The UN System Support to Graduation and Smooth Transition of LDCs

UNDP Perspectives

Ayodele Odusola
Chief Economist UNDP Africa and Chair, UNDP Technical Working Group on LDCs
Format of presentation

- The guiding principles
- UNDP’s LDCs strategic support
- Emerging evidence from UNDP’s ongoing study on LDCs graduation
- Emerging lessons for enhanced results
Guiding Principles

• The Executive Board’s guidance since 2011 on integration of IPoA into NDPs and support implementation as priority actions.
• Alignment of IPoA and SDGs into NDPs through MAPS
• Our support to LDCs is guided by the principles of demand-based assistance and national ownership.
UNDP’s LDCs Strategic Support

Programmatic Interventions
(IG, G, R)

LDCs STRATEGIC SUPPORT

(AMA)
Advocacy,
Mainstreaming
Analysis

Capacity
Building
(TIWB; VF)
UNDP’s Areas of programmatic interventions

Democratic Governance

Graduation effort (Angola)

Inclusive growth – livelihoods, youth empowerment

Building resilience and environmental sustainability

LDCs strategic support
UNDP’s role on graduation efforts

Mainstreaming [IPoA=>NDP, UNDAF, CPD]

Graduation roadmap (Angola)

Convening stakeholders & M&E of IPoA

Increased resource allocation to LDCs since 2011 +TIWB

---

Chart showing resource allocation to different regions (RBA, RBAP, RBAS, RBEC, RBLAC) with a total on the right.
Emerging evidence from UNDP’s ongoing study
Structural and non-structural opportunities

**Structural Opportunities**
- Natural resource endowment
- Domestic resource mobilization
- Agricultural productivity
- Youthful population

**Non-structural Opportunities**
- Remittances
- ICT
- Regional integration
- Emerging donors
Emerging evidence from UNDP’s ongoing study

**Structural and emerging risks to LDC Graduation**

**Structural risks**
- Low human capital
- High poverty and inequality
- Over depen. on primary commodity
- Rising fragility (ESP)
- Youth budge
- Weak econs. gov.

**Emerging risks**
- Climate change debacle
- Terrorism and Violent Extremism
- Managing shocks and vulnerability
  - SMEs limited access to finance (high lending rate, limited access to non-debt financing, asymmetric fiscal
- Emergence of unpredictable diseases – Ebola & Bird flu
- Primary commodity price bust
- Rising cost of remittances
- Weak implementation of international support measures – trade related, ODA, edu & R&D
Lessons and conclusions

Moving from smooth to sustainable graduation

• Addressing loss of privileges phobia – Maldives, CV, Samoa, E. Guinea, Vanuatu (2014 tragic cyclone)

• Moving from resource endowment to economic efficiency and diversification around the endowment

• Partners collaborating to maximize opportunities and minimize structural and emerging risks to LDC graduation

• Shifting from income graduation to human advancement and enhanced capabilities
THANK YOU