



United Nations
Economic Commission for Africa

Progress in the implementation of the **priority** areas of the Programme of Action

FOR THE LEAST
DEVELOPED COUNTRIES
FOR THE DECADE
2011-2020

ISTANBUL
PROGRAMME OF ACTION



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SUMMARY

The least developed countries (LDCs) are those that face the most difficult obstacles to their ongoing effort towards inclusive growth and sustainable development. On the whole, African LDCs are making progress on the priority areas identified in the Programme of Action for the Least Developed Countries for the Decade 2011–2020 (Istanbul Programme of Action), albeit from very low baselines and with large variations throughout the countries. Productive capacity remains very low among LDCs in Africa and concerted efforts to improve value added per worker in all sectors are required to increase household earnings and promote inclusive and sustainable development. Notwithstanding the importance of trade in promoting growth, the share of exports from the African LDCs in world trade remained at approximately 0.6 per cent in 2017. The good news is that diversification has improved with the concentration index among LDCs, declining from 0.65 in 2008 to 0.36 in 2017. Human development in LDCs has improved (human development index was estimated at 0.473 in 2017, up from 0.440 in 2010), thanks to better education and health outcomes. Sustained improvements in this area are critical for inclusive growth and sustainable development.

Both human-caused and natural crises remain prevalent among the continent's LDCs and risk derailing progress. Poverty rates, inequality, civil strife and political instability are prevalent, and the high rate of urbanization among LDCs makes cities and urban centres increasingly vulnerable to the impact of disasters. In response, many African countries in general are adopting and implementing national disaster strategies. The declining trends in foreign investment flows to African LDCs are concerning. Improving governance is critical towards mobilizing resources and realizing inclusive and sustainable development.

Lastly, although five African LDCs (Djibouti, Lesotho, Togo, the United Republic of Tanzania and Zambia) are approaching the graduation thresholds, there is uncertainty regarding how soon they can reach them. Efforts to diversify their economies (especially in the case of Zambia) and build their human assets must continue.



I. INTRODUCTION

Two thirds of the world's LDCs are in Africa (33 of 47), making the Istanbul Programme of Action highly relevant to the continent. In 2018, approximately 654 million people lived in the continent's LDCs (see table 1). The Istanbul Programme of Action sets out priority areas, actions and targets for both LDCs and their development partners. It is aimed at accelerating the growth of LDCs and aiding their progress past the hindrances to their development.

Table 1 African least developed countries and the three least developed country criteria

Country	Year added	GNI per capita 2017, Atlas method (United States dollars)	Human assets index	Economic vulnerability index	Population 2017, (millions)
Angola ^b	1994	3 570	52.5	36.8	29.8
Benin	1971	800	49.8	34.3	11.2
Burkina Faso	1971	590	42.9	38.2	19.2
Burundi	1971	280	38.5	44.5	10.9
Central African Republic	1975	390	17.4	33.6	4.7
Chad	1971	640	22.1	52.4	14.9
Comoros	1977	1 280	49.4	52.4	0.8
Democratic Republic of the Congo	1991	460	41.9	27.2	81.3
Djibouti	1982	1 880	58.0	36.3	1.0
Eritrea	1994	1 136 a	42.9	54.7	5.1
Ethiopia	1971	740	45.3	32.1	105.0
Gambia	1975	680	51.8	72.2	2.1
Guinea	1971	790	39.5	30.2	12.7
Guinea-Bissau	1981	660	41.7	52.4	1.9
Lesotho	1971	1 210	61.6	42.0	2.2
Liberia	1990	620	37.2	53.2	4.7
Madagascar	1991	400	54.5	37.8	25.6
Malawi	1971	320	52.5	47.1	18.6
Mali	1971	770	43.1	36.8	18.5
Mauritania	1986	1 110	46.9	39.9	4.4
Mozambique	1988	420	45.8	36.7	29.7
Niger	1971	360	35.4	35.3	21.5
Rwanda	1971	720	55.0	36.4	12.2
Sao Tome and Principe ^c	1982	1 770	86.0	41.2	0.2
Senegal	2000	1 240	57.1	33.4	15.9
Sierra Leone	1982	510	27.4	51.6	7.6
Somalia	1971	97 a	16.7	34.7	14.7
South Sudan	2012	423a	25.8	55.6	12.6
Sudan	1971	2 380	53.0	49.2	40.5
Togo	1982	610	61.8	28.3	7.8
Uganda	1971	600	50.2	31.7	42.9
United Republic of Tanzania	1971	910	56.0	27.9	57.3
Zambia	1991	1 290	58.6	40.5	17.1
Graduation threshold (2018)		1 230	66.0	32.0	Total: 654.4

Sources: World Bank, World Development Indicators; Department of Economic and Social Affairs; and Statistics Division.

Abbreviation: GNI, gross national income.

^a Most recent GNI per capita at current prices from United Nations Statistics Division.

^b Expected to graduate from LDC category in 2021.

^c Expected to graduate in 2024.

The Istanbul Programme of Action is being implemented alongside the 2030 Agenda for Sustainable Development. Furthermore, the African LDCs are implementing Agenda 2063 of the African Union. All three of these international development agendas have substantial crossover and are intended to put forward a comprehensive, wide-ranging approach to sustainable development.

The present report highlights the progress being made in the eight priority areas of the Istanbul Programme of Action by the 33 African LDCs. In addition, it provides a discussion on the prospects for graduation of those African countries nearest to the graduation thresholds set in the Committee for Development Policy's most recent (2018) triennial review of the list of LDCs.¹

¹ United Nations, Committee for Development Policy, Report on the twentieth session, E/2018/33 (March 2018).



II. PROGRESS MADE IN THE PRIORITY AREAS

A. PRODUCTIVE CAPACITY

Building productive capacity is essential to the strengthening of the LDC economies. Productive capacity covers a wide range of factors, including infrastructure, entrepreneurial capabilities and the extent to which there exist intersectoral linkages.² These fundamental factors in the structure of the economy play a large role in determining how well raw products, labour and other inputs can be transformed into economically valuable goods and services. Productive capacities are not generally measured with a single index, but an indicator such as manufacturing value added can be used as a proxy. Higher value added in manufacturing indicates an economy's capacity to transform raw materials into more sophisticated products, thus demonstrating greater levels of productive capacity.

Table 2 shows the manufacturing value added for African LDCs aggregated throughout the five subregions. There is a remarkably low level of manufacturing value added among LDCs in Central Africa, with the weighted average brought down considerably by Chad (3.0 per cent in 2016), which is a much larger economy. The values for Sao Tome and Principe (7.2 per cent in 2017) and Central African Republic (6.8 per cent in 2015) are more in line with other regions. Throughout all African LDCs, there is not a noticeable upward trend in manufacturing value added in the current period of the Istanbul Programme of Action. The most recent years of data must be interpreted with caution, because not all countries have data available.

² UNCTAD, Least Developed Countries Report 2006: Developing Productive Capacities (Geneva, 2006).

Table 2 Manufacturing value added as percentage of gross domestic product

Group	2011	2012	2013	2014	2015	2016	2017
North African LDCs	6.1	7.5	6.8	8.0	*	*	*
East African LDCs	8.3	8.3	7.9	7.6	7.9	8.3	8.7
West African LDCs	10.6	10.4	10.3	10.4	10.5	10.0	9.8
Central African LDCs	2.5	2.8	3.3	3.2	3.2	3.0	7.2a
Southern African LDCs	5.7	5.6	5.7	5.9	6.7	7.4	7.3
African LDCs	7.4	7.4	7.3	7.2	7.7	8.1	8.4
Africa (excluding North Africa)	9.4	9.5	9.9	10.2	10.2	10.1	10.1
All LDCs	10.3	10.6	10.6	10.7	10.9	11.4	11.8

Source: Authors' calculations taken from the World Development Indicators (Washington, D.C., World Bank, November 2018).

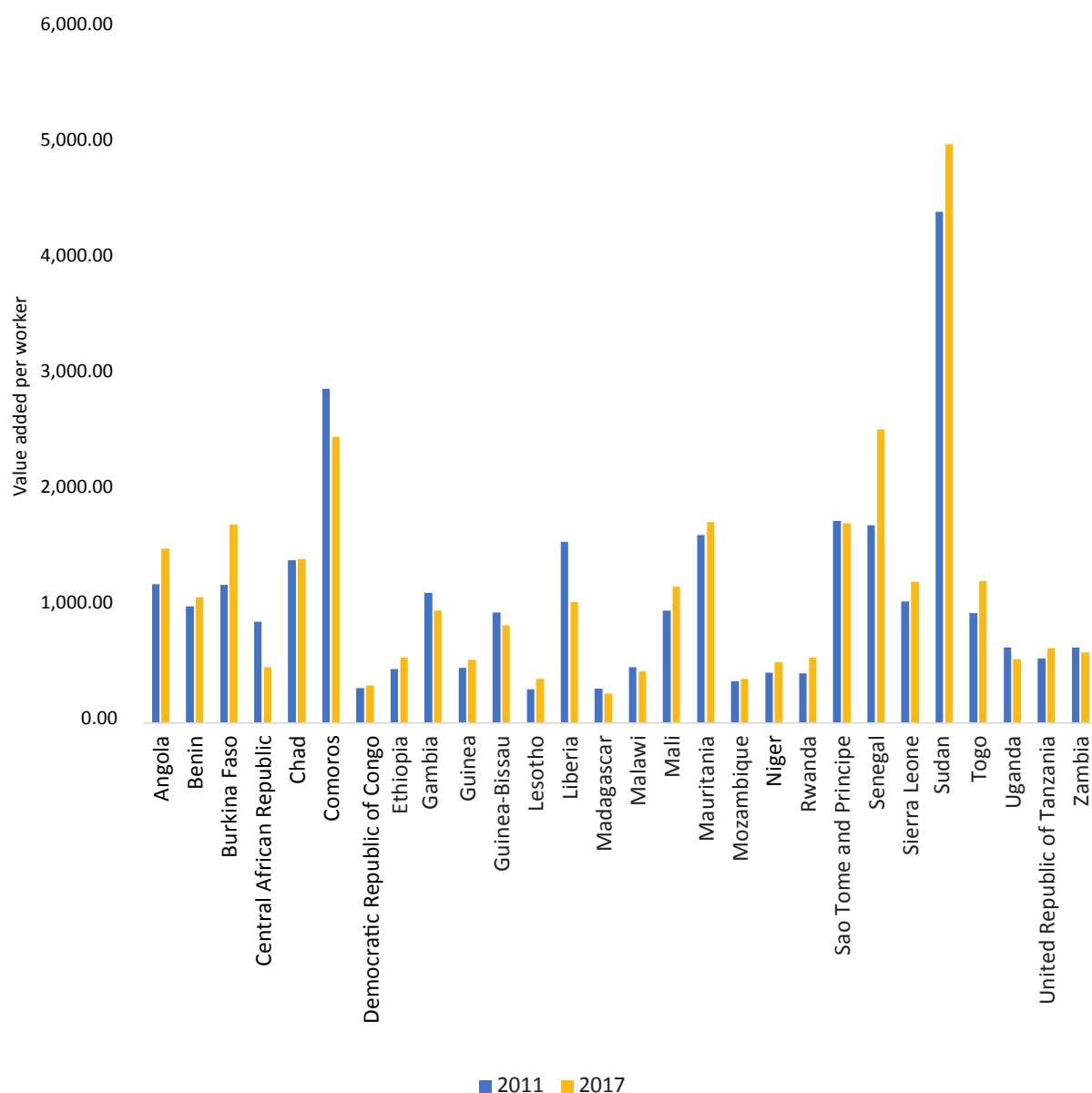
* Insufficient data.

