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Implementation of and follow-up to major United Nations conferences and summits: review and coordination of the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011-2020

Implementation of the Programme of Action for the Least Developed Countries for the Decade 2011-2020

Report of the Secretary-General

Summary

The present report is submitted pursuant to General Assembly resolution 69/231 and Economic and Social Council resolution 2014/29, in which the Secretary-General was requested to submit a progress report on the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011-2020 (Istanbul Programme of Action). In resolution 69/231, he was also invited to report on progress made towards including the implementation of the Istanbul Programme in the agenda of the United Nations System Chief Executives Board for Coordination.

I. Introduction

1. Four years ago, the global community—gathered in Istanbul, Turkey, at the Fourth United Nations Conference on the Least Developed Countries—adopted the Programme of Action for the Least Developed Countries for the Decade 2011-2020 (Istanbul Programme of Action). This programme of action was framed as a compact between the LDCs and their development partners and geared towards achieving sustainable development, poverty eradication, and structural transformation in the LDCs. Eight priority areas of action—underpinned by 47 goals and targets to be achieved by 2020—define this compact (see A/67/88-E/2012/75 and Corr.1). The IPoA also makes some provisions for follow-up and monitoring mechanisms. The present report is one such mechanism.

2. Section II of the report provides an overview of the recent performance and prospects of the LDCs. Section III assesses the rate of progress towards achieving the goals and targets of the IPoA. Section IV reports on actions by LDCs, development partners and other stakeholders—including by the United Nations system—in advancing the implementation of the Programme of Action. This section also contains narrative on preparations for the comprehensive high-level midterm review of the IPoA, on progress towards graduation, and on South-South cooperation. Section V concludes and offers some policy recommendations aimed at scaling up implementation of the Programme of Action.

II. Recent Performance and Near-term Prospects

3. Recent developments in many LDCs further echo two distinguishing features of growth dynamics in this group of countries: relatively low pace of economic expansion given their level of development and growth potential, and volatility of such expansion.

4. The gradual economic rebound that was underway in many LDCs since 2013 was halted in 2014. Reflecting this development, GDP growth for the group decelerated to 5.1 per cent in 2014, down from the 5.4 per cent posted in 2013. An important manifestation of the deceleration in the pace of economic growth is a reduction in the number of LDC economies that advance by 7 per cent or more—the GDP growth target of the IPoA. Ten LDCs grew at a speed close to and more than this target in 2014 compared to 13 in 2013. This performance falls short of the level required to significantly improve economic and social conditions in the LDCs.

5. The deceleration of economic growth in many LDCs was the by-product of a set of national, regional and international factors. Dragged down by declining oil prices, temporary reduction in oil production and a slowdown in agricultural output growth, the economy of Angola—the second largest among the LDCs—advanced at a slower pace than in 2013. Sudan's GDP growth was also limited—owing to continued adjustment to significant reduction in oil production and fiscal revenues following the independence of South Sudan. The severe floods that affected parts of the Solomon Islands combined with the closure of the country's gold mine conspired to depress its GDP growth.

The most emblematic of all growth decelerations in 2014 were, however, those recorded in the countries most affected by Ebola—Guinea, Liberia and Sierra-Leone—and in South-Sudan. GDP growth slowed down considerably in Guinea, Liberia and Sierra Leone, as farms were abandoned, mining operations were stopped, travel restricted and the closing of borders limited movement of goods, services and people, and investments were put on hold or cancelled. Disruptions in oil production and exports—caused by protracted civil conflict—and fall in agricultural output—driven by adverse weather conditions—also resulted in a severe contraction of economic activity in South Sudan in 2014.

6. A number of LDCs, although not entering into a growth deceleration cycle, remained mired in prolonged slow growth. This is particularly the case of Comoros, Guinea-Bissau, Kiribati, Tuvalu and Vanuatu—all of which are small island developing countries. Underlying the sluggish growth rate in these countries are—among other things—their narrow production and export bases and greater exposure to exogenous shocks.

7. Consistent with previous years' patterns, growth rates were not uniformly distributed across the LDCs. The growth story told by this group of countries in 2014 was not one of economic stagnation, contraction and deceleration only— although these weighed in significantly on the aggregate GDP growth for the group. A few LDC economies continued to display signs of remarkable strength even in the face of frail international economic environment. Ethiopia, the Lao People's Democratic Republic, Mozambique, Myanmar and the United Republic of Tanzania maintained stellar growth rates similar to those sustained prior and after the adoption of the IPoA. The common thread running through the experiences of these countries is the broad-based nature of their economic expansion, in particular growing dynamism in sectors other than agriculture—namely construction, services as well as in manufacturing and/or the extractive industries. These growth experiences were underpinned by large public sector investment in infrastructure development and strong FDI, both of which enhance productive capacity. Growth in Bangladesh—the largest economy in the group—continued to be robust, helped by strong domestic demand.

8. Looking ahead, aggregate GDP growth for the LDCs is expected to level out in the short-run, reaching 5.9 per cent in 2015 up from the 5.1 per cent estimated in 2014. This improvement in the group's economic growth reflects in part expectations for an improved security situation in the Central African Republic, Mali and South Sudan, return to pre-2014 level of oil output in Angola, and large foreign-financed infrastructure projects in Solomon Islands—all of which are buoying economic activity in these countries. Elsewhere across the LDCs, growth is expected to display similar features as in 2014.

9. The overall strength and breadth of the expected economic revival in 2015 seems modest, however, particularly in view of the numerous development challenges before the LDCs. Worse still, the outlook for 2015 is subject to risks, with negative weighting. One of these risks pertains to the economic outlook in LDCs' economic partners, particularly in emerging economies such

as China and India, which will influence the demand and price for exports and the volume of FDI flows channeled to these countries. The same holds true for the economic conditions in traditional development partners, which also determine the pace of LDC exports growth, tourism receipts, remittances and official development assistance, and therefore of LDCs short-term growth prospects. Another risk relates to the security situation, particularly in the Sahel, as well as political uncertainties. The recent Ebola outbreak, although subsiding, poses a threat to growth and development in a number of African LDCs. Adverse weather and climate conditions could also depress agricultural output and slow activity in other sectors, therefore constraining economic growth more than expected.

10. The risks and uncertainties associated with the outlook and the persistent pattern of relatively weak and volatile economic growth are symptomatic of the limits to the production structures of the LDCs and their extreme structural vulnerability to shocks. Lessons from success stories in a few LDCs and from emerging countries suggest that these challenges can be effectively addressed through productive capacity building and structural transformation.

III. Progress on the implementation of key priorities of the Istanbul Programme of Action

11. Of the eight priory areas of the IPoA, productive capacity building has the most far-reaching impact on the remaining seven priorities. Productive capacity is not measured solely through the success with which productive assets are built but also through dynamic structural changes taking place in the economy. These include, but not exclusively, increased labour productivity—which should lead to more decent jobs, sustainable and inclusive economic growth, and economic diversification—in particular through a growing range of higher value-added and technology–content goods and services.

Productive Capacity Building

12. Changes in the sectoral composition of GDP—particularly in favour of sectors with higher productivity—have been much slower in many LDCs than in other developing countries. The share of manufacturing in LDCs declined slightly from an average of 10.3 per cent in 2001-2010 to 9.6 per cent in 2011-2013.

13. A major drag on productive capacity building across the LDCs was low investment rates. Gross capital formation as a percentage of GDP rose only modestly, from an average of 21.4 per cent in 2001-2010 to 24.5 per cent in 2011-2013. By comparison, China's investment rate averaged 35 per cent in the 1980s—when its per capita-income was comparable to that of the LDCs today.

Infrastructure

14. The expansion of the mobile telephony industry continued to be remarkable. Over 56 per cent of the population of the LDCs subscribed to mobile/cellular telephone services in 2013 compared to only 49 per cent in 2012. Gambia

reached a 100 per cent subscription rate for the first time in 2013, joining Cambodia, Mali and Mauritania where the rate exceeds 100 percent. By contrast, Kiribati, Myanmar and Eritrea had cellular subscription rates below 20 percent. Yet important rural-urban disparities remained and need to be bridged even in countries that did relatively well.

15. The rate of internet usage continued to be marginal. The highest rates were found in Bhutan, Sao Tome and Principe, Sudan, Senegal, Tuvalu and Yemen, where 20 per cent or more of the population had access to the internet in 2013. At the other end of the spectrum, less than 2 in 100 people had access to the internet in Burundi, Eritrea, Ethiopia, Guinea, Myanmar, Niger, Sierra Leone, Somalia, and Timor-Leste.

16. Access to broadband was very low in the LDCs. As of September 2013, over 90 percent of the population of the LDCs were without broadband access[1]. LDCs continued therefore to miss out on opportunities for promoting social and economic development, enhancing governance through improved transparency, increasing access to learning and health care, empowering women, girls and boys, as well as lowering retail prices.

17. In recognition of the interconnection and interaction among all modes of transport, and their bearing on economic growth and development, the IPoA sets a target for substantial increases in combined rail and paved road mileage, and sea and air networks by 2020. An initiative to build a new East Africa railway connecting Burundi, Kenya, Rwanda, South Sudan and Uganda was launched in 2014. Other new initiatives in 2014 included railways connecting Ethiopia and Djibouti, the Chad railway network, and extending the railway linking China to Bhutan, India and Nepal. Some projects have been completed, including the Benguela railway connecting Angola, the Democratic Republic of Congo and Zambia. The overall length and conditions of the railway networks in many LDCs, however, still lag far behind those of other developing countries.

18. Road networks and conditions continued to improve, although not at the pace required to make significant impact. Sections of regional highways in Africa and Asia are under construction. Despite these improvements, many transport corridors continued to display missing links, especially in African LDCs.

19. The volume of freight air transport volume has more than doubled and the number of air passengers tripled in the LDCs from 2000 to 2013. However, the volume was still a fraction of that of all developing countries. Air connectivity could be further expanded if the stock of physical infrastructure is refurbished and expanded, institutional and regulatory frameworks—under which the industry is operating— are strengthened, and safety conditions are improved.

20. The Liner shipping connectivity index—a good measure of maritime connectivity—points to an improvement in the LDCs, rising from 8.1 in 2013

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[1] The United Nations Broadband Commission for Digital Development (2014)

to 9.0 in 2014. Major binding constraints to maritime connectivity remain across the LDCs, however, and increasing maritime piracy off the coasts of East and West Africa thwarted maritime traffic and discouraged trade.

Energy

21. Only one in three people in LDCs is connected to a power supply, a ratio varying widely from 1.5 per cent in South Sudan to 76.3 per cent in Nepal and between urban and rural areas.

