indicators.

## D. Enhancing the international trade of least developed countries and regional integration

24. Despite the massive expansion of trade and investment over the past few decades, least developed countries still face significant obstacles to their effective integration into global trading systems and their ability to capitalize on the opportunities presented by international trade and global value chains. Over the past decade, the share of global merchandise exports by least developed countries remained unchanged at 1 per cent (see figure 18). Sustainable Development Goal target 17.11, which concerns doubling least developed countries' share of global exports between 2011 and 2020, which would mean bringing that share to 2 per cent, has not been met. From 2015 to 2021, there was a negligible rise of only one tenth of a percentage point. The share of exports from African least developed countries exceeds those from Asian least developed countries, yet, at less than 1 per cent, the share is still extremely small compared with that of developing economies as whole, which stands at more than 40 per cent.

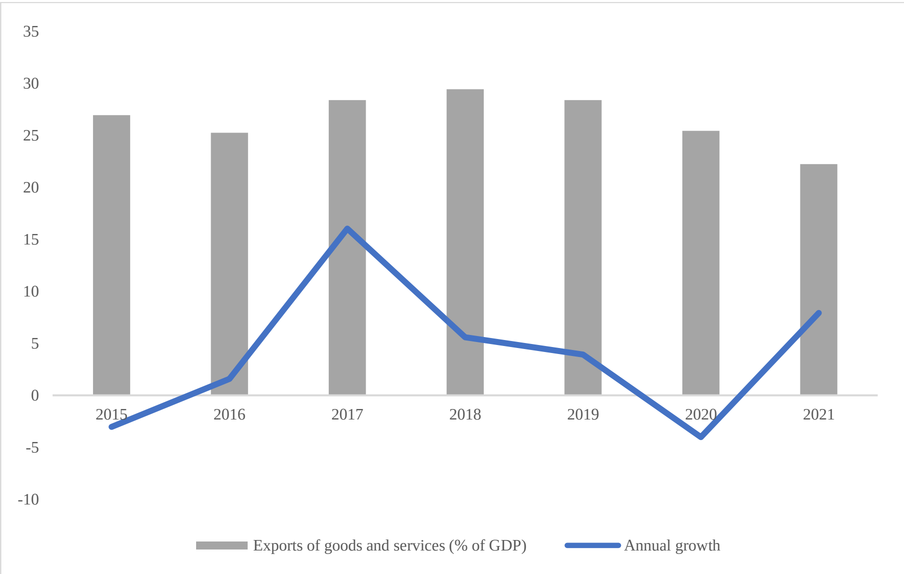
Figure 18
**Share of exports from least developed countries**
(Percentage of global total)




*Source*: UNCTAD, UNCTADStat.

25. During the period 2015–2021, the growth in average exports of goods and services from African least developed countries peaked in 2016 and 2017, then declined into negative territory in 2019 and 2020, before rising to 7.9 per cent in 2021 (see figure 19).

Figure 19
**Exports of goods and services (as a percentage of GDP) and annual percentage growth in exports in African least developed countries**




*Source*: World Development Indicators.

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

26. The COVID-19 pandemic has not only revealed but also exacerbated the high degree of vulnerability and risk of cascading crises in least developed countries. On average, it is anticipated that those countries will require three to five years or longer to recover to their pre-pandemic level of GDP per capita.

Persistent obstacles posed by climate change and environmental degradation threaten to impede recovery efforts even further.

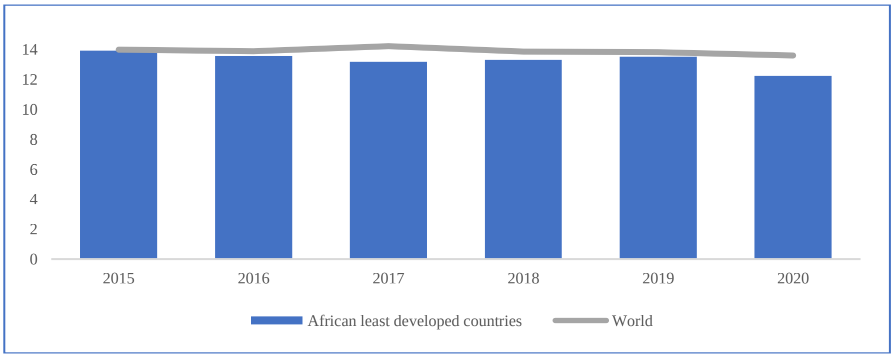
27. To build a sustainable and inclusive recovery from the COVID-19 pandemic and resilience against future shocks, timely access to safe, effective and affordable COVID-19 vaccines is necessary. Despite their 14 per cent share of the world population, only 2 per cent of global vaccine doses have been administered in African least developed countries. There is also a huge disparity among African least developed countries in the number of vaccine doses administered; Ethiopia has administered the largest number of vaccine doses, at 52 million, while Burundi has administered only 28,000 doses.[5]

