E.1 DECLINE IN GDP

B̲c̲ j̲[Z̲] hemj^˜d̲B: 9i ˜mW̲ ˜d̲i k\ Y̲[d̲jje W̲Y[j̲ H̲W̲y[̲ Yedec -̲
̲Y̲˜W̲dZ̲˜i eY̲W̲ȍfhe]h̲iˑi ˜W̲dZ̲˜i]̲ d̲_ YW̲djtȍˑh̲ZkY[˜fel [h̲jo˜[l [d˜
before the pandemic. Average growth in the least developed
Yekdjh̲[i ˜i jeeZ̲˜W̲y˜* ˜f[h̲Y[dj˜X[jm̲[[d˜(&' ˜W̲dZ̲˜(&' /$M̲[W̲˜
growth rates in many advanced and emerging economies and
the steep fall in international commodity prices after 2011 ul-
timately had an impact on growth rates in the least developed
countries. In 2019, average growth in the least developed coun-
tries was 4.9 percent, a slight improvement from 4.3 percent
in 2011. The recovery in economic growth for the least devel-
ef[Z̲˜Yekdjh̲[i ˜˜m̲̲^̲Y̲^̲˜Yec [dY̲[d̲j̲emW̲Zi ˜j̲^[˜[dZ̲˜e\̲(&' , ˜˜
mirrored the cyclical upturn in global activity, driven by factors

j^Wd˝(˝c edj^i˝˝d˝: `Xekj˝"BWé˝F[efb]i˝: [c eYHWY˝Y˝H[fkXbY˝" and Zambia. This leaves very limited space for the import of [ii[djˍWb]eeZi˝W˝m[bӧW˝fWᴐc [dj˝e\˝[nj[hdWƃZ[Xj˝eXbˍWˍ tions (AfDB, 2020).

Reduced investment

˝dl[ijc[dj˝"Xej^˝Zec [ijˍY˝WdZ˝ehˍ]d˝iˍ˝[nf[Yj[Z˝e˝Z[Ybd[˝ further due to the pandemic, from already low levels. Many Yec fWdˍi˝d[[Z˝[nˍiˍd]˝WᴐY[ii˝je˝YWf˕jWᴐ˝iXej^˝iW˝d]i˝WdZ˝ access to lending) to survive during the pandemic, so less dWdY_d]˝i˝WᴐWᴐWᴐᴐ\˝eh˝dl[ijc[dj\$7j˝j^[˝iWᴐc [˝j_c [˝"˝d i[I[HWᴐi[Yjehi˝˝ᴐed][h][hc˝"[Whᴐd]˝[nf[YjWᴐeoi˝ˍᴐW[˝X[[d˝ h[Iᴍ[Z˝ZemdmWˍi˝˝"[if[YWᴐᴐo˝d˝[njhWᴐj[iˍmcᴍd]˝WdZ˝eᴍb] and gas), also reducing investment (Addison et al., 2020).

CWdoᴍB: 9i˝"^W[˝[nfᴍhᴍdY[dYᴍZᴍᴐᴥ)Z˝ehᴍh[ZkYY[Zᴍ<:?˝Zhˍ[dᴍ Xoᴍjᴍ^[˝9EL?̸#/˝iᴍ^eYaᴍtiᴍᴍᴍᴍ[ᴍiᴍᴍ[Yᴍ_edᴍ=$ᴍFehjˍ\eᴐ[˝ emiᴍ˝jeᴍ 7˝hᴍYWWWᴍ˝Wᴐᴍᴍeᴍ[nf[YjᴍZᴍjeᴍZ[YᴐbᴍdᴍᴍXoᴍc ehᴍjᴍ^Wdᴍ+&˝fᴍHᴍY[djˍ"ᴍ due to the global recession and more risk aversion by investors (AfDB, 2020).

M^ˍᴑᴍh[iekhᴐY[˝eᴑᴍhᴐiᴍ˝^WW[˝"X[[dᴍZ[fᴍᴑᴍj[Z˝WᴐYWᴐ[ii˝Wᴑ capital reduced through the recession caused by the pandem-ic, increased investment that is aligned with the SDGs is cru-cial for building back better. Thus, measures that have been proposed to support the LDCs before the crisis, especially the dedicated investment promotion regime need to be urgently implemented, as discussed in section G.

E.3 FISCAL DEFICITS INCREASING

Decline in revenue from different sources

8[Wehˍˍjˍ^[˝"fᴍWdZ[c ˝Yˍjˍ^[˝c [ZᴍWdˍjᴐWh̸ᴍᴍje#¬: F˝hˍWᴐYᴍ˝eᴑ˝dᴍB: 9iᴍ˝ ᴍdYᴍYHᴍW[˝Z[ᴍhᴍoᴑ˝temᴐoᴥ˝hec ˝ᴍ$)˥ᴍdˍ(&ᴍ̸jeᴍᴍᴍ,$˞ᴍdᴍ(&ᴍ$ᴍᴍmᴍbᴑ X[ᴐemᴍjᴍ^[ᴑ̸ᴍlᴐ[ᴐ\ᴍᴐᴥ_ᴍ^˝d

