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Activities carried out in the implementation of the Doha Programme of Action for the Least Developed Countries

Note by the UNCTAD secretariat*

Summary

A description of activities carried out by UNCTAD between the third quarter of 2024 and the second quarter of 2025, in support of the implementation of the Doha Programme of Action for the Least Developed Countries for the Decade 2022–2031, is provided in this background note. The note contains a non-exhaustive list of examples of how UNCTAD is delivering results in the least developed countries. The note is structured along the three pillars of UNCTAD work: research and policy analysis, intergovernmental consensus-building and technical cooperation. Lessons learned and policy recommendations for the way forward are also presented.

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I. Introduction

1. In the 2021 Bridgetown Covenant, member States call on UNCTAD to "strengthen its special focus on the trade and development needs of the least developed countries across all areas of its mandate".[1] Furthermore, in paragraph 299 of the Doha Programme of Action for the Least Developed Countries for the Decade 2022–2031, governing bodies of United Nations funds and programmes and other multilateral organizations are invited to participate fully in reviews of the Doha Programme of Action and, in paragraph 308, UNCTAD is called on "to continue to address the challenges faced by least developed countries". This background note is prepared pursuant to these mandates.

2. Into the third year of implementation of the Doha Programme of Action, the least developed countries (LDCs) are facing headwinds to growth from high debt levels and geopolitical tensions, as well as declining consumer confidence, financial market volatility and potential disruptions in supply chains. These factors are compounded by tariff changes in major economies. As a result, growth in LDCs is expected to slow in 2025 to 4.1 per cent, from an estimated 4.5 per cent in 2024.[2] This is far below the Doha Programme of Action target of 7 per cent of annual gross domestic product (GDP) growth. The public debt of LDCs has been steadily rising since 2006, reaching a total of $774bn in 2023, triple its nominal level of 2010. The debt-to-GDP ratio for LDCs as a group increased from 36 per cent in 2010 to 55 per cent in 2020 and remained at 54 per cent in 2023. Currently, 20 of the 44 LDCs are either in debt distress or at high risk of debt distress.[3] In 2021–2023, 43 per cent of LDCs spent more on interest payments than on health.[4] Average debt-servicing costs as a share of LDC government revenue are expected to rise further in 2025 and reach almost twice the level of 2010.[5] The share of LDCs in global merchandise exports has remained flat, at about 1.1 per cent in 2024, and falls far short of the Doha Programme of Action goal of doubling the LDC share in global trade.[6] Nevertheless, in 2024, foreign direct investment inflows to LDCs saw an increase of 9 per cent, to $37 billion, or about 2 per cent of global flows.[7] However, projected investments in Sustainable Development Goal-related sectors declined by 86 per cent in LDCs. Overall foreign direct investment flows also remain concentrated; the top five recipients account for just under 50 per cent of the total.[8] Official development assistance to LDCs stood at $65 billion in 2023, representing an increase of 3.5 per cent compared to 2022, but remained well below its peak of $71 billion in 2020. The top five LDC recipients[9] account for about one third of total official development assistance disbursements to these countries. Moreover, recent donor announcements point towards an unprecedented strain on global aid, with estimates showing a near 20 per cent drop in overall official development assistance.[10] Against this background, LDCs will require continued support to foster inclusive growth and achieve the targets of the Doha Programme of Action.

3. On 13 December 2024, Sao Tome and Principe became the eighth country to graduate from the LDC category, bringing the total number of LDCs down to 44. This small island developing State, with a population of about 230,000, has made significant strides in health and education, as well as income per capita, allowing the country to meet both the human assets and income criteria for graduation. While graduation is an important step in the country's economic development, continued support will be required to manage

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1 TD/541/Add.2, para 5 (a).
2 United Nations, 2025, *World Economic Situation and Prospects 2025: Mid-year Update* (New York).
3 See International Monetary Fund list of low-income country debt sustainability assessments of countries eligible for Poverty Reduction and Growth Trust, as of 31 March 2025, available at http://www.imf.org/external/pubs/ft/dsa/dsalist.pdf; excludes Angola.
4 See www.unctad.org/publication/world-of-debt.
5 United Nations, 2025.
6 UNCTADstat database.
7 UNCTAD, 2025, *World Investment Report 2025: International Investment in the Digital Economy* (United Nations publication, Sales No. E.25.II.D.23, Geneva).
8 Cambodia, Ethiopia, Mozambique, Uganda and Democratic Republic of the Congo
9 Bangladesh, Ethiopia, Democratic Republic of the Congo, Yemen, and Afghanistan
10 See https://unctad.org/publication/aid-crossroads-trends-official-development-assistance.

vulnerabilities arising from its commodity dependence, small economic size and geographic isolation. In addition, debt distress is weighing on its economy. UNCTAD remains committed to supporting the efforts of Sao Tome and Principe to diversify exports, enhance domestic productive capacities and improve its business environment.

4. A non-exhaustive overview of the activities carried out by UNCTAD, between July 2024 and June 2025, in support of the implementation of the Doha Programme of Action is provided in this background note. The activities are structured around the three pillars of UNCTAD work: research and analysis (chapter II), intergovernmental consensus-building (chapter III) and technical cooperation (chapter IV). The activities in chapter IV are listed under the six focus areas of the Doha Programme of Action. Lessons learned (chapter V) and recommendations for consideration by the Trade and Development Board (chapter VI) conclude the note.