^a Data for this year represent Sao Tome and Principe only.

Similarly, agricultural value added per worker has witnessed a limited improvement, although there has been some upward movement throughout LDCs from 2011 (see figure I). Burkina Faso and Senegal stand out in terms of increasing agricultural value added per worker.

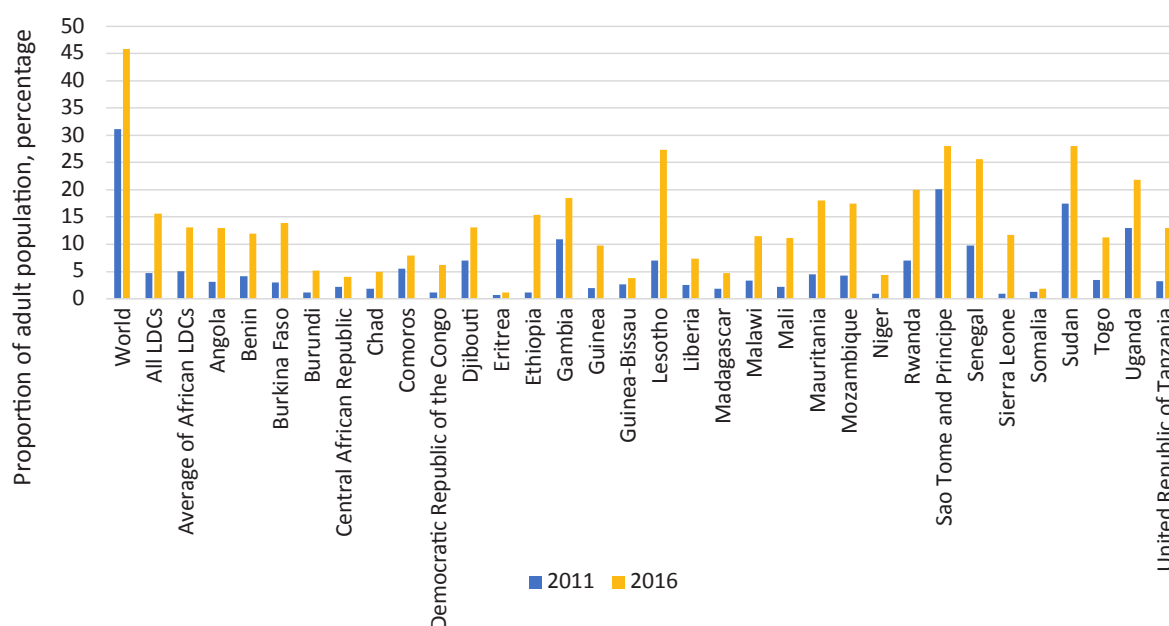
With the exception of Eritrea and Somalia, where the increase in connectivity is marginal, all African LDCs show promising improvements with regard to the Internet (see figure II). Lesotho, which is one of the African countries with prospects for meeting graduation criteria in the near future, has nearly quadrupled the proportion of its population that have access to the internet since 2011.

Figure I Agricultural value added per worker, 2011 and 2017 (United States dollars)



Source: 2010 World Development Indicators (Washington, D.C., World Bank, April 2019).

Figure II Proportion of population using the Internet, 2011 and 2016

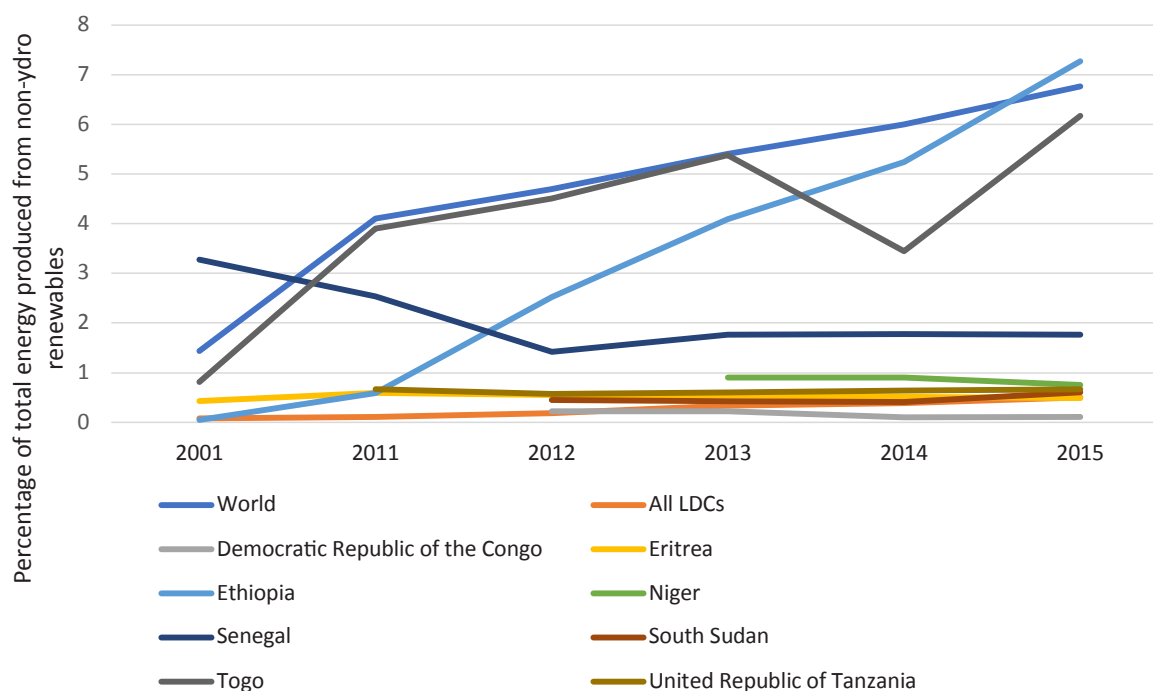


Source: World Development Indicators (Washington, D.C., World Bank, April 2018).

1. ENERGY FROM RENEWABLE SOURCES

The Istanbul Programme of Action specifically calls for the amount of energy supplied from renewable sources to be increased. Availability of data for renewable energy is poor and the most recent available data are from 2015. Among the African LDCs, Ethiopia and Togo look to be making strong progress in this regard (see figure III). The world trend is strongly upward, but many of the African LDCs for which data are available are not increasing the proportion of renewable energy in their overall energy mix.

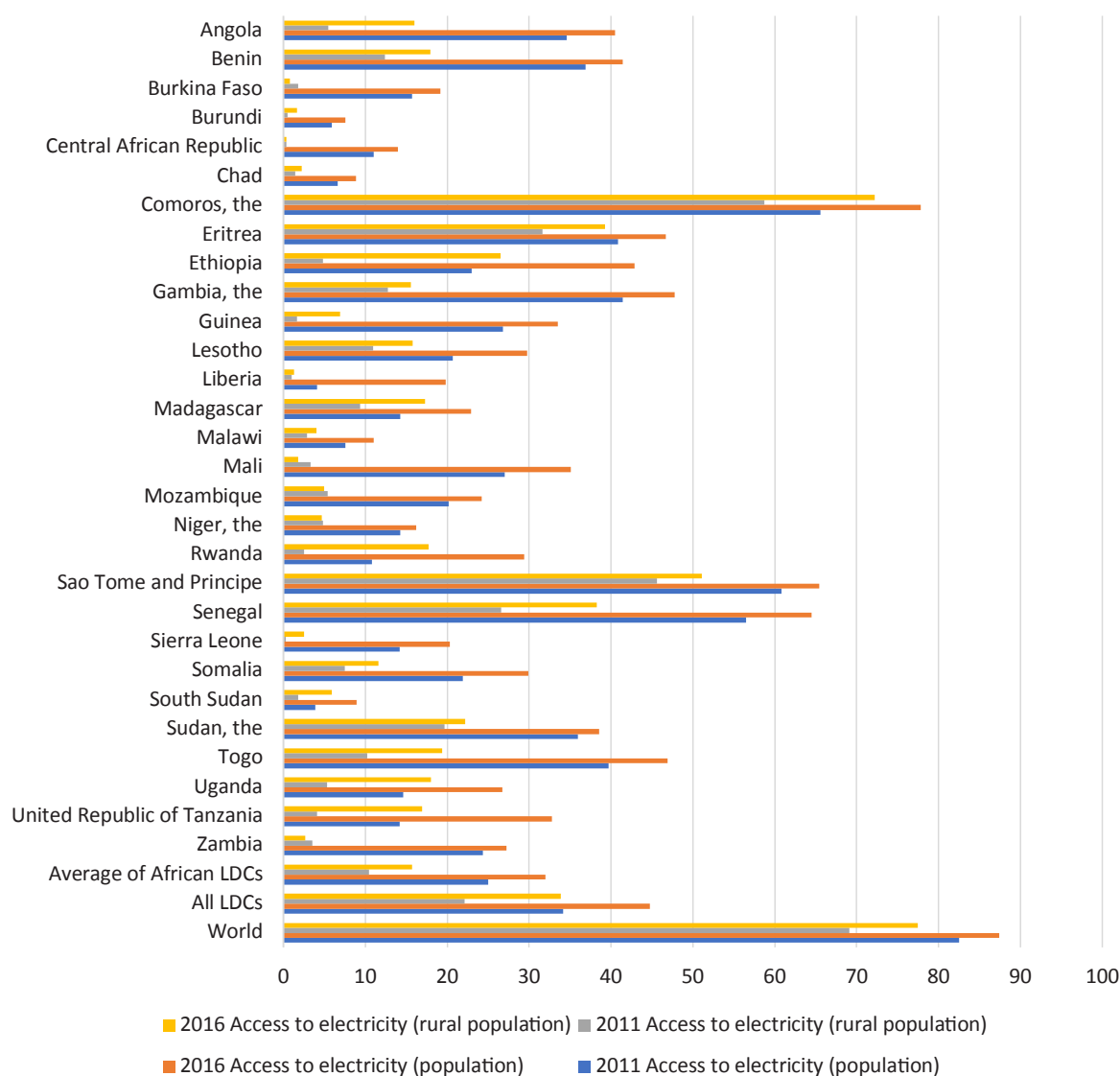
Figure III Electricity production from renewable sources, excluding hydroelectric (percentage of total electricity production)



Source: World Development Indicators (Washington, D.C., World Bank, April 2019).