22. Some success stories include large-scale investments in expanding the power infrastructure in some countries and some small hydro and biomass projects. Renewable energy is also at the core of many rural electrification programmes currently being pursued in many LDCs.

23. Factors leading to such progress included a widening of the sources of finance for the energy sector as well as stronger public-private partnerships, such as the Secretary-General's Sustainable Energy for All initiative, which promotes partnerships among Governments, business and civil society. Improved governance enabling institutional regulatory frameworks and support for bankable energy projects will be required to attract additional investment in the sector.

Science, technology and innovation

24. Foreign Direct Investment (FDI) inflows, the payment of royalties and licensing fees, capital goods imports, and trade in high-technology products are some of the most common channels through which technology is acquired and used and innovation is fostered. Yet these channels do not operate fully in the LDCs given the expense of such transactions.

25. Furthermore, public resources earmarked to R&D are marginal, as is the number of scientists. Expenditure on R&D averaged only 0.2 per cent of GDP. The ratio of researchers in R&D per million people is as low as 5.9 in Lesotho and as high as high 361.3 in Senegal.

26. The flexibilities offered by the intellectual property rights regimes of WIPO and the TRIPS Agreement of the WTO are not fully utilized, in part because of their temporary nature and the loose monitoring of their compliance.

27. The UN Secretary-General’s proposal of a technology bank dedicated to the LDCs—comprising a patent bank, a science, technology and innovation mechanism and a science and technology research depository—is expected to help address challenges related to technological acquisition and innovation in LDCs. A High-Level Panel on Technology Bank for LDCs met in Turkey on 16-17 February 2015, and agreed to prepare a feasibility study for the establishment of the Technology Bank and Science, Technology and Innovation Supporting Mechanism for the LDCs.

Private sector development

28. Many LDCs continued to pursue institutional and regulatory reforms geared towards fostering private sector development. As a result of these reforms, Benin, the Democratic Republic of the Congo, Senegal, and Togo rank among the top 10 countries in the world in terms of having eased obstacles associated with the creation and running of businesses[2]. Some of these reforms were pursued in the context of regional initiatives, such as that of the Organization for the Harmonization of Business Law in Africa.

29. Obstacles to further progress included the large size of the informal sector, the limited growth potential of small enterprises—resulting in a limited number of medium-sized firms—and persistently low productivity. Unlocking the development potential of the private sector will require a more comprehensive approach, building on existing reforms while strengthening the productive capacity of firms, especially small and micro enterprises.

Agriculture, food security and rural development

30. The prevalence of undernourishment in LDCs decreased from 28.6 per cent in 2009-11 to 27.5 per cent in 2012-2014, but the number of chronically undernourished was on rise, reaching 246.7 million in 2012-14. This makes the LDCs home to 30 per cent of global population living with hunger although accounting for only 12 pour cent of the world population. A good indication of the magnitude of the challenges before the LDCs is the scorecard of progress towards halving the number of chronically underfed people from 1990 levels. In 2014, only Djibouti, Mali, Myanmar and Sao-Tome and Principe met the target of halving the number of chronically underfed people from 1990 levels.

31. The majority of households in LDCs live in rural areas and rely on low-productivity and subsistence agriculture as their main source of employment and living. Low productivity implies weak purchasing power, limited access to food, exposure of countries which are net-food importers to price fluctuations in international markets. Significant nutritional imbalances in diets—particularly lack of proteins, vitamins and other nutrients—also result in a high prevalence of malnutrition even in some LDCs that made some inroads towards reducing hunger.

32. Addressing food and nutrition security involves enhancing governance for food security and improving labour productivity— through the use of adequate technologies and farm management practices and addressing issues related to access of small farmers and women to land, credit and extension services.

[2] The World Bank, *Doing Business 2015: Going Beyond Efficiency*.

The complex nature of the problems requires a holistic and multi-stakeholder approach targeting agricultural production and productivity, rural development, resilience-building, education and health, public works, trade and markets.

Trade

33. Despite declining commodity prices, exports of goods and commercial services of the LDCs totalled US$250.0 billion in 2013, a growth of 5.3 per-cent compared with only 0.6 per cent in 2012. Imports of goods and commercial services amounted to US$ 310.6 billion in 2013, a growth of 6.6 per cent in 2013 compared to 9.2 per cent in 2012. Increased LDC trade flows in 2013 were driven by significant increases in volumes—the strongest since 2008. In real terms, exports are estimated to have risen by 8.8 per cent whereas imports advanced by 9.4 per recent, widening trade deficits. The persistent deficit in current accounts is a major challenge for LDCs.

34. The share of LDCs in world trade rose very marginally, from 1.13 per cent in 2012 to 1.14 per cent in 2013). With seven years remaining before 2020 by which this share is set to reach 2 per cent, LDC exports will have to expand by more than double the pace of expansion of world's exports if this target is to be met.

35. Limited productive capacities and export structures dominated by primary commodities block the needed export dynamism which requires exports of non-primary goods higher value-added and technology services. Even in countries that made progress in manufactured goods exports, textile products account for much of these exports. Exports of services increased strongly, although from a low basis, and have become more diversified, with computer and information services growing by 24 per cent in 2013— the strongest expansion in the industry. The limited product diversification of LDC exports contrasted with the geographical broadening of trade destinations, with developing countries absorbing 55 percent exports in 2013 compared to 52 per cent in 2012.

36. Progress in granting duty-free quota-free (DFQF) market access to LDCs was limited during the period under consideration. Chile and China extended DFQF treatment for LDCs to 99.5 and 97 per cent of their tariff lines, respectively. Average tariffs on LDC exports have also declined significantly, but as tariffs on exports from other developing countries also declined, the marginal tariff preferences enjoyed by LDCs over other developing countries shrank, particularly for manufacturing products.

37. LDCs also face high trade costs associated with poor inland transportation infrastructure and, for landlocked LDCs, cross-border bottlenecks. These costs further undermined the competitiveness of their exports and increase of the costs of their imports.

38. The agreements in the Bali package relating to LDCs need to be implemented with further refinements needed for the 15-year service waivers and the rules of origin. The waivers should cover services by natural persons, as categorized under Mode 4, in which the LDCs have comparative advantage. Developed-

country WTO members need to improve existing DFQF product and country coverage. Evidence suggests that achieving the Doha objective of full DFQF coverage remains a valuable goal for the LDC group as the exclusion of even a relatively small number of products has an impact on exports, given the concentration of individual LDCs in a narrow range of products. Setting voluntary guidelines on rules of origin is important but not sufficient, leaving it to the discretion of preference-extending country to abide by it or not.

Commodities

39. The commodity boom of the late 2000s further deepened the dependence of most LDCs on primary commodities. Despite softening commodity prices, the share of primary commodities, precious stones and non-monetary gold as percentage of LDC total merchandise export stood at 77 per cent in 2014—similar to the mid-2000s.

40. A few LDCs, however, made major strides towards structural transformation, increasing the importance of manufacturing and services in their economies, by increasing the number of goods and services produced and exported and through upgrading their quality. Countries such as Bangladesh, Cambodia, Ethiopia, Mozambique and the United Republic of Tanzania are cases in point, but still face the need to nurture and consolidate the progress made in diversification and to enable major players in the global textile industry to move up the ladder towards higher value-added and technology-oriented content and make their performance sustainable.

Education and training

41. Net primary enrolment in LDCs increased from 83 per cent in 2010 to 84 per cent in the period 2011-2013, though progress in completion rates of primary schooling was slow. An increasing number of children had been enrolled in primary education, and gender parity at this level of education wad achieved in some of the LDCs.

42. The rate of enrolment in secondary education in the LDCs increased moderately but was still low at 43 per cent, compared to 69% in all developing countries. However, class sizes have decreased somewhat in both primary (from 46 pupils per teacher in 2010 to 43 in the period 2011-2013) and secondary education (from 28 to 26 pupils per teacher). Factors hindering further progress included the limited qualifications of teachers and the inadequacy of classroom equipment.

Population and primary health

43. As a result of investments in health infrastructure and national health systems, improved nutrition and care for children and their mothers, increased access to reproductive health care, and expanded immunization campaigns, progress was made in reducing child mortality rates in most of the LDCs, though not at a rate sufficient to achieve the MDG target of a two thirds reduction from the 1990 level. On average, under-five child mortality in the LDCs was still much

higher than in other developing countries—at 81 deaths per 1,000 live births in 2013. Bangladesh, Ethiopia and Liberia met the target and 14 other LDCs reduced child mortality rates by 60 per cent or more.

44. Most LDCs are not expected to meet the MDG target of a three-quarter reduction in maternal mortality rate from the level of 1990, although Bhutan, Equatorial Guinea and Nepal have already met this target. This progress is partly due to large increases in the proportion of births attended by skilled health personnel in these countries.

45. The prevalence of HIV as a percentage of the population aged 15-49 in the LDCs declined marginally from 2 per cent in 2010 to 1.9 percent in 2013. Lesotho, Malawi, Mozambique and Zambia still had prevalence rates in excess of 10 per cent. Mortality rates due to AIDS declined, owing to greater access to antiretroviral drugs which were available to 58 per cent of the population in LDCs in 2012. Cambodia exceeded 95 per cent coverage, while Rwanda and Zambia exceeded for 80 per cent. Some progress was also made in reducing the number of malaria and tuberculosis cases, but with 192 and 231 new cases per 1,000 people in 2012, respectively, LDCs still had some of the highest rates in the world.

Youth development

46. LDCs in general have a higher fertility rate, and therefore attach greater importance to youth employment. People under the age of 25 comprise 61% of LDC population, which is one of the highest rates in the world.

47. The literacy rate among young persons aged 15-24 rose from 70 per cent in 2000-2009 to 77 per cent in 2010-2012, with female youth literacy converging with that of male youth. However, more literate youth were unemployed in2013, with more than 10 per cent of the population aged 15-24 unemployed in 24 LDCs.

48. Limited education, lack of working skills, and high youth unemployment contributed in turn to considerable youth underemployment and low-income self-employment, often in the informal sector. Employment-to-population ratios for youth aged 15-24 were considerably and consistently lower than those for the population as a whole across the LDCs.

Shelter

49. The shortfall of adequate housing in the LDCs is partly the result of increased demand due to the rapid pace of population growth as well as the needs of refugees and internally displaced people in countries during and after conflict. It is also due to inadequate supply of affordable housing, resulting from high construction costs, insufficient finance for housing, and insecure land tenure rights.

50. The lack of adequate shelter is especially acute in urban areas. The high prevalence of slums is related to problems such as lack of access to improved drinking water and improved sanitation, insecure tenure, non-durable housing

and overcrowding. Of the 25 countries where over 50 per cent of the urban population lives in slums, 19 were LDCs. Three out of four people living in urban areas in the Central African Republic, Chad, Ethiopia, Madagascar, Mozambique and Niger were slum-dwellers.

