

LEAST DEVELOPED COUNTRIES (LDCs) 2019

WHAT ARE THE LDCs?

The least developed countries (LDCs) are a group of 47 nations, 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, 13 in Asia and the Pacific and 1 in Latin America.

POPULATION



- The combined population of the current group of 47 LDCs is expected to increase from 1 billion in 2018 to 1.3

billion in 2030, more than double the pace of average world population growth.

- As of 2017, 67% of the population of LDCs lived in rural areas and 60% worked in the agricultural sector.

ECONOMY



- On average, LDCs as a group experienced a growth of 5% in 2018 with a forecasted growth of 5.7% in 2020, although growth rates varied among countries. Growth rates were not uniform with some countries, such as Yemen and Sudan showed negative growth rates, while Ethiopia and Rwanda, among others¹, recorded growth rates of 7%.

TRADE



- Merchandise exports expanded by 16.4% in 2017, compared to world merchandise exports which grew by 10.4%. Yet, the share of LDCs in the world merchandise exports is still below one-percent.

- As of 2017, the share of primary products in merchandise exports declined to 55% compared to 73% in 2010; the share of manufactured products increased to 40% from 22% in 2010.

- China and Europe were the top export markets for the LDCs in 2017, with India, USA, Thailand, and Japan also being important exporters for the LDCs.

- In 2017, exports increased by 6.9%, reaching US\$34.2 billion, while imports grew at a rate of 8%, reaching US\$67.7 billion.

POVERTY

- The proportion of people living below US\$1.90 per day in the LDCs, declined to 35.5% in 2015 from 36.2% in 2013.
- In the LDCs on average, the percentage of the urban population living in slums decreased from 70% in 2005 to 62% in 2014.

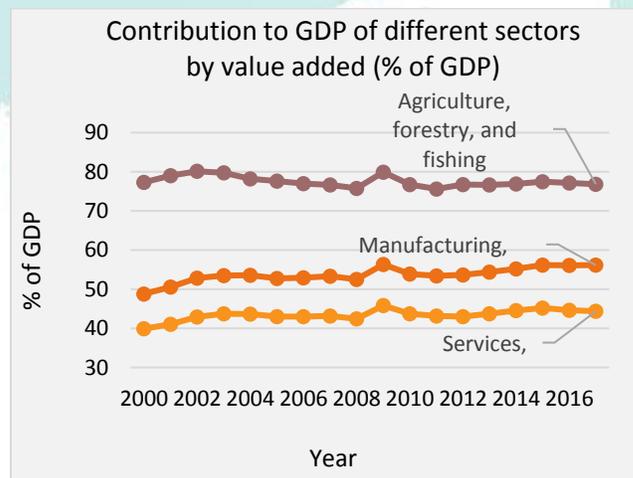
The LDC Category in 2019



- LDCs experienced marginal per capita growth in income for the period of 2017-2018, due to structural constraints, which makes eradicating poverty harder.

PRODUCTIVE CAPACITY

- The contribution of manufacturing to the GDP of the LDCs increased from 11 to 13%, and the contribution of services increased from 44 to 46%.
- Agriculture's share in the GDP dropped from 25 to 23%.



- LDCs have made efforts to encourage the private sector by improving enabling environment. In the period 2010-2017, the cost of starting a business as a percentage of the income per capita, was reduced from 89% to 42%.
- In 2015, agricultural productivity decreased to 107.9 compared to 111.5 in 2011, as measured by the gross per capita production index, partly due to the sector's increased exposure to weather vagaries.

¹ Ethiopia, Rwanda, Senegal, Cambodia, Bangladesh, South Sudan and Burkina Faso

LEAST DEVELOPED COUNTRIES (LDCs) 2019

EDUCATION



- 287 million young people (approximately 16% of world's young population), who are of primary and secondary age, live in LDCs.