2. ACCESS TO ELECTRICITY

While there has generally been an improvement in the rates of electricity access throughout the African LDCs over the period of the Istanbul Programme of Action, access rates for people in rural areas are still remarkably low. Outcomes throughout LDCs vary considerably, with countries such as the Comoros, Sao Tome and Principe and Eritrea reporting relatively higher access rates of 72 per cent, 39 per cent and 51 per cent of their rural populations, respectively (see figure IV). Burkina Faso, Central African Republic and Liberia, however, have rural access rates of 1 per cent or lower. Lack of access to electricity has knock-on effects in terms of hindering people from having access to educational resources, the quality of medical services available, processing and employment opportunities. Expanding connections to the national grid through rolling out power infrastructure to rural communities and identifying options for low-cost solar power must therefore remain policy priorities among African LDCs.

Figure IV Access to electricity, percentage of total and rural population


Source: World Development Indicators (Washington, D.C., World Bank, April 2019).

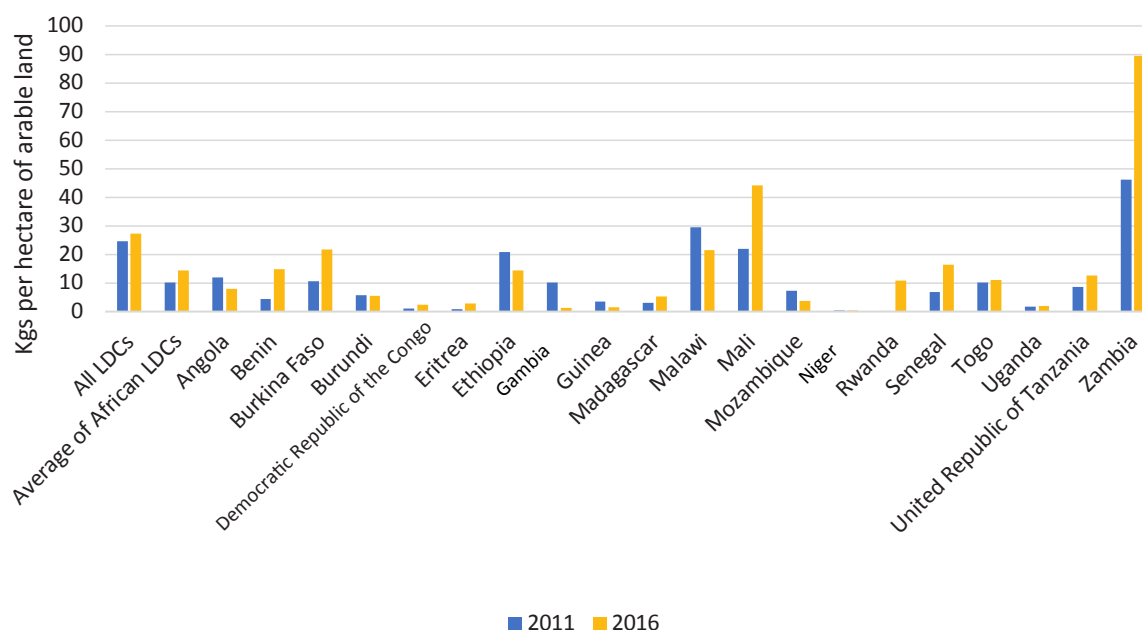
B. AGRICULTURE, FOOD SECURITY AND RURAL DEVELOPMENT

African LDCs have experienced marginal increases in agricultural productivity, due in part to limited access to fertilizer and irrigation infrastructure. While agriculture is a key sector for ensuring that African LDCs can provide sufficient food for their populations, many challenges remain. Over the course of the Istanbul Programme of Action, agricultural value added per worker among African LDCs (those with data) has increased only slightly, from an average of \$950 to about \$1,050 per worker in 2017 (see figure I).

Figure 5 highlights the low fertilizer usage among African LDCs, which underscores one of the potential sources of the low agricultural productivity per worker. In 2016, countries in Africa, excluding North Africa, used only approximately 16 kg of fertilizer per hectare of arable land, compared with the global average of some 141 kg per hectare. In addition, there is wide variation in the use of fertilizers, with the range stretching from under 5 kg per hectare of arable land in seven countries in 2016, to more than 15

kg per hectare in five countries. Zambia tops the use of fertilizers at 90 kg per hectare of arable land. The increase in the use of fertilizer usage between 2011 and 2016 remained low.

Figure V Fertilizer consumption among least developed countries in Africa



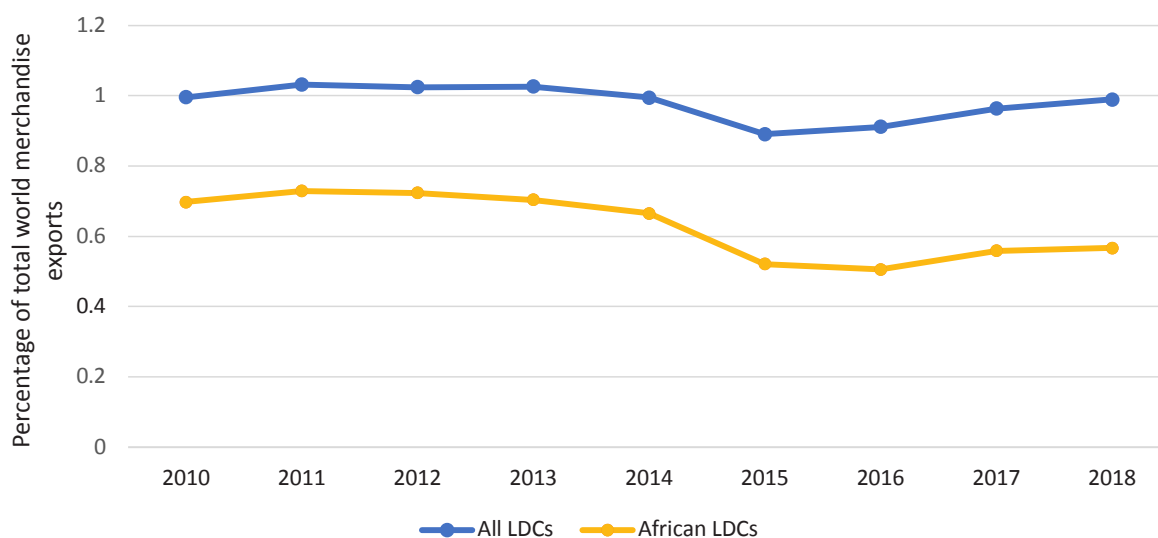
Source: World Development Indicators (Washington, D.C., World Bank, April 2019).

Food losses in LDCs, especially when it is due to poor post-harvest management, are large, estimated to exceed 30 per cent of total crop production annually. African LDCs therefore need to invest in technologies and infrastructure that will reduce post-harvest losses. Improvements in farm-based technologies, infrastructure, warehousing facilities, as well as inclusive rural financial markets and measures to reduce food contamination, are all required to achieve the Malabo Declaration goal of halving food waste in Africa.

C. TRADE

Greater trade tends to go together with greater economic development. Through trade, countries gain access to material, expertise and technology that they cannot produce domestically. The Istanbul Programme of Action calls for a doubling of the share of LDC exports in total world exports during the decade 2011–2020. Over the course of the Istanbul Programme of Action, however, the share of LDCs in world trade has remained roughly level at around 1 per cent. In fact, from 2014 to 2015, the share of world exports coming from LDCs, and especially from African LDCs, had declined (see figure VI). Data from 2019 show a small rise in the share of world exports coming from LDCs, but at 1 per cent, it remains marginally below the share of trade in 2010. African LDCs in particular have a marginally worse export performance than non-African LDCs, with their share of world exports falling from 0.7 per cent in 2010 to 0.6 per cent in 2018.

