



# Least developed countries

## **Introductory Note**

A 10-year strategy to put people's jobs and well-being at the centre of the transition to carbon-neutral and climate-resilient economies was introduced in the 2019 UN Climate Summit, with a focus on delivering decent jobs, advancing social justice, supporting a sustainable future for every country and ensuring an inclusive and sustainable recovery from the COVID-19 pandemic. The economic, social and environmental dimensions of the COVID-19 crisis need to be addressed so as to build back better, more sustainable and inclusive economies and societies that are more resilient to future shocks. A climate-positive recovery can be achieved through the six areas of action that the UN Secretary-General has put forward (New Climate Action for Jobs Board calls for a sustainable recovery from the COVID-19 crisis, 2020).

Least Developed Countries' (LDCs) vulnerability to the direct consequences of climate change poses a threat towards their economic growth, which is highly affiliated with climate-sensitive sectors. The achievement of the Sustainable Development Goals (SDGs) is jeopardized due to the fact that reducing poverty has been the highest priority in these countries' agendas. During the preparation of their National Communications for the United Nations Framework Convention on Climate Change (UNFCCC), a number of challenging technical issues and constraints had been identified (Climate Change in Least Developed Countries, 2011). However, that did not stop them from responding to the climate stresses and coming up with solutions so as to ensure that no LDC is left behind, from the least to the most





vulnerable ones. The LDC Initiative for Effective Adaptation and Resilience (LIFE-AR), being an LDC-led and LDC-owned initiative, has developed long-term approaches for delivering a climate-resilient future. A historic shift has been noted in the way that LDCs and the international community are operating towards delivering the Sustainable Development Goals (SDGs), Paris Agreement, Aichi Biodiversity Targets and Sendai framework (LDC 2050 Vision: Towards a Climate-resilient Future, 2019).

### **Environmental aspect**

Back in 1989, while addressing the Intergovernmental Panel on Climate Change Response Strategies Working Group, Ernest Beni, Vanuatu's principal delegate, stated that "[w]e have been sustained by the ocean for two million years, and it has been bountiful and continues to yield to us its bounty. We have now learned that this harmony could be interrupted by the actions of nations very distant from our shores... We, the people of the South Pacific Region, appeal to you in a common voice, the voice of those who may become the first victims of global warming... to ensure the survival of our cultures and our very existence and to prevent us from becoming 'endangered species' or the dinosaurs of the next century."

Countries like Bangladesh have experienced massive disasters such as floods, cyclones and land erosion. According to studies, at least 70 major cyclones have hit the country over the last 200 years. As a result, tens of thousands of people have been displaced and ended up as environmental refugees in urban slums. Ethiopia is also threatened by climate change because of its geographic exposure, high rates of poverty and unequal social structures. This country has been experiencing for decades the incidence of prolonged drought. Climate change entails increasing this incidence (Ahmad, 2011).

The LDC governments have committed to achieving ambitious, low-carbon and climate-resilient development. As stated in their 2050 Vision, they will prioritize climate in their national development policies, plans, budgets and programs. They have also committed to lifting the role of local government and actors so as to revitalize existing decentralization structures and promote subsidiarity in climate decisions and jurisdiction coordination. Their plan includes the vertical and horizontal integration of the relevant frameworks [NAPs, NDCs and long-term strategies for low



emission and climate-resilient development (LTS)], combing with the development of strategies promoting joint efforts at all levels. It is noteworthy that LDCs have pledged to deliver 100% access to productive energy services, renewable energy for electricity and use of best-in-class energy efficiency, while also reducing fossil fuel energy use and electrifying transport systems to achieve a low-carbon economy (LDC 2050 Vision: Towards a Climate-resilient Future, 2019). However, in terms of low carbon resilience, the key priorities that each country prioritizes to address first may vary. For instance, in the previous decade, Ethiopia chose to identify financing hydropower, promoting advance cooking facilities (such as energy-efficient cooking stoves), raising money from reducing emissions from livestock and utilizing REDD+ (reducing emissions from deforestation and forest degradation) as its four key areas (Fisher, 2013).

