

July 2018

countries being left behind

tackling uneven progress to meet the SDGs

report

Contents

Executive summary	3
Which countries are being left behind?	3
Countries being left behind have low domestic and international resources	5
Official development assistance plays an important role	5
Getting the countries being left behind on track	6
Which countries are being left behind?	8
Poverty, human development and fragility	8
What do these three sets of models show?	11
Countries being left behind	13
Which countries are they?	14
What is known about poverty in countries being left behind?	14
What else do these countries have in common?	15
Investing in countries being left behind	16
Countries being left behind lack the financial foundation of domestic public resources	16
Trends are often moving in the wrong direction	17
International finance to countries being left behind is low	18
ODA plays an important role	19
Trends in ODA volumes to countries being left behind	20
What kind of ODA are countries being left behind receiving?	22
Conclusion	26
Getting the countries being left behind on track	26
Notes	28
Acknowledgements	29
Annex: Methodology for defining the three lists of countries being left behind	30
Poverty projections	30
Human development indicators	31
Fragility forecasts	32

Executive summary

Over the past 30 years substantial progress has been made in the fight against poverty, and this accelerated in the Millennium Development Goals (MDGs) period after 2000.¹ To build on these successes, world leaders have agreed a new set of Sustainable Development Goals (SDGs) that commit them to ending extreme poverty “for all people everywhere” by 2030. However, they will not succeed in this aim unless the people and countries furthest behind make huge strides.

The geography of poverty has shifted remarkably since 2000. Progress has been uneven and, if left unchecked, will be even more so over the coming decade. The bulk of poverty is expected to become increasingly concentrated in sub-Saharan Africa, while the growth of poverty in many fragile and conflict-affected states witnessed over the last 25 years will continue.² GDP growth that lifted significant numbers of people out of poverty in large economies like China and India will not be enough to ensure no one is left behind. This makes it essential to identify which people and countries are most at risk in the coming decade and prioritise investment in their progress.

As highlighted by the P20 Initiative,³ which focuses attention on the poorest 20% globally, nationally or locally, it is people, as well as countries, who are being left behind, and people who are frequently excluded along lines of subnational geography, gender, age, and disability. The policy and financing needs to address widespread poverty and political fragility are different from contexts where severe needs are primarily concentrated in a small population. This paper seeks to better identify what common attributes exist among countries where many people are currently and likely to remain excluded.⁴ A better understanding of the challenges (and opportunities) faced by people and places at most risk of being left behind will inform what types of financing and investments are needed, and the specific role official development assistance (ODA) can play to be most effective.

Which countries are being left behind?

There are several models used to project the number and distribution of people in poverty as well as ways to measure progress in human development. Rather than add to these burgeoning methodologies, this paper considers a range of key **poverty, human development and fragility** models and measures to assess the commonality of the three lists of countries at risk that each creates.

There is, in fact, a remarkable degree of commonality. Thirty countries feature in either two or all three of the three resulting lists, meaning many such countries face multiple barriers to progress. Notably, 12 of the countries with the highest poverty projections also have significant fragility that threatens to set them further back. This commonality also implies a clear consensus on the countries most at risk. It is therefore time to move from

generating lists of countries to understanding their key challenges and finance constraints and taking action. By applying a weighting to account for how severely countries are affected across the poverty, human development and fragility measures, this paper identifies an illustrative list of 30 **countries being left behind** as a basis for further analysis.

Illustrative list of 30 countries being left behind (alphabetical)

Afghanistan	Guinea-Bissau	Nigeria
Benin	Haiti	Papua New Guinea
Burundi	Lesotho	Somalia
Central African Republic	Liberia	South Sudan
Chad	Madagascar	Sudan
Congo, Republic of	Malawi	Syria
Democratic Republic of the Congo	Mali	Togo
Eritrea	Federated States of Micronesia	Uganda
The Gambia	Mozambique	Yemen
Guinea	Niger	Zambia

In 2013 the countries being left behind were home to 36% of people living in extreme poverty. If no action is taken this could rise to between 76% and 86% by 2030, depending on which poverty model is used. By 2030 the average country being left behind will have 23% of their people living in extreme poverty, compared with 3% in other developing countries. These countries also face a relatively high level of multidimensional poverty, meaning they are more likely to lack essential services and to face poor life chances as well as being cash poor.

Countries being left behind will be home to four-fifths of all people living in extreme poverty by the SDG deadline in 2030

As expected, sub-Saharan Africa accounts for the overwhelming share of countries being left behind, and most of the six which are outside of this region – Afghanistan, Haiti, Federated States of Micronesia, Papua New Guinea, Syria and Yemen – are facing significant political or environmental challenges or persistent and widespread conflict. Countries being left behind also have a history of poor growth, together with a weak private sector, and some will struggle to grow in the future. South Sudan, Yemen, Burundi, the Republic of Congo and Chad are likely to see negative GDP per capita growth. While growth is not a panacea, this will throw up further barriers to reducing poverty in these countries.

Countries being left behind have low domestic and international resources

The countries being left behind lack the domestic and international finance they need to tackle poverty. One study has estimated there are 11 countries that are 100 years away from being self-financing, all but one of which are countries being left behind.⁵

Domestic public resources are the backbone of finance in any country; they allow governments to fund public services and institutions needed to tackle poverty, support environments for healthy private sector growth and ensure stability and resilience to shocks.⁶ Of the 30 countries with the lowest domestic public finance globally, 20 are countries being left behind. Somalia is the lowest of all at just US\$7 per capita. On average, countries being left behind also have over seven times less domestic public finance per capita than other developing countries. Trends are also moving in the wrong direction. After periods of growth, Chad, Republic of Congo, Papua New Guinea, Liberia, Federated States of Micronesia and Nigeria have all seen domestic public resources fall in recent years, and others have seen the rate of growth in domestic public resources slow down and stagnate.

This is compounded by the fact that countries being left behind attract low levels of international finance. This varies substantially, from US\$406 per capita in Liberia to US\$45 in Democratic Republic of the Congo (DRC), but on average the countries being left behind receive less than other developing countries, at US\$144 compared with US\$340 per capita respectively. Commercial finance is particularly low, with fragile and conflict-affected states and the lower-income countries among the countries being left behind struggling most to attract these flows. Of the 30 countries receiving the lowest foreign direct investment globally, 13 are countries being left behind. For example, Burundi has consistently ranked among the lowest of all, exceeding US\$1 per capita just once since 2004.

Official development assistance plays an important role

Low revenues and international finance for countries being left behind means that ODA is their largest source of international finance and has been since 2000 when the MDGs were agreed. It accounts for more than half of total recorded international finance in 16 of the 30 countries. ODA is important for these countries; in addition to domestic public resources it is one of the only flows that can directly target poverty as well as increase government spending on reducing poverty without increasing the fiscal deficit. It can also work with governments through institutional and policy development to nurture effective and efficient public and private sectors.

However, for many of the countries being left behind ODA has decreased, or suffered from volatility that undermines long-term investment in reducing poverty. Burundi and Afghanistan have seen decreases in ODA over the last decade, and Eritrea has been on a downward trajectory since 2001. Nor is aid to these countries always well targeted. For example, countries that feature on the list of countries being left behind as a result of their

vulnerability to climate change do not attract significantly more climate finance than other countries being left behind.

The type of ODA that countries receive also matters. While the countries being left behind receive ODA via a mix of modalities, mixed aid and grants comprise the largest share, with some notable exceptions.⁷ Almost two-thirds of ODA to countries being left behind is spent on three sectors: humanitarian assistance, health, and governance and security.

Getting the countries being left behind on track

Today, governments of countries being left behind are severely constrained by a lack of resources; they are least able to raise domestic public resources, and international finance is not filling the gap. This means they cannot invest in sectors and institutions that will tackle poverty, or build institutions or progressive tax systems to finance development sustainably in the future.

The international community must lend support to these countries, especially the fragile and conflict-affected states among them, and more and better ODA can play a significant role. With an increasing array of other sources of finance, ODA can be better focused where poverty is high and other investments are low. While some donors are looking to use ODA to leverage private sector finance, they should exercise caution. There is a lack of evidence that this will reduce poverty, particularly concerning its impact in different developing contexts, and a risk this could take scarce resources away from more proven ODA investments.

Unless deliberate action is taken, including prioritising finance that targets the poorest people in the poorest places, millions of people will be excluded from global progress putting the SDGs at considerable risk. This means having a better understanding of how to maximise the impact of both ODA and other types of finance in the challenging contexts in which poverty will become increasingly concentrated.

Introduction

Over the past 30 years substantial progress has been made in the fight against poverty. An estimated 1.2 billion people have been lifted out of extreme poverty since 1990, representing a 65% reduction,⁸ and in the period after the Millennium Development Goals (MDGs) were agreed in 2000, global poverty fell more quickly than ever before.⁹ This era is rightly celebrated as life changing and life saving for millions of the world's poorest families, and indicates the potential of collective action and international targets to galvanise change.

The Sustainable Development Goals (SDGs), agreed by world leaders in 2015 to continue tackling poverty, climate change and insecurity, include a commitment to end extreme poverty 'for all people everywhere' by 2030. Yet it will be impossible to meet this goal unless all countries, including those facing the greatest challenges, make remarkable advances. This poses a substantial challenge for the immediate future.

The most significant factor in meeting MDG 1 was GDP growth lifting great numbers of people out of poverty in some of the largest developing economies such as China and India. While this meant the goal was reached five years ahead of the 2015 deadline, success was based on uneven progress. The number of people in extreme poverty in fragile states has risen in the last 25 years, for example.¹⁰ In 2016 the European Commission warned that the bulk of poverty will be concentrated in sub-Saharan Africa by 2030,¹¹ and this research also estimates that region could be home to between 82% and 86% of people in extreme poverty by then.¹²

Because the distribution of poverty is very different today to the start of the MDGs era, a new approach to reducing poverty is needed. Growth alone will not be enough. This makes it crucial to identify which countries and people are most likely to be left behind in the coming decade, and prioritise investment in their progress.