51. One of the reasons for the problems experienced in unplanned urban areas is an insufficient allocation of space to streets. A recent study using geospatial information systems (GIS) found that less than 15 percent of land in many African cities, including in African LDCs, is dedicated to streets, compared to the recommended 25-30 percent necessary to allow for basic water and sanitation systems to be accommodated[3]. The problem was even more severe in suburban areas, which often have less than 10 per cent of land allocated to streets, leading to widespread and unplanned urban settlements.

Water and sanitation

52. The proportion of people in LDCs without access to safe drinking water decreased from 49.9 in 1990 to 34.1 in 2012, while the proportion of people without access to basic sanitation decreased from 80.9 in 1990 to 63.9 in 2012, meaning the LDCs are unlikely to meet the MDG target of halving the 1990 proportion by 2015

53. Access to improved drinking water in the LDCs increased from 59.4 per cent in 2005 to 65.9 per cent in 2012, with. Bhutan, Sao Tome and Principe and Tuvalu achieving near universal access. Large urban-rural differences persisted, however, with an access rate in 2012 of 83.7 in the former, compared to only 58.7 in the latter. By contrast, only a little over a third of the population in LDCs had access to basic sanitation facilities, in 2012 (30.8 per cent in rural areas and 47.3 in urban areas).

54. This uneven distribution of access to improved drinking water and basic sanitation has serious impacts on health, education and environment outcomes. It also negatively impacts progress towards gender equality, given that women and girls often carry the burden of collecting water.

Gender equality and the empowerment of women

55. Over one third of the LDCs have already met the target of gender parity in primary education, with 12 countries exceeding it in 2011-2012. The situation also improved in secondary education, with Bhutan, Bangladesh, Lesotho, Rwanda, and Sao Tome and Principe all exceeding the parity target in 2011-2012. Parity in tertiary education, however, was still a challenge, with the percentage of female students rising only moderately from 36 per cent in 2009-2010 to 38 per cent in 2011-2012.

56. In spite of these gains, the specialized training of most female students and insufficient policies and practices affecting work and family implied that most

[3] United Nations, Millennium Development Goals Report 2014.

women continue to work in the informal sector. In 2013, 10 LDCs had employment to population ratios of less than 50 per cent for women. In addition, like in many other countries, women's very limited access to productive assets such as land and capital, and the persistence of violence against women and girls, restrict the contribution of women to development.

57. The political representation of women, however, showed continuing signs of improvement, especially in parliaments. The percentage of women in parliaments more than doubled from 9.2 per cent in 2001 to 21.3 per cent in 2014. Women hold a third or more of parliamentary seats in Angola, Mozambique, Rwanda, Senegal, Timor-Leste, Uganda and the United Republic of Tanzania. Of the nine countries that posted the greatest increase in women's representation in parliaments in 2013, two are LDCs (Equatorial-Guinea and Togo). Part of the progress was due to the use of legislated quotas for women's representation in national parliaments.

Social protection

58. Formal safety nets deployed by many LDCs include schemes focusing on continued access to basic services, reducing income and consumption poverty and promoting household investments in human capital to decrease intergenerational poverty. Some cash or in-kind transfers are conditional on children's school attendance, such as the Education Sector Support Programme in Cambodia or the Female Stipend Programme in Bangladesh. Nepal enacted several cash transfer programmes in the areas of pensions, child grants and single women's allowances.

59. Some LDCs use income generation schemes for social protection, designed to provide cash or in-kind remuneration of workers through wage employment or to maintain public infrastructure such as roads, flood control bunds and conservation measures. Bangladesh and Ethiopia both used public work programmes to generate cash wages for workers, including the Rural Employment Opportunities for Public Assets programme in the former, and the Productive Safety Nets Programme in the latter.

Economic Shocks

60. Many LDCs had increasingly been economically vulnerable since 2010 due to an increased magnitude of and further exposure to shocks coupled with a limited ability to withstand them. Declining commodity prices had caused export receipts and government revenues to decline and current-account and fiscal balances to deteriorate. In LDCs with managed-float or fixed exchange rate regimes, part of the enlarged current-account balances were financed through drawing on foreign-exchange reserves.

61. Furthermore, the ratio of total reserves to external debt increased, and debt service as a percentage of exports of goods services levelled since the adoption of the IPoA. Weakened macroeconomic buffers such as foreign exchange reserves have made LDCs' position worse than before the global economic and financial crisis. With fiscal positions much weaker than in 2010, these

countries are also less likely to mount effectively fiscal stimuli in the event of major macroeconomic shocks.

62. Building resilience to shocks will be mostly achieved through promoting economic diversification and transformation in the medium-term. In the short run, global counter-cyclical financing would be essential. Significant progress in this regard since the global crisis included considerable global reforms within international financial institutions (IFIs) leading to expanded counter-cyclical financing, and reform and renewal of related facilities. Concomitantly, regional and bilateral central bank liquidity swaps have burgeoned. However, most of the initiatives have targeted mostly middle-income countries compared to LDCs or have bypassed them all together. There is a need for designing additional and effective counter-cyclical financing and shock facilities for LDCs and strengthening existing ones, although not at the cost of reduced long term and concessional financing for productive capacity and infrastructure development.

Climate change and environmental sustainability

63. Over the period 1980-2013, reports have come out that the LDCs suffered 1.3 million climate-related deaths, accounting for 51 per cent of global casualties, although they are home to only 12 per cent of the world population[4]. The situation worsened in recent years, with deaths associated with climate-related disasters in the LDCs comprising 67 per cent of the world total.

64. Virtually all LDCs designed national adaptation programmes of action through multi-stakeholder processes. By doing so, these countries also set priorities that require immediate action. Some of the LDCs went further by formulating national low-carbon resilience plans and strategies.

65. The total resources pledged to the LDCs Fund (LDCF), established to assist LDCs to prepare and implement national adaptation programmes of action (NAPAs) reached $ 934.74 million in February 2015. So far the LDCF has financed the preparation of 51 NAPAs, of which 50 have been completed, and has approved the funding for 161 NAPA implementation projects and for programmes in 49 LDCs[5]. However, available resources for new funding approvals are limited and LDCs have not been able completely implement NAPAs due to inadequate funding and limited capacities. Tuvalu, for example, is currently implementing a national adaptation programme, but the process is hampered by capacity constraints and limited access to climate change financing.

66. Commitments pertaining to climate finance are yet to be fulfilled. Between 2011 and November 2013, less than $4 billion was channelled to the LDCs from developed countries to support their adaptation efforts, compared to the

[4] IIED: "A burden to share? Addressing unequal climate impacts in the LDCs"
[5] 49 out of 50 LDCs that received financial support completed their NAPAs, including Cape Verde and the Maldives, which graduated from the LDC category in 2007 and 2011, respectively. Source: UNFCCC.

estimated global adaptation costs of US$86–109 billion required annually by 2015.

67. Deforestation is another environmental concern which has negative impacts on biodiversity and clean water and increases the erosion of soil and the release of carbon into the atmosphere. Forests are also economic assets which, when lost, endanger the opportunities of livelihood in rural communities. The proportion of land covered by forests in the LDCs decreased from 28.2 per cent of total land area in 2000 to 26.3 percent in 2012. Of the 47 LDCs for which data were available, only Bhutan, the Gambia, Lesotho and Rwanda) experienced significant afforestation or natural expansion of forests between 1990 and 2012.

Disaster risk reduction

68. The LDCs continued to face a higher risk of significant losses as a result of disasters. They not only face extreme shocks but also are very much exposed to these shocks. Estimates from the Global Assessment Report global model suggest, for example, that Madagascar and Mozambique would have difficulties in absorbing the impact of a 1 in 3 to 25 year loss, compared with Canada and the United States which would only face challenges in absorbing the impact from a 1-in-500-year loss. In such an agriculture-dominated country such as Malawi, a drought would cause an estimated annual loss equivalent to one percent of GDP as well as an additional 2.1 million people falling below the poverty line[6].

69. The nine LDCs which are also SIDS face an existential threat from natural disasters. Compared to Central Asia and Europe, their estimated annual loss (EAL) of capital stock is 20 times higher for SIDS. EALs losses for SIDS are also equivalent to nearly 20 percent of their total social expenditures (compared with less than one percent in Europe or Central Asia). The unprecedented floods that hit Solomon Islands, in April 2014, damaged infrastructure, housing, water and sanitation facilities and agricultural output, causing economic loss equivalent to 4.7 per of GDP[7]. The cyclone Pam that struck Vanuatu in March 2015 has resulted in the destruction of up to 80 per cent of homes on Tanna Island as well as a reduction in access to clean water, and is likely to cause a setback to the country’s recent development gains. The earthquake that hit Nepal in April 2015 affected 8 million people, and its impact on agriculture-based livelihoods and food security is expected to be extremely high.

70. Important institutional changes relating to disaster reduction management took hold in many LDCs, in particular with growing attention to a holistic approach instead of merely an ex-post disaster response. Of the 34 countries that reported integrating disaster risk reduction into their national development plans under the Hyogo Framework for Action, eight were LDCs (Burkina Faso, Ethiopia, Lao PDR, Mauritania, Nepal, Solomon Islands, Vanuatu and

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[6] United Nations, *Global Assessment Report on Disaster Risk Reduction 2015*.
[7] International Monetary Fund, *IMF Country Report No. 14/170.*

Zambia)[8]. A follow-up framework was adopted at Third World Conference in Disaster Risk Reduction (WCDRR) held in Sendai, Japan on 14-18 March 2015. The Sendai Framework addresses the disaster risk situation of localities and major vulnerable groups, as well as empowerment of persons with disabilities in planning for risk management and resilience. It calls for a multistakeholder approach and stronger and coherent mechanism to build resilience. It is critical that these recommendations are implemented.

71. Persistent challenges associated with disaster reduction management, as identified by UNISDR, include, limited financial and human resources; weak capacity at local level which undermines the implantation of land use plans and building codes; poor coordination between stakeholders and a lack of information sharing on risk assessment, monitoring and evaluation, early warning, disaster response and other disaster risk management activities; and insufficient policy coordination on integrating climate change risks into disaster risk management strategies.