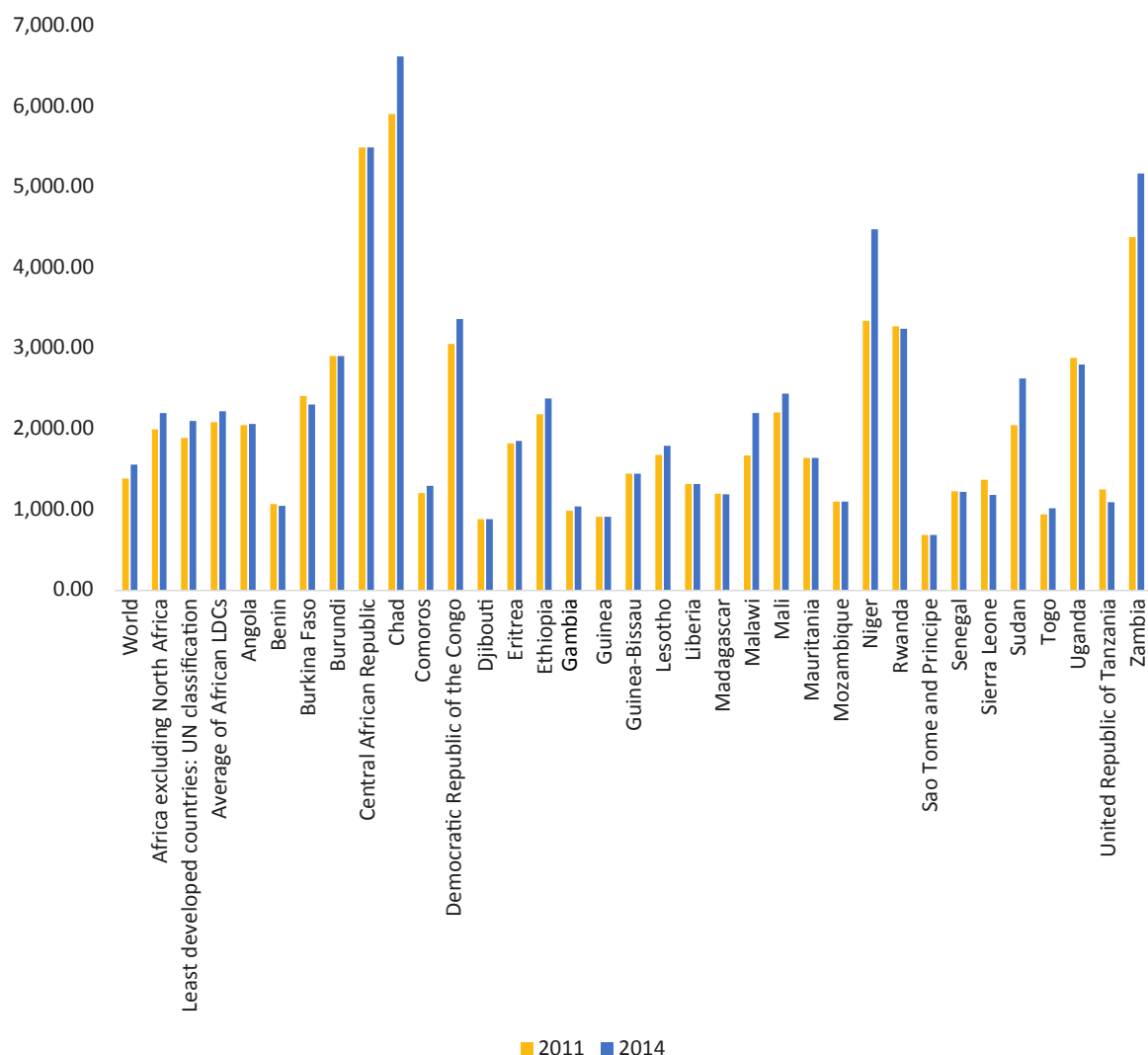
Figure VI Share of world merchandise exports



Source: UNCTADstat (Geneva, United Nations Conference on Trade and Development (UNCTAD), April 2019).

LANDLOCKED AFRICAN LEAST DEVELOPED COUNTRIES FACE HIGHER EXPORT COSTS

One of the characteristics of the African LDCs as a group is the prevalence of landlocked countries among them. The landlocked countries face particularly higher barriers and costs to trade, since their access to the sea is mediated by transit countries. The longer distances and extra costs of the infrastructure required for landlocked countries to reach seaports often make trading costly for these countries. Countries such as the Central African Republic, Chad and Zambia have the highest costs to export (see figure VII). Some landlocked countries, such as Lesotho and Malawi, have managed to bring the cost of exports down to levels more comparable with their coastal LDC counterparts.

Figure VII Cost to export


Source: World Development Indicators (Washington, D.C., World Bank, November 2018).

D. COMMODITIES

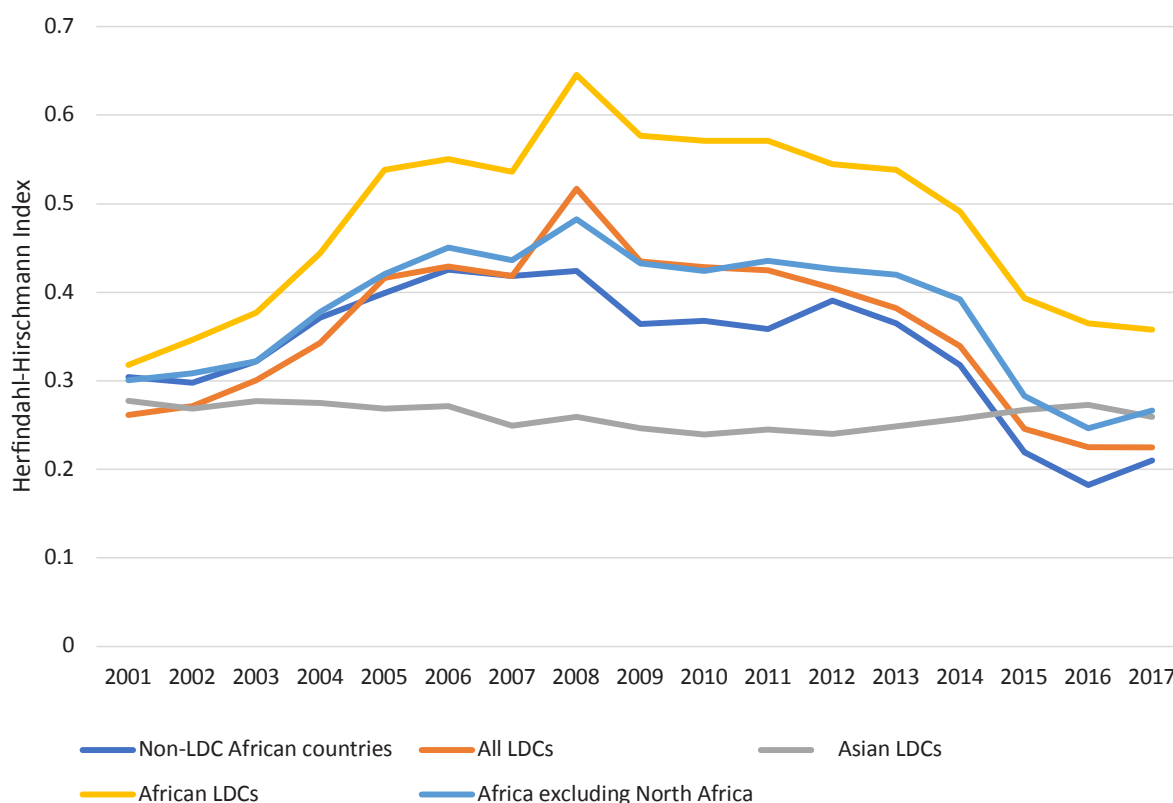
Most of the continent's LDCs are reliant on only a few commodities for much of their export earnings. When a country is tied closely to only a few products, the economy is susceptible to fluctuations in the price of that product. As outlined in the African Governance Report V, natural resource wealth can be linked with high inequality, given that the rents flowing from resource wealth tend to concentrate towards a relatively small elite. The Istanbul Programme of Action calls for diversification in the LDC economies so as to increase the resilience of their economies and allow them to develop a greater range of production capabilities. In this regard, progress away from commodity dependence is slowly taking place in African LDCs.

The concentration index³ in African LDCs declined gradually, from a high of 0.65 in 2008 to 0.36 in 2017 (see figure VIII). While this remains higher than the concentration of exports in Asian LDCs and higher

³ Computed using the Herfindahl–Hirschmann Index. This Index is calculated by squaring the market share of each country or firm competing in international markets, then summing the resulting numbers.

than in all of Africa (excluding North Africa), the increase in diversification is nevertheless a positive development.

Figure VIII Export concentration (Herfindahl–Hirschmann index)

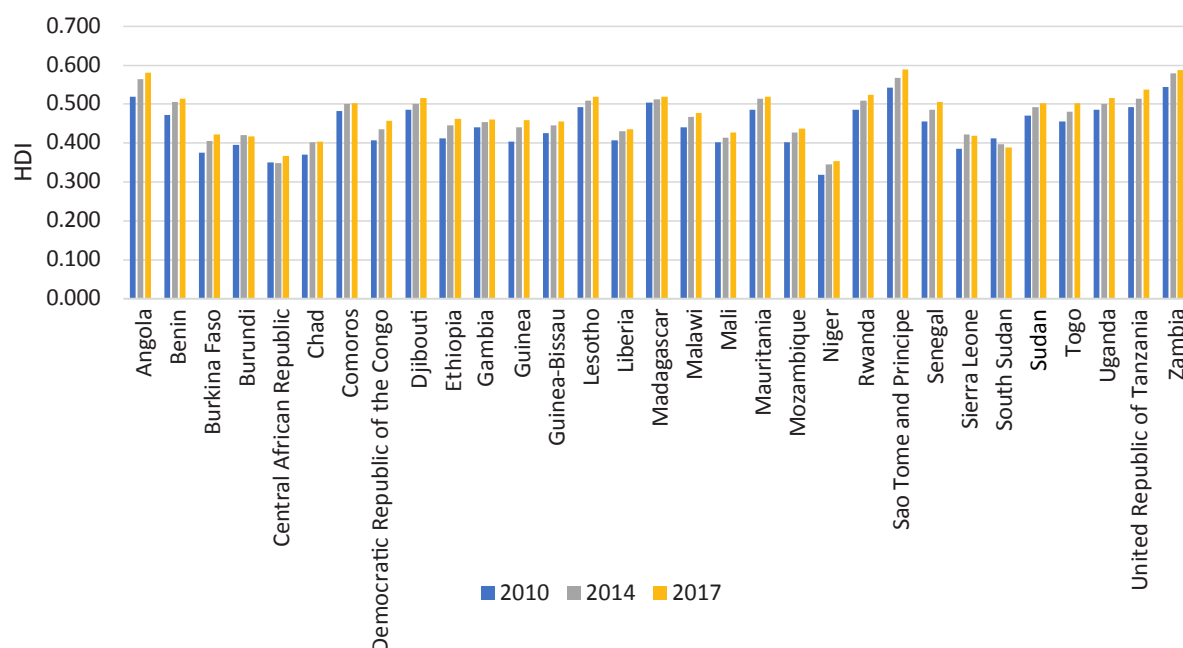


Source: UNCTADstat (Geneva, UNCTAD, April 2019).

E. HUMAN AND SOCIAL DEVELOPMENT

Human development in African LDCs is improving, albeit from very low levels and at a slow pace. The human development index score for LDCs in Africa improved from 0.443 in 2010 to 0.477 in 2017 (see figure IX). During this period, all African LDCs, except South Sudan, recorded improvements in the index. On average, LDCs in North and Southern Africa perform better on the human development index than those in the other subregions, with Central Africa faring the worst. Sustained improvements in human development are critical for the continent's LDCs, not only to progress towards graduation, but to propel and sustain inclusive growth.