This paper considers existing projections and measures of poverty, human development and fragility. Rather than contributing further to the burgeoning methodologies developed to project poverty distributions, it identifies commonalities between these methodologies and the country lists they generate and presents an illustrative list of countries being left behind. Given the substantial consensus on the countries that are most at risk, it goes on to consider the financing challenges that must be tackled to ensure no country is left behind.

Which countries are being left behind?

There are many robust models that analyse levels of **poverty, human development and fragility** and project and predict future performance in countries around the world. Rather than considering current poverty levels, these are now being drawn on to generate lists of countries that are projected to lag behind global progress, highlighting where targeted action is needed if SDGs are to be achieved.

There is little to be gained in adding to these methodologies. Rather, this paper considers these methodologies and the lists of at-risk countries they generate. This meta-analysis is used to identify a list of illustrative countries being left behind, to consider their characteristics and the scale and type of finance available to them to address such challenges. It finds that there is substantial overlap between the country lists generated by different approaches, suggesting that many countries face overlapping, interconnected challenges. It also suggests that it is clear, at least at a national level, which countries these are such that it is time to move from creating lists to taking action.

The following section summarises three areas – poverty, human development, and political and environmental fragility – considered in this meta-analysis. More detail is provided in the Annex.

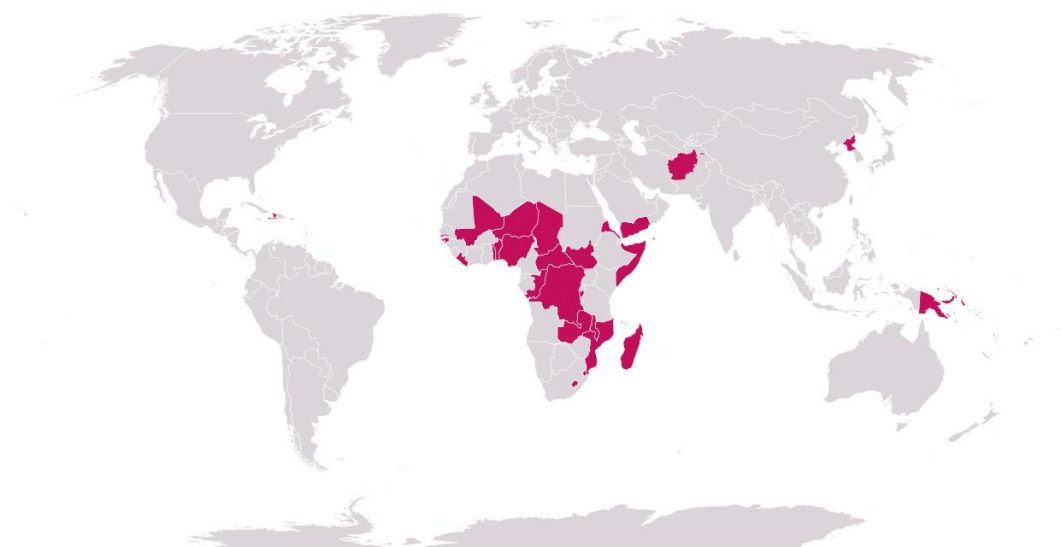
Poverty, human development and fragility

The first set of models drawn on, and in some cases replicated with the latest available data, are those that project poverty levels into the future for as many countries as possible. Several models were considered, such as those used by the World Bank, International Monetary Fund (IMF) and others, that incorporate poverty trends, growth rates and socioeconomic pathways (see Annex for more details). Various models thus estimate the number of people who will remain in poverty after the benefits from economic growth are taken into account.

Based on these economic indicators of poverty, these assessments identify roughly 60 countries that will not eliminate poverty by 2030 if current trends in investments addressing poverty do not change, with roughly 30 countries that are particularly off track. There is considerable overlap among the 11 methodologies or scenarios reviewed. For example, 14 of these countries were in the bottom 30 countries in each of the measures used.

From these approaches 30 countries were identified where current poverty, past trends and projected growth rates indicate there is the least hope for poverty eradication by the SDGs deadline of 2030. They are Afghanistan, Benin, Burundi, Central African Republic, Chad, the Republic of Congo, the Democratic Republic of the Congo (DRC), Eritrea, the Gambia, Comoros, Democratic People's Republic of Korea (Korea DPR), Guinea-Bissau, Haiti, Lesotho, Liberia, Madagascar, Malawi, Mali, Federated States of Micronesia, Mozambique, Niger, Nigeria, Papua New Guinea, Somalia, South Sudan, Togo, Republic of Yemen, St Lucia, Swaziland and Zambia.

Figure 1: Countries being left behind according to major poverty forecasts



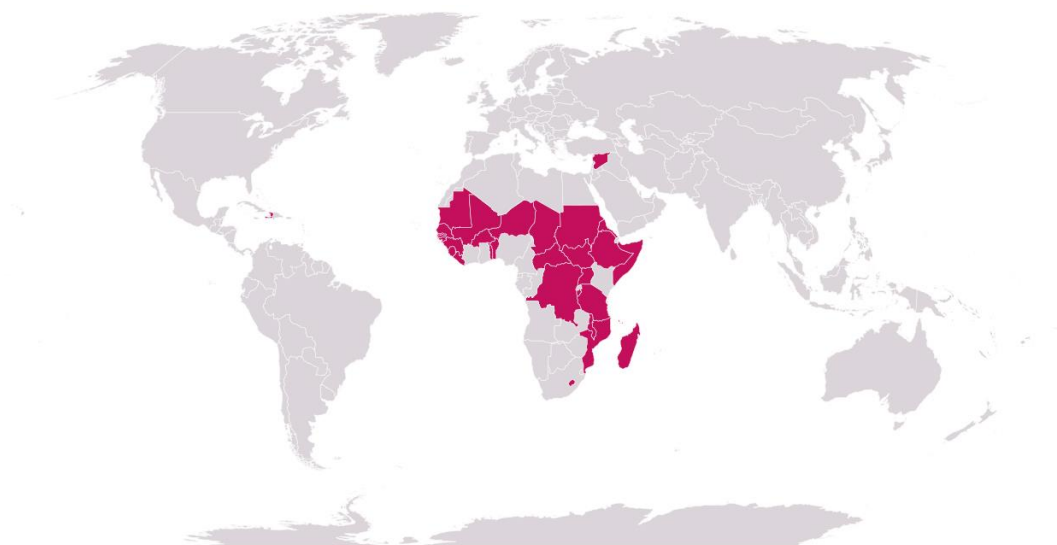
Source: Development Initiatives

Note: This map is for illustrative purposes and country borders are not an expression of DI's position.

The second set of models and measures considered are those that go beyond purely economic measures of poverty to assess human development. Drawing on projections based on trends in Human Development Index (HDI) scores, for example, they look at where people are poor in terms of life chances and access to essential services, as well as incomes and consumption. While there were substantial commonalities with rankings based on economic measures of poverty, this approach also gave prominence to some non-African countries. For example, Syria and Papua New Guinea are among the 30 countries with the lowest forecasted HDI scores using this method.

Again, the 30 countries that are most likely to be lagging behind by 2030 were identified. They are Benin, Burundi, Central African Republic, Chad, DRC, Eritrea, the Gambia, Guinea, Guinea-Bissau, Haiti, Lesotho, Liberia, Madagascar, Malawi, Mali, Mozambique, Niger, Somalia, South Sudan, Sudan, Syrian Arab Republic, Togo, Uganda, Burkina Faso, Comoros, Ethiopia, Mauritania, Senegal, Sierra Leone, and Tanzania.

Figure 2: Countries being left behind according to major human development indicators



Source: Development Initiatives

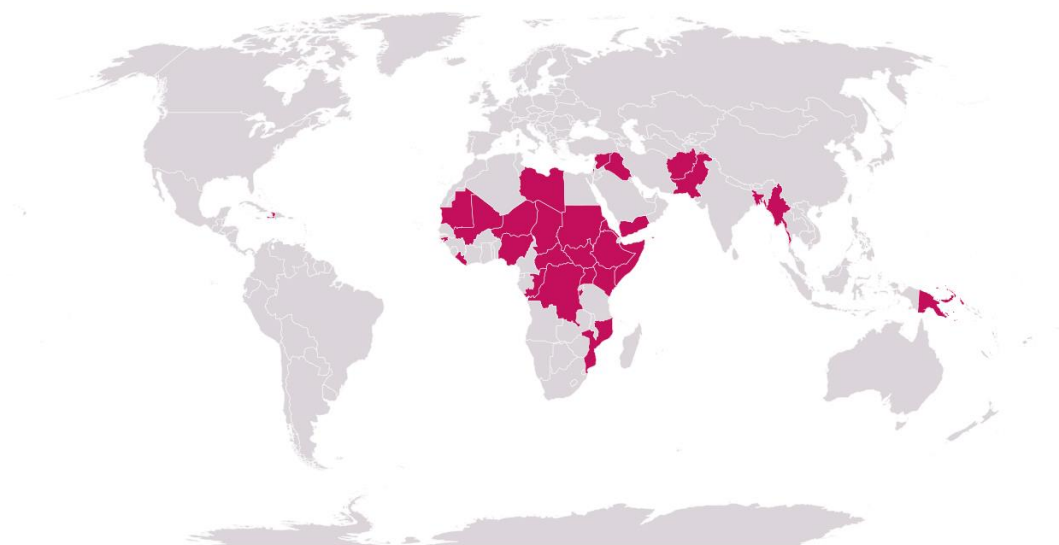
Note: This map is for illustrative purposes and country borders are not an expression of DI's position.

The final set of measures considered in this analysis are those which identify countries most at risk from types of instability such as the likely impact of climate change, political and economic shocks, and capacity to respond and manage such crises.