Domestic resource mobilization

72. The rate of domestic savings in LDCs declined slightly from 21.4 per cent in 2012 to 19.9 per cent in 2013. This development largely mirrored declining domestic savings rates in the largest mineral and oil producing LDCs, in particular Angola and Equatorial Guinea. Government savings—the main driving of domestic savings in these countries—were negatively affected by declining commodity prices, translating into reduced income from production sharing agreements, and weaker royalties and corporate income tax on oil and mining companies. The ratio of government revenue to GDP excluding grants increased, with half the LDCs collecting at least 15 per cent of GDP as revenues in 2012 compared with 11 per cent in 2001.

73. Although domestic resource mobilization has improved, the current level stands far below the potential of the LDCs. A good illustration of the room for manoeuvre that many LDCs have in improving their tax collection is the level of their tax-to-GDP-potential, which captures a country's ability to raise taxes given its specific economic, social and institutional features. The difference between tax-to-GDP potential and actual tax-to-GDP stands at 7.5 percentage points in Bangladesh, 6.7 percentage points in Bhutan and 6.2 percentage points in Afghanistan.

74. Mobilizing additional domestic resources required to build productive capacity in LDCs demands ongoing efforts towards improving tax administrations and systems in the LDCs. This entails introducing taxpayer services, modernizing IT systems and strengthening the capacity of tax officers. These institutional reforms should be complemented by efforts to expand the tax base (including through the rationalization of exemptions, tax holidays and transfer pricing practices), the simplification of tax systems and enhancement of compliance.

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[8] UNISDR (2014): *Progress and Challenges in Disaster Risk Reduction: A contribution towards the development of policy indicators for the Post-2015 Framework on Disaster Risk Reduction*.

Official Development Assistance

75. After increasing in 2013, thanks to one-off debt relief for Myanmar, bilateral ODA flows to the LDCs dropped sharply in 2014— reaching $ 37.6 billion in real terms, a 15 per-cent decline from 2013. Even excluding the debt relief for Myanmar, ODA flows to LDCs in 2014 were still below the level reached in 2008—prior to the global and economic crisis[9].

76. The growth in ODA flows in 2013 to the LDCs reflected increased flows from Japan (86 per cent), the United Kingdom (33 per cent) and France (30 per cent)—among the four largest OECD/DAC donors. The number of countries that fulfil the lower bound of the United Nations target Performance in channelling at least 0.15 per cent of GNI to the LDCs also improved, with Belgium, Denmark, Finland, Ireland, Luxemburg, Netherlands, Norway, Sweden and United Kingdom) meeting this target in 2013 as opposed to seven countries in 2012.

77. Progress in the quality of aid consisted in multilateral aid, particularly from the World Bank, being increasingly targeted at productive capacity building, in strengthening public financial management systems of recipients, and ensuring that donors use those systems. Commitments on delivering untied aid, however, are yet to be fulfilled with thirteen per cent of ODA channelled to LDCs in 2013 still subject to requirements regarding suppliers in donor countries. Further, challenges related to fragmentation and predictability of ODA to the LDCs also persisted.

78. Looking forward, there are indications that the declining aid trends are likely to be reversed in coming years. A survey of aid donor countries' spending plans through 2018 suggests that country-programmable aid is likely to pick up from 2015. This highlights the importance of stronger commitments by the global community to additional, enhanced, preferential, concessional and targeted aid to countries most in need, particularly the LDCs.

Debt

79. Having declined for several years, the debt burden of many LDCs rose again in 2013, although marginally, as the by-product of moderate post-crisis growth, accumulation of new debt and near completion of the enhanced HIPC and MDRI initiatives. External debt stock as a percentage of GNI increased from 26 per cent in 2012 to 27 per cent in 2013.

80. As of January 2015, 35 of the 39 countries eligible under the Initiative, including 29 LDCs, had already attained the completion point, when full debt relief is provided. Three countries—Eritrea, Somalia, and Sudan—all LDCs, had yet to start the process of qualifying for debt relief, whereas Chad, had reached only the decision point, during which interim debt relief is granted.

81. While HIPC and MDRI contributed to a large extent to reduction in the debt burden of many LDCs, these initiatives have not holistically addressed debt

[9] Country and sectoral breakdowns of ODA extended to LDCs in 2014 are not available yet.

challenges facing this group of countries. Not all LDCs are eligible for debt relief under these initiatives, while some of those that are face a real prospect of debt distress. Of the 14 countries that were at a high risk of debt distress as of January 2015, 12 are LDCs and countries that recently graduated from the least developed category. Out of these 12 countries, 7 had already received debt relief through the enhanced HIPC Initiative and MDRI.

82. Looking forward, the debt obligations of many LDCs are likely to rise with them increasingly reverting to non-concessional lending to finance infrastructure development. These challenges in addition to those which are inherent in previous debt relief initiatives make the need for global sovereign restructuring mechanisms all the more important.

Foreign Direct Investment

83. The LDCs continued to attract increasing FDI, with flows in 2013 of nearly US$ 28 billion, a 14 per-cent increase from 2012. Although increasing, the share of LDCs in global FDI was still marginal, at only 2 per cent.

84. FDI flows to the LDCs in 2013 saw the share of extractive industries decline while services and manufacturing rose. Furthermore, the share of developing countries as a source of FDI flows to the LDCs is rising, as transnational corporations (TNCs) from these countries often acquire assets sold by developed-economy TNCs and therefore increasingly account for a significant share of announced greenfield projects.

85. These recent developments need to be consolidated and expanded to LDCs, particularly directed towards creating opportunities for value-addition in natural resource sectors, developing productive capacities in agriculture, manufacturing and services, and integrating these sectors into the global production, value-chains and distribution networks. This can be achieved through extending risk assurance and guarantee schemes as well as tax incentives to firms seeking to invest in the LDCs in the context of investment promotion regimes, establishing technical support mechanisms to assist LDCs in negotiating complex large-scale contracts, improving access to advisory support in investment-related dispute resolution, and supporting LDCs in establishing FDI-friendly regulatory and legal frameworks.

Remittances

86. Migrant remittance inflows to the LDCs grow to US$ 33.4 billion in 2013, a 3 per cent annual increase from 2012, compared to the double-digit annual growth rates sustained since 2011. Underlying this growth deceleration is partly the reduction in total flows remitted to Bangladesh, the largest recipient in the LDCs, declined by 2.7 per cent to US$ 13.9 billion in 2013, driven in part by the reduction of its stock of migrants abroad. However, this decline was offset by rising flows in other major LDC remittance-recipients such as Nepal (15.8 per cent) and Haiti (10.5 per cent).

87. The cost of remitting continued to be a challenge. In some of corridors, particularly those from remittance-sending countries to African LDCs, costs of

remitting continued to be exorbitant, partly because of limited competition among service providers. The introduction of money transfer services has somewhat reduced the costs of remitting but is yet to be generalized in many countries. Such services also present challenges that relate, inter alia, to safety and reliability safeguards and limited literacy required for their use.

88. In general, remittances are increasingly a major source of development finance for many LDCs—sometimes larger than FDI and ODA. These flows are the most stable component of receipts in the current account, acting as an important source of foreign exchange and a major cushioning parameter against potential balance of payment difficulties.

89. Scaling up the development impact of remittances requires sustaining the recent growth of these flows, including through reducing the cost of remitting, ensuring that a significant part of flows are channelled towards building productive capacities, including through financial literacy and targeted policy initiatives, and improving conditions under which workers migrate to and work in host countries.

Governance at all levels

90. Commitments to good governance—both political and economic—continued to be strong in the LDCs. Despite a few temporary seatbacks, the majority of the group adhered to global governance standards and made important strides towards implementing these standards. One aspect of the above is the periodic holding of multipartite elections to select rulers. Eleven are planned in 2015.

91. Many LDCs are also parties to the UN Convention against Corruption, signalling commitments to prevent corruption, criminalize certain conducts, strengthen international law enforcement and judicial cooperation and offer effective legal mechanisms for asset recovery, among others. As of April 2015, thirty LDCs ratified the convention and eleven others accepted it. An increasing number of LDCs have also subscribed to the principle of governments disclosing how much they receive and extractive companies making public how much they pay—the guiding rule underpinning the Extractive Industries Transparency Initiative (EITI). As of April 2015, 13 of the 32 EITI-compliant countries were LDCs. A year ago, 10 LDCs were EITI-compliant. Also, of 13 EITI candidate countries, 5 were LDCs.

92. Many LDCs have now established processes through which the voice of parliaments, private sector and civil society is heard in the context of formulation, implementation and monitoring of national development policies and plans. Progress also continued in the political representation of women, in particular in parliaments, although much remains to be done to ensure gender parity in the executive. Many LDCs have initiated reforms in public financial management and procurement systems.

93. Following the economic and financial crisis, the global economic, financial and monetary governance systems underwent significant transformation, with particularly greater voice and representation for emerging countries and other

middle-income countries. LDCs, however, are still largely underrepresented. None of the 48 LDCs are either represented in the Basel Committee or in the G20's Financial Stability Board (FSB). As a result, their concerns and priorities remain largely silent in these fora. Furthermore, global standards set by these governing bodies are not always relevant to the LDCs or within their near-term capacity to implement.

94. The proposed 2010 Reforms of the IMF Executive Board and countries' quotas, even when entering into force, will not completely address the persistent erosion of the quota shares of LDCs and will also not increase their voice and participation to a level that is commensurate to their demographic size and degree of engagement of the IMF in the LDCs.

IV. Engagement of stakeholders in the implementation of the Istanbul Programme of Action

Efforts by member states to implement the Istanbul Programme of Action

95. Four years after the adoption of the IPoA, implementation of the Programme is underway in most LDCs. Initially LDCs aligned their national development strategies and plans with the IPoA and then moved towards implementation, follow-up and monitoring of the IPoA.

96. Progress made at country level is discussed in an annual workshop of the national focal points of the LDCs, organised by OHRLLS. The national focal points meeting held in July 2014 provided an opportunity for LDCs to present the progress made and challenges encountered in the implementation of the IPoA. A large number of the LDCs reported progress but also highlighted remaining challenges, some elaborated on plans to graduate from the LDC category.

97. In line with the principles agreed in Istanbul, Lao People's Democratic Republic mainstreamed the objectives and priorities into its 7th Five-Year National Socio-Economic Development Plan (2011-2015) and is implementing it through Annual National Socio-Economic Plans. Progress has been achieved in several areas, and, in regard to productive capacity, the government has put emphasis on transport and rural electrification and the country is moving from being landlocked to land-linked, with 82 per cent of households having access to electricity. Similarly, following the direction of the IPoA, the National Growth and Poverty Reduction Strategy of Mali aims at promoting economic growth and poverty eradication. To achieve increased production, Mali has emphasized the importance of infrastructure development, access to energy, agricultural development and improved access to industrial zones.

