

The Least Developed Countries: Facts and Figures 2020

What are the LDCs?

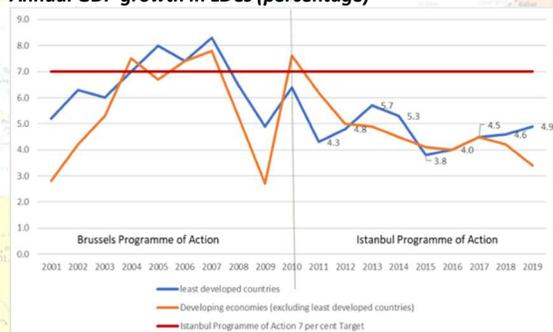
It is a group of 46 UN Member States, characterized by their low socio-economic development and vulnerability to external shocks. These countries are largely agrarian economies, who suffer from low investments and low productivity. There are 33 LDCs in Africa, 12 in Asia and the Pacific and 1 in Latin America.

The Istanbul Programme of Action for the LDCs for the Decade 2011-2020 aims to overcome the challenges faced by the LDCs, to eradicate poverty, achieve internationally agreed development goals and enable half of the LDCs to graduate out of this category by 2020. Vanuatu was the last LDC to graduate on 4 December 2020. For more info see: www.un.org/ohrlis

Progress in the implementation of key priorities of the Istanbul Programme of Action

Average growth in LDCs stood at 4.7% during 2011-2019, which was significantly lower than the average of 6.6% recorded during the period from 2001 to 2010.

Annual GDP growth in LDCs (percentage)



Source: World Economic Situation and Prospects 2020 (United Nations publication, Sales No. E.20.II.C.1).

PRODUCTIVE CAPACITY

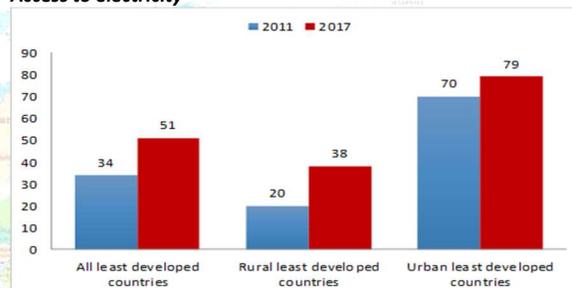
Little progress has been made in productive capacity with regard to structural transformation as the contribution of various sectors to GDP in LDCs remained relatively constant between 2011 and 2017.

Infrastructure: An important progress has been made in Information and Communication Technology (ICT) in LDCs.

- The use of mobile phone has shown a significant increase during the period of Istanbul Programme of Action, with mobile cellular subscriptions rising to almost 70 per 100 people in 2017, from 42 per 100 people in 2011.
- Internet access in the LDCs also increased from 4.8 per cent in 2011 to 18.3 per cent in 2017 although improvement still need to be made in this area in order to extend Internet coverage to underserved and unserved areas and make access to the Internet more affordable.
- More development efforts need to be put on transport infrastructure such as roads and rail in order to access the world markets and enhance global competitiveness. In 2018, the LDCs accounted for only 0.9% of global air freight, rising only slightly from 0.8% in 2011. Ethiopia accounts for some 30% of LDCs' total. The share of LDC container port traffic, relative to the world, during the Istanbul Programme of Action period was a minuscule 0.01%.

Energy: While access to electricity in the LDCs increased significantly, from 34% in 2011 to 51% in 2017, disparities persisted across countries and between rural and urban areas. To reach the remote areas, investments need to be made in off-grid/mini-grid and decentralized grid-connected solutions.

Access to electricity



(Percentage)

Source: World Bank world development indicators.

Science, Technology and Innovation: The ratio of research and development expenditure as a share of GDP was 0.6% or less between 2011 and 2017, compared with more advanced economies, which have a value of approximately 2% of their much larger GDP. The LDCs published only some nine journal articles for every 1 million people in 2016, a marginal increase from 6 in 2011.

Private Sector Development: Private sector in LDCs faces the challenge of limit access to finance, limit of supply, limit of ICT and high cost of energy. However, some progress has been registered: the time and cost of starting a business as a percentage of income per capita declined significantly, from approximately 89% in 2011 to 42% in 2017.

AGRICULTURE

Agriculture, forestry and fishing represented approximately 21 per cent of value added as a percentage of GDP for the LDCs from 2011 to 2018. Value added per worker in agriculture increased by 12 per cent between 2011 and 2018, rising from 769.8 to 860.4, expressed in constant 2010 dollars. Fertilizer consumption increased between 2011 and 2016, from 24.6 kg per ha of arable land to 27.2 kg but was still well below the average for other developing countries.

TRADE AND COMMODITIES

- Exports of goods and services from the LDCs increased from 216 billion USD in 2011 to 241 billion USD in 2018, which was far from the Programme of Action's target to double their share in global exports by 2020.
- In 2018, the product concentration index value of the LDCs as a group stood at 0.23, down from 0.42 in 2011, which was still more than three times higher than the concentration index of world exports. The export concentration of LDCs is mainly in primary commodities, which have displayed falling and volatile prices over the past decade.