These factors can destabilise economic development and the national systems and institutions that underpin development and shared prosperity. Researchers have estimated that climate change will exacerbate poverty. For example, Rozenberg and Hallegatte predict that by 2030 between 3 million and 122 million additional people will be living in poverty as a result of climate change.¹³ These crises also tend to have a negative impact on economic growth, which further hampers poverty reduction. For example, it is estimated that as much as 5.7% of GDP is lost in the Caribbean as a result of hurricanes each year.¹⁴

Drawing on the OECD's fragility index, the Notre Dame Global Adaptation Initiative (ND-GAIN)'s measure of climate vulnerability and INFORM's Index for Risk Management, 30 countries that are highly vulnerable to environmental and political crises and have weak governance systems that limit their ability to cope were identified. They are Afghanistan, Burundi, Central African Republic, Chad, Republic of Congo, DRC, Eritrea, Guinea-Bissau, Haiti, Liberia, Mali, Mozambique, Niger, Nigeria, Papua New Guinea, Somalia, South Sudan, Sudan, Syrian Arab Republic, Uganda, Republic of Yemen, Bangladesh, Ethiopia, Iraq, Kenya, Libya, Mauritania, Myanmar, Pakistan, West Bank and Gaza.

Figure 3: Countries being left behind according to major climate and fragility indicators



Source: Development Initiatives

Note: This map is for illustrative purposes and country borders are not an expression of DI's position.

What do these three sets of models show?

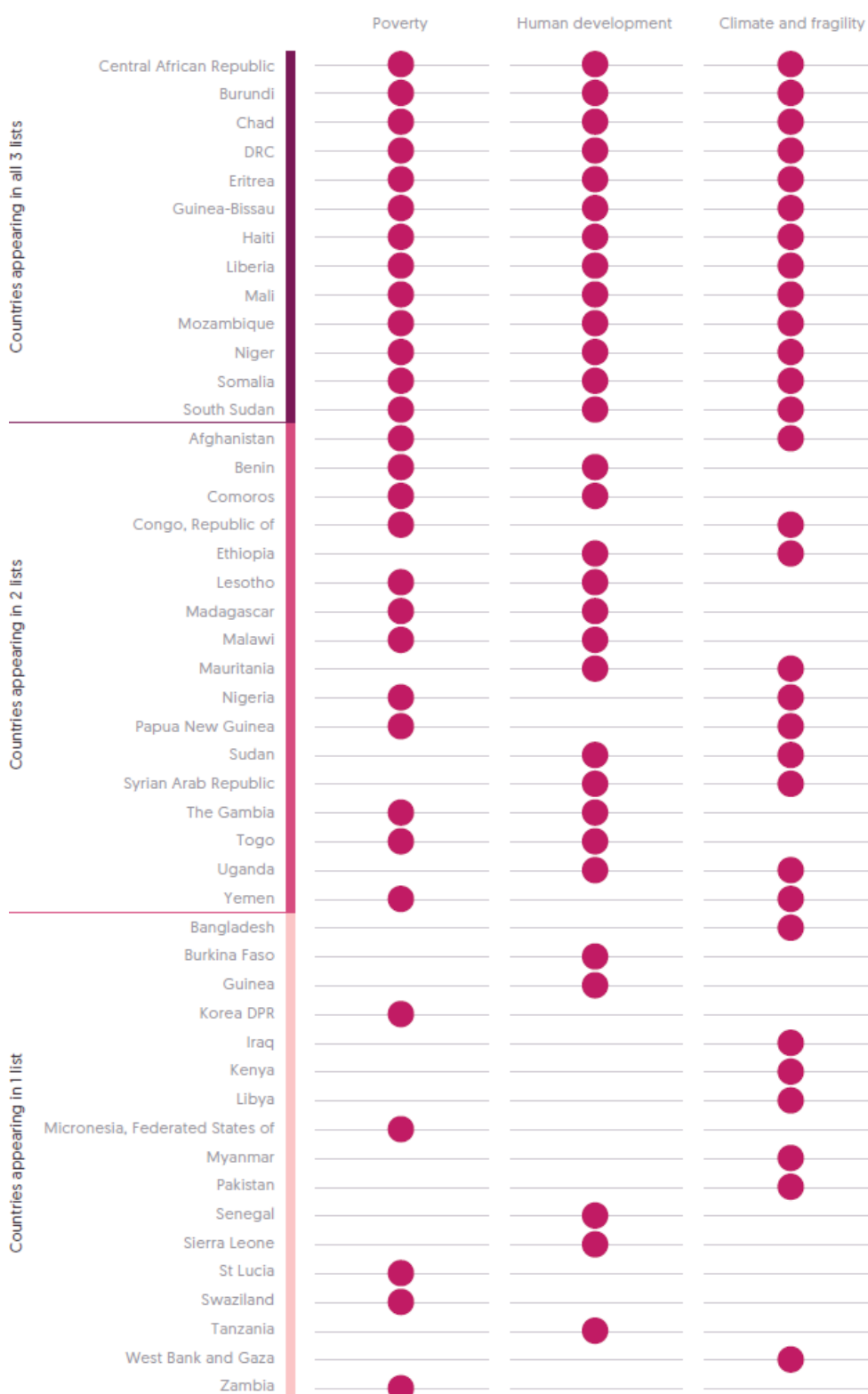
Figure 4 shows alphabetical lists of the 30 countries found to be most at risk by **poverty, human development and fragility** models and measures.

There is a remarkable amount of commonality among the resulting three lists of countries. Thirteen countries appear in all three lists, meaning that they are identified as significantly at risk according to poverty, human development *and* fragility measures. An additional 17 countries appear in two of the three lists. This demonstrates the extent to which many countries are facing multiple challenges that could prevent them from making the substantial progress they need to end poverty and ensure a more sustainable future for all of their citizens.

It is also notable that 12 of the countries rated most at risk on monetary poverty measures are also facing significant levels of fragility. These nations already have the greatest hill to climb to lift all of their citizens above the poverty line, and conflict and political and environmental instability will only serve to set them further back.

Seven of the seventeen countries that appear in just one of the lists are identified only by the climate and fragility models. This shows there are diverse countries facing significant instability through conflicts and risk of disasters caused by natural hazards, but who should have the underlying means to tackle poverty and drive development based on past trends. Of course, this does not mean their future progress is 'safe'; protracted conflict and violence can undermine both economic and human development and could affect their trajectory significantly.

Figure 4: Countries being left behind according to poverty, human development, and climate and fragility models (alphabetical)



Source: Development Initiatives

Countries being left behind

These three sets of models show that there is already a strong consensus about countries that are facing significant challenges in tackling poverty, human development and vulnerability to risk. By applying a weighting that takes into account how severely countries are affected by these three major sets of challenges, an illustrative list of 30 countries likely to face the greatest challenge achieving the SDGs were identified. Among these thirteen countries appear in all three lists, fourteen in two of the lists and just three countries in one of the lists.

This is not designed to be an exhaustive set of countries, but rather a core basis drawn from other methodologies for further analysis of what is needed to ensure such countries end poverty by 2030 so that no country is left behind.

Table 1: Illustrative list of 30 countries being left behind (alphabetical)

Afghanistan	Guinea-Bissau	Nigeria
Benin	Haiti	Papua New Guinea
Burundi	Lesotho	Somalia
Central African Republic	Liberia	South Sudan
Chad	Madagascar	Sudan
Democratic Rep of Congo	Malawi	Syrian Arab Republic
Republic of Congo	Mali	Togo
Eritrea	Federated States of Micronesia	Uganda
The Gambia	Mozambique	Yemen
Guinea	Niger	Zambia

It is worth noting that after applying the weighting, some of the countries being left behind feature in just one of the lists generated by the three sets of models. Federated State of Micronesia and Zambia, for example, feature only in the poverty list; Guinea only ranks on the human development list. Also, a number of countries that feature among the 30 worst poverty projections do not appear among the countries being left behind; they are Comoros, St Lucia and Swaziland.

Of course any number of political, economic or environmental crises could also affect the future trajectory of countries in a way that none of these models can anticipate. Middle-income countries such as Venezuela, Myanmar, Libya and Iraq have relatively low poverty rates, but could fare worse than projected if political and social instability proves intractable. At the same time, positive developments that benefit large excluded populations might drive progress in some countries more quickly than predicted.

While there is always an element of uncertainty when predicting future performance, some of the patterns and characteristics of the countries being left behind can be identified based on this illustrative list.

Which countries are they?

As expected, sub-Saharan Africa accounts for the majority of countries being left behind. Only six of the countries are not in sub-Saharan Africa – Afghanistan, Haiti, Federated States of Micronesia, Papua New Guinea, Syrian Arab Republic and Yemen – most of which have significant political challenges or persistent and widespread conflict.

The countries being left behind also fall into all of the major groups that identify them as the poorest in the world: 21 are low-income countries (LICs) and the other 9 are lower-middle-income countries (LMICs). All but three are eligible for grants from the World Bank's International Development Association (IDA) that supports the very poorest countries, and the Republic of Congo, Nigeria and Papua New Guinea are eligible for IDA grants plus funding from the International Bank for Reconstruction and Development. And all but seven (23) of the countries being left behind are also heavily indebted poor countries according to the World Bank.

What is known about poverty in countries being left behind?

The scale of poverty concentrated in the countries being left behind is already significant, and is likely to grow. To address the breadth of scenarios that could occur, the measures included show different rates of growth and different distributions of growth. However, even some of the more optimistic models show an increase in the absolute number of people living in extreme poverty in these countries by 2030 if there are no shifts in current trends in national growth and distribution, international assistance and investments. Depending on which scenario is applied, these countries are projected to account for 76–86% of people living in extreme poverty by 2030. Both the average and median of the seven poverty projection models used are above 80%. By 2030 the average country being left behind will have 23% of their people living in extreme poverty, compared with 3% in other countries.¹⁵ It should also be noted that these are conservative estimates, as they do not account for poverty caused by environmental and political shocks that such countries may face in the future.