## F. Mobilization of international solidarity, reinvigorated global partnerships and innovative tools and instruments

28. Least developed countries rely heavily on public resources to finance their sustainable development needs and ensure a smooth transition out of the least developed category. Domestic, external, public and private resources have not been sufficient to meet rising investment and expenditure demands. Over the past decade, least developed countries continued to have a high level of dependence on external resources, such as official development assistance (ODA), foreign direct investment (FDI), concessional lending and private flows such as remittances and portfolio investment. During the implementation of the Istanbul Programme of Action, external debt rose and, in some cases, was exacerbated by large costs incurred owing to natural disasters and structural vulnerability. The COVID-19 pandemic and its economic repercussions have exacerbated the financial vulnerability and debt risk that have grown in least developed countries over the past decade.

29. 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 tax administration and the nature of their tax systems. The average tax-to-GDP ratio in African least developed countries decreased slightly, from 13.9 per cent in 2015 to 12.2 per cent in 2020 (see figure 20), with rates lower than 10 per cent in several of the countries. Countries such as Lesotho, Mozambique and Senegal continuously achieved a tax-to-GDP ratio of at least 15 per cent during the period 2015–2020, and were therefore more likely to become self-sufficient. That contrasts with the extreme case of Somalia, where the ratio stood at less than 0.001 per cent during the period 2017–2020.

Figure 20
**Average tax revenue**
(Percentage of GDP)




*Source*: World Development Indicators.

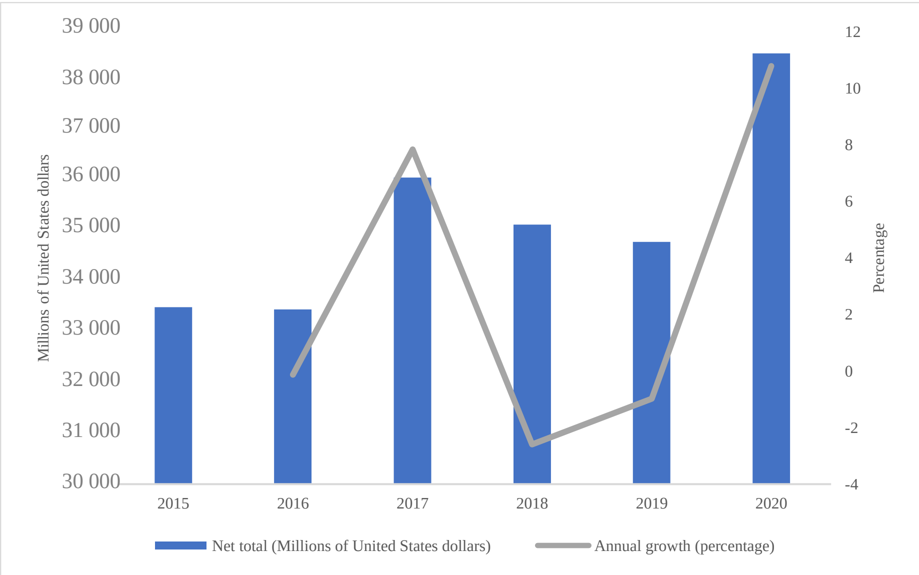
[5] World Health Organization (WHO), WHO Coronavirus (COVID-19) Dashboard (accessed on 5 December 2022).

### 1. Official development assistance

30. ODA reached an all-time high of $178.9 billion in 2021, representing a 4.4 per cent increase since 2020 in real terms, as developed nations stepped up aid for developing nations coping with the COVID-19 crisis. In 2021, members of the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD) provided developing countries with COVID-19 vaccines at a cost of $6.3 billion, or 3.5 per cent of total ODA. Excluding ODA for donated COVID-19 vaccines, ODA increased 0.6 per cent from 2020 to 2021 in real terms. However, in 2021 total ODA was equivalent to 0.33 per cent of the combined gross national income of Development Assistance Committee donors, which was below the United Nations target of 0.70 per cent.[6]

31. Innovative sources of financing, such as blended finance, remained scarce in least developed countries, whereas ODA remained crucial for financing investment in sustainable development. Determined efforts are required by developed nations to fulfil and, if possible, increase their ODA commitments to least developed countries. ODA to African least developed countries grew by 8 per cent during the period 2016–2017 but contracted by 2.5 per cent over the period 2017–2018 (see figure 21). It then increased and reached $38 trillion in 2020, which represented approximately 12.5 per cent of African least developed countries' gross national income.[7]

Figure 21
**Official development assistance: net total (millions of United States dollars) and annual growth (percentage) in African least developed countries**




*Source*: OECD, OECD.Stat (accessed in December 2022).