98. Lesotho is also addressing the priorities of IPoA through the implementation of its National Strategic Development Plan. This plan, which focuses on productive capacity building, aims to reap the benefits of sustained broad-based economic growth in the form of jobs, enhanced skills, improved health, and poverty eradication. Zambia has implemented the IPoA through its

national development plan, which is its medium-term instrument to achieve its National Vision of becoming a prosperous middle-income country by 2030. Zambia has also—for the first time—developed a Planning and Budgeting Policy, which guides further coordination between national development planning and budgeting processes.

99. The LDCs have also encountered challenges in the implementation of the IPoA, including unstable or deteriorating political and security situations and increased volatility in external assistance. Several LDCs report lack of access to energy as a major challenge for building productive capacities, including Comoros, Madagascar and Mali. However, a number of LDCs report new and ongoing projects addressing the energy access challenges and tapping into sources of renewable energy. For example, the Democratic Republic of Congo has articulated a number of ongoing hydropower project initiatives and is considering solar and wind alternatives for energy production.

100. It is of concern that LDCs have received lower flows out of an expanding volume of ODA. This has come in the wake of significant fluctuations of ODA flows to LDCs in recent years. However, bucking this downward trend, several bilateral donors have kept a clear and explicit focus on LDCs. A number of bilateral donors have a high share of LDCs in their priority country list, including Finland, France, Switzerland the United Kingdom. .

Progress on graduation

101. Significant progress has been achieved with respect to graduation from the least developed country category. In its 2015 review, the Committee for Development Policy recommended Angola for graduation. Kiribati also met the graduation criteria for the second time but was not recommended due to uncertainties related to its extremely high economic vulnerability. Furthermore, Bhutan, Nepal, Sao Tome and Principe, Solomon Islands and Timor-Leste met the graduation criteria for the first time.

102. In addition, an encouraging number of LDCs have announced their ambition to graduate from the LDC category. Several countries began work towards graduation by developing a graduation strategy with the support of their development partners. Bhutan, Lao PDR and Nepal included clear timelines for graduation in their national development plans. The challenges and vulnerabilities imposed on some LDCs, especially those that are also SIDS, have an impact on their graduation plans. For example, Vanuatu began work towards graduation and established a committee on graduation and smooth transition. Nevertheless, Vanuatu has highlighted that the transition period is temporary and does not provide remedy to permanent challenges faced by a country prone to earthquakes, tsunamis and cyclones, as was demonstrated in March 2015, when a cyclone hit the Pacific island state and caused severe and widespread damage.

103. OHRLLS led a joint UN mission with UNDP, DESA, UNCTAD and ESCAP, to Myanmar in December 2014. The mission worked with the Government on preparing a graduation strategy through a coordinated UN approach. Myanmar has so far established a High-level Committee on graduation headed by the

Vice-President and specific sub-committees for each of the graduation criteria, and is also currently preparing a National Comprehensive Development Plan aimed at aligning national priorities with the sectors that are key drivers for graduation. Finally, OHRLLS and UNDP organized a ministerial meeting for Asia-Pacific LDCs in Nepal in December 2014 on graduation and post-2015 development agenda.

Support by the United Nations system, regional and international organizations for least developed country priorities[10]

104. OHRLLS continued its work to raise international awareness and place the special development challenges of the LDCs high on the global development cooperation agenda, including with the support of the DPI. The High Representative focused his advocacy on reflecting these countries' needs and priorities in the formulation of the post-2015 development agenda and sustainable development goals. The Office organized several events dedicated to fostering partnerships between the LDCs and development partners, especially the group of Friends of LDCs. These included three ministerial meetings, a consultative meeting and a large number of briefings and discussions among the LDCs on financing for development and the Post-2015 development agenda.

105. The analytical work of OHRLLS on LDC-specific issues undergirded its second flagship report entitled "State of the LDCs", published in October 2014. The report focused on extreme poverty eradication in the LDCs and the post-2015 development agenda.

106. United Nations regional commissions continued to pay special attention in their programming to the needs of least developed member states. UNECA provided support for many African development initiatives such as infrastructure networks including cross-border transportation, energy access, efficiency and clean technology and trade, financing and investment negotiations. UNECA also provided LDC-specific technical assistance on graduation and smooth transition. OSAA has coordinated UN system and international support for NEPAD implementation, strengthening the endeavours of African LDCs towards inclusive economic growth and sustainable development.

107. ESCAP provided assistance specifically directed to several Asia-Pacific LDCs that indicated their ambition to graduate from the LDC category by or around 2020, including through a workshop on financing graduation gaps in Dhaka in October 2014, in collaboration with the Government of Bangladesh. ECLAC supported Haiti through a project on social protection and conditional cash transfers. In Yemen and Sudan, ESCWA provided advisory services and capacity building in the areas of human and social development, good governance, women's empowerment, climate change, environmental sustainability, and as productive capacity focusing on energy and ICT.

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[10] The narrative is based on inputs submitted by the United Nations system, and regional and international organizations.

108. UNCTAD continued to assist LDCs trade, trade facilitation, investment and market access, through its dedicated research and policy analysis, technical assistance and inter-governmental consensus-building activities. UNCTAD also started developing quantifiable indicators with a view to measuring and benchmarking economy-wide productive capacities in LDCs. Its LDC report 2014 examined linkages between structural transformation, economic growth and human development.

109. The WTO Secretariat provided support to LDCs by way of technical assistance and capacity-building activities, including through the EIF for LDCs and the Standards and Trade Development Facility. In December 2014, the EIF steering committee extend the programme into a second phase, starting from 2016. The first phase results included increased private sector development and employment in some of the poorest beneficiary countries. Contributions to the Fund totalled $201.4 million in 2014. Annual contributions dropped slightly from $12.61m in 2013 to $10.45m in 2014. In 2014, relevant WTO committees started to implement the LDC Decisions adopted by Ministers in Bali in December 2013, namely on duty-free and quota-free market access, preferential rules of origin, the LDC services waiver and the development aspects of cotton.

110. The ITC continued to provide technical cooperation to LDCs in export promotion and trade development through country-specific projects or multi-country and regional projects. In 2014, ITC launched a project for strengthening the exporting capacities of Asian LDCs to the Chinese market. Advisory services were delivered to private sector and governments of LDCs in the early stages of accession to the WTO to raise awareness and build business support.

111. Based on its mandate to promote and accelerate inclusive and sustainable industrial development in developing countries and economies in transition, UNIDO supported IPoA implementation through the development of Partnership Country Programmes in LDCs, trade and industrial capacity building, policy support and statistics, income generating activities and communities empowerment, infrastructure development, renewable energy and environment.

112. The IMF continued to work with low-income countries, many of which are LDCs, to help mitigate the impacts of the global financial crisis and to increase their resilience to future shocks by assisting them in rebuilding their policy buffers, through reforming its own lending instruments and policies as well as providing technical assistance. The temporary interest relief through a zero interest rate policy on all outstanding concessional borrowing was extended from end-2014 through to end-2016.

113. The overarching goal of the IPoA coincides in substance with the two goals set by the World Bank Group in its new strategy adopted in 2014: eradicating extreme poverty to 3 percent by 2030 and promoting shared prosperity by fostering the income growth of the bottom 40 percent in every country. In 2014, IDA commitments rose to a record $22.2 billion from $16.3 billion in the previous fiscal year.

114. UNCDF's overall approach to supporting LDCs is framed by the IPoA and so the Fund continued their work on two primary interconnected areas, financial inclusion and local development finance, as a way to promote inclusive growth in LDCs and the mobilization of both private and public domestic resources, while using ODA as a key driver to leveraging domestic savings and capital.

115. ITU continued to implement actions to help LDCs bridge their digital gap and leverage the power of ICTs and broadband as a fundamental driver for development.

116. UNICEF continued to provide focused attention and support to LDCs on issues such as child mortality, malnutrition and stunting, humanitarian assistance and long-term development for vulnerable children. UNICEF also provided technical assistance on the expansion and strengthening of the monitoring process for improving service delivery to LDCs. UNFPA worked on areas of maternal health and family planning through strengthening the national capacity of LDCs to incorporate population issues in relevant national public policies, plans and expenditure frameworks. It also assisted LDCs in reducing maternal mortality and in accessing affordable, life-saving family planning options. UNFPA was also heavily involved in the Ebola-affected LDCs, assisting with contact-tracing activities, and maintaining and restoring maternal health services.

117. UNAIDS delivers on 15 thematic areas including: prevention of sexual transmission of HIV; HIV treatment; prevention among people who inject drugs; punitive laws, stigma and discrimination; HIV and education; and HIV-related social protection, amongst many others. UNAIDS' interventions under the global plan for the elimination of new HIV infections among children and keeping their mothers alive led to a 69 percent coverage of prevention of mother-to-child infection in LDCs in 2013, compared to 32 in 2010 - a remarkable sign of progress in curbing the epidemic in these countries.

118. UNEP provided support to the LDCs through capacity building and technology support services, on several thematic areas of their programme of work including climate change, disasters and conflict, environmental governance, resource efficiency and sustainable consumption and production.

119. UNDP assisted LDCs in good governance, trade capacity and strategies, agriculture food security and rural development, while also providing support on graduation and smooth transition through trade-related technical assistance, resource mobilization assistance and supporting development capacity actions. Furthermore, UNDP assisted LDCs in the formulation and implementation of green low-emissions, climate-resilient strategies that allow more effective responses to emerging opportunities in the climate change finance landscape.

120. UNESCO's main activities in LDCs included promoting quality education, training and skills development, promoting gender equality and empowerment of women, and building productive capacities in energy, ICTs as well as science, technology and innovation.

121. UNODC assistance LDCs in fighting against corruption, transnational crime and illicit trafficking, smuggling of immigrants and criminal justice. It continued providing technical assistance and substantive Secretariat services to advance the implementation of the United Nations Convention against Corruption.

Efforts by other stakeholders to implement the Istanbul Programme of Action

122. On south-south cooperation, numerous LDCs have strengthened cooperation with Southern countries. Eritrea, for example, has implemented several development projects with China and other Southern partners. Mauritania has benefitted from the opening of foreign banks, originating from Southern countries, supporting the development of private sector activities.

123. South-South and triangular cooperation was discussed at the Benin Ministerial Meeting held in Cotonou in July 2014, where the South-South Technology Transfer Facility for LDCs was launched. This joint initiative between UN-OHRLLS and UNOSSC aims to use SS-GATE’s global technology transfer platform to bring targeted support to LDCs and is designed to enable South-South transfer of viable, sector-specific technologies for developing and strengthening capacities and production in LDCs. One of the first activities under this facility, hosted in Benin with UNDP support, was a Memorandum of Understanding signed between representatives of the Songhai Centre in Benin and Bio-green Investments East Africa Ltd. in Uganda, representing a potential investment of over $10 million.