This analysis also used the Multidimensional Poverty Index (MPI), which draws on survey data including access to healthcare, education, sanitation and household assets, as a point of comparison with the list of countries being left behind. While MPI scores could not be included in the analysis that informed this list – as comprehensive data was unavailable – a subset of countries with MPI scores from 2010 onwards were included to deepen the analysis.

Countries being left behind were also found to have a considerably higher level of multi-dimensional poverty than other MPI countries; they score 0.52, compared with an average of 0.17 among other MPI countries (higher figures mean greater, more widespread poverty). This means as well as being cash poor, people living in countries being left behind are more likely to lack essential services and to face poor life chances. Multidimensional poverty is also highly concentrated in sub-Saharan Africa and in low-income fragile states, which correlates with the characteristics of the list of countries being left behind.

What else do these countries have in common?

Countries being left behind are expected to experience population growth at three times the rate of other countries.¹⁶ While this could arguably give them an advantage, there is a significant risk that the combination of poverty, low human development and fragility in most of these countries means that this demographic dividend does not pay off. The rates of growth projected also mean that the share of people in extreme poverty could go down while the number of people living below the poverty line goes up in real terms. As such there needs to be caution around rapid population growth masking the poverty challenge and trends in countries being left behind. The number of lives affected must be measured and reported on, putting people rather than 'ratios' at the centre of the debate on progress.

This research also indicates that several countries being left behind have a history of weak growth, and some will struggle to grow in the future. For example, Karver et al found that South Sudan, Yemen, Burundi, the Republic of Congo and Chad are likely to see negative GDP per capita growth as time goes on.¹⁷ While growth is not a panacea, there is no doubt that negative growth poses an additional barrier to economic development, and for these five countries it also comes in a context of civil war, instability and violence that throws up even more barriers to progress.

A weak private sector is a common characteristic of such countries. For example, among countries with available data, those on the list of countries being left behind have lower average Global Competitiveness Index rankings than other developing countries, at 3.2 and 4.4 respectively. Of the 30 lowest-ranked countries on the index, 13 are included on the list of countries being left behind. Of the lowest ten, eight are on the list.

Perhaps unsurprisingly, many of these countries also have significant financing shortfalls that stand in the way of poverty reduction and economic development. This is compounded by the fact that they struggle most to mobilise domestic and international resources (see next section). Lea and Dercon's 2016 analysis for the UK Department of International Development (DFID)¹⁸ illustrates this. They estimated that 11 countries are 100 years away from being self-financing; all of these except Comoros are in the final list of 30 countries being left behind, where the average is 56 years. This illustrates just how important it is to increase financing that can be invested in development and reducing poverty in these countries.

The following section examines the financing landscape in more detail, as finding ways to fill funding gaps and effectively resource poverty reduction in the countries being left behind is key to meeting the SDGs by 2030.

Investing in countries being left behind

By 2030, this analysis estimates that the identified countries being left behind will be home to more than four-fifths of all people living in extreme poverty. Whilst the remainder are more likely to live in countries that have the means to tackle poverty themselves the countries being left behind lack the domestic public resource and access to appropriate international finance to do so.

The conclusion is a simple one: the countries facing the greatest challenge in meeting the SDGs are currently among those most lacking the investment they need. This chapter looks in more detail at the financing landscape for the countries being left behind, and identifies the challenges they are facing in mobilising the right kind of resources to fill these gaps.

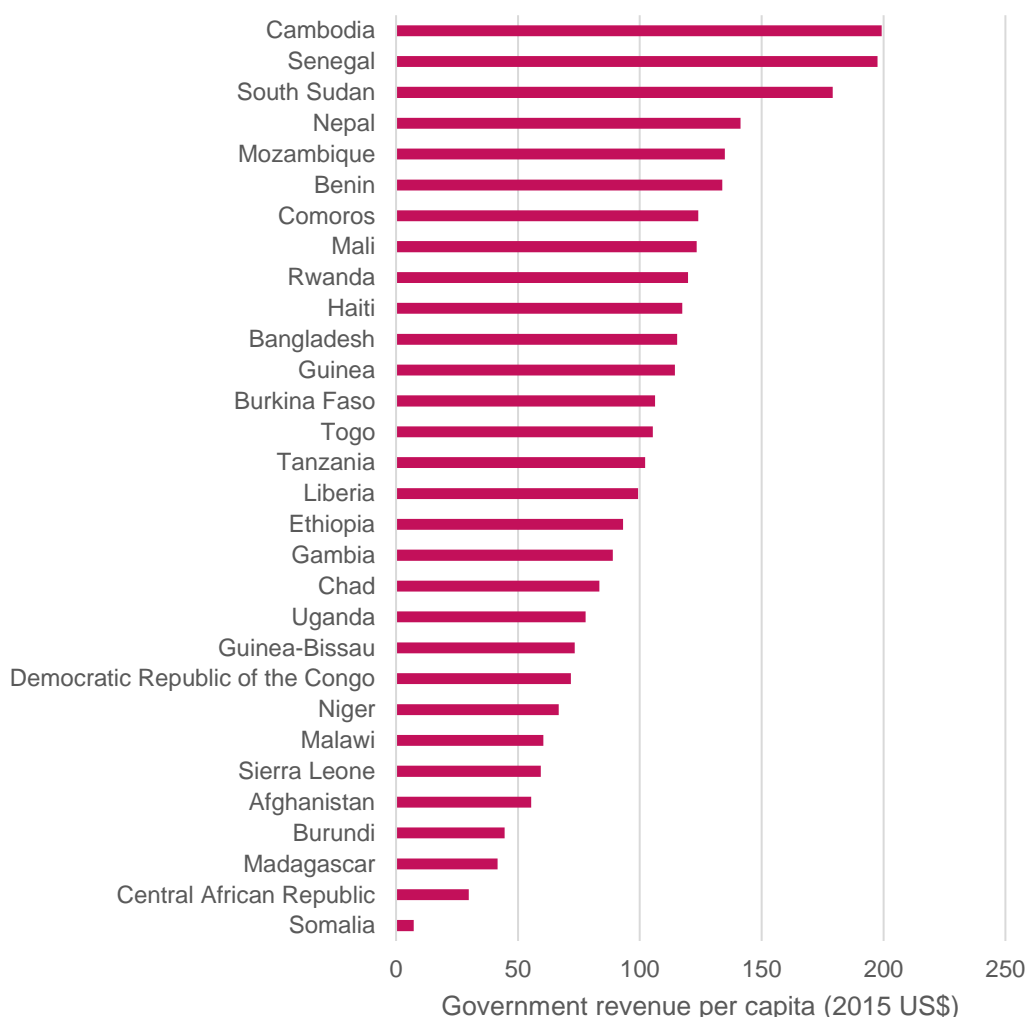
Countries being left behind lack the financial foundation of domestic public resources

Domestic public resources provide the foundations of development finance in any country. They allow governments to fund public services and systems needed to tackle poverty and boost development, including paying for recurrent costs such as training and salaries of nurses and teachers. They can also finance public institutions that are necessary for development, financial and political stability, and resilience to shocks.

“Domestic public finance is essential to providing public goods and services, increasing equity and helping manage macroeconomic stability. It is a central component of financing across the sustainable development goals.” UN¹⁹

The countries being left behind have some of the lowest levels of domestic public resources in the world; of the 20 countries that rank lowest globally, 20 are countries being left behind. For some countries the overall level of domestic public resources is incredibly low; in Somalia it stands at just US\$7 per person, for example.

Figure 5: Of the 30 countries that rank lowest on per capita government revenue in the world, 20 are countries being left behind



Source: Development Initiatives based on IMF Article IV and World Bank World Development Indicators.

When considered together, countries being left behind also have less domestic public resources than other developing countries; their average is US\$153 per person compared with US\$1,138 in other developing countries. The countries identified as being left behind have a steep hill to climb to find the domestic public finance to fight poverty.

Trends are often moving in the wrong direction

While all countries being left behind have experienced growth in domestic public resources, there are clear indications that trends are moving in the wrong direction for some countries. In per capita terms Chad, Congo, Papua New Guinea, Liberia, Federated States of Micronesia and Nigeria have all seen decreases in recent years, after periods of growth. In Chad, for instance, the volume of domestic public resources

rose from US\$75 million to US\$2.6 billion between 2000 and 2012, but has since been falling annually. It dropped to US\$1.2 billion in 2015.

Others have seen the rate of growth in domestic public resources slow down and stagnate. Afghanistan, for example, saw domestic public revenue grow by 51% on average between 2004 and 2012, but since 2013 it has dropped to just 7%.

These trends threaten further investment in public services, governance and institutions that can play a significant role in boosting the life chances of the poorest people and tackling poverty.

International finance to countries being left behind is low

Countries being left behind also attract comparatively low volumes of international finance, meaning that these flows do not compensate for the low levels of domestic resources in these at-risk countries.

The volume of international finance varies substantially between individual countries being left behind, from US\$406 per capita in Liberia to US\$45 in DRC.²⁰ Yet on average, they receive less international finance than other developing countries. Despite being the nations most at risk of failing to meet poverty and development targets, countries being left behind receive US\$144 per capita in international flows compared with US\$340 for other developing countries.

Commercial financing is particularly low for countries being left behind. Of the 30 countries receiving the lowest foreign direct investment (FDI) globally, 13 are being left behind. Since 2001, Burundi has consistently had some of the lowest levels of FDI in the world. Among countries with data available, it has been the lowest ranked country in per capita terms in eight years since 2004, having exceeded US\$1 per capita just once in this time period. Looking at non-concessional public finance, or other official flows shows a similar story, where 19 of the 30 countries receiving the lowest rates globally are found in the list of countries being left behind. Evidence also shows that a number of countries being left behind are also failing to attract investment through long-term loans.²¹

Inevitably some of the countries being left behind struggle more than others in terms of attracting these investments. Countries classified as extremely fragile on the list of countries being left behind receive almost four times less international commercial resources in per capita terms than other countries on the list. Commercial resources account for just 9% of all international financing for these countries, compared with 31% for other countries on the list. The LICs among the countries being left behind also attract less commercial financing, with LMICs on the list receiving 1.8 times more commercial finance than LICs in per capita terms.