On 9 December 2020, at the Thimphu Ambition Summit, under the auspices of the Royal Government of Bhutan, chair of the LDC Group at the UNFCCC, government officials gathered (virtually) to deliver clear ambition statements regarding the targets set out in the Paris Agreement. This event aimed to raise awareness on climate action and to discuss critical issues faced by LDCs, such as climate finance and green economic recovery. The Paris Agreement required nations to submit new revisions of their nationally determined contributions (NDCs) by 2020 to replace the ones first outlined in 2015. The global meeting for COP26, where the new NDCs were expected to be submitted, was put on hold in 2020, because of the COVID-19 pandemic.

Nevertheless, a number of LDCs, including Nepal and Rwanda, have already submitted revised, more ambitious targets and long-term strategies than those that were originally proposed after the Paris Agreement so as to cut carbon emissions in a more efficient way and as a result limit warming. At the same time, many other LDCs are preparing to update their contribution, while hoping that developed nations will support them in implementing their plans through the provision of financial resources and by being in line with the steps LDCs are taking towards reducing emissions. Moreover, Nepal's minister of forest and environment announced his country's ambitious goal to reach net-zero emissions by 2050. He highlighted that the gap between the Paris Agreement goals and existing commitments needs to be addressed immediately and urged the other countries to follow Nepal's example and submit more ambitious plans to lower emissions.



It is worth mentioning that Bhutan's historic commitment to remain carbon neutral played a leading role in driving the global community towards deep decarbonization. Bhutan's secretary of the national environment commission stated that "[w]e suffer the effects of climate change disproportionately...Bhutan has committed to remaining carbon neutral, while being carbon negative as of now. We have a forest coverage of more than 70% while we also have several protected areas, biological corridors and national parks." Bhutan's economy has been indeed affected disproportionately by the climate stresses. Its economy relies on hydropower and tourism while more than 60% of the population is engaged in farming, all three sectors being considered extremely climate-sensitive. Lastly, multiple parties suggested that the global recovery from COVID-19 is an excellent opportunity for alignment with green development and the targets of the Paris Agreement. (Roberts and Gyeltsen, 2020)

## Economic aspect

According to the UNFCCC, "the Parties shall take full account of the specific needs and special situations of the least developed countries in their actions with regard to funding and transfer of technology" (art. 4, paragraph 9). Pursuant to this commitment, the LDC work programme was established by the Conference of the Parties in 2001 so as to outline the needed provisions to the LDCs in order to be in compliance with the Convention and the Paris Agreement.

In 2018, during the 48<sup>th</sup> session of the UNFCCC Subsidiary Body for Implementation in Bonn, the LDC work programme identified some key priorities. First and foremost, it is urgent to strengthen the existing and, under certain conditions, establish national climate change secretariats and/or focal points to implement effectively the Convention in the LDC Parties. Another important step is to provide continuously negotiations trainings so that the capacity of negotiators from the LDCs is built and they are able to participate in the climate change process in a fruitful way. It is also crucial for all Parties to supporting the preparation of national adaptation programmes of action (NAPAs), as, upon successful completion, a NAPA would make the country eligible for the Least Developed Countries Fund (LDCF). In addition, public awareness programmes need to take place as a way to promote the spread of information on climate change issues. However, for the aforementioned





actions to happen, all Parties should contribute in the development and transfer of technology, in particular adaptation technology.

In 2001, besides the LDC work programme, a Least Developed Countries Expert Group (LEG) was established to assist with technical guidance and to support the LDCs to put forward and implement their national adaptation plans (NAPs) and LDC work programme. The technical guidance and advice provided will also help LDCs access funding from the Green Climate Fund (GCF) for the process to formulate and implement NAPs. Two delegates per LDC Party are encouraged to participate in training workshops conducted by the LEG.

Last but not least, the Least Developed Countries Fund (LDCF) was established in 2001 in support of the LDC work programme, and the preparation and implementation of NAPAs, under the auspices of the Global Environment Facility (GEF). By April 2018, 51 countries, LDCs and former LDCs, had accessed a total of \$1.25 billion, utilizing it so as to prepare and implement NAPAs, the NAP process and elements of the LDC work programme. According to the governing instrument of the GCF, approved by the COP in 2011, in the granting of resources for adaptation, it takes into account the "urgent and immediate needs of developing countries that are particularly vulnerable to the adverse effects of climate change, including LDCs, SIDS and African States using minimum allocation floors". The ultimate goal is that these countries will be able to be allocated with a floor of 50% of adaptation funds (Climate Change and Environment, 2020). During Thimphu Ambition Summit, the executive secretary of the UNFCCC, Patricia Espinosa, stated that the finance commitment is a key success factor in the climate agenda. Nevertheless, she expressed her concerns that if mutual pledges are not kept then trust can no longer be established between developed and developing countries. The mobilization of climate finance in line with the decade-long goal for developed nations to provide \$100 billion dollars a year for mitigation and adaptation is a major concern for the LDCs (Roberts and Gyeltsen, 2020).