HUMAN AND SOCIAL DEVELOPMENT

Education and Training: The proportion of children out of school in primary-age education dropped from 18.7% in 2011 to 17.7% in 2018, but this rate remains double the world average of 8.1%. The

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pupil-teacher ratio has also improved and decreased at the primary level from 41 in 2011 to 37 in 2018. Just as literacy rates that increased from 57.6% in 2011 to 64.8% in 2018. However, more than 350 million people in the LDCs do not possess basic reading and writing skills.

Population and Primary Health: During the period 2011–2019, the population in the LDCs grew by 21%, or 177 million people. The world fertility rate owes a large part of its raise to the LDCs with 37 of top 40 countries, while, on another note, the proportion of births attended by skilled health personnel increased from 44% in 2009 to 61% in 2018.

Shelter, Water and Sanitation: The average proportion of the urban population living in slums decreased from 65.7% in 2009 to 62.8% in 2014. The proportion of the population with access to basic drinking water services increased from 59% in 2011 to 64.6% in 2018. The proportion of the population in the LDCs with access to basic sanitation services increased from 29.8% in 2011 to 34.3% in 2017, still far below the world average of 73.3% in 2017.

Gender Equality and the Empowerment of Women: The proportion of girls out of school showed progress and decreased from 20.7% at primary level and 38.4% at secondary level in 2011 to, respectively, 19.8 and 36.2% in 2018. In 2018, the proportion of seats held by women in national parliament was 22.9% and in managerial position it was 22.1%. In the informal sector, 50% of women employees are unpaid, compared with 33% of men.

EMERGING CHALLENGES

The limited resources of the LDCs had made them powerless to face climate change. Meanwhile, the call for financial assistance and technology transfer to better respond and build resilience, during negotiations of international agreements, had helped to made just a modest progress.

The Sendai Framework for Disaster Risk Reduction 2015–2030 comes to play with the Programme of Action in this matter. To-date, only five LDCs have reported that their disaster risk reduction strategies are at least 70% in line with the Framework.

MOBILIZING FINANCIAL RESOURCES FOR DEVELOPMENT AND CAPACITY BUILDING

Domestic Resource mobilization: The median tax-to-GDP ratio increased very slowly, from 13.5 in 2011 to 15.5 in 2017. The increase was driven in part by the introduction of a value added tax (VAT) in several LDCs.

Development Cooperation: The share of total Official Development Assistance (ODA) allocated to the LDCs declined from 33% in 2011 to 31% in 2018. During the same period, the average share of gross national income provided as ODA to the LDCs from Development Assistance Committee donors declined from 0.1 to 0.09%, well below the lower target of 0.15% of the Istanbul Programme of Action. Only 6% of private finance mobilized by ODA went to the LDCs between 2012 and 2017.

External Debt: By the end of 2011, 25 LDCs had reached the completion point of the Heavily Indebted Poor Country Initiative and the Multilateral Debt Relief Initiative, reducing their debt levels considerably. By 2019, three more LDCs (Chad, Comoros and Guinea) had reached a completion point. However, debt level increased for some countries and as of November 2019, 6 LDCs

were classified as debt distressed, while an additional 12 were rated at a high risk of debt distress.

Foreign Direct Investment (FDI): FDI flows to the least developed countries stood at \$24 billion in 2018, representing 1.8% of global FDI inflows, below their peak of 38 billion USD in 2015. It is nevertheless significantly higher than in 2011, when the share was 1.3% and the value was 20 billion USD.

FDI in the LDCs remains heavily concentrated in the extractive industries, especially in Africa. China is the top investor in LDCs with its investment doubled and reached 11% of total stock between 2011 and 2018.

Remittances: Remittance flows to the least developed countries increased relatively rapidly, from 28.2 billion USD in 2011 to 52.1 billion USD in 2019.

GOOD GOVERNANCE AT ALL LEVELS

The number of LDCs that are States parties to the United Nations Convention against Corruption increased from 33 in 2010 to 45 in 2019.

The average e-government development index developed by the United Nations Department of Economic and Social Affairs for the delivery of public services in the LDCs increased from 0.242 in 2012 to 0.296 in 2018 but remains much lower than for other groups of countries and the world average of 0.549.

The vote share of LDCs in the International Monetary Fund increased only from 2.9% in 2010 to 3.5% in 2019.

Preparations for the Fifth UN Conference on the LDCs, Doha, January 2022

As the end of the decade of the Istanbul Programme of Action for the LDCs draws closer, the General Assembly agreed to convene the Fifth United Nations Conference on the LDCs - LDC5 - in Doha, Qatar, on 23-27 January 2022, at Heads of State and Government level. See www.un.org/ldc5

The preparatory process for LDC5 will be based on country-level, regional and global substantive reviews of all IPoA priorities, involving all major IPoA stakeholders. The outcomes of these inclusive and broad-based reviews will feed into the work of the Intergovernmental Preparatory Committee (PrepCom), whose mandate is to agree on elements of the new Programme of Action for the LDCs. The LDC5 PrepCom will meet according to the following schedule:

- Organizational Session, 8 February 2021
- 1st session: 24-28 May 2021
- 2nd session: 26-30 July 2021.



UN-OHRLS

Least Developed Countries
Landlocked Developing Countries
Small Island Developing States

United Nations Office of the High Representative for Least Developed Countries, Landlocked Developing Countries and Small Island Developing States

Sources: Secretary General's Report on the Implementation of the Istanbul Programme of Action, March 2020 (A/75/72-E/2020/14)