UNCTAD has published the latest edition of its Less Developed Countries (LDCs) report , the document that identifies the low-income countries facing severe structural impediments to sustainable development and analyses challenges related to their economic growth. Being highly vulnerable to economic and environmental shocks and having low levels of human assets, these countries are given preferential access to international support measures (mainly in the form of grants from multilateral finance institutions and bilateral donors), in particular in the areas of development assistance and trade. However, despite this preferential treatment, the report shows that the gross disbursements of development assistance-related resources to this group of countries has reduced, collapsing to $66.9 billion in 2021, from $72.9 billion in 2020. Among the largest recipients, two African countries, Ethiopia and the Democratic Republic of the Congo, remain at the top of the list, followed by Sudan, Uganda, Somalia, Tanzania and Mozambique.

Currently, the United Nations classifies 46 countries in the world as LDCs, of which 32 are African. African LDCs are: Angola, Benin, Burkina Faso, Burundi, the Central African Republic, Chad, the Democratic Republic of the Congo, Djibouti, Eritrea, Ethiopia, the Gambia, Guinea, Guinea-Bissau, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, the Niger, Rwanda, Senegal, Sierra Leone, Somalia, South Sudan, the Sudan, Togo, Uganda, the United Republic of Tanzania, Zambia.

The list is reviewed every three years by the Committee for Development (CDP), a subsidiary body of the United Nations Economic and Social Council. UNCTAD classifies least developed countries according to a combination of three criteria:

1) an income criterion: a Gross National Income (GNI) per capita, which is inferior to 1,018 USD;

2) a human assets index: this criterion is based on the ponderation of several sub-indicators relating to health and education levels in the concerned country;

3) an economic and environmental vulnerability index, based on the ponderation of sub-indicators regarding the economic and environmental vulnerability of such country.

In this regard, the country classification methodology used by UNCTAD differs from that of the World Bank, which, instead, is based on a pure income criterion, while taking into account additional factors such as the inflation rate and the average exchange rate of the local currency of the concerned country with the U.S. dollar.

Indeed, the World Bank classify the world's economies into four income groups: 1) low, 2) lower-middle, 3) upper-middle, and 4) high. Such classifications are updated each year on July 1 and are based on the GNI per capita of the previous calendar year based on the Atlas method, which is the methodology at the basis of the calculation also of the income criterion used by UNCTAD.

Differently from the World Bank, UNCTAD considers additional parameters in classifying economies that are not analysed by the first organization, Such parameters relate to human assets (namely: mortality rate under-five years; maternal mortality ratio; prevalence of stunting, completion rate of lower secondary school; adult literacy rate; and gender parity index for lower secondary school completion) and economic vulnerability (share of agriculture, forestry and fishing in gross domestic product; remoteness and landlockedness of the concerned country; merchandise export concentration; and instability of exports of goods and services), as well as environmental vulnerability (share of population in low elevated coastal zones; share of the population living in drylands; instability of agricultural production; and victims of disasters).

According to the UNCTAD report (but this was already anticipated in a previous report issued in 2021), four African countries are candidate for graduation from (i.e., cancellation from the list of) the LCDs group. They are: Comoros, Djibouti, Senegal and Zambia. In fact, Djibouti met the income criterion, as the GNI per capita overcame the 1,222 USD threshold (threshold required for graduation) in the latest review conducted by the CDP. On the other hand, Comoros, Senegal and Zambia met the graduation thresholds for two of the three above criteria, namely the first (income) and second (human assets) parameters. To graduate from the LDC category, a country must meet at least two of the above 3 criteria for two consecutive triennial reviews. The four African countries will be subjected to a new review in 2024. In the case of Comoros, Zambia and Senegal, they need to meet the criteria for a second time in order to be recommended for definitive cancellation from the list of LCDs. For Djibouti, the country needs to meet at least another of the above indicated criteria in order to graduate from the list.