This does not mean that commercial finance to LMICs most at risk of being left behind is sufficient. In fact, the LMICs among the countries being left behind also receive significantly less commercial financing than their counterparts not on the list, at US\$43 and US\$103 per capita respectively.

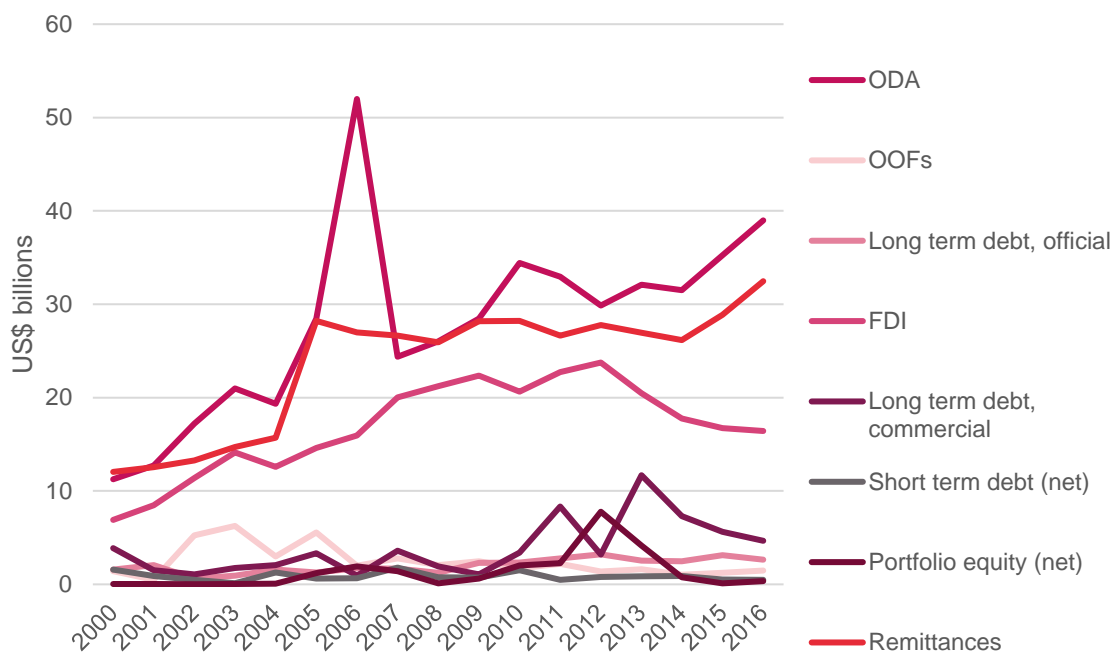
Three of the countries being left behind, Papua New Guinea, Mozambique and Congo, do receive more than half of their total international financing from commercial sources, driven by long-term commercial debt and FDI.²² Notably, this is driven by investment in extractive industries in these countries. This kind of finance can pose challenges for governments; large mining companies are able to strike deals that allow them to command a significant share of profits in return for a capital investment. This means that such investment may not translate into any great increase in the spending power of the national governments that own the natural resources. Where the economy relies on the extractives sector, a country's future economic prosperity is also exposed to increased shocks and commodity price volatility. It should be noted that this is perhaps less of a risk in Sudan, where international flows are just 2.8% of GDP overall.

Remittances are another source of international finance, and as might be expected, those countries being left behind with a larger diaspora population rely more on these private financial flows. In Yemen, Haiti, Gambia, Lesotho and Nigeria, remittances account for more than 50% of international flows, for example. However, when considered together the countries being left behind also rank among the lowest recipients of these private international flows; 11 of the 30 countries receiving the least in remittances worldwide are countries being left behind. Also, remittances have been falling recently in some of the countries being left behind: Lesotho, Yemen and Sudan have seen large decreases in recent years.

ODA plays an important role

While the mix of international resources varies across the countries being left behind, ODA is the largest source of international finance for the countries being left behind in aggregate and has been since 2000 when the MDGs were agreed. ODA accounts for more than half of the total international financing that 16 of the 30 countries being left behind receive.

Figure 6: On aggregate, ODA is the largest source of international financing to countries being left behind



Source: Development Initiatives based on OECD Development Assistance Committee (DAC), UN Conference on Trade and Development (UNCTAD) and World Bank.

When considered together, the countries being left behind also receive more ODA per capita than other developing countries; ODA accounts for US\$58 per capita for countries being left behind, compared with US\$16 in other developing countries.

Some of the countries being left behind receive more ODA than comparable countries not on the list. For example, the LMICs and LICs among the countries being left behind receive 3.0 and 1.4 times the amount of aid as their counterparts who are not being left behind in per capita terms respectively. Similarly, the least developed countries (LDCs) among the countries being left behind receive 1.6 times the amount of ODA per capita of other LDCs (US\$58 per person and US\$37 per person respectively in 2016).

On the other hand, small island developing states (SIDS) among the countries being left behind receive approximately two-thirds the ODA per capita of those not on the list, even though ODA comprises a higher proportion of their international financing.

Trends in ODA volumes to countries being left behind

In addition to domestic public resources, ODA is one of the only sources of finance available to governments that can increase LIC public spending and directly tackle poverty

without increasing the fiscal deficit. ODA can catalyse change by funding programmes that target key sectors like education and healthcare and develop better governance and institutions. It can also leverage resources by strengthening taxation systems to boost domestic public revenue.

This makes it important that ODA is targeted where progress is most in jeopardy between now and 2030, to help ensure no countries are left behind. However, the scale of ODA received by the countries being left behind is not enough to fill the gaps in their budgets. For many of these countries trends are also moving in the wrong direction, and ODA flows have suffered from the kind of volatility that undermines development effectiveness principles and long-term investment in reducing poverty.

ODA to Burundi had been decreasing since 2009 before a volatile increase in 2016, for example, and Afghanistan has seen a drop of US\$2.3 billion since 2010. Eritrea has been on a downward trajectory since 2001, with some significant fluctuations along the way, and countries such as Guinea Bissau have experienced even more volatile ODA flows.

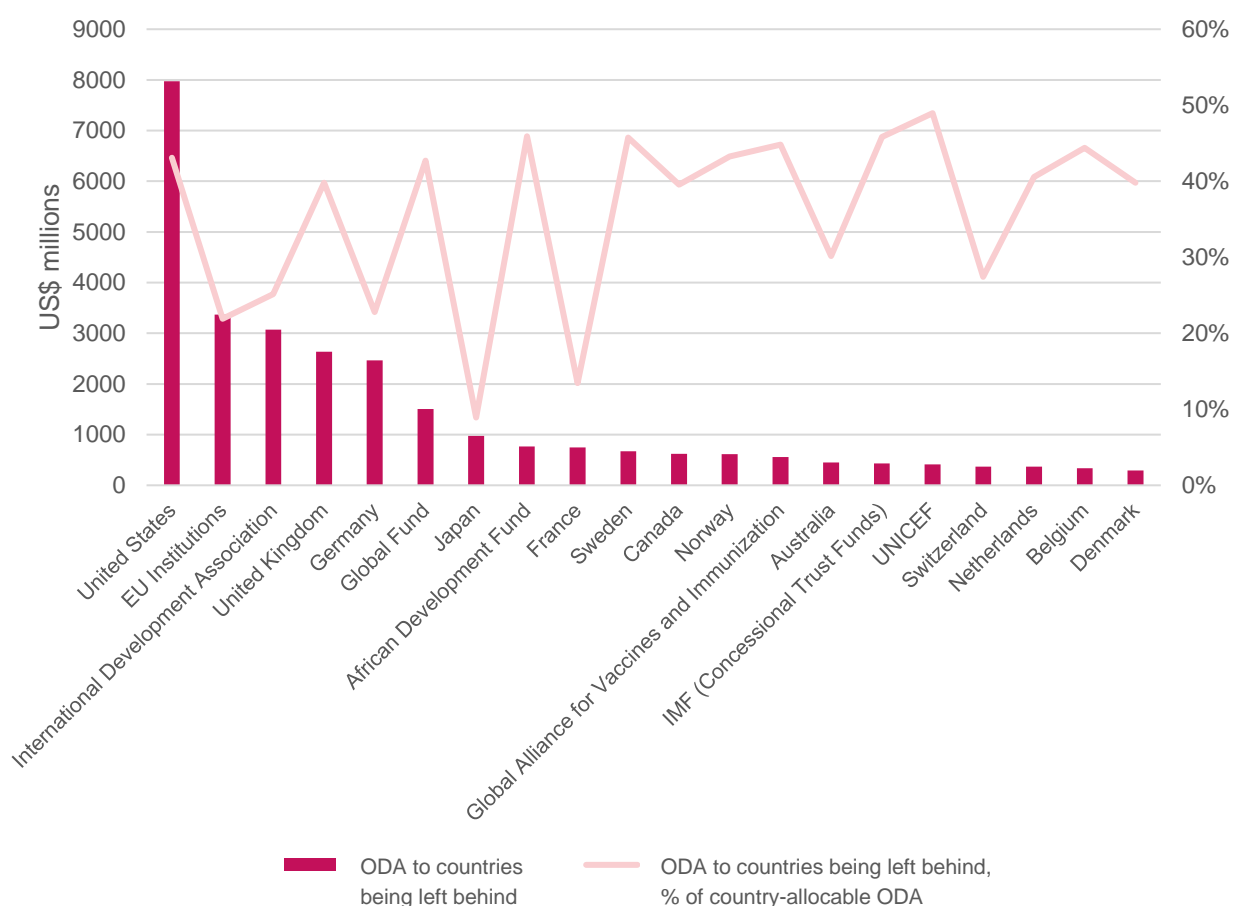
For other countries being left behind ODA is stagnating. Aside from a debt relief spike in 2006, ODA to Uganda had remained at a relatively constant level of US\$1.6 billion since 2007, before a slight increase to US\$1.8 billion in 2016. Meanwhile Gambia's ODA has hovered around a US\$121 million average since 2009.