124. Academia has remained very active in implementing the IPoA. LDC IV Monitor, a group of think tanks and academic institutions from LDCs and partner countries, launched a new publication on “IPoA for the LDCs (2011-2020): Monitoring Deliverables, Tracking Progress” in October 2014 as well as a new report on tracking the state of implementation of the IPoA.

125. Furthermore, the high-Level panel of the Secretary-General on the Technology Bank is mainly composed of renowned academics from LDCs and their development partner countries. The high-level panel met for the first time in February 2015 in Turkey to provide its guidance on a feasibility study on the establishment of the Technology Bank.

126. Civil society, and especially LDC Watch, has advocated for the implementation of the IPoA in various fronts, including discussions on the Post-2015 development agenda and financing for development. With the support of the International Institute for Environment and Development (IIED), a high-level LDC Independent Expert Group on Post-2015, chaired by the former Prime Minister of Haiti, Michèle Duvivier Pierre-Louis, has been convened to provide ideas and challenges that support a more ambitious, effective and fair global set of new goals for environmental sustainability and human development. ONE Campaign contributed to events that supported the LDCs’ efforts to frame their positions in the context of the post-2015 development agenda and Financing for Development.

127. The High Representative also actively engaged with private sector partners through the se4all Board and Broadband Commission for Digital Development. Access to sustainable energy and broadband connectivity constrain development across sectors. These two essential ingredients of productive capacity building also require significant investment and involvement of the private sector. By taking an active role in the Advisory Board and the Broadband Commission, the High Representative has advocated for the special challenges faced by the LDCs.

128. The private sector was closely involved in the Ministerial Meeting on New Partnerships for Productive Capacity Building in the LDCs held in Cotonou as well as in the Kathmandu Ministerial Meeting. Through the platform of South-South Global Assets and Technology Exchange, a delegation of 115 private sector entities attended and contributed to deliberations at the Ministerial Meeting. The role of the private sector is also highlighted in the Cotonou Agenda, which notes that the dynamic, broad-based, well-functioning and socially responsible private sector is a valuable instrument for increasing investment and trade, employment and innovation, thereby generating economic growth and eradicating poverty and serving as an engine for industrialization and structural transformation.

Preparatory Process for the Comprehensive high-level midterm review of the IPoA

129. In its resolution 69/231 the General Assembly decided to convene a comprehensive high-level midterm review of the implementation of the IPoA in June 2016, in Antalya, Turkey, for a period of three days. Participation shall be at the highest possible political level and should be open to all stakeholders of the IPoA. The General Assembly entrusted OHRLLS with the mandate to ensure effective and efficient, broad-based preparations for this event.

130. The midterm review conference will, on the one hand, assess progress made and constraints encountered in the implementation of the IPoA by the LDCs and their development partners, and on the other hand, serve to reaffirm the global commitment and partnership for LDCs' development in order to ensure its timely and effective implementation during the remainder of the decade, while taking into account the post-2015 development agenda.

131. The intergovernmental process will entail preparations at national, regional and global level. LDC national reports, undertaken in a broad-based and inclusive manner with the support of UN country teams, and two regional reviews are expected to shed light on key accomplishments and critical constraints in delivering the goals of the programme, with special emphasis on progress in building productive capacities and towards meeting the graduation criteria.

132. In collaboration with the Government of Cambodia, UNESCAP organized the 'High-level policy dialogue in the implementation of the IPoA' in Siem Reap in March 2015, during which policy makers, experts and development partners discussed progress and challenges in the implementation of the IPoA in the region. The meeting underscored that graduating from the LDC category was

not simply about “checking the boxes” of the graduation criteria, but promoting sustainable and inclusive growth to improve the livelihoods of the 300 million people living in the Asia-Pacific LDCs. The participants called on all stakeholders to deliver on the commitments made in Istanbul. The Siem Reap outcome document was to be considered by the 71st session of the ESCAP Commission at the end of May 2015 and formed an input for the global midterm review.

133. UNECA, in collaboration with OHRLLS, organised the African biennial review of the IPoA. The review reported that African LDCs had made mixed progress towards achieving the goals and targets of the IPoA and continued to be confronted with multiple and complex development challenges and called for further efforts both from these countries and their development partners. The review welcomed the offer of the Government of Italy to host an African LDC Ministerial Meeting on structural transformation and graduation from 8 to 10 June 2015 in Milan, Italy, and requested ECA, in collaboration with OHRLLS, to convene a full-fledged expert-level regional mid-term review on the implementation of the IPoA prior to the ministerial meeting so as to ensure that the outcome of this expert-level regional mid-term review feeds into an African LDC Ministerial Meeting. The expert-level regional mid-term review was convened in May 2015 in Algiers, Algeria.

134. OHRLLS has fully mobilized the UN System involvement in the preparatory process through the existing inter-agency consultative group (IACG). IACG partners undertook to prepare sectoral appraisals and organize pre-conference events in their respective fields of competence, as further inputs to the midterm review. Furthermore, the Secretary-General was invited to convene a UN system high-level event during the conference with a view to renew its commitment to provide coordinated and timely support to the implementation of the IPoA and the outcome of the review. In this regard, the Office made progress in the preparation of a toolkit for mainstreaming the IPoA in the work of UN System organizations for consideration by the Committee at its fall 2015 session and for endorsement at the UN system high-level event mentioned above.

135. All stakeholders of the IPoA are invited and able to effectively participate in and contribute to the preparatory process as well as the conference itself. A multi-stakeholder special event is to take place under the aegis of the President of the General Assembly in early in 2016 with the participation of Member States, non-governmental organizations, civil society, the private sector and academic institutions, to provide input to the comprehensive high-level midterm review. In recognition of the key importance of strong private sector involvement in LDCs’ development, a private sector forum on investment opportunities in LDCs would also be organized during the midterm review.

V. Conclusions and recommendations

136. The implementation of the IPoA, now in its fourth year, has seen continued progress by the LDCs towards meeting the Programme’s goals and targets.

Nonetheless, poverty is still widespread in many LDCs, with 46% of their population living in extreme poverty[11]. Though they have made substantial gains, many LDCs are not likely to reach the Millennium Development Goals or the targets included in the Programme of Action in a timely manner. Increased efforts and concrete actions in the eight priority areas of the Programme need to be taken by both the LDCs and their development partners in order to achieve the goals and targets agreed in Istanbul by the end of the decade.

137. Yet, there are important areas of progress that give hope to realizing key objectives of the IPoA, including reducing poverty and hunger, rebounding growth, fledgling structural transformation and a number of countries graduating or in the process of graduation. Equally important is that an increasing number LDCs have declared intent to graduate showing their commitment to the overarching objective of the IPoA. New initiatives such as the Technology Bank and an investment promotion regime for LDC's signify continued support of the international community in favour of LDCS. These developments augur well for a strengthened partnership for LDCs at the midterm review of the IPoA to be held in June 2016, in Antalya, Turkey, as called for by General Assembly resolution 69/231.

138. Looking towards the mid-term review of the IPoA, actions on some key areas would help put LDCs on a path of stronger growth and sustainable development. For example, progress in building productive capacity in the LDCs is critical to achieving the other seven priorities of the IPoA. Overall growth in the LDCs slowed somewhat but is expected to pick up in the coming years with stronger delivery on commitments by LDCs and their development partners. The structural transformation of the LDCs, however, was fledgling and insufficient, and investment rates, which are low but improving, need to be further accelerated and sustained over a long period of time.

139. Progress was also made in infrastructure areas such as improving access of the population in LDCs to mobile/cellular telephone services, road network and conditions, the volume of air transport, and shipping connectivity. Enrolment in primary and secondary education also increased, while child and maternal mortality continued to decrease. Further national and global efforts are needed to sustain and accelerate the pace of these improvements.

140. Government revenues in the LDCs have been rising slowly in proportion to GDP, but remain far behind levels in other developing countries. The capacity of the LDCs to efficiently collect taxes, broaden their tax base, reduce the flow of illicit capital and administer customs needs to be strengthened through financial and technical support. These efforts could also contribute to the continuing success of several LDCs which are among the leading countries in easing obstacles to business creation and operation.

141. Challenges to the progress of LDCs remain, with some new and increasing risks and uncertainties threatening their development gains. External shocks

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[11] The figure is based on the latest data available for each country.

such as natural disasters, the slow onset of disasters caused by climate change, as well as the spread of infectious diseases can wreak havoc on vulnerable economies, and contribute to destabilizing their social, political and security situations. The Ebola crisis has highlighted the importance of ensuring health security in LDCs. The recent sharp drop in official development assistance to the LDCs is a cause for concern, and while its level is expected to stabilize by 2017, there is a trend of stagnation in assistance to heavily aid dependent countries. However, several DAC members also increased their ODA to LDCs in spite of domestic economic constraints. The LDCs should be given more priority in the allocation of aid and other resources with enhanced quality and concessionalilty, as per the commitments agreed on in the IPoA.

142. The LDCs and development partners have undertaken several new initiatives in infrastructure, energy, private sector development, youth employment and resilience to shocks. These are critical elements of strengthening productive capacity and reducing vulnerability, and need to be expanded and scaled-up across the LDCs. Capacity building for collecting and processing timely and accurate data is crucial in this respect as well as in strengthening mutual and domestic accountability. This is especially critical in areas where the IPoA overlaps with the Sustainable Development Goals, for which the LDCs will need enhanced statistical capacity to monitor progress.

143. The LDCs continued to increase their volume of exports, though trade deficits grew as well and the share of LDCs in world trade remains marginal. Improving productive capacity is key to diversifying exports towards non-primary goods and high value-added services. Developing countries have played an increasingly important role as destinations for exports from the least development countries. More progress is needed in granting duty-free and quota-free market access to the LDCs. While average tariffs on exports from LDCs declined significantly, their margin of preference vis-à-vis other developing countries has shrunk, especially for manufactured goods exports. Further assistance is also needed to reduce trade costs by strengthening inland transportation infrastructure, in order to increase the competitiveness of exports and reduce the cost of imports in the LDCs. Furthermore the Services Waiver for LDCs needs to be implemented expeditiously.

144. The Ebola crisis, which mainly affected three West African LDCs, as well as the devastations cyclone Pam caused in the Pacific LDCs, brought attention to the still very high vulnerabilities of LDCs. In this context the Sendai Framework for Disaster Risk Reduction 2015-2030 needs to be implemented with a special focus on LDCs. The Framework calls for enhancing the capacity of LDCs and the provision of support, including through finance, technology transfer and capacity-building from developed countries and partners tailored to their needs and priorities, as identified by them.

