

Country-led and partnership-based global support to countries moving up and out of the LDC category

A record number of countries, sixteen in total, are set to move up and out of the least developed country (LDC) category. UN DESA, recognising an urgent and increasing need for capacity support for countries on the path to graduation, scaled up its pilot of the six service offerings of its LDC Graduation Support Facility to an additional seven countries and expanded its partnerships. UN DESA in collaboration with the OECD Development Centre provided policy and technical support to the Government of Bangladesh in conducting a Production Transformation Policy Review for the country—a first of its kind for an LDC. It will inform Bangladesh's National Smooth Transition Strategy. UN DESA together with the World Trade Organization, International Trade Centre and UNCTAD produced a joint report titled The Textile and Clothing Sector in Asian Graduating Least Developed Countries: Challenges and Ways Forward. The report offers insights on the sector in Bangladesh, Lao People's Democratic Republic and Nepal, and sets out important preparatory measures to strengthen the textile and clothing sector. UN DESA actively engaged Member States throughout the intergovernmental preparatory process for the Fifth United Nations Conference on Least Developed Countries (LDC5), culminating in the Facility being a concrete measure of support in the Doha Programme of Action.

Multiple crises take their toll on the most vulnerable countries

Least developed countries, the most vulnerable among developing countries, have been hit particularly hard by the socioeconomic impact of COVID-19, despite having been mostly spared the worst direct health impacts that affected several other countries. The UN DESA-led analysis by the Committee for Development Policy (CDP) from 2021 has sadly proven to be on point. Recovery from the pandemic affects the development of LDCs in multiple ways, including their graduation from the LDC category. The 2022 monitoring reports focus on country-specific impacts of the

multiple crises. By enhancing the <u>monitoring system</u> of countries graduating and graduated from the LDC category, the CDP and its secretariat established a system that can create linkages between external shocks and graduation-related international support.

Even if times are tough for everyone, there is a need to focus to build resilience of those that are most in need. Even though the pandemic is still not over, the ongoing war in Ukraine is a further blow, not only for global peace and security but also for LDCs exposed to the resulting disruptions in food, energy and financial markets. Detailed monitoring by UN DESA is ongoing and will allow for the tracking of impacts and vulnerabilities of LDCs and other developing countries in the near-time, highlighting the widespread negative impacts while accounting for significant heterogeneities. The result of the on-going monitoring are available on the web.

Building productive capacities in LDCs, LLDCs, SIDS and MICs

The opportunities, challenges, key policies and investments needed to build productive capacities in LDCs, LLDCs, SIDS and middle-income countries (MICs) were discussed at the joint meeting of the General Assembly and ECOSOC in October 2021. The joint meeting, organized with the support of UN DESA and UNCTAD, was presided over by the Chair of the Second Committee and the President of the ECOSOC. Building productive capacities in these groups of countries was considered as critical step for recovering better, accelerating economic growth, addressing persisting vulnerabilities and getting back on track towards achieving the SDGs. The joint meeting also explored innovative solutions, key interventions and enabling policies to facilitate and augment the long-term resilience of LDCs, LLDCs, SIDS and MICs to future shocks through building productive capacities.