II. Research and analysis

5. ***The Least Developed Countries Report 2024: Leveraging Carbon Markets for Development***. As recalled in the report, carbon markets are increasingly seen as key drivers of climate ambition and capital flow. They enable countries to trade carbon credits – permits to offset a specific quantity of emissions – allowing sellers to earn revenue and contribute to climate action. LDCs are already engaged in carbon markets and among the early movers in emerging trading mechanisms under article 6 of the Paris Agreement. How these markets could bridge gaps between economic growth and climate action in LDCs and mobilize capital for sustainable development is examined. While carbon markets offer promise, they are not a substitute for official development assistance or climate finance. Instead, they serve as one of many tools to support green structural transformations and global emissions goals of LDCs. Drawing on the report, UNCTAD provided online briefing sessions to LDC member States on how to harness the potential of carbon markets.

6. ***The Economic Development in Africa Report 2024: Unlocking Africa's Trade Potential Regional Markets and Reducing Risks***. The relationship between trade, regional integration and stability is examined in the report, noting how interconnected global crises have exacerbated economic, governance, connectivity, social, energy and environmental vulnerabilities in African countries, including 32 LDCs. Regional integration to build resilience against external shocks is advocated. The African Continental Free Trade Area is also highlighted as a transformative mechanism for African LDCs and developing countries to reduce dependency on external markets, diversify trade, build stronger regional market linkages and leverage other regional resources to withstand external shocks.

7. **Vulnerability profiles**. Further to its mandate from the General Assembly, UNCTAD is preparing the vulnerability profiles of Cambodia, Comoros, Djibouti, Senegal and Zambia, identified in 2021 as pre-eligible for graduation. In the reporting period, the vulnerability profiles of Comoros and Djibouti were validated in national workshops, held on 15–16 October 2024 and 18–19 May 2025, respectively. A study of the impact of the African Continental Free Trade Area on the prospects of structural transformation of the Comoros was considered, while the national validation workshop in Djibouti brought together 65 participants, including senior government officials, focal points and experts from 13 ministries, as well as representatives from the private sector, academia, civil society and development partners. An analysis of the impact of the African Continental Free Trade Area on the industrial development of Djibouti was also discussed. A national road map for graduation with momentum was designed for each country at the respective workshop.

8. **Addressing trade tensions**. An UNCTAD document, "Sparing the vulnerable: The cost of new tariff burdens",[11] issued in May 2025, analyses the likely impact of newly announced tariffs in the United States of America on vulnerable economies, including LDCs. The analysis highlights that, while LDCs as a group only account for 0.9 per cent of United States imports, and 1.5 per cent of the United States trade deficit, they could face

[11] Available at https://unctad.org/publication/sparing-vulnerable-cost-new-tariff-burdens.

some of the highest new United States tariffs, resulting in a decline of vital exports, and posing substantial risks to their development. Exports to the United States market currently account for 8.9 per cent of LDC exports.

9. **Poverty and inequality in LDCs**. UNCTAD published the analytical study *Réduire la pauvreté et les inégalités au Burkina Faso: analyses et options politiques*. Recent trends in poverty and inequality in the country are highlighted, and the impact of different economic and social policies is analysed. While Burkina Faso has achieved socioeconomic progress, a large proportion of its population still lives in poverty. Recommendations to reduce poverty and inequality include greater policy coherence, improving the quality of education and extending access to healthcare, supporting women's cooperatives in agriculture and greater efforts to support youth employment. Similarly, UNCTAD published the study *Combating Inequality and Poverty in the United Republic of Tanzania: Policy Analysis and Options*. While the United Republic of Tanzania has achieved rapid economic growth, progress on poverty reduction has lagged behind, and inequality remains high. Highlighted in the study are the need to strengthen domestic resources mobilization through a progressive tax system, expand social protection coverage, increase labour productivity in agriculture and continue to promote gender equality.

10. **Productive capacities development**. UNCTAD published *Productive Capacities Development: Challenges and Opportunities – Ethiopia*. To advance structural transformation and economic diversification, productive capacities of Ethiopia are examined, as are gaps and necessary policy responses. The publication contains an assessment of the national productive capacities gap as well as a holistic productive capacities development programme for Ethiopia. In addition, on 23–24 April 2025, UNCTAD organized a high-level workshop in Mozambique to validate an assessment of the national productive capacities gap and a holistic productive capacities development programme for the country.

11. **Productive transformation policy reviews**. UNCTAD collaborated with the Development Centre of the Organisation for Economic Co-operation and Development and other international organizations in the preparation of *Production Transformation Policy Review of Togo*, launched in May 2025.[12] UNCTAD contributed an analysis of the role played by trade and regional integration, as well as the challenges and opportunities of innovation and digital technologies in the productive transformation of Togo.