### 2. Foreign direct investment

32. Since 2015, FDI flows to least developed countries have declined, reaching $21 billion or 1.4 per cent of global FDI in 2019. The COVID-19 pandemic has accelerated the decline in FDI to least developed countries, which continues to be heavily concentrated in extractive industries. Several of the world's least developed countries have taken measures to facilitate investment, including the acceleration of approval procedures, the increased

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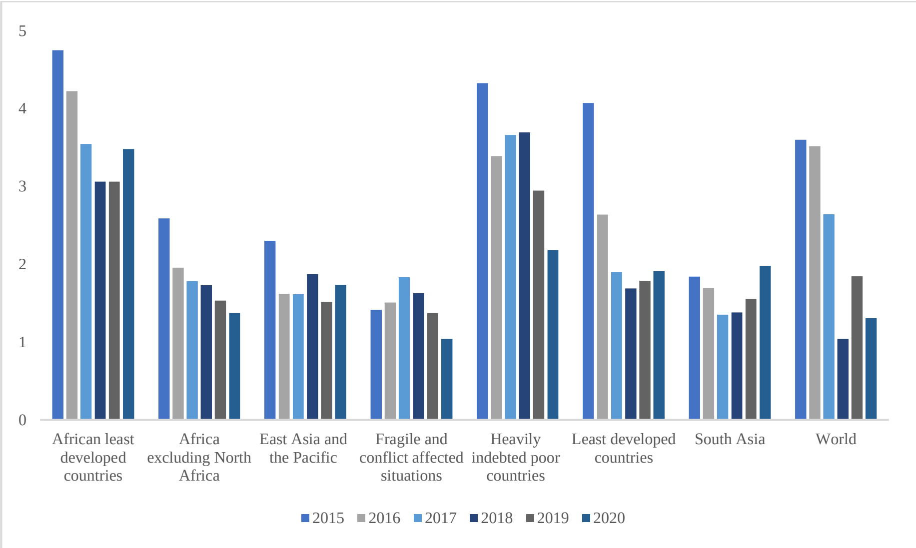
[6] OECD, "Official development assistance", available at www.oecd.org/dac/financing-sustainable-development/development-finance-standards/official-development-assistance.htm.

[7] World Bank, "World development indicators".

use of digital tools, a reduction in fees and automatic permit renewal. In African least developed countries, the ratio of FDI net flows to GDP sharply declined from 4.7 per cent in 2015 to 3.5 per cent in 2020 (see figure 22). Similar patterns were evident in other groups of countries, except for South Asian countries, whose ratio slightly increased within the same period.

Figure 22
**Net inflows of foreign direct investment**
(Percentage of GDP)




*Source*: World Development Indicators.

### 3. Debt sustainability

33. The debt service obligations of least developed countries have increased dramatically over the past decade. For African least developed countries, such obligations increased from an average of 7.8 per cent of exports of goods and services in 2015 to 14 per cent in 2020 (see figure 23). As at September 2022, 6[8] African least developed countries had been classified as being in overall debt distress, while 13[9] countries were at high risk of debt distress, and others were at moderate risk.[10]

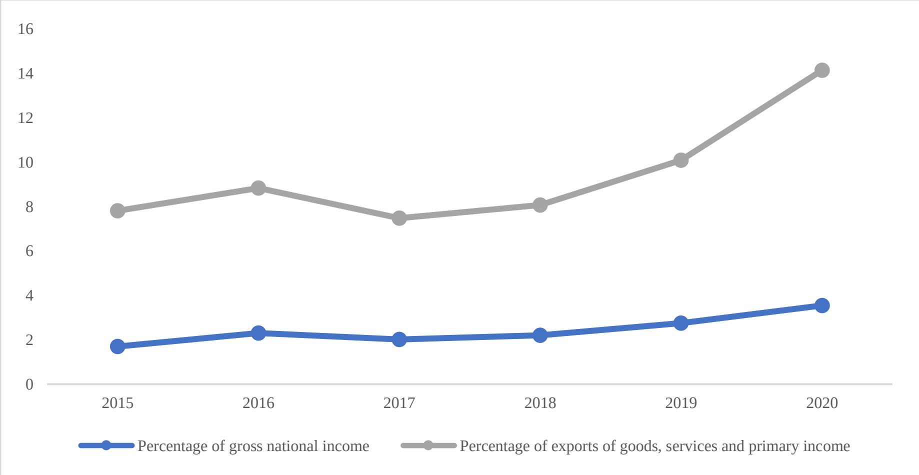
[8] Chad, Mozambique, Sao Tome and Principe, Somalia, Sudan and Zambia.

