



LDC5
5TH UNITED NATIONS
CONFERENCE ON THE
LEAST DEVELOPED COUNTRIES

High-level Thematic Round Table 6

Sustainable recovery from the pandemic and building the resilience of least developed countries against future shocks

March 8, 2023

Doha time: 09:00 - 12:00

Thematic Roundtables Hall

Concept Note

#LDC5

At the frontlines of the COVID-19 pandemic, climate change, a growing crisis of debt, the Least Developed Countries (LDCs) are falling further behind the rest of the world. Escalating conflicts, especially the war in Ukraine, are exacerbating food, energy, humanitarian, and refugee crises. To highlight the importance of sustainable recovery, the High-Level Roundtable 6 addresses the opportunities for building back better and increasing the resilience of LDCs against future shocks. Increased focus on sustainable recovery, access to vaccines and resilience building in LDCs is a prerequisite to ensure that Covid-19 does not lead to a lost decade for the development of LDCs and that the internationally agreed development goals remain within reach for LDCs. The Doha Programme of Action commits to providing adequate domestic and international support to ensure equitable and affordable access for all to COVID-19 vaccines, therapeutics and diagnostics, and strengthening inclusive social protection systems in the least developed countries, to address current poverty and vulnerability and future shocks.

Multiple shocks interrupting the development path of LDCs

The 46 least developed countries represent the most vulnerable part of the international community facing frequent crisis and shocks, including health epidemics, commodity price shocks and other economic crises and economic instability, natural disasters and extreme weather events, which are exacerbated by climate change. These shocks halt the pace of sustainable economic development, exacerbate poverty and put at risk the achievement of the 2030 Agenda and Sustainable Development Goals in LDCs. Also given their weak economies, state of infrastructure, and various structural challenges, these shocks can severely derail LDCs development trajectories, often leading to a cycle of acute crises affecting already vulnerable socioeconomic progress. Building resilience against various potential shocks and crises is the first line of defense to protect lives and livelihoods of the people in LDCs. It is therefore vitally important to reduce LDCs' vulnerability to economic, health and environmental shocks, strengthen their resilience, and enhance their ability to meet those challenges. Together better prevention, risk management and resilient infrastructure can minimize the adverse effects of multiple shocks and create new opportunities to transform systems and societies in LDCs.

Crises that hit hardest those who are furthest behind

The reason why LDCs are so heavily hit by various shocks is partly due to some of their topographies with geological fault lines, with the risk of earthquakes, floodplains and coastal areas at high risk of cyclones and typhoons. They are also subject to a greater degree of economic instability because of their dependency on primary commodities and less diversified export structures. Also, many LDCs largely rely on climate dependent sectors, such as agriculture and tourism, for generating income and employment, making them highly vulnerable to multiple shocks.

Disasters and shocks often entail wide-ranging socioeconomic consequences in the least developed countries and in a case of today's highly interconnected and globalized world, shocks and their impacts

cannot be isolated but often come with regional, and perhaps even global, spillover effects with a possible impact on regional peace, stability and security. These shocks can often initiate a vicious cycle of interdependent crises, ranging from food insecurity to internal and external migration. The social protection systems in LDCs are often weak or underdeveloped and in a case of crisis, people need to rely on informal safety nets, which can be ineffective and exhausted quickly. Without social protection systems, the drop in household income can quickly lead into decrease in food consumption and productivity, and reduction in education and health related expenses. This is common across the 46 LDCs and according to IMF, the frequency of shocks increases sharply as the income level of the country group decreases.¹

Several statistics portray similar picture:

- In 2019, half of the ten countries most affected by the impacts of extreme weather events were LDCs. Additionally, between 2000-2019, two out of the three countries most affected by extreme weather events were LDCs; Myanmar and Haiti.²
- Over the last 50 years, LDCs experienced 69 per cent of worldwide deaths caused by climate-related disasters (despite being hit by 18 per cent of disasters and representing 13 per cent of the world's population).³
- Many LDCs, such as, Afghanistan, Chad, Ethiopia, Mali, Mozambique, Niger, Somalia, South Sudan and Yemen are at a very high risk across multiple indicators, including Hazard and Exposure, Vulnerability, and Lack of Coping Capacity.⁴
- Based on the estimated economic impacts caused by the COVID-19, LDCs are projected to need at least 4 to 5 years for a return to the projected path under the baseline scenario with the absence of the COVID-19 crisis.⁵

Access to Vaccines and Recovering from Covid-19

While the Covid-19 pandemic started to spread later in many of the LDCs, their responses have also been more limited given tighter financing constraints. In fact, LDCs as a group increased Covid-19 direct and indirect fiscal support by only 2.6 per cent of GDP, compared to 15.8 per cent of GDP for the developed countries.⁶ This gap highlights the risk of an increasingly unequal world in which some countries lack the financial resources to combat COVID-19. Similarly, there is a stark gap between vaccination roll out in different countries. Several wealthy countries are offering booster shots while many LDCs have yet to administer a single vaccine dose. By November 2022, 41 per cent of population in LDCs have received at least one shot compared to 75 per cent in developed countries (34 per cent fully vaccinated vs. 69 per cent respectively).⁷

