Graduation and smooth transition

Brainstorming meeting on the way forward for the implementation of the IPoA for LDCs
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Graduation of LDCs

• Overall aim of IPoA: half of the LDCs should reach graduation criteria

• Graduation of LDCs during last Decade:
  - Cape Verde and Maldives have graduated
  - 5 more LDCs (Equatorial Guinea, Samoa, Tuvalu, Vanuatu and Kiribati) met graduation criteria in CDP reviews

• The Graduation criteria are independently defined by the CDP and cover:
  - Gross national Income per capita
  - Human Asset Index
  - Economic Vulnerability Index

• The next triennial review will take place in 2012 with further refined criteria
Smooth transition resolution 59/209:

• The graduating country should prepare a transition strategy:
  - to adjust to the phasing out of the advantages associated with its LDC status,
  - to identify actions to be taken
  - consultative mechanism to facilitate the preparation of the transition strategy
  - United Nations Development Group should assist graduating country

• Development and trading partners should take measures to:
  - avoid any abrupt reductions in either official development assistance or technical assistance
  - consider extending trade preferences and the existing special and differential treatment and exemptions
Smooth transition measures

• Extension of EBA for three more years after graduation

• Extension of access to EIF

• Support for the development of the smooth transition strategy by the UN, e.g. UNCTAD, regional commissions and country teams

• CDP continues to monitor the development progress of the graduated country.
IPoA section on graduation and smooth transition

• Provision of incentives for countries graduating from LDC status through ensuring a smooth transition. Measures in this respect consist of a phasing out of the benefits LDCs receive in order to avoid any abrupt reductions which could have a negative impact on their sustainable development.

• An ad hoc working group to further study and strengthen the smooth transition process should be considered by the GA.

• Special support measures to LDCs should be extended for some time by development partners including the extension of travel-related benefits by the UN system.
Ongoing activities on smooth transition

- New resolution on smooth transition: extend the travel related support by the UN to attend the GA for a maximum of three years for Cape Verde and Maldives as well as to future graduated countries.

- GA resolution 65/171 asks the SG to prepare a report on smooth transition, especially the provision of support measures for graduated countries for the 67th session (Fall 2012).
Ad hoc working group on smooth transition

• Consider the SG report on smooth transition
• Provide a platform for exchange of experiences of graduated and graduating countries on the development of smooth transition strategies
• Provide a platform for exchange of views between graduating countries and donors/trading partners including the UN system and BWIs on obstacles for extended smooth transition measures and possible solutions
• Draw lessons learned on how support measures work
• Provide recommendations in a new GA resolution on how to identify support measures that could be considered for phasing out after graduation