Meeting the IPoA Targets: Prospects of Graduation from the LDC category

Presentation on the occasion of the special thematic event on building synergy and coherence for implementation of the IPoA and the 2030 Agenda for sustainable development

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Roland Mollerus
Matthias Bruckner
Committee for Development Policy Secretariat
UN-DESA
Structure

1. The CDP and the LDCs
2. The LDC category
3. Graduation process
4. Trends and prospects for graduation
5. Additional information
THE CDP AND THE LDCS
Mandates

Committee for Development Policy (CDP):
Subsidiary body of ECOSOC (resolution 1998/46)
- Policy advice
- Identification of LDCs:
  - Triennial reviews
  - Methodology and process
  - Monitoring of graduating and graduated LDCs

CDP Secretariat (DESA/DPAD):
- Dissemination of CDP work
- Substantive support
- LDC Portal on support measures
- Capacity development
The Committee for Development Policy

Committee for Development Policy News

4 December 2014

› Presentations at the Workshop on building institutional capacity in the use of trade-related international support measures, 17-21 November, Geneva

   ★ Briefing by the UN CDP Secretariat for the LDC group at WTO

   ★ For all presentations, please click here

13 November 2014
THE LEAST DEVELOPED COUNTRY CATEGORY
Background

- Concern about countries consistently lagging behind
- Category created in 1971
- Special measures for catching up with other developing countries
- From 25 to 48 Countries; 4 graduations, 3 more in the pipeline

- Countries identified triennially; inclusion to and graduation from the category:
  - Committee for Development Policy
  - Economic and Social Council
  - General Assembly

- Using a set of indicators and additional information

CDP Secretariat
LDCs = Low-income countries + facing structural handicaps to sustainable development

- GNI per capita (as a measure of income)

- Structural impediments to **sustainable development**:

1. Level of human development measured by the Human Asset Index (HAI),
2. Structural vulnerability to shocks proxied by the Economic Vulnerability Index (EVI)
LDC criteria and indicators

LDCs are low-income countries suffering from the most severe structural impediments to **sustainable development**.

- **GNI per capita**
- **Human Asset Index (HAI)**
  - Percentage of population undernourished
  - Under five mortality rate
  - Gross secondary enrolment ratio
  - Adult literacy rate
- **Economic Vulnerability Index (EVI)**
  - Population
  - Remoteness
  - Merchandise export concentration
  - Share of agriculture, forestry and fisheries in GDP
  - Share of population in low elevated coastal zones
  - Victims of natural disasters
  - Instability of agriculture production
  - Instability of exports of goods and services
Graduation eligibility

• Country passes thresholds of any 2 criteria
  • GNI and HAI; or
  • GNI and EVI; or
  • HAI and EVI.
  • Or:
    • Income > twice income graduation threshold
  • Not mechanic: impact assessment, vulnerability profile, country views taken into account
THE IPOA: MEETING GRADUATION ELIGIBILITY
Istanbul Programme of Action

**Objective:**
- Enable half the number of LDCs to meet the criteria for graduation by 2020
- Target: 24 countries
- Meeting the criteria ≠ Graduating
Graduation procedures

- Several years
- Multi-stage process
- Multiple actors
- Based on rigorous methodology
- Objective: no country to fall back into the category