As for COVID-19, the majority of the LDCs introduced early lockdowns and mobility restrictions, just like most advanced economies did so as to contain the spread of the virus. However, the ones that introduced stricter measures were forced to amend and ease them because of the massive economic damage caused for



businesses, workers and poorer people. In these countries, over 80% of all workers experienced some kind of workplace closures by July 2020, while over 20% of these workers were in countries that required workplace closures for all but essential workers. As a result, the health crisis generated an employment crisis. Restriction of movements, mandated market closures at home and abroad and social distancing had a direct effect in the economic sectors related to informal and low-productive urban employment, such as commerce, food, transportation, personal services and domestic work. The agricultural sector, where the majority of the workforce in the LDCs is located, was also affected by restrictions to mobility.

Even before COVID-19 was spread in LDCs, most of them were suffering because of its impacts to the global economy. For instance, significant job losses were noted in manufacturing, construction, tourism, services and mining, as a result of interruptions in global supply chains, the drying up of tourism, and sharp declines in the price of commodities and volume of remittances. Moreover, the uncertainty that this pandemic has caused is widely affecting consumption and investment decisions. There is urgent need for sustained international support in order to limit the economic and employment impacts of the pandemic in the LDCs. The multilateral institutions and the G20 countries have offered valuable assistance but there is more needed. It is essential for LDCs to have more bilateral and multilateral support and new financial facilities will to fund their responses at every level of the pandemic crisis (COVID-19: Tackling the Jobs Crisis in the Least Developed Countries, 2020).

## Social aspect

UN Secretary-General António Guterres is urging governments to "Leave no one behind" in the transition to a sustainable and carbon-neutral future so as to recover better from the pandemic. LDC governments have committed in their 2050 Vision, among others, to create more inclusive governance of climate decisions that are centered on gender transformation and social justice. In order to do that, they have pledged to strengthen multi-stakeholder, multi-level and multi-sector platforms where communities, especially the most excluded, national and local government, NGOs and private sector work together to improve climate decision making, build a strong foundation of trust, break down silos and encourage collaboration. They have also agreed to focus on leading a new discourse on social inclusion that puts climate



justice at its heart and involving the whole of society, but especially youth, women, indigenous people and other traditionally excluded groups, in decisions, planning, programmes, finance and technology. They also wish to be able to strengthen transparency and accountability in financing, results and learning and climate information sharing at all levels (LDC 2050 Vision: Towards a Climate-resilient Future, 2019).

The LDCs are in a way a success indicator for the Agenda 2030 for Sustainable Development. They are "the battleground on which the 2030 Agenda for Sustainable Development will be won or lost", as the 47 LDCs are home to more than 50% of the people living with less than \$1.90 per day at a global level, representing the main locus of extreme poverty worldwide. The effects of the COVID-19 crisis on a wide range of socioeconomic and environmental sectors have brought to the surface critical elements of systemic interdependence that can no longer be overlooked. This highlights the need for inclusivity/universality, the fundamental role of international cooperation and calls for a new strategic approach so as to ensure that LDCs do not fall behind (The Least Developed Countries Report 2020: Productive Capacities for the New Decade, 2020).

In general, LDC countries' social structures are deeply neglected. About 18% of the population in these countries has access to internet, while the vast majority is victims of the digital divide. Another worrying fact is that LDC governments on average spend less than 2% of their country's GDP on public healthcare. Weak public health services combing with low resources to mitigate the spread of the virus may sabotage the progress made in these countries in the first cycle, from 2015 to 20, in terms of the Sustainable Development Goals. Some countries were also hoping to graduate out of the LDC category, as envisaged in the UN Istanbul Programme of Action (IPoA) in 2011. However, that might not be possible under these circumstances. "The looming economic tsunami with concurrent health shocks could be catastrophic for these countries, leaving them further behind." (Bhattacharya and Islam, 2020)

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