12. **Investment and public health**. UNCTAD published two reports to support sustainable investments in the local manufacture of medicines and vaccines in Africa as a means to achieving better health security. In the first report, *The Case for Investment in Local Pharmaceutical Production in Africa: A Comprehensive Framework for Investment Policymakers*, a comprehensive framework is set out to help policymakers assess strategic impact, address investment barriers and design effective incentives. In the second, *Attracting Pharmaceutical Manufacturing to Africa's Special Economic Zones,* how special economic zones can be an effective tool for industries, such as pharmaceuticals, that need scale and specialization to compete is explored. The studies were launched in April 2025 at the World Local Production Forum of the World Health Organization.

13. **Investment facilitation**. UNCTAD issued a report, *Derisking Investment for the Sustainable Development Goals: The Role of Political Risk Insurance*, in which the importance of political risk insurance in boosting investment in LDCs is highlighted. Between 2018 and 2022, political risk insurance providers insured projects in developing countries worth approximately $150 billion, but LDCs accounted for only 15 per cent of projects covered by political risk insurance. However, insured project values are equivalent to 28 per cent of foreign direct investment to LDCs, compared to 6 per cent in other developing countries. The report outlines several recommendations to expand political risk insurance coverage of investment in Sustainable Development Goal sectors and LDCs.

[12] Available at https://unctad.org/publication/production-transformation-policy-review-togo.

III. Intergovernmental consensus-building

14. **Policy dialogue and technical assistance to LDCs in Geneva**. UNCTAD provided policy advice and technical support to representatives of LDCs in Geneva on the following: preparations for the participation of LDCs in intergovernmental forums of UNCTAD and the World Trade Organization; the process of graduation; the Doha Programme of Action; ongoing and planned UNCTAD activities on LDCs; and the UNCTAD mandate on LDCs in the Bridgetown Covenant.

15. **Support to the Group of LDCs at the World Trade Organization**. As part of an UNCTAD–European University Institute initiative to support the Group of LDCs in World Trade Organization negotiations on rules of origin, UNCTAD and the Institute organized three workshops (two in Florence, one in Geneva) to discuss the current landscape of rules of origin and their impact on trade preferences for LDCs and recent developments in the World Trade Organization negotiations on rules of origin, as well as the findings of UNCTAD studies and best practices and strategies for effective negotiation and implementation of rules of origin.

IV. Technical cooperation

16. In 2024, UNCTAD spent a total of $18.8 million on technical cooperation activities related to LDCs (see table). Of this amount, $9.9 million was spent on national projects and $8.9 million was spent on participation of LDCs in regional and interregional projects. Technical cooperation expenditures in LDCs in 2024 represented 33.3 per cent of total technical cooperation expenditures. Both the total amount and the share of expenditures concerning LDCs have fallen relative to 2023, by $5.2 million and 8.5 percentage points, respectively.

Technical cooperation related to the least developed countries

	(1) Country projects in LDCs	*(2) Participation of LDCs in regional and interregional projects*	*(3) Total expenditures related to LDCs*	*(4) Total UNCTAD technical cooperation expenditures*	*(5) Share of LDC-related expenditures in UNCTAD technical cooperation*[a]
Year	*Millions of United States dollars*				*%*
2020	8.93	6.73	15.66	35.04	44.7
2021	9.87	9.24	19.11	46.78	40.9
2022	14.32	12.39	26.71	54.49	49.0
2023	13.69	10.26	23.95	57.27	41.8
2024	9.93	8.86	18.79	56.48	33.3

[a] Shares in column (5) calculated as a percentage by dividing the totals in column (3) by the amounts in column (4).

A. Investing in people in the least developed countries: Eradicating poverty and building capacity to leave no one behind

17. **Trade, poverty and inequality**. UNCTAD held a virtual seminar on 26 February 2025 on strategies and initiatives to reduce poverty and inequality in Chad. The seminar was co-chaired by the Permanent Representative of Chad in Geneva and brought together government representatives from different ministries as well as academics and technical experts, and findings informed a forthcoming UNCTAD publication on reducing poverty and inequality in Chad.

18. **Entrepreneurship for sustainable development**. UNCTAD continued to support enterprise development in LDCs. As part of UNCTAD technical assistance to the Ministry of Finance, Planning and Economic Development of Uganda and following the successful organization of a business and enterprise start-up tool workshop in December 2024,

UNCTAD organized an Empretec entrepreneurship training workshop in January 2025. Held in collaboration with the Empretec centre in Uganda (Enterprise Uganda), the workshop targeted a group of 32 young Ugandan small-scale entrepreneurs**.**

19. **Accounting**. In Uganda, UNCTAD continued the implementation of the informality management for compliance and revenue mobilization programme on formalization of microenterprises and small and medium-sized enterprises, supported by funding from the Kingdom of the Netherlands. In December 2024, a workshop in Kampala introduced the UNCTAD e-Accounting Tool for such enterprises to participants selected from those in the business and enterprise start-up tool training for pilot testing. The tool was praised for its effectiveness and impact and welcomed by the Ministry of Finance, Planning and Economic Development, as well as the other stakeholders. In partnership with the Ministry, UNCTAD provided free technical support to help participating enterprises integrate the e-Accounting Tool into their financial reporting infrastructures. In March 2025, a second workshop was conducted to train administrators from the Ministry of Finance, Planning and Economic Development, equipping them with the technical skills needed to manage and troubleshoot the tool and disseminate it to end users, ensuring its smooth adoption and effective use for compliance.