Box 1: Who are the main ODA donors to countries being left behind?

The three largest bilateral donors to the 30 countries being left behind in 2016 are the US, the UK and Germany. The US gave a total of US\$8.0bn to the 30 countries, accounting for 27% of its ODA to developing countries, or a fifth of all ODA to the countries being left behind. The UK provided US\$2.6 billion to countries being left behind, 23% of its total ODA to developing countries, while Germany gave US\$2.5 billion, or 11% of its country allocable aid. Multilateral donors also play a significant role in the ODA landscape for the 30 countries. The largest multilateral donors are the European Union (EU), the World Bank's IDA, and the Global Fund to Fight AIDS, Tuberculosis and Malaria. They provided US\$3.4 billion, US\$3.1 billion and US\$1.5 billion respectively in 2016.

Among the largest 20 donors to countries being left behind in 2016, 13 were bilateral donors. Of these, eight allocated more than 40% of their country-specific aid²³ to countries on the list, topped by Sweden and Belgium at 46% and 44% respectively. Conversely, prominent donors Germany, France and Japan allocated only 23%, 13% and 9% respectively. Of the seven multilateral agencies in the largest 20 contributors, five allocated more than 40% of country ODA to these countries in 2016, topped by UNICEF at 49%. IDA and the EU allocated 25% and 22% respectively.

Figure 7: Proportion of ODA from the 20 largest bilateral and multilateral donors to countries being left behind



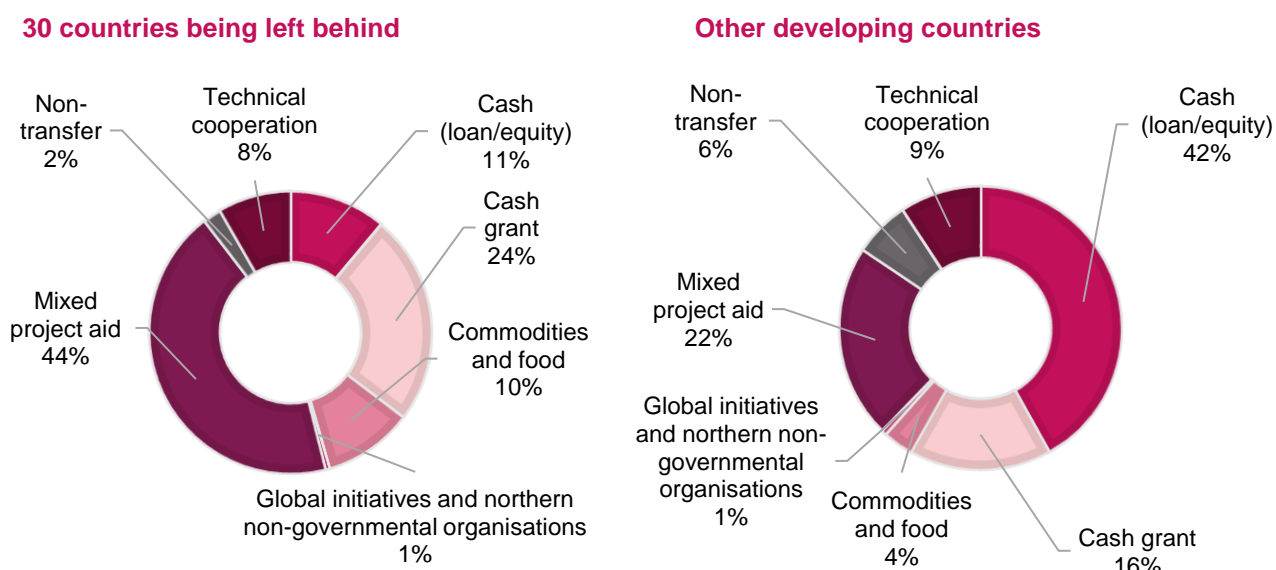
Source: Development Initiatives based on OECD DAC Creditor Reporting System (CRS).

What kind of ODA are countries being left behind receiving?

As well as the sectors that receive most ODA investment for countries being left behind, the type of ODA that countries receive – the mix of modalities and the sectors supported – also matters.

Though aid modalities vary among countries being left behind, mixed project aid is the largest, mainly explained by significant allocations by the US. Following this, cash grants is the most important modality, accounting for 24% of all bilateral ODA to the 30 countries on average. By comparison, grants account for just 16% of bilateral ODA to other developing countries. Similarly, commodity aid to the countries being left behind (10%) is notably higher than that to other developing countries (4%). Conversely, the proportion of aid delivered as loans is notably lower for countries being left behind (11%) than other developing countries (42%).

Figure 8: The mix of ODA modalities for countries being left behind and other developing countries



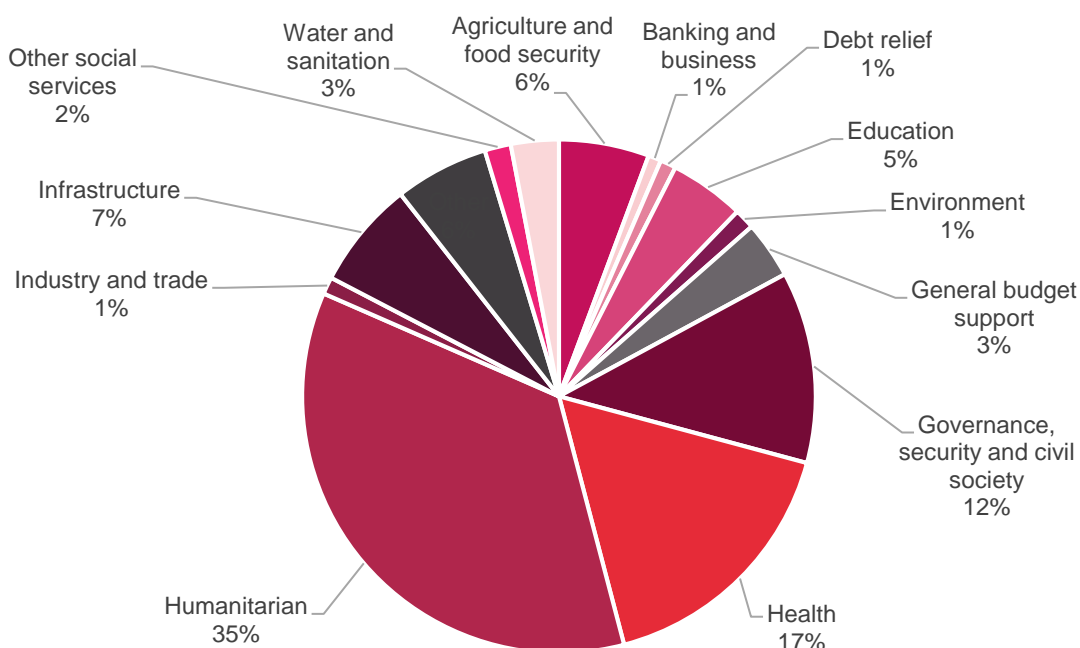
Source: Development Initiatives based on OECD DAC CRS.

A mix of modalities is inevitable due to the specific country contexts. For example, the countries being left behind that are also SIDS receive more of their ODA as technical cooperation, but this is largely accounted for by two countries. Of ODA as technical cooperation to SIDS on the list, 92% goes to Papua New Guinea and Haiti where disasters caused by natural hazards have compromised national infrastructure and governance, making other forms of ODA more challenging to implement.

There are also notable differences in sectoral allocations between countries being left behind and other countries. Humanitarian assistance, health governance and security combined account for 64% of sectoral ODA in 2016, with humanitarian assistance accounting for 35% alone. For other developing countries in aggregate, infrastructure is the most funded sector in 2016 (20%), followed by more even distributions to health (11%), and education, governance and humanitarian assistance (each accounting for 9%).

Beyond the aggregate level, there are some notable differences between countries on the list of countries being left behind. For example, Burundi and South Sudan received 63% and 52% of ODA as humanitarian respectively, while three other countries also depended highly on this sector. Violent protests in Burundi following President Nkurunziza's decision to run for a third term in 2015 and the ongoing unrest in South Sudan offer an explanation here. Additionally, Afghanistan and Guinea-Bissau receive significant support in governance, security and civil society, and debt relief respectively.

Figure 9: Humanitarian assistance, health and governance and security account for almost two-thirds of sectoral aid to countries being left behind