In many LDCs the increased spending is coming in part at the cost of current and capital spending in other areas. The West

In addition to efforts by the LDCs themselves, they need sup-
port to ⬚⬚⬚⬚ ⬚⬚⬚⬚⬚⬚⬚ ⬚⬚⬚⬚⬚⬚⬚ ⬚⬚⬚⬚⬚ ⬚⬚⬚⬚⬚⬚⬚ ⬚⬚⬚⬚⬚⬚
building and training. Transparency, including the monitoring
of domestic revenues, aid, and the spending of both, will be
critical. Support needs to be better coordinated and also in-
clude equipment, especially modern IT systems. Internation-
al ⬚⬚⬚ ⬚⬚⬚⬚⬚⬚⬚ ⬚⬚⬚ ⬚ ⬚⬚⬚⬚⬚ ⬚⬚⬚⬚⬚⬚⬚⬚ ⬚⬚⬚⬚⬚⬚⬚⬚⬚ ⬚⬚⬚⬚⬚ ⬚
⬚⬚ ⬚⬚⬚ ⬚⬚⬚ ⬚⬚ ⬚⬚⬚⬚⬚⬚ ⬚⬚⬚⬚ ⬚⬚⬚ ⬚⬚⬚⬚⬚⬚⬚⬚ ⬚⬚⬚⬚⬚

Further work will also be needed with respect to international
⬚⬚⬚⬚ ⬚⬚⬚⬚⬚⬚⬚⬚ ⬚⬚⬚ ⬚⬚⬚ ⬚⬚⬚⬚ ⬚⬚⬚⬚⬚⬚⬚⬚⬚⬚ ⬚⬚⬚ ⬚⬚⬚⬚⬚ ⬚⬚⬚⬚⬚ ⬚⬚⬚ ⬚⬚⬚⬚ ⬚
that low income and low capacity countries, such as LDCs,
⬚⬚⬚ ⬚⬚⬚⬚ ⬚⬚ ⬚⬚⬚⬚⬚⬚⬚ ⬚⬚ ⬚⬚⬚⬚⬚ ⬚⬚⬚⬚ ⬚⬚⬚⬚⬚⬚⬚ ⬚⬚⬚⬚⬚ ⬚⬚⬚⬚ ⬚⬚
assets. Currently only 8 LDCs are part of the Multilateral Con-
vention on Mutual Administrative Assistance. This will not
only ⬚⬚⬚ ⬚⬚⬚⬚⬚ ⬚⬚⬚⬚⬚⬚⬚ ⬚⬚⬚⬚⬚ ⬚⬚ ⬚⬚⬚⬚⬚⬚ ⬚⬚⬚⬚ ⬚⬚⬚⬚⬚ ⬚
⬚⬚⬚⬚⬚⬚⬚⬚⬚⬚ ⬚⬚⬚⬚⬚⬚⬚ ⬚⬚⬚⬚ ⬚⬚⬚ ⬚⬚⬚⬚⬚⬚⬚ ⬚⬚⬚⬚⬚⬚⬚⬚ ⬚⬚⬚
lytical and interpretative skills to be able to act on information
⬚⬚⬚ ⬚⬚⬚ ⬚⬚⬚⬚⬚⬚⬚⬚⬚ ⬚⬚ ⬚⬚⬚⬚⬚⬚⬚ ⬚⬚⬚⬚⬚

Table E.1. Summary of Country Fiscal Measures in Response to the COVID-19 Pandemic

The important role of Science, Technology and Innovation
H J Ž¨eh¯Z[I[efc[dj¨¡¨h[Ye]d p[Z¨d¨Wf j^eHWe\¨ fehji¨
and international agreements. In 2001, the Human Develop-
ment Report stressed that "technologies are tools of human
development that enable people to increase their incomes,
b[[¹ed][h¨X[¨^[Wj^_[h¨d¨eo¨WX[jj h¨ijWdZWh¨e\b[d]¨fWh-
ticipate more in their communities and lead more creative
b[i¹KD: F"(&&¹Ž\$d j^[1: =i¨if[Y¨YW¨f[Yji¨ed1 J?m[h[¨
_dYtkZ[Z¨d j^[Wdi¨e\°c fb[c[djW ed¨WdZ¨=teXW0FW jd[h-
i¨f¹[Yj_ed¨dYtkZ_d]¨if[Y¨Y1 J?jVh[ji¨d1: =¨-$je¨-$$

The COVID-19 pandemic has highlighted the central role of
IJ?'WdZ¨Z]¡jWpW ed°Vhec¨fh[I[dj_ed¨WdZ¨jh[WY dj¨e\¨j[¨
health crisis to new and innovative ways of learning, working,
communicating and the growing importance of e-Commerce
WdZ¨Z]¡jW b¨dWY[$

The section highlights key STI challenges that LDCs were
facing prior to the COVID-19 pandemic and highlights the in-
creasing role played by STI during the pandemic, including
j[t]mehad]¨"[#[ZkYW j ed¨j[c [ZY[d[¨WdZ¨Z]¡jW b¨dWY[$

F.1 STI CHALLENGES IN LDCs