B. Leveraging the power of science, technology and innovation to fight against multidimensional vulnerabilities and to achieve the Goals

20. **Science, technology and innovation parks for sustainable development**. As part of a project titled "Science, technology and innovation parks for sustainable development: Building expertise in policy and practice in selected Asian and African countries (2023–2026)", financed by the 2030 Agenda for Sustainable Development Sub-Fund under the United Nations peace and development trust fund, UNCTAD is assisting Mozambique in strengthening its science, technology and innovation park ecosystem. Policymakers from Mozambique participated in two training workshops in China in July and September 2024, combining expert presentations, practical exercises and site visits to successful science, technology and innovation parks. In November 2024, UNCTAD published a national gap assessment for Mozambique[13] that identifies systemic barriers to science, technology and innovation park development in the country and the needs of different stakeholders, including youth, women and persons with disabilities. These findings informed a national workshop on science, technology and innovation park policy and management, held from 9 to 11 December 2024 in Maputo, gathering approximately 40 stakeholders from government ministries, universities, research institutions and park management bodies. Workshop participants developed a draft national action plan for strengthening the country's science, technology and innovation park ecosystem, which will be finalized at a multistakeholder workshop in 2025.

21. **Technology assessments**. UNCTAD has supported the Government of Zambia in undertaking an assessment of small-scale biogas production technology. While biogas technology is well established in some developing countries, it has not yet been broadly adopted in Zambia. Under an UNCTAD project titled "Technology assessment in the energy and agricultural sectors in Africa to accelerate progress on science, technology and innovation (2021 to 2024)", UNCTAD carried out a systematic evaluation and analysis of the potential impacts, benefits, risks and challenges associated with the adoption of biogas technology in Zambia. A comprehensive action plan was also developed for the country and validated through a national workshop. In October 2024, UNCTAD convened an international workshop in Geneva on lessons learned from the technology assessment project, where representatives from the Ministry of Technology and Science and the Ministry of Energy shared findings and recommendations, as well as lessons learned, from the technology assessment of Zambia with other countries. The project contributed to strengthened cooperation between the two ministries, which is essential for successful transformation of the energy sector. Further to the assessment, the Ministry of Energy

[13] UNCTAD, 2024, *Science, Technology and Innovation Parks in Mozambique: Assessment and Policy Issues*, Geneva.

expressed its intention to pursue policy measures to support biogas uptake, including tax incentives for imported biodigester system components, in line with one of the key recommendations of the assessment report.

C. Supporting structural transformation as a driver of prosperity

22. **Training on industrial policy**. UNCTAD delivered a workshop in Lusaka on 29–30 May 2025 to train Zambian industrial policymakers on the rationale, arguments, principles, instruments and current challenges of industrial policy. Participants discussed case studies, practical applications, overcoming challenges and developing strategies for sustainable industrialization. They gained a better understanding of how to address the challenges of industrial policy given current international constraints and became better equipped to implement these policies.

23. **Integrating small and medium-sized enterprises into regional value chains**. UNCTAD, in collaboration with the United Nations Development Programme (UNDP), the United Nations Economic Commission for Africa, the United Nations Capital Development Fund and the United Nations resident coordinator system, is implementing a project to build the capacities of selected African countries (including Benin, Burundi, Central African Republic, Togo and Uganda) to adopt policies and innovative digital instruments that enable small and medium-sized enterprises to produce higher value added goods and integrate into regional supply chains. On 20 February 2025, UNCTAD organized a national consultation and project launch workshop with 49 participants in Kampala, to present the project's objectives and discuss the challenges faced by Ugandan small and medium-sized enterprises in integrating into value chains. The findings from the consultation will feed into the national impact study and guide the design of targeted trainings for policymakers. In addition, UNCTAD finalized the development of a mobile application designed to collect informal cross-border trade data and strengthen trade policy design and transparency. Prototype versions of the application are currently being reviewed and tested by stakeholders in Benin, Togo and Uganda.

D. Enhancing international trade of least developed countries and regional integration

24. **Online courses on trade policy**. UNCTAD offers online courses to build the capacities of trade officials in developing countries and LDCs to develop appropriate trade policy frameworks, managing accession to the World Trade Organization and carrying out bilateral, regional and multilateral trade negotiations. In the reporting period, UNCTAD conducted an online course on trade policy frameworks between October 2024 and January 2025. Twenty-one participants from 12 LDCs successfully completed the course. Furthermore, UNCTAD delivered an online course on trade negotiation techniques between 10 February and 16 April 2025, which trained 18 participants from 11 LDCs.

25. **Non-tariff measures regulatory transparency initiative**. As the lead organization for collecting data on non-tariff measures, UNCTAD collaborates with the secretariat of the African Continental Free Trade Area to implement transparency measures concerning non-tariff measures and work towards eliminating unnecessary barriers across Africa. The Agreement Establishing the African Continental Free Trade Area mandates regulatory transparency in areas such as customs cooperation, mutual administrative assistance, trade facilitation, technical barriers to trade and sanitary and phytosanitary measures.