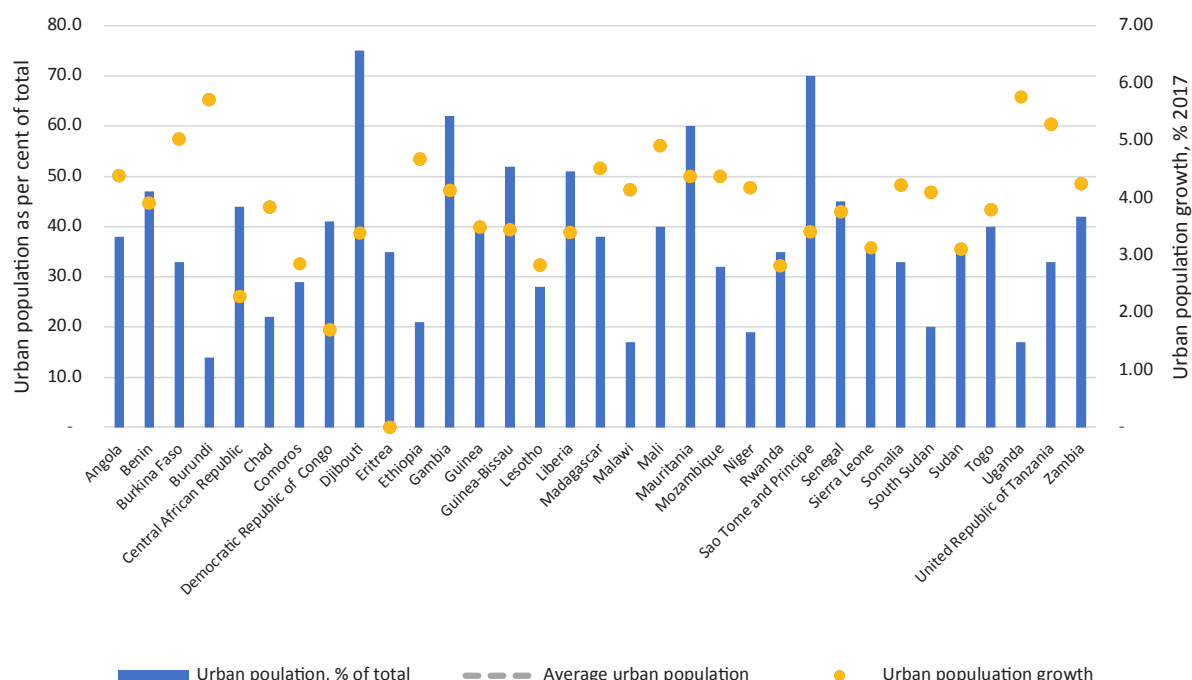
Figure IX Human development index in African least developed countries



Source: United Nations Development Programme; see <http://hdr.undp.org/en/content/human-development-index-hdi>. Accessed 19 April 2019.

The urban population of LDCs in Africa is growing rapidly, which calls for better planning and provision of basic services. At the rate of 3.9 per cent annually, African LDCs are urbanizing at a rate higher than the continental average of approximately 3.5 per cent in 2017. By 2017, more than 44 per cent of the population of African LDCs lived in urban areas (see figure X). Urbanization is an important dimension of structural transformation, in which increasing proportions of the population live in urban areas as a result of the natural growth rate and migration from rural areas. Urban development in most of LDCs in Africa, however, is largely unplanned; the majority of the urban population has limited access to basic social services, and urban transportation is expensive.

Figure X Urban population as share of total and growth rates in African least developed countries



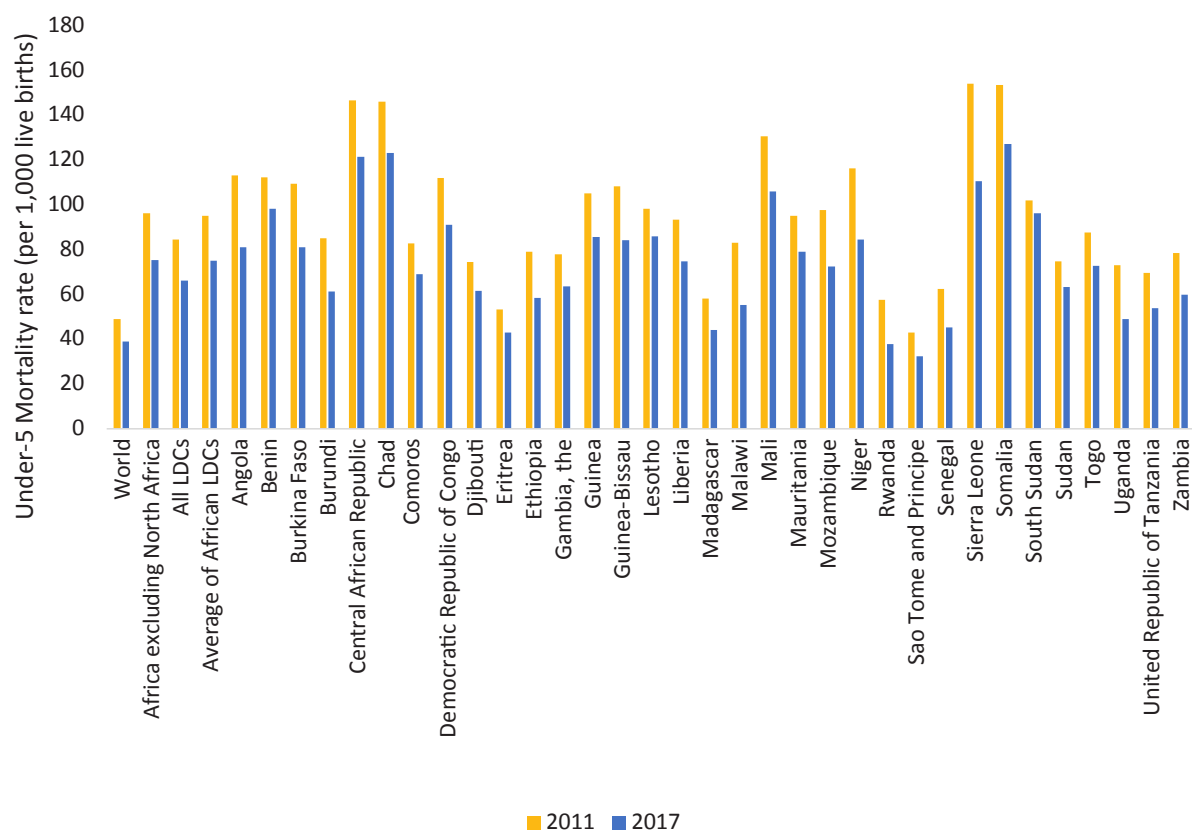
Source: World Development Indicators (Washington, D.C., World Bank, 2019).

1. HEALTH OUTCOMES AMONG LEAST DEVELOPED COUNTRIES IN AFRICA ARE IMPROVING

During the 2011–2017 period, the under-5 mortality rate declined in all the African LDCs (see figure XI). Overall, under-5 mortality declined from 95 deaths per 1,000 children born alive in 2011 to 75 deaths per 1,000 in 2017. In 2017, six countries (Eritrea, Madagascar, Rwanda, Sao Tome and Principe, Senegal and Uganda) recorded under-5 mortality rates of less than 50 per 1,000 children born alive. However, in five countries (Central African Republic, Chad, Mali, Sierra Leone and Somalia), the under-5 mortality rate was more than 100 per 1,000 children born alive.

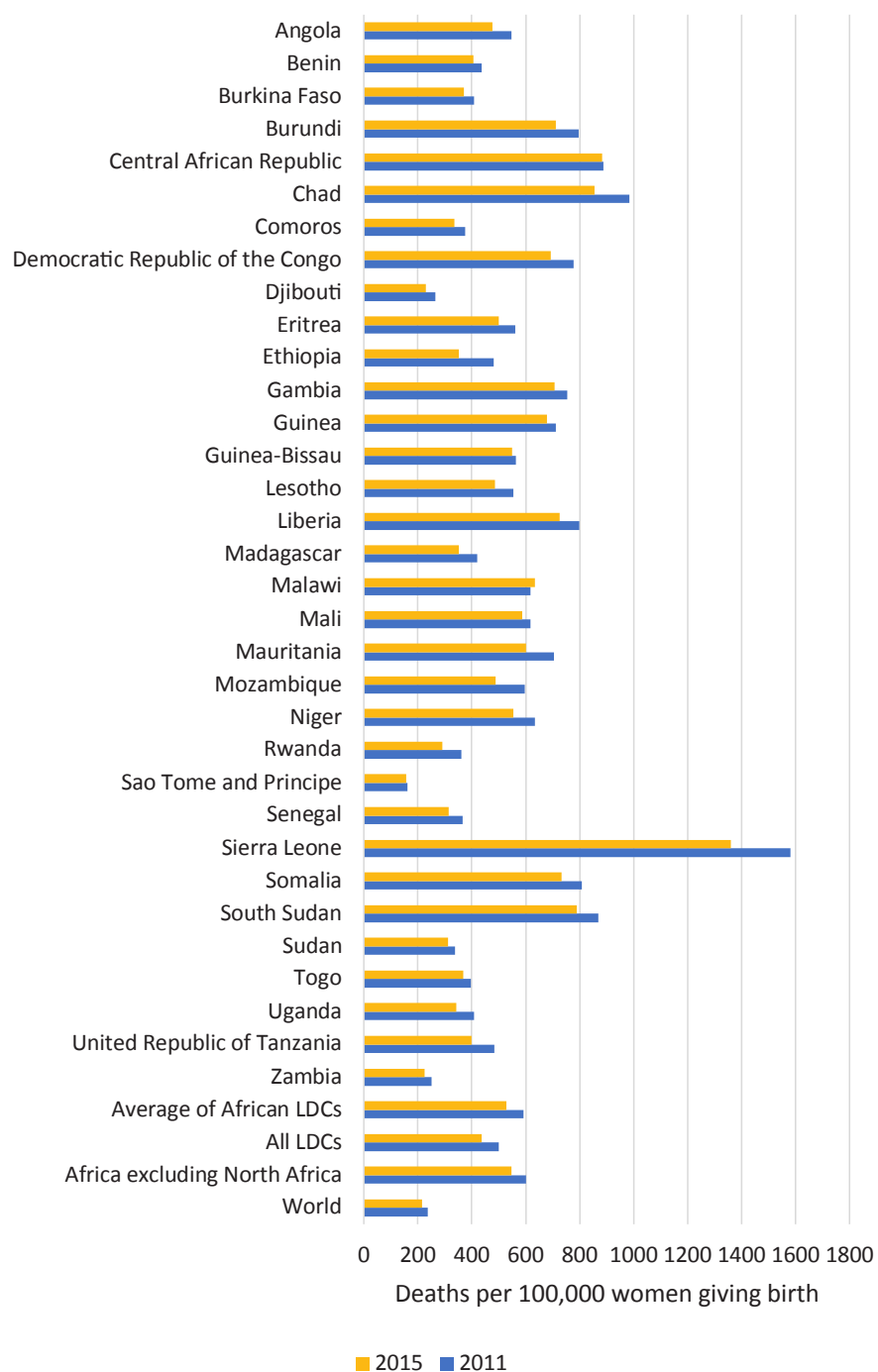
Similar trends were noted in the case of maternal mortality (see figure XII): all African LDCs recorded a decline in the maternal rates during the 2011–2015 period, from 591 per 100,000 women giving birth to 529 per 100,000 in 2015. Again, wide variations exist among these countries. While by 2015, 17 countries had reduced maternal deaths to under 500 for every 100,000 women, another eight countries still had rates of more than 700 deaths per 100,000 women giving birth.