[9] Burundi, Central African Republic, Comoros, Djibouti, Ethiopia, Gambia, Guinea-Bissau, Liberia, Malawi, Mauritania, Sierra Leone, South Sudan and Togo.

[10] World Bank, "Debt sustainability analysis", Debt and Fiscal Risks Toolkit, available at www.worldbank.org/en/programs/debt-toolkit/dsa. No data are available for Angola and Eritrea.

Figure 23
**Average total debt service, as a percentage of gross national income and as a percentage of exports of goods, services and primary income, in African least developed countries**




*Source*: World Development Indicators.

# IV. Key challenges and the way forward

## A. Availability of data

34. Most least developed countries lack timely and reliable data to track progress towards the goals and targets of the Doha Programme of Action and the Sustainable Development Goals. The average statistical capacity indicator score for least developed countries rose from 56.4 per cent in 2011 to 58.0 per cent in 2019, but remains below the global average of 64.4 per cent. Countries such as Eritrea and South Sudan are missing data on most of the indicators. African least developed countries must strengthen traditional data sources such as surveys and administrative records, supplement them with new sources, and strengthen efforts to collect, analyse and disseminate high-quality, accessible, timely and reliable data for improved monitoring and policymaking and implementation of the Doha Programme of Action.

## B. Implementation, follow-up and monitoring

35. At the national level, least developed countries should develop ambitious national implementation strategies for the Doha Programme of Action and integrate those strategies into their national policies, in line with the United Nations Sustainable Development Cooperation Framework. Countries must also conduct regular country-led and country-driven reviews of the Doha Programme of Action with the full participation of key stakeholders, including national legislatures.

36. In accordance with the principles of effective development cooperation, development partners should support the alignment of the planning frameworks of least developed countries with the Doha Programme of Action, monitor the fulfilment of their commitments and, if necessary, consider appropriate measures to address any shortfalls or deficiencies. In this context, the integrated planning and reporting toolkit, developed in 2017 by the Economic Commission for Africa, will be an important mechanism for strengthening the capacity of least developed countries to design and implement robust development plans that effectively promote the achievement of the Doha

Programme of Action and accelerate their graduation from least developed country status. The integrated planning and reporting toolkit is a web-based application that is intended to assist African countries in integrating their continental and global commitments into their national development plans and tracking and reporting on the same. It will be customized to facilitate the integration of the Doha Programme of Action into national development plans and its alignment with those plans, and to track and report on the progress made towards fulfilling national commitments.

## C. Way forward

37. The majority of graduating least developed countries face a variety of obstacles, including poverty, inequality (in particular gender inequality), insufficient structural transformation and productive capacity, and susceptibility to economic and climate shocks. In order to address concerns related to the simultaneous loss of country-specific support measures and the negative social and economic effects of the COVID-19 crisis, the Committee for Development Policy determined that a five-year preparatory period was required for all countries recommended for graduation at the 2021 triennial review.

38. In order to support that process, it is critical to broaden access to concessionary financing by African least developed countries to boost liquidity and forestall the imminent threat of insolvency. Such resources should be linked to programmes that are aligned with sustainable development and the aspirations of the Doha Programme of Action. Possible sources of concessionary financing include new allocations of special drawing rights, recapitalization of multilateral development banks and debt restructuring. Furthermore, the African Continental Free Trade Area needs to be effectively implemented to boost growth, create high-quality jobs and increase intraregional trade. Policy reforms and bolstered governance structures, especially in the areas of public resource management and public debt disclosure, should support those measures.

39. The Technology Bank for the Least Developed Countries provides funding for structural transformation initiatives in least developed countries with the goal of improving agricultural output, speeding up value addition and bolstering productive capacity. It will be crucial in this setting to encourage investment in productive areas such as infrastructure (including information and communications technology, energy and transportation), labour-intensive sectors (including agriculture and tourism) and human capital (in particular education and health). More attention should be paid to securing the means for achieving these priorities as least developed countries prepare for the second part of the Fifth United Nations Conference on the Least Developed Countries, to be held in March 2023.