26. **Eliminating non-tariff barriers in the African Continental Free Trade Area**. In partnership with African Continental Free Trade Area member States (many of which are LDCs), UNCTAD developed an online tool that allows the private sector – particularly microenterprises, small and medium-sized enterprises, informal traders and women and youth entrepreneurs – to report obstacles they encounter in intra-African trade. These issues are then addressed by national focal points trained by UNCTAD. With mediation support from UNCTAD, the mechanism has successfully helped eliminate several non-tariff barriers in different African countries. In 2024, the number of users of the non-tariff

barriers online mechanism of the African Continental Free Trade Area increased by 41 per cent, from 931 to 1,408, making it the year with the most registrations since the 2019 launch of the mechanism. UNCTAD also worked with the African Continental Free Trade Area to develop a mobile application, which allows users to report non-tariff barriers on the go. In addition, an UNCTAD expert has been seconded to the African Continental Free Trade Area secretariat to support its Non-tariff Barriers Coordination Unit, build the capacities of national non-tariff barriers focal points and implement awareness-raising campaigns.

27. ***Trade Preferences Outlook 2024***. UNCTAD published *Trade Preferences Outlook 2024*, focused on non-reciprocal trade preferences applicable to developing countries and/or LDCs. This first edition takes stock of the current state of preferential trade conducted under non-reciprocal trade preferences programmes, assesses the effects and examines their continued relevance in the light of the changing pattern and structure of international trade. The aim of the report was to contribute to the debate on whether and how trade preferences have contributed to developing countries' export diversification, one of the key pillars for sustained export growth and economic development.

28. **Global System of Trade Preferences**. During the reporting period, UNCTAD continued to pursue interregional trade integration among developing countries through support to the Global System of Trade Preferences. UNCTAD organized an information session to present its recent studies on South–South trade in the marine fisheries and aquaculture sectors and an upcoming study on the agriculture sector.

29. **Rules of origin in preferential trade arrangements**. In cooperation with the Asian Development Bank and the Ministry of Commerce of Cambodia, UNCTAD organized two executive training sessions in April 2025 on the use of preferential trade arrangements and trade facilitating practices in operational certification procedures in Cambodia. These two-day workshops, held at Svay Rieng University and in Sihanoukville, respectively, brought together trade experts, government officials, customs representatives and private sector participants to explore the technical, operational and strategic aspects of rules of origin and compliance under various preferential trade arrangements.

30. **E-trade readiness assessments**. E-trade readiness assessments provide detailed diagnostics and policy advice to foster an enabling environment and build inclusive electronic commerce (e-commerce) ecosystems in developing countries, particularly LDCs. Close to two thirds of the 38 e-trade readiness assessments completed to date are for LDCs. In the reporting period, UNCTAD carried out an e-trade readiness assessment for Timor-Leste, in partnership with the Ministry of Commerce and Industry and with funding from the European Union. Following a national consultation workshop with relevant stakeholders in July 2024, the e-trade readiness assessment was published in April 2025. The findings will inform the formulation of a national e-commerce strategy to unlock the potential of e-commerce for the country's sustainable growth. UNCTAD also continues to provide implementation support to several LDCs that have conducted e-trade readiness assessments, including through its dedicated e-trade reform tracker.

31. **eTrade for Women**. Since the launch of the eTrade for Women initiative in 2019, women digital entrepreneurs from 16 LDCs have participated in one of the 15 eTrade for Women masterclasses organized to date. In 2024/25, through the initiative, UNCTAD is working in close cooperation with six eTrade for Women advocates, a small group of influential women leaders in the digital sector appointed for a one-year term renewable once, including one advocate from Benin. The masterclasses have also paved the way for the building of six regional communities of women digital entrepreneurs. By the end of April 2025, more than 450 women digital entrepreneurs from 60 countries, including 20 LDCs, had joined the communities.

32. **Trade facilitation and transport**. Trade facilitation is critical for integrating LDCs into global supply chains as it cuts red tape, reduces costs and enhances national revenue. Implementation of the Agreement on Trade Facilitation of the World Trade Organization remains low among LDCs (25–60 per cent, compared to a global 85 per cent). UNCTAD work on trade facilitation and transport supports countries to establish and strengthen national trade facilitation committees and equips logistical infrastructure (ports, dry ports,

logistical warehouse centres and corridor/transit agencies) with key tools, such as climate-smart solutions to reduce carbon dioxide emissions during cross-border trade. In addition, tools such as the trade facilitation reform tracker (operational in 15 LDCs) and trade information portals (in 13 LDCs) enhance transparency and implementation monitoring. UNCTAD also emphasizes resilient, sustainable transport systems that reduce costs and improve connectivity for LDCs, fostering economic diversification and integration into regional and global supply chains.