145. The high vulnerability of LDCs to climate change also needs to be addressed in this context. There is urgent need to initiate and consolidate targeted measures to enhance financial support for adaptation and also mitigation in LDCs, which should be additional to ODA and compensate for the additional costs and loss of income LDCs are facing due to climate change or mitigation measures in other countries. Furthermore, an enhanced level of capacity

building and technological support will play an important role in building resilience in LDCs

146. On top of important aspects of the implementation of the IPoA has been the remarkable 14% increase in FDI inflows to the LDCs between 2012 and 2013. While these flows were still marginal as a proportion of global FDI, the composition of investment flows has increasingly oriented towards manufacturing and services rather than extractive industries. Furthermore, the share of developing countries as the source of investment flows to the LDCs is on the rise. These trends need to be strengthened, scaled up and directed to where they could contribute most to developing productive capacity and integrating the LDCs into global production and value-chains and distribution networks. Supporting measures would include development partners extending risk assurance, guarantee schemes and tax incentives firms investing in the LDCs, as well as establishing an international investment support mechanism to assist the LDCs in negotiating contracts, investment-related dispute resolution, and establishing FDI-friendly regulatory and legal frameworks in a comprehensive manner with targeted initiatives.

147. The high-level panel on the Technology Bank met in early 2015 and is preparing a feasibility study for the establishment of a Technology Bank and a Science, Technology and Innovation Supporting Mechanism for the LDCs. It is crucial that this institution is operationalized as soon as possible, since it is critical to the implementation of the IPoA, especially given its potential to increase productive capacity, structural transformation, reduction of poverty and sustainable development.

148. South-South and triangular cooperation was also strengthened through a Ministerial Meeting on New Partnerships for Productive Capacity Building in the LDCs held in Benin in 2014. Many LDCs also increased their cooperation with southern countries. These relationships need to be deepened and scaled up, using a more institutionalised approach to collaboration. Specifically, deploying financing from all sources including innovative sources would have a positive impact on the implementation of the IPoA.

149. The IPoA should be fully taken into account in setting-up the post-2015 development agenda and SDG goals, as it has clearly prioritized the three pillars of sustainable development and poverty eradication in LDCS. Furthermore, as it is based on mutual accountability as well as a holistic and transformative approach to development, increased coherence could greatly contribute to put LDCs on the path of inclusive and sustainable development. Means of implementation are key attaining all of our development goals. As such, whole resources and a multi-stakeholder approach would be critical. LDCs should be given due priority in allocation of ODA, in view of their larger dependence, but trade, investment, debt and technology and capacity building should also be directed towards them to get them out of persistent poverty and structural constraints.

150. In view of the multiple and persistent vulnerabilities of LDCs, their views, concerns and expectations should be duly reflected in all the global processes, including financing for sustainable development, post-2015 development

agenda, UNFCCC and WTO Nairobi ministerial meeting among others. Being at the bottom of the development ladder and holding great potential, LDCs deserve special priority in all the global development programmes.

151. Continued efforts by OHRLLS to support and advocate for the LDCs are essential for raising international awareness and reflecting the needs and priorities of the LDCs in the post-2015 development agenda and sustainable development goals. With financial support from several development partners, the Office organized several ministerial and consultative meetings, as well as many briefings and discussions among the LDCs themselves on financing for development and the Post-2015 development agenda. The second flagship report of the Office entitled "State of the LDCs 2014"[12] focused on extreme poverty eradication in the LDCs and the post-2015 development agenda. Continued efforts are dedicated to organizing annual workshops for the national focal points of the LDCs, with a special focus on preparing for the mid-term review of the implementation of the IPoA and its integration with the post-2015 development agenda.

152. The United Nations system as well as several regional and international organizations strengthened their support of the LDCs and their specific needs through the numerous activities noted above. OHRLLS has also mobilized the United Nations system through the inter-agency consultative group, whose members will prepare sectoral appraisals and organize thematic events as further inputs to the midterm review. OHRLLS has also made progress in the preparation of a toolkit for mainstreaming the IPoA in the work of UN System organizations.

153. In addition to the overall progress achieved towards graduation from the least developed country category, several countries met the graduation criteria for the first time and one was recommended for gradation. Even more encouragingly, an increasing number of LDCs have expressed their ambition to graduate and have begun work with their development partners on developing a graduation strategy, including set timelines. Further support on graduation and smooth transition is needed from OHRLLS, development partners from both North and South and the United Nations system, including through technical assistance and capacity development for resource mobilization, in order to continue and accelerate the effective implementation of the IPoA.

154. The high-level midterm review of the implementation of the IPoA is a unique opportunity to engage all stakeholders in a thorough assessment of progress made and lessons learned in the implementation of the Programme by the LDCs and their development partners. It should also reaffirm the commitments to and strengthen the partnerships for implementation, including an evaluation of the way forward in the remaining five years as well as ensuring coherence between the priorities of the LDCs and the post-2015 development agenda. National, regional and global perspectives need to feed

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[12] See http://unohrlls.org/custom-content/uploads/2014/10/State-of-the-Least-Developed-Countries-Report-2014.pdf.

into the review process with a clear focus on building productive capacity in a holistic manner and making progress towards poverty eradication, structural transformation and sustainable development.

Annex

Data

The indicators contained in the present annex were calculated by OHRLLS using the latest information available from official, published sources which are cited with each table. Due to differences in methodology, the aggregates published here may differ somewhat from other published sources.

Aggregates are weighted as appropriate, treating all countries in the group as if they were one country, with the exception of the Liner Shipping Connectivity Index (Table 2), in which simple averages are shown. In cases where data for a particular country are unavailable for one or more of the time periods shown, data for that country have been omitted from the aggregates for that indicator.

Years separated by a hyphen (such as 2001-2010) indicate data based on averages in the period shown, unless otherwise indicated in the notes to the tables. Years separated by a slash (such as 2009/2010) indicate that data are shown for the most recent year available in the period.

A more detailed dataset with figures for individual countries is available at http://unohrlls.org/about-ldcs/indicators-and-statistics/.

Table 1
Economic Growth and Poverty

	Annual growth rate of gross domestic product (in constant U.S. dollars, per cent)							*Percentage of population below international poverty line*
	2009	*2010*	*2011*	*2012*	*2013*	*2014*	*2015*	*2001-2013*
African LDCs	4.6	5.6	3.7	2.9	5.2	4.8	5.8	51.7
Asian and Pacific LDCs	6.8	7.0	3.4	6.5	5.9	5.6	6.0	40.0
All LDCs	**5.4**	**6.1**	**3.6**	**4.2**	**5.4**	**5.1**	**5.9**	**49.9**

Source: United Nations Statistics Division (http://unstats.un.org/unsd/databases.html); World Bank, Development Research Group (http://iresearch.worldbank.org/PovcalNet/index.htm); United Nations Department of Economic and Social Affairs; International Monetary Fund

Note: Figures for the proportion of the population below the poverty line are averages of all available observations between 2001 and 2013.

Table 2
Productive capacity

	African LDCs		*Asian and Pacific LDCs*		*All LDCs*	
Value-added share of manufacturing, agriculture and services	*2001-2010*	*2011-2013*	*2001-2010*	*2011-2013*	*2001-2010*	*2011-2013*
Value added share of manufacturing (percentage of GDP)	8.4	7.5	13.7	14.0	**10.3**	**9.6**
Value added share of agriculture (percentage of GDP)	26.4	22.6	21.9	20.5	**24.7**	**21.9**
Value added share of services (percentage of GDP)	41.9	40.2	50.6	52.9	**44.6**	**44.1**
Gross capital formation (percentage of GDP)	22.3	23.0	24.4	27.6	**23.0**	**24.4**
Internet and mobile cellular subscriptions	2010	2013	2010	2013	2010	2013
Internet users (per 100 people)	4.6	6.7	4.1	7.3	**4.4**	**7.0**
Mobile cellular subscriptions (per 100 people)	31.3	50.5	37.8	66.1	**33.8**	**56.2**
Connectivity	*2010*	*2013*	*2010*	*2013*	*2010*	*2014*
Air transport, freight (million ton-km)	1.2	1.9	0.9	0.8	**1.1**	**1.5**
Air transport, passengers carried (per 1000 people)	18.0	23.9	29.4	32.4	**22.0**	**26.8**
Liner shipping connectivity index	7.5	9.6	5.8	7.8	**7.1**	**9.0**
Energy	*2000*	*2010*	*2000*	*2010*	*2000*	*2010*
Access to electricity (per cent of population)	13.1	19.1	39.1	52.9	**23.6**	**31.5**
Urban	43.9	53.8	85.3	87.8	**60.2**	**66.1**
Rural	2.4	5.4	21.3	39.8	**10.0**	**18.0**
Share of renewable capacity in total capacity (per cent)	74.9	70.9	29.1	36.5	**57.0**	**55.1**
Change in total installed generation capacity per capita, 2000-2010		17.9		70.3		**30.1**
Scientific and Technical Journal Articles	*2001-2010*	*2011*	*2001-2010*	*2011*	*2001-2010*	*2011*
Articles per 1.000.000 people	1.8	2.0	1.2	1.5	**1.5**	**1.8**

Source: World Bank national accounts data (http://databank.worldbank.org/data/home.aspx); United Nations Statistics Division (http://unstats.un.org/unsd/databases.htm); International Telecommunication Union, World Telecommunication/ICT Development Report and database, and World Bank estimates; World Development Indicators (http://databank.worldbank.org); United Nations Conference on Trade and Development, Review of Maritime Transport 2010; Sustainable Energy for All Global Tracking Framework (http://www.se4all.org/tracking-progress/)

Table 3

Agriculture, food security and rural development

	African LDCs		*Asian and Pacific LDCs*		*All LDCs*	
	2000/2008	*2009/2013*	*2000/2008*	*2009/2013*	*2000/2008*	*2009/2013*
Malnutrition prevalence (per cent of children under 5)						
Weight for age (underweight)	26.1	23.0	38.4	32.9	**29.7**	**25.5**
Height for age (stunting)	44.5	39.7	45.0	41.1	**44.5**	**39.9**
Weight for height (wasting)	10.8	9.5	14.9	13.2	**12.0**	**10.4**
		2006/2011		*2006/2011*		*2006/2011*
Agricultural irrigated land (% of total agricultural land)		0.6		15.8		3.3
	2001-2010	*2011-2013*	*2001-2010*	*2011-2013*	*2001-2010*	*2011-2013*
Value added share of agriculture, percentage difference	-0.8	-0.3	-0.3	-0.5	**-0.6**	**-0.4**

Source: World Health Organization, Global Database on Child Growth and Malnutrition (http://www.who.int/nutgrowthdb/en/); Food and Agriculture Organization of the United Nations (http://www.fao.org/statistics/en/); World Bank national accounts data (http://databank.worldbank.org/data/home.aspx).