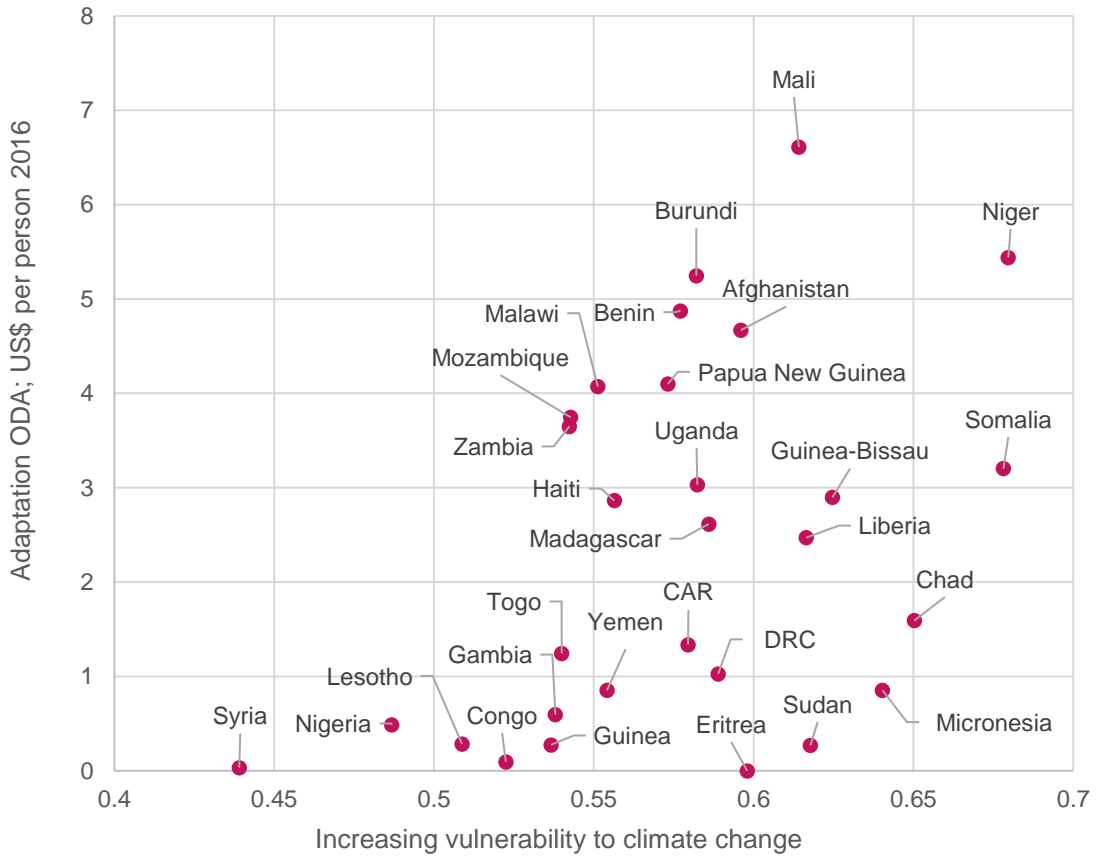
Source: Development Initiatives based on OECD DAC CRS.

Box 2: Is climate finance missing the mark?

It is notable that countries that feature on the list of countries being left behind as a result of their vulnerability to climate change do not attract significantly more climate finance than other countries being left behind. This indicates that even international finance with a specific remit is not necessarily flowing to where it is most needed.

On average, countries being left behind received US\$2.9 per person of climate adaptation-related ODA. Of the most vulnerable countries being left behind (scoring >0.6 according to ND-GAIN's vulnerability data), only Mali, Niger and Somalia received greater amounts than this, US\$6.6 per person, US\$5.4 per person and US\$3.2 per person respectively. Guinea-Bissau and Liberia received less than US\$2.9 per person each. Chad and Federated States of Micronesia also received comparatively little, US\$1.6 per person and US\$0.9 per person. Sudan received less still – US\$0.3 per person.

Figure 10: Five of the most vulnerable countries being left behind attract little climate adaptation ODA



Source: Development Initiatives based on OECD DAC CRS and ND-GAIN.
 Note: Higher vulnerability scores denote greater vulnerability to climate change. Amounts based on gross ODA disbursements marked as principal or significant with the climate change adaptation policy marker. Regional and unspecified allocations are excluded. South Sudan received US\$17.7 per person of climate adaptation finance in 2016 but is not listed on the ND-GAIN index.

Conclusion

Each of the countries identified as being left behind face individual challenges and contexts that will shape their future, and national governments are responsible for implementing policies and practice that will foster stability and prosperity for all of their citizens. However, this analysis has also shown that national governments in countries being left behind face some common challenges, and that international solidarity will play an important role.

These are the governments with the lowest overall revenue to invest in tackling poverty and exclusion. They lack the domestic public resources they need to spend on key institutions and sectors that could boost progress for everyone, or to build progressive tax systems that could finance development sustainably in the future. The countries being left behind are also unable to attract appropriate international flows and investments at any kind of scale. While ODA is injecting much needed investment in reducing poverty and enabling better mobilisation and use of other resources, it too is insufficient with little indication of substantial increases in the immediate future.

Countries being left behind are least able to raise enough domestic public resources, and international financing is not filling the gap. Unless deliberate action is taken to address this, millions of the poorest people will be excluded from global progress, putting the SDGs at risk.

Getting the countries being left behind on track

Countries that are being left behind need additional and immediate support if they are to end poverty by the 2030 deadline. The international community should provide assistance and solidarity in support of national efforts to reduce poverty and achieve peace and security in these countries, especially in the fragile and conflict-affected states among them.

Ensuring adequate and appropriate financing is one crucial part of this support to national governments. More and better ODA should be targeted to these countries; they need it most to complement domestic resources, and to increase public spending. With an increasing array of sources of finance, ODA can be targeted even better by taking into account not just where needs are greatest but also where other finance – both public and private – is not available to address that need.

ODA can boost investment in poverty-busting sectors such as healthcare and education, as well as building and strengthening domestic institutions and governance systems that

can underpin national development. ODA can also catalyse increased domestic resources by building and strengthening national tax systems. Of the world's largest donors, 20 have signed up to the ATI, committing to double their ODA to domestic resource mobilisation (DRM) by 2020.

DRM, as a proportion of their economies, is low across countries identified as being left behind, but so are ODA volumes supporting DRM. Where appropriate, the use of ODA for DRM, along with support for wider reforms, has the potential to catalyse significant resources to finance development plans. However, at present, the use of ODA for DRM is highly concentrated in a small number of countries, while 18 countries identified as at risk of being left behind received less than US\$1 million in ODA for DRM in 2016, of which 12 received nothing at all.²⁴

In light of the significant financing gap to achieve the SDGs, some donors are also increasing ODA spending to incentivise private investment in developing countries. Finance from the private sector can play a positive role in supporting developing countries, particularly where it can be used to increase the efficiency of aid and release ODA for investments elsewhere. However, there are two significant reasons to question scaling up such use of ODA.

Firstly, there is a lack of evidence that investing ODA in this way will reduce poverty – its core purpose – and because of the way ODA is reported, the means to monitor the impact is also lacking. Secondly, in a context of scarce resources, there is a risk that this will divert existing ODA from more proven investments. Any ODA used to leverage private finance should, therefore, be held to development effectiveness standards and judged on how it benefits the poorest people in the poorest places. Without the evidence of means to measure this impact, scaling up could be a risky investment.²⁵

While in aggregate, ODA volumes are small compared with other forms of finance, they will continue to be significant for many countries being left behind. This is because such countries struggle to mobilise public finance and attract private capital investment. In many cases, this is driven by the difficult environments that characterise these countries. Scaling up finance, both public and private, therefore means more than just increasing resources. As poverty becomes increasingly concentrated in such places it means having a better understanding of how to maximise their impact in these challenging contexts.

Notes

¹ Brookings, 2018. *Leave no country behind: ending poverty in the toughest places, working paper*. Available at: https://www.brookings.edu/wp-content/uploads/2018/02/leave_no_country_behind_working_paper.pdf

² European Commission, 2016. *Income inequality and poverty reduction in sub-Saharan Africa*. Available at: <https://publications.europa.eu/en/publication-detail/-/publication/913d9058-b864-11e6-9e3c-01aa75ed71a1>; Brookings, 2017. *No country left behind: the case for focusing greater attention on the world's poorest countries*. Available at: https://www.brookings.edu/wp-content/uploads/2017/01/global_20170124_no-country-left-behind.pdf

³ Development Initiatives. 'The P20 Initiative: Data to leave no one behind.' Available at: <http://devinit.org/post/projects/p20-initiative-data-leave-no-one-behind/>

⁴ To complement this country-level focus, Development Initiatives is also developing poverty projections at a subnational level where data is available. Findings will be presented in its forthcoming *Investments to End Poverty Report*.

⁵ Department for International Development, Chief Economist's Office (Lea, N and Dercon, S), 2016. *Benchmarking aid allocation: Is the global and multilateral aid allocation poverty-focused?*

⁶ Development Initiatives (forthcoming). *ODA for DRM – progress, prospects and opportunities for effective support*.

⁷ In 2016, the latest year for which data is available, Papua New Guinea received more of its ODA as technical cooperation, due to natural disasters compromising national systems and making other forms of ODA more challenging to implement. Guinea-Bissau received 54% of its ODA as non-transfer.

⁸ Brookings, 2017. See note 2.

⁹ Brookings, 2018. See note 1.

¹⁰ Brookings, 2017. See note 2.

¹¹ European Commission, 2016. See note 2.

¹² Development Initiatives based on PovcalNet (2017), based on \$1.90 extreme poverty line.

¹³ World Bank (Hallegatte, S, Vogt-Schilb, A, Bangalore, M and Rozenberge, J, 2017). *Unbreakable: Building the resilience of the poor in the face of natural disasters*.

¹⁴ IMF (Acevedo, S), 2016. *Gone with the wind: Estimating hurricane and climate change costs in the Caribbean*. IMF Working Paper WP/16/199.

¹⁵ Based on an average of the poverty models used to inform the list of countries being left behind.

¹⁶ Development Initiatives calculations based on UN DESA Population Division World Population Prospects 2017.

¹⁷ Karver, J, Kenny, C and Sumner, A, 2012. *MDGs 2.0: What goals, targets and timeframe?* Center for Global Development Working Paper 297.

¹⁸ Department for International Development, Chief Economist's Office. (Lea, N and Dercon, S), 2016. *Benchmarking aid allocation: Is the global and multilateral aid allocation poverty-focused?*

¹⁹ UN Economic and Social Council, 2016. *Monitoring commitments and actions in the Addis Ababa Action Agenda of the Third International Conference on Financing for Development*. Available at: https://digitallibrary.un.org/record/826746/files/E_FFDF_2016_2-EN.pdf

²⁰ Total international finance includes public, commercial and private finance, namely: ODA, other official flows, long-term official and commercial debt, short term debt, FDI, portfolio equity and remittances.

²¹ Of the 30 countries receiving the least non-concessional long-term debt (official), 9 are countries being left behind, as are 9 of the 30 countries receiving the least commercial long-term debt.

²² Nigeria also receives substantial FDI but the large volumes of remittance inflows mean this is a smaller proportion of total international flows.