33. **Customs automation**. Currently, 38 out of the 44 LDCs (86 per cent) are using at least one Automated System for Customs Data (ASYCUDA) system for customs automation and trade facilitation.[14] In addition, recently graduated Sao Tome and Principe operates ASYCUDA World software and the ASYCUDA-based single window. Five LDCs are currently implementing the ASYCUDA-based single window for trade.[15] Most operational ASYCUDA projects in LDCs are funded by beneficiary Governments. Other sources of funding are the African Development Bank, Common Market for Eastern and Southern Africa (COMESA), Economic Community of West African States, European Union, Expertise France, Food and Agriculture Organization of the United Nations, German Agency for International Cooperation, Swisscontact, Trade Mark Africa and UNDP. In 2024/25, new ASYCUDA projects and extensions were signed for provision of technical cooperation in Afghanistan, Angola, the Democratic Republic of the Congo, Djibouti, Eritrea, Guinea, Guinea-Bissau, Madagascar and the Niger. The projects in Eritrea and Guinea-Bissau, funded respectively by UNDP and the African Development Bank, support migration from the ASYCUDA++ to ASYCUDA World software. In Afghanistan, the ASYCUDA exemption system for the support of humanitarian aid flow was enhanced. In Angola, a self-funded technical assistance project foresees the implementation of the next generation of ASYCUDA customs management software. In Djibouti, a new project funded by COMESA supports the implementation of a trade information portal. Other signed projects and extensions are expected to enhance ASYCUDA World national implementations with additional modules, features and capacity-building activities. UNCTAD ASYCUDA systems are bringing visible benefits in terms of increased customs revenue and reduced customs clearance times. In Madagascar, customs revenue increased by 37 per cent in 2019–2024 following the implementation of ASYCUDA World in 2018. In Afghanistan, the time for processing exemptions for humanitarian consignments was reduced in 2024 from 10 days to a few hours through ASYCUDA solutions. Finally, in Timor-Leste, the need for printed documents was reduced by 85 per cent since the implementation of the ASYCUDA-based single window in 2024.

E. Addressing climate change, environmental degradation, recovery from the COVID-19 pandemic and building resilience against future shocks for risk-informed sustainable development

34. **Investment promotion**. As part of a Development Account project on attracting finance and investment for the energy transition, UNCTAD is strengthening the capacities of five African countries, including Ethiopia and Malawi, to promote and facilitate investments in the energy transition. UNCTAD developed training materials and market briefs on the investment potential in the energy transition for both countries. A stakeholder meeting in Ethiopia was held on 15 August 2024, in cooperation with the Ethiopia Investment Commission, and helped to identify the opportunities and challenges for investment and institutional cooperation on the energy transition. A similar meeting was held in Malawi on 24 September 2024, in cooperation with the Malawi Investment and Trade Centre. Both workshops were rated as highly relevant by more than 94 per cent of participants.

[14] Afghanistan, Angola, Bangladesh, Benin, Burkina Faso, Burundi, Cambodia, Central African Republic, Chad, Comoros, Democratic Republic of the Congo, Djibouti, Eritrea, Gambia, Guinea, Guinea-Bissau, Haiti, Kiribati, Lao People’s Democratic Republic, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Nepal, Niger, Rwanda, Sierra Leone, Solomon Islands, Sudan, Timor-Leste, Togo, Tuvalu, Uganda, Yemen and Zambia.

[15] Burundi, Comoros, Rwanda, Timor-Leste and Uganda.

35. **Capital markets and sustainable investment**. UNCTAD deepened its work on responsible investment through the activities of the Sustainable Stock Exchanges Initiative. In 2024, membership grew to 134 exchanges, including from five LDCs.[16]

36. **Business facilitation**. In Mali, UNCTAD is working with the Ministry of Health and the Employers to design a digital process that will enable the online licensing of the import, distribution and local production of pharmaceuticals. A digital licensing system for pharmaceuticals could potentially serve to facilitate access to pharmaceuticals in several LDCs in the region.

F. Mobilizing international solidarity, reinvigorated global partnerships and innovative tools: A march towards sustainable graduation

37. **Measuring illicit financial flows**. As part of a project on “Statistical measurement of tax and commercial illicit financial flows to enable more targeted policy action”, UNCTAD is supporting Burkina Faso, Senegal and Zambia in their efforts to combat tax evasion, transfer pricing abuse and other forms of illicit activities. UNCTAD is also providing advice on methods to strengthen the revenue base of Governments and on promoting fair taxation practices for sustainable development. UNCTAD conducted a series of national consultations and policy workshops in beneficiary countries, including Burkina Faso and Zambia, to help Governments identify trade mispricing and profit shifting risks and set the stage for national-level policy responses. On 3–7 February 2025, UNCTAD convened a joint measurement workshop and expert group meeting with representatives from beneficiary countries to consider policy options that can be implemented to curb illicit financial flows and strengthen domestic resource mobilization for African countries based on nationally compiled illicit financial flow statistics.

38. **Investment trends and analysis**. As part of an initiative, UNCTAD supported Angola in improving the collection of foreign direct investment statistics and activities on multinational enterprises. The initiative also aimed at raising awareness of internationally accepted standards and guidelines for foreign direct investment data compilation. In addition, UNCTAD is preparing a regional investment report for COMESA, whose members include 12 LDCs.[17] The report will analyse recent foreign direct investment trends in the COMESA region, offering insights to inform evidence-based policymaking and support regional integration efforts. The report will be presented to COMESA ministers at an annual ministerial meeting in October–November 2025.

