High-Level Meeting:
Achieving Sustainable Graduation for Least Developed Countries

29-30 November 2017, Dhaka
Introduction

- IPoA goal: Enable half the number of LDCs to meet the criteria for graduation by 2020
- Progress towards graduation has accelerated but more needs to be done
- Graduation process involves many steps and takes more than 6 years
- Smooth transition starts after graduation and needs preparation
Graduation Criteria

Income criterion,
based on the latest available three-year average of GNI per capita as a single indicator for the income criterion. In order to further improve the comparability of GNI per capita, the Committee will convert fiscal year GNI data into calendar year for countries where fiscal years are different from calendar years and only fiscal year GNI data are available, whenever feasible (in the 2018 triennial review the thresholds of under $1,025 for inclusion and above $1,230 for graduation will be applied).

Human Assets Index (HAI)
based on indicators of:
(a) health: percentage of population undernourished;
(b) health: under-five mortality rate;
(c) health: maternal mortality rate;
(d) education: the gross secondary school enrolment ratio; and
(e) adult literacy rate.

Economic Vulnerability Index (EVI)
(a) population size;
(b) remoteness;
(c) merchandise export concentration;
(d) share of agriculture, hunting, forestry and fishing;
(e) share of population in low elevated coastal zones;
(f) instability of exports of goods and services;
(g) victims of natural disasters; and
(h) instability of agricultural production.
Graduation Recommendation

In order to be eligible for graduation

- *Country passes thresholds of any 2 criteria*
  
  - GNI and HAI
  - GNI and EVI
  - HAI and EVI

- *Income > double income graduation threshold*

The CDP also takes the sustainability of progress into account.
# Overview of Graduating Trends

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

## II. The period 1992-2011: “Plateau”
- 3 countries graduated: Botswana, Cabo Verde, Maldives
- 4 countries joined: Angola, Eritrea, Senegal and Timor-Leste

## III. Period since start of IPOA 2011: “Shrinking”
- South Sudan joined
- Four countries graduated or scheduled to graduate: Samoa (2014), Equatorial Guinea (2017), Vanuatu (2020) and Angola (2021)
Status of Graduation

Note: Based on the 2015 triennial review data, CDP
## Graduation Process: Year 0-3

<table>
<thead>
<tr>
<th>Year</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 (2018)</td>
<td>First triennial review – Country meets the criteria for graduation for the first time and CDP finds country eligible</td>
</tr>
<tr>
<td>0-3 (2018 -2021)</td>
<td>A vulnerability profile of the country is prepared by UNCTAD with inputs from the country</td>
</tr>
<tr>
<td>0-3 (2018 -2021)</td>
<td>Ex-ante impact assessment by UN-DESA</td>
</tr>
<tr>
<td>0-3 (2018 -2021)</td>
<td>Country provides comments on drafts of the UNCTAD profile and the DESA assessment (optional). Country may present its view on graduation at the CDP expert group meeting preceding the second triennial review</td>
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## Graduation Process: Year 3-6

<table>
<thead>
<tr>
<th>Year</th>
<th>Action</th>
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<tbody>
<tr>
<td>Year 3 (2021)</td>
<td>Second triennial review – Country meets CDP criteria for the second time</td>
</tr>
<tr>
<td>Year 3 (2021)</td>
<td>CDP submits recommendation for graduation to ECOSOC, taking into account graduation criteria and additional information</td>
</tr>
<tr>
<td>Year 3 (2021)</td>
<td>ECOSOC endorses the CDP recommendation</td>
</tr>
<tr>
<td>Year 3 (2021)</td>
<td>UN General Assembly takes note of the CDP recommendation</td>
</tr>
<tr>
<td>Years 3-6 (2021-2024)</td>
<td>Graduating country establishes consultative mechanism, prepares smooth transition strategy and optionally reports to the CDP on the preparation of the strategy</td>
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<tr>
<td>Years 3-6 (2021-2024)</td>
<td>Development and trading partners participate in consultative mechanism and provide targeted assistance</td>
</tr>
<tr>
<td>Year 3–6 (2021)</td>
<td>CDP monitors development progress of the country during the period and reports annually to ECOSOC</td>
</tr>
<tr>
<td>Year 6 (2024)</td>
<td>Graduation becomes effective, country is no longer in the LDC category</td>
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Smooth Transition: After Graduation, Year 6+

<table>
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<tr>
<th>Year</th>
<th>Action</th>
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</thead>
<tbody>
<tr>
<td>After graduation, year 6+</td>
<td>Graduated country implements and monitors the transition strategy and voluntarily submits progress reports to CDP on implementation</td>
</tr>
<tr>
<td>After graduation, year 6+</td>
<td>CDP monitors development progress of graduated country and reports to ECOSOC</td>
</tr>
<tr>
<td>After graduation, year 6+</td>
<td>Development and trading partners and the UN system support the implementation of the transition strategy, avoiding abrupt reduction of LDC-specific support</td>
</tr>
</tbody>
</table>
Smooth Transition

- LDC specific support needs to be provided for smooth transition to be relevant, including recognition of LDC category
- Impact assessment and vulnerability profile are starting points for smooth transition strategy but more support is needed
- Preparations for smooth transition need to start early with full support of development partners
- Smooth transition strategy should be linked to other national development plans
Supporting the Process of Graduation

- Efforts to implement the IPoA need to be stepped up by LDCs and development partners to reach the graduation objective
- Follow GA resolution (67/221) → Stronger commitment by development partners to reassure countries of continued support
- Improved understanding of available LDC-specific support measures facilitates preparation of smooth transition strategy
THANK YOU

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