











## African countries, LDCs and LLDCs: Building resilience and capacity in times of crises and transition

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## **Secretariat Background Note**

## Introduction

African countries, least developed countries (LDCs), and landlocked developing countries (LLDCs) face unique challenges in their pursuit of sustainable development. Thirty-three of the 45 LDCs and 16 of the 32 LLDCs are in Africa. The 45 LDCs, which are home to 13 per cent of the world's population, account for just 1.3 per cent of global gross domestic product (GDP) and less than one per cent of global trade. These countries are particularly vulnerable to external shocks, such as economic crises, climate change, and public health emergencies. The COVID-19 pandemic has further exposed the fragility of LDCs, with the World Bank estimating that an additional 32 million people in LDCs could be pushed into extreme poverty by 2030 due to the pandemic's impact.

The 32 LLDCs face significant challenges due to their lack of direct access to the sea, remoteness from international markets, and high transit costs. According to WTO, trade costs LLDCs face on manufacture are about 1.4 times higher than the trade costs for coastal developing countries. <sup>1</sup> LDCs on average pay more than double in transport costs than transit countries and experience longer times to

<sup>&</sup>lt;sup>1</sup> See <a href="https://www.wto.org/english/res-e/bookspe/00">https://www.wto.org/english/res-e/bookspe/00</a> landlocked2021 e.pdf













send and receive merchandise from overseas markets.<sup>2</sup> These factors hinder LLDCs' economic growth, diversification, and integration into global value chains.

Moreover, LLDCs are highly dependent on transit countries for their external trade, which exposes them to additional risks and vulnerabilities. The World Bank reports that LLDCs' exports are, on average, 30 per cent lower than those of coastal countries due to higher trade costs. LLDCs also face challenges in attracting foreign direct investment (FDI), with FDI inflows to LLDCs accounting for only 1.8 per cent of global FDI inflows in 2024, according to UNCTAD.

African countries, many of which are LDCs and LLDCs, face additional challenges, including high levels of poverty, inequality, and unemployment, as well as limited access to basic services such as healthcare, education, and infrastructure. The African Development Bank estimates that 416 million Africans live in extreme poverty, and the continent's youth unemployment rate stands at 60 per cent. Moreover, Africa is highly vulnerable to the impacts of climate change, with the World Meteorological Organization warning that the continent is warming faster than the global average, leading to increased frequency and intensity of droughts, floods, and other extreme weather events.

Climate change poses a significant threat to Africa, LDCs and LLDCs, although these countries have contributed the least to the problem. Many of these countries are prone to desertification, land degradation,

<sup>&</sup>lt;sup>2</sup>https://www.un.org/ohrlls/content/about-landlocked-developing-countries

<sup>&</sup>lt;sup>3</sup>https://www.un.org/ohrlls/sites/www.un.org.ohrlls/files/lldcs\_publications/wb\_cost-of-being-landlocked.pdf

<sup>4</sup>https://unctad.org/publication/world-investment-report-2024













and drought. Mountainous LLDCs are also subject to melting glaciers, floods and glacier lake outbursts floods. Coastal and small island LDCs face threats from hurricanes, cyclones and sea level rise.

The Sendai Framework monitor shows that the disaster-related mortality rate between 2013 and 2022 was 3.10 per 100,000 people in the LDCs and 2.12 in LLDCs, significantly higher than the global average of 1.15. LDCs accounted for 5.93 per cent of globally reported economic losses between 2015 and 2022, despite having only 1.16 per cent of the total GDP of reporting countries. LLDCs reported 4.14 per cent of economic losses, while accounting for only 1.05 per cent of the GDP of reporting countries.

Climate change impacts coupled with other crises have had a direct impact on SDG 2. Undernourishment has increased across the board in sub-Saharan Africa, LDCs and LLDCs as compared to pre-COVID-19 pandemic levels, while severe food insecurity has worsened since 2019.

Fiscal space continues to shrink, while many of these countries face worsening debt situations, in the face of slow economic recovery and rising interest rates, leading to an increasing number in debt distress or at high risk of debt distress, with some even defaulting for the first time.

While African countries, LDCs and LLDCs have experienced serious setbacks and cascading crises as a result of the series of external shocks witnessed over the past years, there have been some notable examples of progress. At its most recent triennial review in March 2024, the Committee for Development Policy found that fifteen LDCs had met the thresholds for graduation from the category, including three additional African LDCs.













## Proposed questions for discussion

- What are the key challenges and opportunities for African countries, LDCs, and LLDCs for achieving SDGs 1, 2, 13, 16, and 17?
- What are concrete recommendations and action points for accelerating progress towards the 2030 Agenda in view of the multiple crises faced by those countries?
- How can partnerships and stakeholder collaboration accelerate implementation of the 2030 Agenda for Sustainable Development and help achieve the SDGs under in-depth review this year?