39. **Investment policy reviews**. UNCTAD continued to conduct country-specific and regional reviews to analyse the strategic, legal and institutional frameworks for investment, providing action-oriented policy advice and concrete recommendations. In the reporting period, UNCTAD published reports on the implementation of the investment policy reviews of the Gambia and Sierra Leone, and work is under way for Bangladesh. UNCTAD is in the final stages of producing an investment policy review for the Central African Economic and Monetary Community (which includes Chad and the Central African Republic). Official requests for investment policy reviews are in the pipeline for 33 countries, including nine LDCs.[18] To follow up on its reviews, UNCTAD also organized training workshops. For example, following the publication of an investment policy review for the West African Economic and Monetary Union – whose member States include Benin, Burkina Faso, Guinea-Bissau, Mali, the Niger, Senegal and Togo – in cooperation with the West African Economic and Monetary Union Commission, UNCTAD organized capacity-building workshops for investment facilitation and promotion, aimed at supporting the implementation of the investment policy review recommendations. Similarly, as a follow-up to and implementation report on Mauritania, representatives from the Investment Promotion Agency participated in a workshop, organized in cooperation with the Moroccan

[16] Bangladesh, Rwanda, Somalia, Uganda and United Republic of Tanzania.

[17] Burundi, Comoros, Democratic Republic of the Congo, Djibouti, Eritrea, Ethiopia, Malawi, Rwanda, Somalia, Sudan, Uganda and Zambia.

[18] Central African Republic, Democratic Republic of the Congo, Guinea-Bissau, Haiti, Malawi, Mali, Niger, Somalia and South Sudan.

Investment and Exports Development Agency. The workshop focused on the formulation of investment promotion and facilitation policies and strategies for investor targeting. Lastly, at the request of the Government of Sierra Leone, UNCTAD provided extensive comments on the country’s draft national investment strategy.

40. **International investment agreements**. UNCTAD continued to provide support to the African Continental Free Trade Area secretariat on the Protocol on Investment and annexes to the Agreement. The Protocol contains provisions aimed at promoting, facilitating and protecting intra-African investment that fosters sustainable development, while safeguarding States Parties’ right to regulate. UNCTAD work on international investment agreement reform is recognized in its preamble, and UNCTAD is a member of the task force assisting the African Continental Free Trade Area secretariat in negotiations on the investment dispute settlement annex. Furthermore, UNCTAD and the League of Arab States organized a regional workshop to facilitate substantive discussions on the League-proposed regional investment agreements.[19] In addition, UNCTAD is supporting the negotiations on the revised Investment Agreement for the COMESA Common Investment Area. In this regard, UNCTAD co-organized a first regional validation workshop on the revised Investment Agreement, in Cairo, in October 2024, to achieve alignment with the emerging continental framework for investment governance (namely, the Protocol on Investment), as well as best practice identified since the last revisions in 2017. The two-day event brought together government delegates to review and discuss the proposed revisions and develop a road map for adoption of the Investment Agreement. Additionally, UNCTAD presented its international investment agreement review report of bilateral investment treaties concluded by COMESA member States. In May 2025, a second workshop was organized to support the negotiations of additional revisions of the Investment Agreement. Furthermore, in June 2025, in collaboration with the Association of Southeast Asian Nations secretariat, UNCTAD organized a workshop on key reform issues in international investment agreements for countries of the Association, which includes LDCs (Cambodia, Lao People’s Democratic Republic and Myanmar). The event examined global trends in international investment agreements and investor–State dispute settlement, assessed key challenges within the current international investment agreement regime and highlighted UNCTAD tools to accelerate reform in support of sustainable development. Discussions also covered emerging issues in international investment agreements, such as investment facilitation, responsible investment and public policy objectives. Also in June 2025, at the request of the Government of the United Republic of Tanzania, UNCTAD conducted a comprehensive review of the country’s international investment agreements, with a view to strengthening their development dimension.

41. **Business facilitation**. UNCTAD has developed a series of web-based digital government systems and digital public infrastructure to help countries improve their investment, trade and business climates through transparency, simplification and the automation of rules and procedures related to enterprise creation and operations. In Angola, UNCTAD is supporting the implementation of the Sustainable Investment Facilitation Agreement with the European Union by simplifying and digitalizing procedures for investors, including their integration across different ministries. In Benin, in collaboration with the Investment and Export Promotion Agency, UNCTAD configured a digital single window for investment, which allows businesses to comply with the requirements of local special economic zones and to benefit from investment incentives. Business registrations tripled through the online system, including a considerable amount of business formalization, which lead to better quality jobs. Further, the single window has a clear impact on women and young entrepreneurs as well as rural and vulnerable communities. Single windows facilitating the registration and incorporation of businesses as well as relevant licences are being set up in the Gambia and in Lesotho.

42. **Assistance to national LDC graduation processes**. UNCTAD provided technical assistance to the Governments of Cambodia, Comoros, Senegal and Zambia on topical

[19] LDC members of the League of Arab States: Comoros, Djibouti, Mauritania, Somalia, Sudan and Yemen.

issues selected by each country as priority areas for the implementation of their national strategies for graduation with momentum.