Figure XI Under-5 mortality rate



Source: *World Development Indicators* (Washington, D.C., World Bank, April 2019).

Figure XII Maternal mortality (modelled estimate)

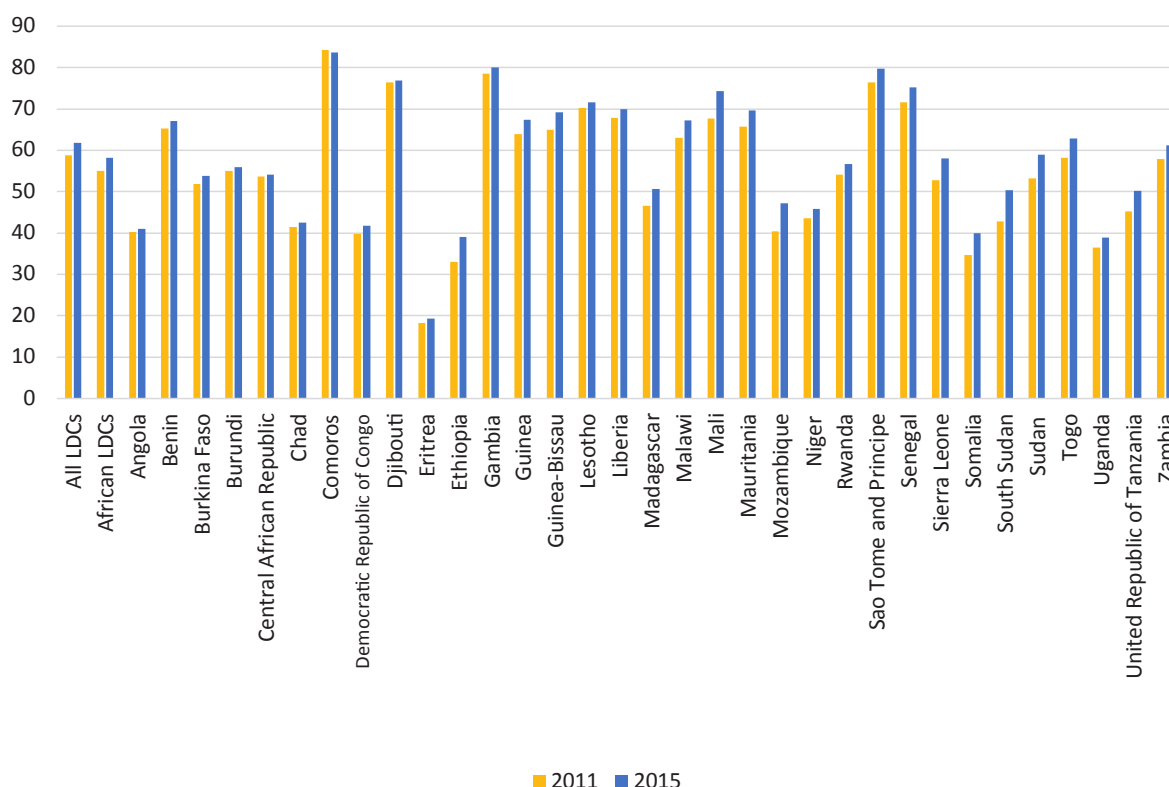


Source: World Development Indicators (Washington, D.C., World Bank, April 2019).

2. IMPROVEMENT IN HEALTH OUTCOMES ARE UNDERScoreD BY INCREASING ACCESS TO BASIC SOCIAL SERVICES

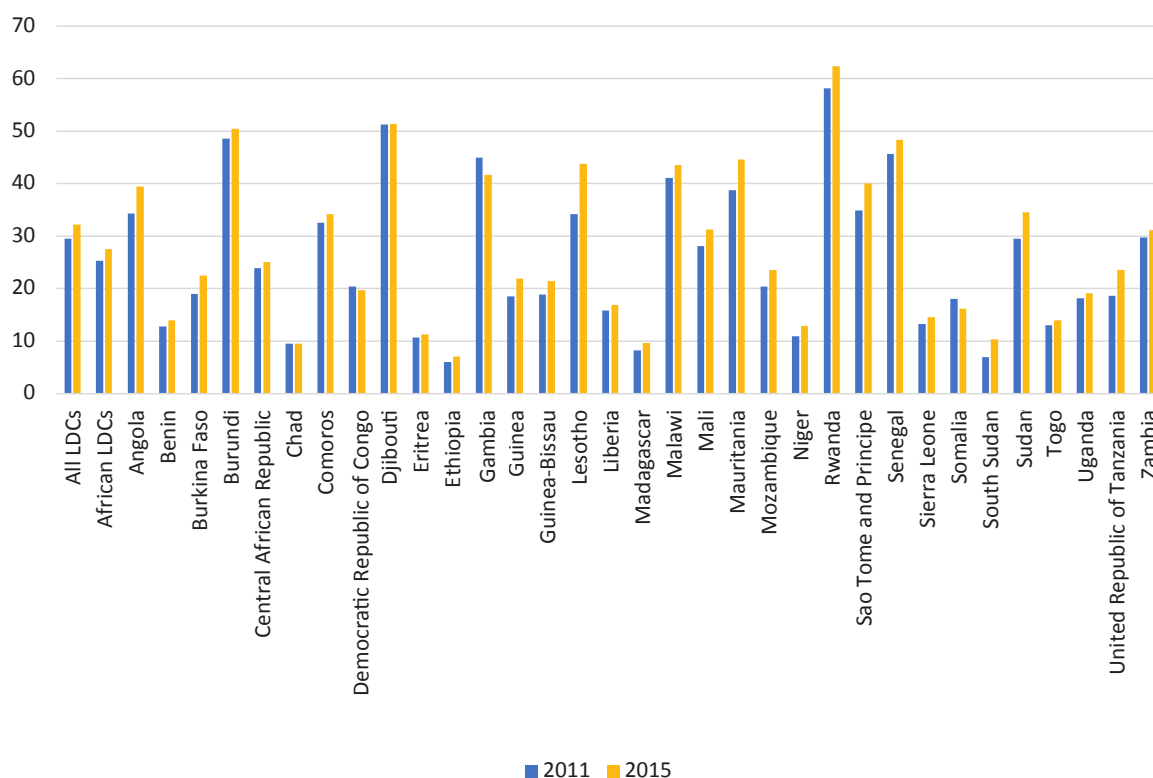
Inequality and large numbers of people in LDCs having no access to safely managed water sources and sanitation, and electricity remain a challenge. Figure XIII shows that, from 2011 to 2015, all African LDCs recorded improvements in access to better water sources, albeit at a slow pace, from an average of 55.0 per cent to 58.2 per cent. Most African LDCs recorded improvements in access to better sanitation, with average access increasing from 25.3 per cent to 27.6 per cent (see figure XIV). In Chad, the Democratic Republic of the Congo, the Gambia, Somalia and South Sudan, however, the access rate for basic sanitation fell.

Figure XIII Population using at least basic drinking water services (percentage), 2011 and 2015



Source: World Development Indicators (Washington, D.C., World Bank, April 2019).

Figure XIV Population using at least basic sanitation facilities (percentage), 2011 and 2015

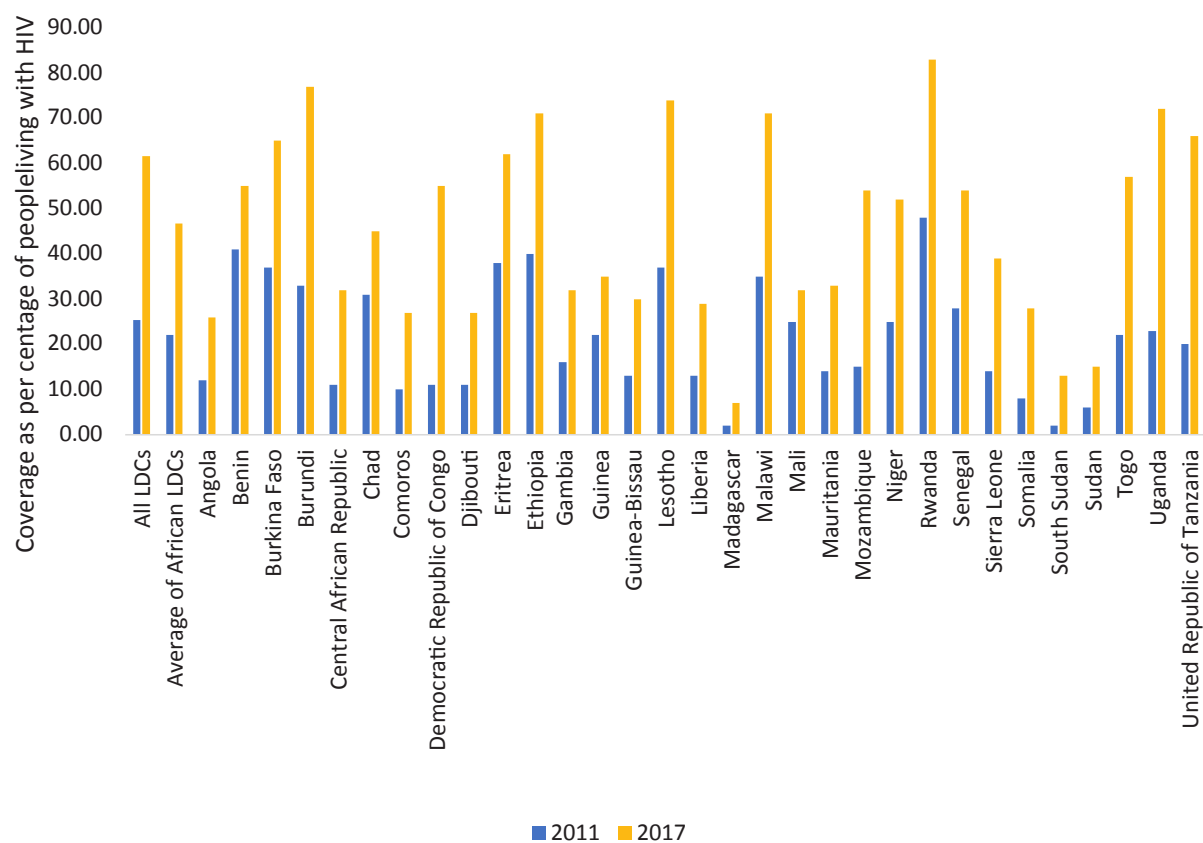


Source: World Development Indicators (Washington, D.C., World Bank, April 2019).