¹ IMF Occasional Paper 276: Assessing Reserve Adequacy in Low-Income Countries, 2013 S

² David Eckstein, Vera Künzel, Laura Schäfer, [Germanwatch](#), Global Climate Risk Index, 2021

³ Gabrielle Swaby, IIED, 2020 in review: climate impacts in the least developed countries, 2021

⁴ European Commission, [INFORM Risk: Country Profile](#)

⁵ Namsuk Kim, UN–Department of Economic and Social Affairs, [How long will it take for LDCs and SIDS to recover from the impacts of COVID-19](#), 2020

⁶ 2021 Financing for Sustainable Development Report (FSDR)

⁷ UN-DESA, CDP responses on Covid-19 in LDCs [LDC-vaccine-30-Nov-22.pdf \(un.org\)](#)

The current vaccine inequality is alarming not only to LDCs but also to developed countries. Access to vaccines in LDCs is critical for safeguarding the entire world against dangerous variants of the virus and ending the pandemic. Lack of equitable access to safe and effective Covid-19 vaccines in LDCs prolongs global economic uncertainty, exacerbates socioeconomic impacts and leads to continued loss of life and suffering. The COVID-19 Vaccines Global Access, COVAX⁸ aims to accelerate the development and manufacture of COVID-19 vaccines, and to guarantee fair and equitable access for every country in the world. Despite this unprecedented global collaboration, there is an acute need to scale up and speed up the deliveries to the poorest countries.

In addition to ensuring access to vaccines, LDCs and their partners need to tackle the widespread socioeconomic impact caused by the pandemic. Central to the COVID-19 recovery response is plugging the gaps that made it difficult for LDCs to mount strong pandemic measures and ensuring that the most marginalised communities are supported with the basic infrastructure to stay engaged in production, education, and healthcare. The recovery efforts should also directly contribute to the efforts to achieve the 2030 Agenda and Sustainable Development Goals and hence building a more sustainable and resilient future. Many LDCs however lack the financial capacity and resources to invest in recovery and resilience. There exists now a larger than ever demand to have new financing initiatives and new actors supporting the sustainable and inclusive recovery in LDCs.

Way forward

The Doha Programme of Action sets a concrete target to provide necessary support to the COVID-19 Vaccine Global Access (COVAX) Facility and other relevant initiatives to vaccinate all eligible individuals against COVID-19 as early as possible and 70 per cent of the population in least developed countries by mid-2022. Further, the Programme of Action also sets a target to promote and encourage technology transfer on mutually agreed terms to increase production capacities of the entire supply chain of vaccines and any other health products in the regions of least developed countries. Realization of these targets, along with other targets set out in the DPoA, is urgently needed.

The Covid-19 pandemic and the cascading impacts of the war in Ukraine has clearly demonstrated the need to enhance LDCs disaster mitigation capacities and enhancing resilience building. In line with the Sendai Framework for Disaster Risk Reduction, there is also a need to further strengthen disaster preparedness for emergency response, including by integrating disaster risk reduction and mitigation into national policies and programmes, taking early action in anticipation of crises and ensuring that capacities are in place for effective response and recovery at all levels. It is also important to highlight in this context that the criteria for LDC graduation includes structural vulnerability to economic and environmental shocks, which underlines the central role that resilience building plays for LDCs to be able to exit the category.

In the current context, ensuring equal access to Covid-19 vaccines is a critical first step. Yet, resilience building and preparing for future shocks needs to be stepped up in general. In this regard, the Doha Programme of Action sets a target to support and reinforce the existing comprehensive multi-hazard early

⁸ Co-led by Gavi, the Coalition for Epidemic Preparedness Innovations (CEPI) and WHO

warning system and comprehensive multi-hazard crises mitigation and resilience building measures for LDCs. These measures to be established or revitalized at the national, regional and global levels would cover the response to various types of disasters and shocks, including pandemics. This would enable countries to save lives and money, speed up response times and bring more predictability and rigor to their response to shocks and crises. In this regard, post COVID-19 recovery and stimulus packages offer new opportunities to catalyze greener economic growth, invest in renewable energy and resilient infrastructure, avoid environmental deregulation, address key disaster risk drivers, and this way build more resilient future for LDCs.

Guiding Questions: Speakers, panelists and participants when intervening should be guided by the following pertinent questions:

1. How can the international community support LDC is accessing Covid-19 vaccines and fulfil relevant targets in the Doha Programme of Action?
2. How can LDCs enhance their crisis preparedness and resilience against future shocks considering their vulnerability to multiple crises and shocks, including food, energy finance crises?
3. What are the latest, scalable innovations to enhance resilience-building in LDCs and reduce their vulnerability to economic, health and environmental shocks?
4. How can the LDCs build partnership with the private sector to co-develop innovative financial instruments, including to manage residual risk e.g., through bonds, insurance products and other contingent financing mechanisms?
5. How can the implementation of the Programme of Action be utilized best to promote Covid-19 recovery and resilience building in LDCs?
6. How best the development partners, the UN system and other stakeholders can support the LDCs to realize the DPOA deliverable on comprehensive multi-hazard crises mitigation and resilience-building measures?