43. **Statistics on the digital economy**. UNCTAD works closely with other international organizations to deliver training and capacity-building to help improve the availability of timely, robust and comparable official statistics on the digital economy and digital trade in developing countries. In 2024, UNCTAD worked with the International Monetary Fund to deliver a series of regional workshops on measuring digital trade that benefited participants from 24 LDCs.[20]

44. **United Nations system-wide collaboration for the implementation of the Doha Programme of Action**. UNCTAD participated actively in the proceedings of the meeting of the inter-agency consultative group on LDCs on the implementation of the Doha Programme of Action.

V. Lessons learned

45. In the third year of the implementation of the Doha Programme of Action, LDCs experienced sluggish growth far below the Doha Programme of Action target of 7 per cent. Longstanding obstacles to development, including insufficient structural transformation and export diversification, lack of crucial infrastructure and low levels of human capital continue to hinder progress in these countries. These challenges are exacerbated by growing levels of debt, global trade tensions and the prospect of falling official development assistance. While official development assistance to LDCs saw a moderate increase in 2023, recent announcements of sharp reductions in official development assistance are likely to have a disproportionate impact on LDCs, for which official development assistance inflows are largest when measured relative to their GDP or government expenditure.

46. Overcoming these challenges and setting LDCs on a sustained path towards achieving the targets of the Doha Programme of Action will require continued commitment and support from the international community. To support essential investments, there is a need for a Sustainable Development Goals stimulus and a rapid increase in access to finance. To alleviate the debt burden on LDCs, reforms to the international financial architecture are needed, starting with improvements to the Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative of the Group of 20 and including the design of a global debt restructuring mechanism. Donors should likewise be encouraged to provide at least 0.2 per cent of their gross national income as official development assistance to LDCs and to ring-fence any such assistance to LDCs from future cuts to official development assistance budgets.

47. At the same time, it is important for LDCs to build their productive capacity and resilience, and to strengthen domestic resource mobilization, including by improving effectiveness of their tax collection, reducing tax exemptions, addressing illicit financial flows and bolstering the efficiency of government spending. Technical assistance is available to support these efforts, including by building the capacities of relevant institutions and strengthening regulatory frameworks and relevant infrastructure.

48. Furthermore, it is important for LDCs to ensure that the benefits of growth are widely shared. In the past, growth episodes have not always been accompanied by commensurate progress on poverty reduction. Several LDCs are seeing growing inequalities.[21] In the medium- to long-term, widening inequalities weaken the power of growth to reduce poverty, undermine the capacities of LDCs to raise revenue and reduce the impact of social development gains.

[20] Angola, Bangladesh, Benin, Burkina Faso, Cambodia, Comoros, Democratic Republic of Congo, Djibouti, Gambia, Guinea, Lao People’s Democratic Republic, Lesotho, Malawi, Myanmar, Nepal, Niger, Senegal, Solomon Islands, Somalia, United Republic of Tanzania, Timor-Leste, Togo, Uganda and Zambia.

[21] Osakwe P and Solleder O, 2023, Understanding the drivers of income inequality within and across countries: Some new evidence, Working Paper No. 2, UNCTAD.

49. UNCTAD technical assistance has demonstrated its effectiveness as a tool to build the capacities of policymakers in LDCs. Key lessons learned from the reporting period include the importance of high-level political support and ownership of projects from relevant ministries, the role that UNCTAD support can play in strengthening inter-ministerial cooperation and the added value of bringing stakeholders together in person for more effective interaction and exchange of views.

50. UNCTAD continuously receives requests from LDCs for technical assistance, particularly in the areas of graduation, formulation of trade and industrial policy, statistical capacity, regional and international trade integration, reduction of poverty and inequality, building of productive capacities, trade and business facilitation and e-commerce. These requests demonstrate the value and demand for UNCTAD interventions and highlight a need for further extrabudgetary resources to enable UNCTAD to respond positively to more requests from LDCs.

VI. Recommendations

51. The Trade and Development Board may wish to consider the following actions:

(a) Urge the international community to fulfil all internationally agreed commitments, including the Addis Ababa Action Agenda, Bridgetown Covenant, Antigua and Barbuda Agenda for Small Island Developing States and Pact for the Future, as well as the outcomes of the Fourth International Conference on Financing for Development and third United Nations Conference on Landlocked Developing Countries.

(b) Urge the donor community and international financial institutions to provide additional concessional financing to LDCs and enable crucial investments in achieving the Sustainable Development Goals.

(c) Highlight the vulnerabilities of LDCs and call on all countries to consider the special situation of LDCs in their trade policymaking.

(d) Call for increased technical assistance and capacity-building to address the nexus between trade, poverty and inequality, so as to strengthen the power of growth to reduce poverty in LDCs.

(e) Highlight the need for LDCs to strengthen their resilience, including by building productive capacities, diversifying their economies and strengthening domestic resources mobilization, and encourage donors to support these efforts.

(f) Encourage donors to set a target to provide at least 0.2 per cent of gross national income as official development assistance to LDCs and to protect this commitment from future cuts to official development assistance.

(g) Highlight the need for the United Nations system to continue to provide targeted support to the group of LDCs.

(h) Appeal for contributions to the United Nations trust fund for the least developed countries to enable UNCTAD to scale up its technical assistance to LDCs in line with the number of requests received.