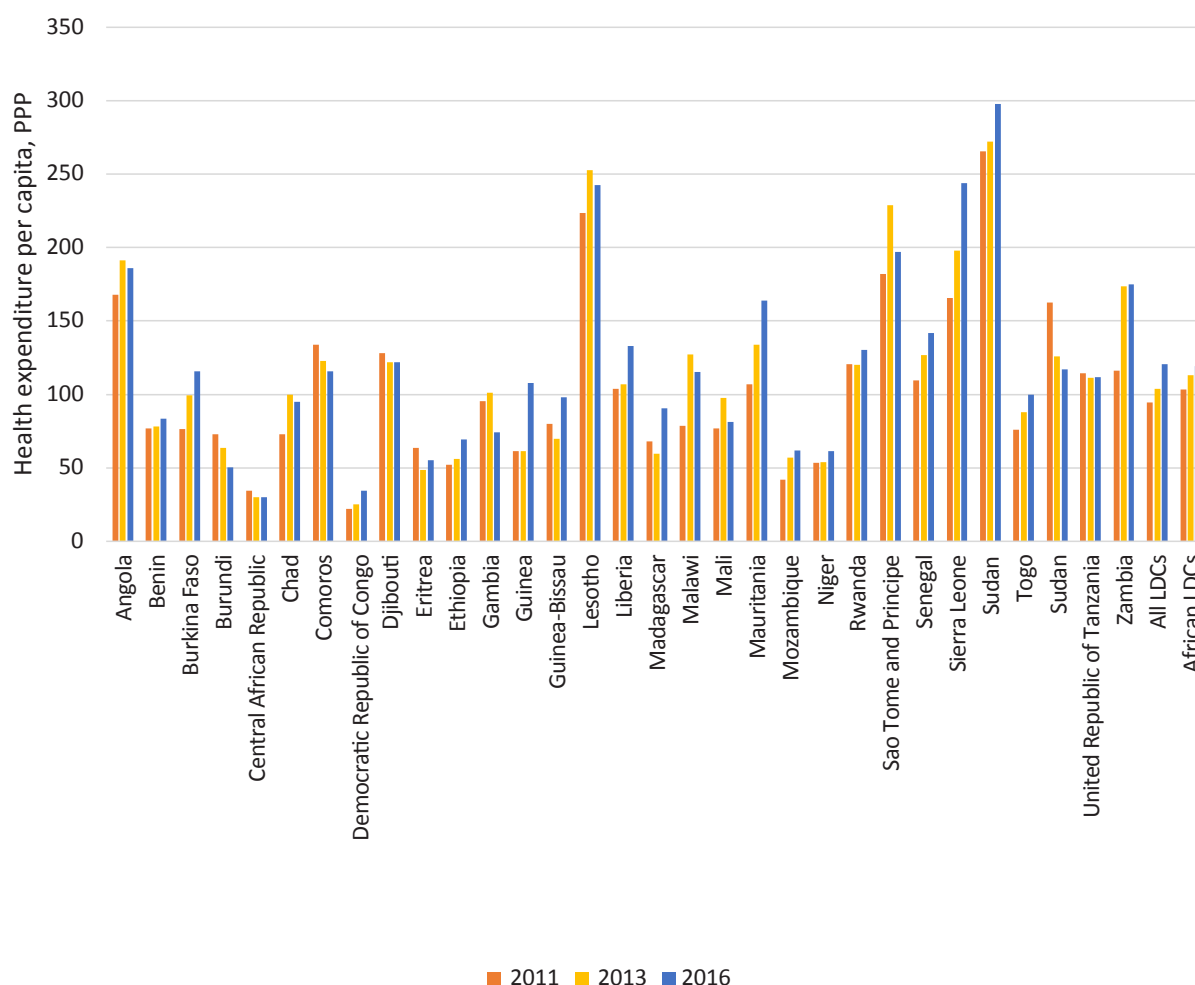
3.ACCESS TO ANTIRETROVIRAL THERAPY IS INCREASING IN ALL AFRICAN LEAST DEVELOPED COUNTRIES

From 2011 to 2017, access to antiretroviral therapy increased from approximately 22 per cent to almost 47 per cent of people living with HIV, and in 20 LDCs, access to such therapy more than doubled (see figure XV). Sustained effort and investment to ensure that those who require it have universal access to antiretroviral therapies and access to medical treatment for other ailments, including malaria and tuberculosis, is critical to reducing vulnerability of the population. As figure XVI shows, 74 per cent of African LDCs have seen increases in per capita health funding, as a proportion of GDP, since 2011.

Figure XV Antiretroviral therapy coverage



Source: World Development Indicators (Washington, D.C., World Bank, April 2019).

Figure XVI Health expenditure per capita among least developed countries in Africa (United States dollars)


Source: World Development Indicators (Washington, D.C., World Bank, April 2019).

Abbreviation: PPP, purchasing power parity.

F. MULTIPLE CRISES AND OTHER EMERGING CHALLENGES

African LDCs experience high rates of poverty and inequality, civil strife and political instability. In addition, the widespread prevalence of preventable diseases, such as HIV and AIDS and malaria, accentuates the impact of crises, especially among the most vulnerable populations and groups. With the high rate of urbanization among African LDCs, cities and urban centres are becoming increasingly vulnerable to the impact of disasters.

In response to the threat posed by natural disasters, an increasing number of African countries in general are adopting and implementing national disaster strategies. In 2016, at least 30 African countries had adopted and (or) were implementing national disaster risk-reduction strategies in line with the Sendai Framework for Disaster Risk Reduction 2015–2030. Going forward, stronger coordination of international and regional efforts to respond effectively to crises and disasters is needed. The United Nations Office for Disaster Risk Reduction needs to play a greater role in coordinating the support of organizations such as the African Development Bank, the African Union Commission and the World Bank.



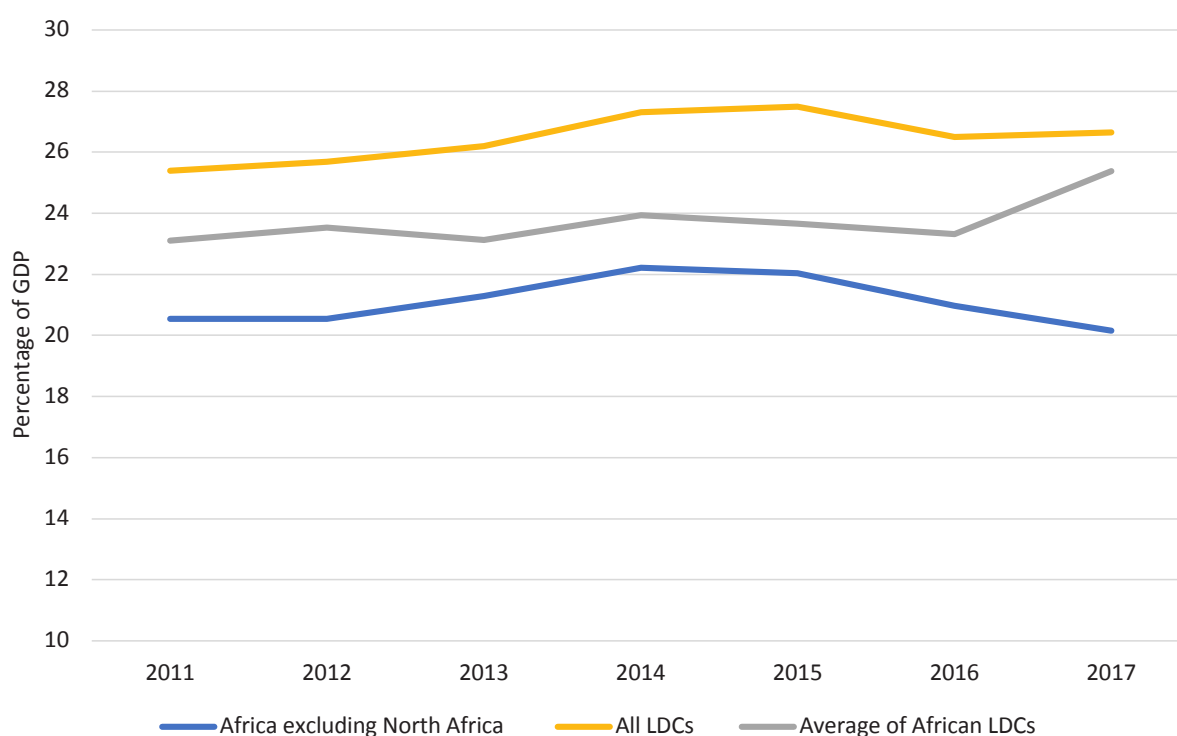
G. MOBILIZING FINANCIAL RESOURCES FOR DEVELOPMENT AND CAPACITY-BUILDING

Official development assistance (ODA) remains an important contributor to capacity-building in LDCs, and the Istanbul Programme of Action calls for developed countries to provide more than 0.2 per cent of their gross national income (GNI) as development assistance to LDCs. The African LDCs that have structural challenges that exceed those of other non-LDC developing countries should be more appropriate targets for development assistance than non-LDC developing countries. Out of the 33 African LDCs, the top 5 largest recipients in 2016 were Ethiopia (\$1.85 billion), the United Republic of Tanzania (\$1.44 billion), the Democratic Republic of the Congo (\$1.41 billion), South Sudan (\$1.38 billion) and Mozambique (\$1.06 billion).

Only a few developed countries are meeting their ODA commitments of 0.7 per cent of their countries' GNI in development assistance. In 2016, only 7 out of 29 members of the Development Assistance Committee to the Organization for Economic Cooperation and Development (OECD–DAC) contributed more than 0.15 per cent of their GNI to LDCs as development assistance. Sixteen countries contributed a higher percentage of their national income to LDCs as development assistance in 2016 than they did in 2015. In absolute terms, total aid to LDCs from OECD–DAC increased from \$37.3 million in 2015 to \$39.2 million in 2016.