- Enrolments in primary and secondary education in LDCs have more than doubled from 107 million in 2000 to 215 million in 2017.
- In 2017, the gross enrolment rate was only 10% compared to 38% worldwide.

ENERGY AND INNOVATION

- Lack of access to energy is a bottleneck of growth for LDCs, and in 2016, only 44.8% of the LDC population had access to electricity.
- Least developed countries lag in science, technology, and innovation; in 2016, all LDCs combined filed for only 922 patents compared to 650,411 patents filed in The United States.

HEALTH



- In 2017, more than a third of all under-five deaths occurred in LDCs. An estimated 2 million children died, predominantly from preventable causes.

- In the next few decades the share of global under-five deaths that occur in the LDCs is expected to increase.
- The percentage of undernourished people in the world living in the LDCs has risen from 26.7% in 2011 to 29.9% in 2017 (32.7 million people).

GENDER EQUALITY AND WOMEN'S EMPOWERMENT



- At primary level, the gender parity index of the gross enrolment ratio increased from 0.79 in 1990 to 0.95 in 2017.

- The average rate of women holding office in LDCs in 2017 reached only 19 %, compared to the world average of 24 %.
- Three of the African LDCs are among the world's top performers in terms of the percentage of parliament seats held by women. In 2018, Senegal (42%), Mozambique (40%) and Rwanda (38%) had the highest rates observed.

OFFICIAL DEVELOPMENT ASSISTANCE (ODA)

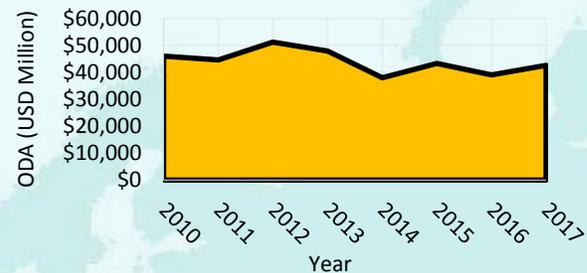


- In 2017, ODA to the LDCs increased to US\$42.5 billion from the members of the OECD Development Assistance Committee, after suffering a decline over

the preceding years.

- The number of countries providing ODA support of more than 0.15% of their GNI to the LDCs has decreased from ten nations to five, since 2011.
- Out of the USD 81 billion mobilized between 2012-2015 for all developing countries only 7% (US\$5.5 billion) was for LDCs.

Total ODA To LDCs



FOREIGN DIRECT INVESTMENT AND REMITTANCES



- The total flow of FDI to LDCs represents less than 2% of global flows. In 2017, this figure dropped by 17% to US\$26 billion.

- Aggregate FDI flows to African LDCs dropped by 31% however in Asia-Pacific LDCs the flow of FDI have increased by 20%.
- In 2018, remittance flows to LDCs were estimated to have increased by 11% to US\$43.8 billion compared to 2017.
- Remittance inflows are concentrated to just 6 out of the 47 LDCs and account for more than 80% of total remittance flows.
- The average global cost of sending remittances remained at 6.9% in 2018. However, in many LDCs the costs can reach up to 20%.

CLIMATE CHANGE, DISASTER RISK REDUCTION AND ENVIRONMENTAL SUSTAINABILITY



- In January 2019, the Green Climate Fund approved 34 funding proposals in LDCs worth US\$2.8 billion of GCF resources, which leveraged co-financing

of over US\$1.6 billion.

- The LDC Fund received over US\$95.3 million in new pledges in the GEF fiscal year 2018.
- In 2018, climate related disasters increased. Damage from seasonal hurricanes and cyclones affected an estimated 1.5 million people in LDCs.
- According to the United Nations Office for Disaster Risk Reduction, the average annual losses in LDCs as a result of disasters in 2017 was 8.49% of their GDP.



UN-OHRLLS

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



@UNOHRLLS



<http://unohrls.org>

Sources: Secretary General's Report on the Implementation of the Istanbul Programme of Action, March 2019, A/74/69