²³ Such aid excludes ODA allocated to regions and ODA that has no specific country recipient.

²⁴ Development Initiatives. See note 6.

²⁵ Development Initiatives, 2016. *The enabling environment for private sector development: donor spending and links to other catalytic uses of aid*. Available at: <http://devinit.org/post/enabling-environment-private-sector-development/>

Acknowledgements

This report was co-authored by Dan Coppard, Director of Research & Analysis, Zach Christensen, Senior Analyst, and Emma Seery, independent consultant. Data and analysis was provided by Zach Christensen and Sam Ashby, Analyst Intern. The paper was reviewed by Cecilia Caio, Senior Analyst, Amy Dodd, Engagement Lead for Financing for Development, and Harpinder Collacott, Executive Director.

Annex

Methodology for defining the three lists of countries being left behind

Poverty projections

The World Bank's PovcalNet publishes biannual estimates of poverty and income distributions for most countries, based on household surveys and adjusting for growth rates. It should be noted that it omits several countries that were of interest for this analysis of countries being left behind, namely Somalia, Eritrea, Korea DPR and Afghanistan. While the World Bank acknowledges there are also limitations to PovcalNet data, it is considered one of the most robust tools for understanding trends in poverty and inequality, and as such is the basis for many models that predict future poverty rates.

Firstly, we replicated the **World Bank's model from their flagship publication *Poverty and Shared Prosperity***¹ with the latest PovcalNet data (2013) using growth rates from the past 10 years to generate a scenario to inform the picture of possible levels of poverty in the future. As an alternative, the World Bank also calculated poverty rates where it is assumed that the bottom 40% of the national population grows at two percentage points faster than the rest of the country and another scenario where the bottom 40% grow two percentage points slower than the rest of the population. As a robustness check, the World Bank also calculates growth based on 20-year periods. This paper sought to replicate this method and included the three 10-year models.

Secondly, we looked at **forecasts by Karver et al (2012)**² that apply the International Monetary Fund (IMF)'s World Economic Outlook to the latest PovcalNet data, and project them forward to 2030 assuming growth is neutrally distributed. The model also looks at scenarios where growth rises or fall 1 point over the period to give a more robust average. We considered the rankings for all three scenarios, which are largely consistent despite different poverty outcomes based on the three growth rates applied.

Thirdly, we looked at data from the World Bank Data Lab's ***World Poverty Clock***, which draws on PovcalNet and other datasets to estimate poverty rates for 2030, based on an average of three different growth rates. This means that it includes a wider list of

¹ World Bank, 2016. *Poverty and Shared Prosperity*. Available at: <http://www.worldbank.org/en/publication/poverty-and-shared-prosperity>

² Karver, Kenny and Sumner, 2012. *MDGs 2.0: What goals, targets and timeframe?* Center for Global Development Working Paper 297.

countries than PovcalNet, and meant countries such as Somalia and Afghanistan could be included in the analysis.

Fourthly, we looked at **Lea and Dercon's 2016 paper**³ produced for the UK's Department for International Development (DFID), which includes an estimate of how long it will be before developing countries are able to self-finance. They then rank the countries from most to least number of years to self-finance, and we used this ranking in this analysis.

Fifthly, we drew from the list of countries listed in 2018 as 'severely off track' to eliminate poverty by 2030 according to **Gertz and Kharas**.⁴ The methods used here are based on growth forecasts by the IMF and the methods used for the World Poverty Clock. We created a binary ranking on whether or not the country was listed as severely off track.

Finally, we drew on data from the Brookings 2017 paper by **Laurence Chandy No country left behind: the case for focusing greater attention on the world's poorest countries**.⁵ Chandy compiles a list of countries that would have to reduce poverty at record-breaking levels to eliminate poverty by 2030: countries with a poverty rate of above 45%, and those with a rate over 20% that have not reduced poverty in recent years (St Lucia and Djibouti). This model also includes countries that are not covered by PovcalNet data: Afghanistan, Equatorial Guinea, Eritrea, Korea DPR, Myanmar, Somalia, Syria, and Yemen.

Looking at the outcome of these models, which include different countries and apply different methodologies, we were able to form a comprehensive picture of the countries that are most at risk of high levels of poverty in 2030.

Human development indicators

We started by considering the **Human Development Index (HDI)**, which draws on gross national income (GNI) per capita, as well as healthcare and education outcomes, to rank countries on their social and economic development. To estimate which countries may be the worst off in terms of human development by 2030, we looked at average growth rates in HDI scores for the last 10 and 20 years. We then applied a linear interpolation based on these two different growth rates and projected the latest scores forward to 2030. When scores were not generated for all years, the trends for available years were included. While there were commonalities with rankings based on economic measures of poverty, this approach gave more prominence to some non-African countries.

³ Department for International Development, Chief Economist's Office (Lea, N and Dercon, S), 2016. *Benchmarking aid allocation: Is the global and multilateral aid allocation poverty-focused?*

⁴ Brookings, 2018. *Leave no country behind: ending poverty in the toughest places, working paper*. Available at: https://www.brookings.edu/wp-content/uploads/2018/02/leave_no_country_behind_working_paper.pdf

⁵ Chandy, L, 2017. *No country left behind: the case for focusing greater attention on the world's poorest countries*. Available at: https://www.brookings.edu/wp-content/uploads/2017/01/global_20170124_no-country-left-behind.pdf

Secondly, we looked at a **forecast by the UN Conference on Trade and Development (UNCTAD) of countries likely to be LDCs in 2025**. The criteria used to define LDCs are GNI per capita, and scores on the Economic Vulnerability Index and the Human Assets Index, which draw on a range of economic and social development indicators ranging from instability of exports to maternal mortality rates.⁶ UNCTAD's list identifies 32 countries, including Haiti, Cambodia and 30 countries in sub-Saharan Africa. It predicts that Afghanistan and Yemen will graduate from LDC status by 2025, which is a more optimistic future than they have in other forecasts.

Using these models we identified a list of countries that are likely to remain poor, but poor in terms of life chances and essential services as well as in purely financial terms.

Fragility forecasts

Vulnerability to risk is challenging to model. While political and economic crises tend to be concentrated in certain countries and regions, they are by no means confined there, and by their nature these crises are unpredictable. The environmental impact of climate change is particularly difficult to model as a contribution to which countries are likely to be left behind by 2030, as the impact is largely expected after this date. There are, however, a number of models that assess and rank countries according to their vulnerability and fragility, and make projections that we were able to draw on.

Firstly, we looked at the 2016 country scores in the **Notre Dame Global Adaptation Initiative (ND-GAIN)**, which measures vulnerability to climate change and readiness to adapt. The countries that are ranked lowest in this model are those in the Horn of Africa and Central Africa, and countries with high degrees of other types of fragility.

Secondly, we used the **OECD's scoring of countries in the report *States of Fragility 2016***,⁷ which emphasises the multidimensional nature of fragility, projecting risk based on economic, environmental, political, security and social indicators. Of the 15 countries found to have the highest risk in this index, 4 are not identified by poverty or human development models: Iraq, Syria, Palestine and Nigeria.

Finally, we consulted the **INFORM Index for Risk Management**. This is produced by the Inter-Agency Standing Committee Reference Group on Risk, Early Warning and Preparedness and the European Commission. The index is based on dozens of indicators under three broad categories: hazard and exposure, vulnerability, and lack of coping and capacity. Again, this model identifies a number of countries that have 'very

⁶ The Economic Vulnerability Index includes indicators based on population, remoteness, merchandise export concentration, the share of agriculture, hunting, forestry, fishing in GDP, the share of the population in low elevation coastal zones, the instability of exports, goods and services, victims of natural disasters and the instability of agricultural production. The Human Assets Index is defined by under-five mortality rates, the percentage of the population undernourished, the maternal mortality ratio, the gross secondary enrolment ratio and the adult literacy rate.

⁷ OECD, 2016. *States of Fragility 2016: Understanding violence*. Available at: <http://www.oecd.org/dac/states-of-fragility-2016-9789264267213-en.htm>

high' levels of risk that do not stand out based on poverty or environmental analysis, such as Iraq, Myanmar, Pakistan and Syria.

Together these projections allowed us to formulate a list of the 30 countries most likely to be hampered by fragility on the road to 2030, giving the final piece of the picture needed to identify the countries being left behind.

Development Initiatives (DI) is an independent international development organisation working on the use of data to drive poverty eradication and sustainable development. Our vision is a world without poverty that invests in human security and where everyone shares the benefits of opportunity and growth.

We work to ensure that decisions about the allocation of finance and resources result in an end to poverty, increase the resilience of the world's most vulnerable people, and ensure no one is left behind.

Copyright © 2018 Development Initiatives
We encourage dissemination of our work provided a reference is included.

Contact
Daniel Coppard
Director of Research and Analysis
+44 (0) 1179 272 505; daniel.coppard@devinit.org

To find out more about our work visit:

www.devinit.org
Twitter: @devinitorg
Email: info@devinit.org

Development Initiatives is the trading name of Development Initiatives Poverty Research Ltd, registered in England and Wales, Company No. 06368740, and DI International Ltd, registered in England and Wales, Company No. 5802543. Registered Office: North Quay House, Quay Side, Temple Back, Bristol, BS1 6FL, UK.

UK OFFICE

Development Initiatives
North Quay House
Quay Side, Temple Back
Bristol, BS1 6FL, UK
+44 (0) 1179 272 505

KENYA OFFICE

Development Initiatives
Shelter Afrique Building
4th Floor, Mamlaka Road
Nairobi, Kenya
PO Box 102802-00101
+254 (0) 20 272 5346

c/o DEVELOPMENT RESEARCH AND TRAINING (DRT)

Ggaba Road, Mutesasira
Zone, Kansanga
PO Box 22459
Kampala, Uganda
+256 (0) 312 – 263629/30
+256 (0) 414 – 269495
www.drt-ug.org

US OFFICE

Development Initiatives
1110 Vermont Ave NW,
Suite 500, Washington DC
20005, US