Overview of graduation trends

- 25 countries on first LDC list
- 23 additional countries joined

<table>
<thead>
<tr>
<th>Year</th>
<th>Graduated Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991</td>
<td>Cambodia, Democratic Republic of the Congo, Madagascar, Solomon Islands, Zambia</td>
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<tr>
<td>1990</td>
<td>Liberia</td>
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<tr>
<td>1988</td>
<td>Mozambique</td>
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<tr>
<td>1987</td>
<td>Myanmar</td>
</tr>
<tr>
<td>1986</td>
<td>Kiribati, Mauritania, Tuvalu</td>
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<tr>
<td>1985</td>
<td>Vanuatu</td>
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<tr>
<td>1982</td>
<td>Djibouti, Equatorial Guinea, Sao Tome and Principe, Sierra Leone, Togo</td>
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<tr>
<td>1981</td>
<td>Guinea-Bissau</td>
</tr>
<tr>
<td>1977</td>
<td>Cabo Verde, Comoros</td>
</tr>
<tr>
<td>1975</td>
<td>Bangladesh, Central African Republic, Gambia</td>
</tr>
<tr>
<td>1971</td>
<td>Afghanistan, Benin, Bhutan, Botswana, Burkina Faso, Burundi, Chad, Ethiopia, Guinea, Haiti, Lao People's Democratic Republic, Lesotho, Malawi, Maldives, Mali, Nepal, Niger, Rwanda, Samoa, Somalia, Sudan, Uganda, United Republic of Tanzania, Yemen</td>
</tr>
</tbody>
</table>

CDP Secretariat
II. The period 1992-2011: “Plateau”

- 3 countries graduated:
  - Botswana, Cabo Verde, Maldives
- 4 countries joined:
  - Angola, Eritrea, Senegal and Timor-Leste
Graduation trends (III)

III. Period since 2011: “Shrinking”

- South Sudan joined
- Four countries graduated or scheduled to graduate:
  - Samoa
  - Equatorial Guinea, Vanuatu and Angola

➢ Can the goal be met?????
Current situation

Seven additional LDCs already meet the graduation criteria (2015 Triennial review)

- **Tuvalu**
  Recommended by CDP in 2012
- **Kiribati**
  Second consecutive time, will be reconsidered by CDP in 2018
- **Bhutan, Nepal, Sao Tome and Principe, Solomon Islands and Timor-Leste**
  First time, will be considered by CDP in 2018

- $4+7 = 11$; 13 more to go
MEETING THE GRADUATION CRITERIA: PROSPECTS
Future prospects

Results of the 2015 triennial review

Human assets index (HAI)

Economic vulnerability index (EVI)

CDP Secretariat
Income: growth acceleration needed in difficult global economic environment
HAI: solid progress; some catching up, but often from low starting point
EVI: Some progress; large variation between countries
Summing up....

☑️ 11 LDCs have already met the graduation criteria
  ☑️ Includes ‘low hanging fruits’

☑️ Very likely that additional countries will meet the criteria by 2020

☑️ Reaching the goal of 24 countries meeting the criteria by 2020 will be extremely difficult

☑️ Additional efforts by LDCs and by partners needed in any case
ADDITIONAL INFORMATION
Handbook on the LDC category

- Updates previous version (2008)
- Methodological changes
- Smooth transition and monitoring provisions
- French version coming up soon

✓ Also available from CDP website:
LDC Country Snapshots

- Individual country information
- 2015 Triennial review
- Criteria indicators
- Available in two formats:
  - Category: 48 countries
  - Individual snapshots
LDC data retrieval

The CDP uses a set of three criteria to identify countries as least developed and reviews the list of LDCs every three years.

Data used in the last triennial reviews of the LDC category can be retrieved here. Two retrieval options are available:


StatPlanet Graphical Interface

Improving Access to Support Measures

This Portal gives users access to information about special international support measures (ISMs) adopted by the international development community for countries included in the LDC category. ISMs are meant to assist LDCs in confronting their special development challenges and in achieving progress towards graduation from the category. The measures can be grouped into 3 broad areas of assistance:

**Trade**
International support measures from development partners related to international trade.

**Development**
Support measures related to the volume and quality of Official Development Assistance.

**General Support**
Other support measures such as dedicated travel funds and caps on contributions to the UN.

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**LDCs request indefinite extension of TRIPS transition periods**
At the meeting of the WTO Council on TRIPS which took place in Geneva on 6-7 November 2012, ...  

**Briefing LDC Portal to New York based Delegates**
On Thursday 15 November the...
Thank You

Contact: Roland Mollerus
Matthias Bruckner
Committee for Development Policy Secretariat
Department of Economic and Social Affairs
United Nations

email: mollerus@un.org, brucknerm@un.org