Note: The aggregate for Agricultural irrigated land (% of total agricultural land) reflects the Median.

Table 3

Agriculture, food security and rural development

	African LDCs		*Asian and Pacific LDCs*		*All LDCs*	
	2000/2008	*2009/2013*	*2000/2008*	*2009/2013*	*2000/2008*	*2009/2013*
Malnutrition prevalence (per cent of children under 5)						
Weight for age (underweight)	26.1	23.0	38.4	32.9	**29.7**	**25.5**
Height for age (stunting)	44.5	39.7	45.0	41.1	**44.5**	**39.9**
Weight for height (wasting)	10.8	9.5	14.9	13.2	**12.0**	**10.4**
		2006/2011		*2006/2011*		*2006/2011*
Agricultural irrigated land (% of total agricultural land)		0.6		15.8		3.3
	2001-2010	*2011-2013*	*2001-2010*	*2011-2013*	*2001-2010*	*2011-2013*
Value added share of agriculture, percentage difference	-0.8	-0.3	-0.3	-0.5	**-0.6**	**-0.4**

Source: World Health Organization, Global Database on Child Growth and Malnutrition (http://www.who.int/nutgrowthdb/en/); Food and Agriculture Organization of the United Nations (http://www.fao.org/statistics/en/); World Bank national accounts data (http://databank.worldbank.org/data/home.aspx).

Note: The aggregate for Agricultural irrigated land (% of total agricultural land) reflects the Median.

Table 4

Trade and commodities

	Percentage of exports in world total exports				*Exports of primary commodities, percentage of total exports*			
	2001	*2005*	*2010*	*2013*	*2001*	*2005*	*2010*	*2013*
African LDCs	0.3395	0.5509	0.7629	0.7979	90	93	94	93
Asian and Pacific LDCs	0.2363	0.2287	0.2943	0.3376	39	44	43	40
All LDCs	**0.5802**	**0.7841**	**1.0610**	**1.1402**	**69**	**78**	**79**	**77**

Source: UNCTAD (http://unctadstat.unctad.org)

Table 5

Human development

	African LDCs		Asian and Pacific LDCS		All LDCs	
Education and training	*2010*	*2011/2013*	*2010*	*2011/2013*	*2010*	*2011/2013*
Net enrolment in primary education (per cent)	82	83	88	92	**83**	**84**
Pupil/teacher ratio in primary education	49	45	34	33	**46**	**43**
Gross enrolment in secondary education (per cent)	32	34	51	55	**40**	**43**
Pupil/teacher ratio in secondary education	27	23	29	28	**28**	**26**
Gross enrolment in tertiary education (per cent) 2010 and 2011-2013	6	6	13	13	**7**	**8**
Population and primary health	*2005*	*most recent†*	*2005*	*most recent†*	*2005*	*most recent†*
Under-five mortality rate (deaths per 1,000 live births)	129	89	75	52	**114**	**81**
Infant mortality rate (deaths per 1,000 live births)	80	60	56	41	**73**	**55**
Maternal mortality rate (deaths per 100,000 births)	612	494	375	269	**543**	**433**
Contraceptive prevalence (per cent of women aged 15-49)		20		47		**31**
HIV prevalence (per cent of population aged 15-49)	3.7	3.0	0.3	0.2	**2.3**	**1.9**
Youth development	*2000-2009*	*2010-2012*	*2000-2009*	*2010-2012*	*2000-2009*	*2010-2012*
Youth literacy (% of population aged 15-24)	67	70	72	84	**70**	**77**
Females (% of female population aged 15-24)	61	65	70	85	**66**	**76**
Shelter, water and sanitation	*2005*	*2012*	*2005*	*2012*	*2005*	*2012*
Percentage of population using an improved drinking water source	51	58	72	80	**59**	**66**
Urban	78	82	83	87	**80**	**84**
Rural	42	48	69	77	**52**	**59**
Percentage of population using an improved sanitation facility	21	25	47	55	**31**	**36**
Urban	35	38	60	65	**44**	**47**
Rural	16	20	43	51	**26**	**31**
Gender equality and empowerment of women	*2001*	*2014*	*2001*	*2014*	*2001*	*2014*
Percentage of parliamentary seats held by women	10	24	7	16	**9**	**19**
	2009-2010	2011-2012	2009-2010	2011-2012	2009-2010	2011-2012
Percentage of female students in primary education	48	48	48	48	**48**	**48**
Percentage of female students in secondary education	42	44	47	48	**45**	**46**
Percentage of female students in tertiary education	37	37	36	39	**36**	**38**

† Most recent figures for under-five mortality, infant mortality and HIV prevalence are dated 2013. Figures for maternal mortality are dated 2010. Contraceptive prevalence figures are an average of reported data from 2001-2012.

Source: UNESCO Institute for Statistics (http://www.uis.unesco.org); Inter-agency Group for Child Mortality Estimation (http://www.childmortality.org); Maternal Mortality Estimation Inter-agency Group (http://www.maternalmortalitydata.org); World Development Indicators (http://databank.worldbank.org); UNAIDS estimates (http://www.unaids.org/en/dataanalysis/datatools/aidsinfo); WHO/UNICEF Joint Monitoring Programme for Water Supply and Sanitation (http://www.wssinfo.org); Inter-Parliamentary Union (www.ipu.org)

Table 6

Multiple crises and emerging challenges

	African LDCs		*Asian and Pacific LDCs*		*All LDCs*	
Debt	*2010*	*2011-2013†*	*2010*	*2011-2013†*	*2010*	*2011-2013†*
Total reserves (% of external debt)	47.6	54.5	66.5	68.4	**55.1**	**60.1**
Total debt service (% of exports of goods, services and income)	3.9	4.6	3.5	3.8	**3.8**	**4.3**
Total debt service (% of government expenditure)	9.7	11.4	17.0	18.8	**11.4**	**12.8**
Deforestation	*1990*	*2012*	*1990*	*2012*	*1990*	*2012*
Forest area (% of land area)	32.9	26.2	32.3	26.9	**32.8**	**26.3**
Percentage Change 1990-2012		-20		-17		**-20**

Source: International Monetary Fund, International Financial Statistics and data files (http://www.imf.org/external/data.htm); World Bank, International Debt Statistics (http://databank.worldbank.org)

Note: For the indicators on Total debt service the period 2011-2013 reflect the last available data from within that period.

Table 7

Mobilizing financial resources for development and capacity-building

	Gross domestic savings (percentage of GDP)			*Government revenue, excluding grants (percentage of GDP)*		
	2001-2010	*2012*	*2013*	*2001-2010*	*2011*	*2012*
African LDCs	19.4	23.0	20.6	15.6	17.3	17.2
Asian and Pacific LDCs	17.6	19.1	19.3	11.8	14.9	16.0
All LDCs	**18.6**	**21.4**	**19.9**	**13.9**	**16.3**	**16.6**

Source: World Bank national accounts data (http://databank.worldbank.org), International Monetary Fund, Government Finance Statistics Yearbook and data files (http://www.imf.org/external/data.htm)

Note: Aggregate figures for the Government revenue, excluding grants (percentage of GDP) reflect the Median.

Table 8

External debt and debt forgiveness

	External debt stock (% of GNI)		*External debt stock, percentage point difference*	*Debt forgiveness or reduction, cumulative since 2003 (% of GDP)*
	2012	*2013*	*2012-2013*	*2003-2013*
African LDCs	28	30	2	-14
Asian and Pacific LDCs	24	24	-1	-2
All LDCs	**26**	**28**	**1**	**-10**

Source: World Bank, International Debt Statistics (http://databank.worldbank.org)

Table 9

Aid from OECD Development Assistance Committee countries to LDCs

	Net disbursements								
	2002-2003			*2012*			*2013*		
	USD million	*Per cent of donor's total*	*Per cent of donor's GNI*	*USD million*	*Per cent of donor's total*	*Per cent of donor's GNI*	*USD million*	*Per cent of donor's total*	*Per cent of donor's GNI*
Australia	272	25	0.06	1,639	30	0.11	1,337	28	0,09
Austria	175	34	0.08	244	22	0.06	342	29	0.08
Belgium	737	50	0.27	704	30	0.14	813	35	0.16
Canada	564	28	0.07	1,945	34	0.11	1,849	37	0.10
Czech Republic	9	14	0.01	59	27	0.03	52	25	0.03
Denmark	636	37	0.34	1,004	37	0.31	926	32	0.27
Finland	176	34	0.12	445	34	0.18	510	35	0.19
France	2,463	39	0.15	2,533	21	0.10	3,448	30	0.12
Germany	2,025	33	0.09	3,678	28	0.11	3,368	24	0.09
Greece	57	18	0.04	50	15	0.02	45	19	0.02
Iceland	5	31	0.05	12	45	0.10	16	46	0.12
Ireland	253	56	0.22	418	52	0.24	426	50	0.23
Italy	1,169	49	0.09	701	26	0.04	958	28	0.05
Japan	2,096	23	0.05	4,640	44	0.08	7,006	60	0.14
Korea	93	29	0.02	579	36	0.05	712	41	0.05
Luxembourg	57	34	0.28	146	37	0.37	163	38	0.38
Netherlands	1,323	36	0.29	1,166	21	0.15	1,366	25	0.17
New Zealand	41	28	0.06	144	32	0.09	148	32	0.09
Norway	759	41	0.37	1,382	29	0.27	1,540	28	0.30
Poland	4	17	0.00	78	18	0.02	125	26	0.03
Portugal	179	56	0.14	177	30	0.09	143	29	0.07
Slovak Republic	3	24	0.01	15	19	0.02	21	24	0.02
Slovenia	0	—	—	10	17	0.02	11	18	0.02
Spain	388	21	0.05	483	24	0.04	449	19	0.03
Sweden	749	34	0.28	1,542	29	0.29	1,805	31	0.31
Switzerland	340	30	0.10	710	23	0.11	828	26	0.12
United Kingdom	1,855	33	0.11	4,615	33	0.19	6,203	35	0.24
United States	3,878	26	0.04	11,419	37	0.07	10,221	33	0.06
Total	**20,303**	**32**	**0.07**	**40,537**	**32**	0.09	**44,830**	**33**	0.10

Note: Includes imputed multilateral flows, i.e. making allowance for contributions through multilateral organisations, calculated using the geographical distribution of multilateral disbursements for the year of reference.
Source: Organisation for Economic Co-operation and Development aid statistics (http://www.oecd.org/dac/stats/)