Overall, 11 out of the 29 member countries of OECD–DAC provided more than 50 per cent of their total ODA to LDCs, and another 11 countries provided between 30 and 50 per cent. Seven of the DAC countries provided less than 30 per cent of their total development assistance to LDCs, with the larger portion going to other developing countries. Considering the special needs of LDCs and the commitments made by development partners in the Istanbul Programme of Action, these seven countries (Czechia, Germany, Greece, Hungary, Slovakia, Slovenia and Spain) might consider if their assistance could be put to better use in LDCs.

Gross fixed capital formation is one useful measure of the investment in an economy. In the African LDCs, gross fixed capital formation increased from 23.3 per cent in 2016 to 25.4 per cent of gross domestic product (GDP) in 2017 (see figure XVII). An interesting note is that, by this measure, the African LDCs are creating more fixed capital than Africa (excluding North Africa) more broadly.

Figure XVII Gross fixed capital formation


Source: World Development Indicators (Washington, D.C., World Bank, April 2019).

Abbreviation: GDP, gross domestic product.

From a high of \$28.3 billion in foreign direct investment in 2015, foreign direct investment in the African LDCs fell to \$15.0 billion in 2017 (see table 3). More broadly, Africa also saw a substantial decline in inward foreign direct investment during this period, but in percentage terms, the decline in investment to LDCs is much higher – 47 per cent among LDCs, compared with 26 per cent in Africa as a whole.

Table 3 Foreign direct investment to Africa (Billions of United States dollars)

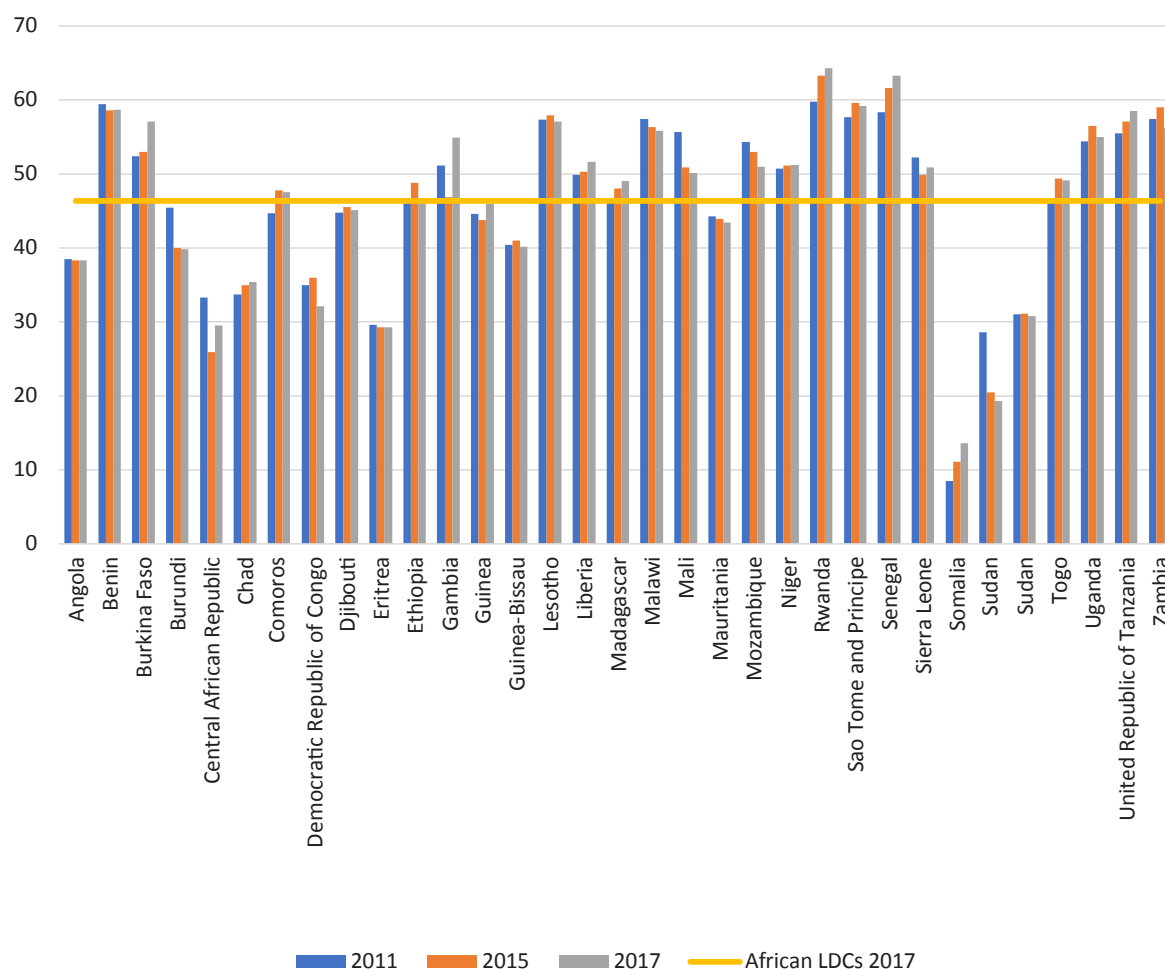
	2013	2014	2015	2016	2017
Africa	50.8	52.4	56.6	53.2	41.8
Africa (excluding North Africa)	39.7	41.7	46.0	40.4	29.6
Non-LDC developing economies, Africa	33.9	31.6	28.0	30.9	26.4
African LDCs	16.3	20.6	28.3	22.2	15.0

Source: UNCTADstat (Geneva, UNCTAD, April 2019).

H. GOOD GOVERNANCE AT ALL LEVELS

Good governance is important at every stage of the economic development process. Unfortunately, many of the African LDCs score poorly on the Ibrahim Index of African Governance. The overall score for African governance was 49.9 in 2017, but the average for LDCs in Africa was only 46.4 (see figure XVIII). It is concerning that, since 2011, the score for overall governance in 16 of the African LDCs has fallen, by 2.3 points on average, rather than risen. On the other hand, the countries with the largest rises in this metric are Burkina Faso, the Gambia, Rwanda, Senegal and Somalia (although the absolute value remains the lowest of African LDCs).

Figure XVIII Ibrahim Index of African Governance



Source: Mo Ibrahim Foundation; see <http://iiag.online/>. Accessed 19 April 2019.



III. AFRICAN PROSPECTS FOR GRADUATION FROM THE LEAST DEVELOPED COUNTRY CATEGORY

The indexes and criteria for inclusion or graduation from the LDC category is calculated by the Department of Economic and Social Affairs for each triennial review, with the most recent being in March 2018. In the previous report of the Economic Commission for Africa (published February 2018), it was noted that five African countries (Djibouti, Lesotho, Togo, United Republic of Tanzania and Zambia) had prospects of meeting the graduation criteria in the near future (see table 4). Each of these countries meet at least one graduation criterion and are within 10 points of meeting a second.

Table 4 African least developed countries close to meeting two graduation criteria, 2018

Country	GNI per capita, Atlas method (United States dollars)	Economic vulnerability index	Human assets index
Djibouti	1 880	36.3	58.0
Lesotho	1 210	42.0	61.6
Togo	610	28.3	61.8
United Republic of Tanzania	910	27.9	56.0
Zambia	1 290	40.5	58.6

Abbreviation: GNI, gross national income.

Note: The thresholds for graduation in 2018 for GNI per capita, the economic vulnerability index and the human assets index were >1,230, <32 and >66, respectively.

The current trends in these five countries are not all promising. For the past three years, reported GNI per capita in Zambia has been falling, after reaching a high of \$1,770 in 2014. Lesotho, too, recorded a higher value of \$1,490 per capita in 2013, while the GNI per capita of the United Republic of Tanzania has remained stagnant for three years. Togo has seen its GNI per capita rising, but it is also starting from a lower base, and the criteria on which it is closest to graduation are the economic vulnerability index and the human assets index. Should incomes in Lesotho and Zambia continue to fall, they will no longer meet any of the graduation criteria (unless their economic vulnerability index or human assets index simultaneously improves).

Of the three most recent African countries to meet the graduation criteria (Angola, Equatorial Guinea, and Sao Tome and Principe), two (Angola and Equatorial Guinea) had passed on the income-only criterion, that is, their GNI per capita was twice the recommended graduation threshold. Fortunately for the five countries in table 4, their development path looks to be more balanced. Of the five, the Zambian economy is by far the most concentrated, with an export concentration index of around 0.66 for the previous four years. Djibouti, Lesotho, Togo and the United Republic of Tanzania have considerably more diversified economies, with indexes of 0.16, 0.28, 0.24 and 0.29, respectively, in 2017.



IV. CONCLUSIONS

The performance of African LDCs, and the support given to them by development partners, continues to be fairly mixed. The progress in increasing productive capacities, rolling out energy access in rural areas and improving governance has been lacking; and all of these areas are critical in ensuring a brighter future for the less wealthy countries in Africa.

The primary improvements to be seen are those in some health and social indicators. Maternal and under-5 mortality rates are dropping. Access to safe water sources, improved sanitation and antiretroviral medication for people living with HIV are all rising in most African LDCs. With only a few exceptions, the scores of African LDCs on the United Nations Development Programme's wide-ranging human development index are improving.

Due to both history and geography, many of the African LDCs are landlocked countries. These countries in particular face special disadvantages with regard to trade, leaving them with market access that, while no more restricted in its political or legal aspects, is nevertheless hampered by the lack of access to ports. The burden of the costlier infrastructure required to get their products to market creates greater challenges to their development, as both inputs to their manufacturing process and their outputs sent to international markets must price this in. The landlocked LDCs must work closely with their neighbouring transit countries to ensure that their access to international markets is not rendered any more difficult than necessitated by their already disadvantageous geographical position.

Trends in foreign investment into LDCs are concerning. While foreign direct investment flows to Africa as a whole are falling, the effect of this is greater among LDCs than among the non-LDCs. LDCs must continue their efforts to mobilize resources directly, while also working to provide the governance and institutions that can help to attract investment. Furthermore, the developed countries that supply ODA should consider how they target their aid most effectively. Notwithstanding LDCs being the most needful of the African developing countries, not all providers of ODA direct a majority of that development assistance towards LDCs.

Although there are five African LDCs that are approaching the graduation thresholds, trends in these countries do not allow for confidence in their success in reaching the thresholds soon. While Djibouti, Lesotho, Togo, the United Republic of Tanzania and Zambia have all definitely shown the potential to successfully cross the thresholds and graduate from LDC status, this is by no means assured. Accordingly, efforts to diversify their economies (especially in the case of Zambia) and build their human assets must continue.



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