Graduation objective, Transition process & Post-graduation strategies

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Objective:

• Enable half the number of LDCs to meet the criteria for graduation by 2020
• Target: 24 countries
• Meeting the criteria ≠ Graduating
Overview of graduation 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, Equatorial Guinea
  - Vanuatu (2020) and Angola (2021)
Can the IPoA graduation target be reached?

Based on the 2015 triennial review data

- Graduating LDCs
- LDCs meeting two criteria or income-only criterion
- LDCs meeting one criterion
- Remaining LDCs

2011: 48 LDCs
2012: +1 (South Sudan) 49 LDCs
2014: -1 (Samoa) 48 LDCs
2017: -1 (Equatorial Guinea) 47 LDCs

2018 review:
2 LDCs graduating
7 LDCs eligible
38 LDCs

2021 review?

Nepal
Vanuatu
Samoa
Tuvalu
Kiribati
Sao Tome and Principe
Bhutan
Angola
Equatorial Guinea
Sao Tome and Principe
Bhutan
Angola
Equatorial Guinea
Summing up....

✓ 11 LDCs have already met the graduation criteria

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

✓ Reaching the goal of 24 countries meeting the criteria by 2020 is unlikely
Graduation process

Year 0 (triennial review #1)
CDP:
• Finds country eligible (first finding). Country is notified.

UNCTAD:
• Vulnerability profile

DESA:
• Ex-ante impact assessment report

Year 3 (triennial review #2)
Graduating country:
• Oral presentation at preparatory EGM; written statement to CDP plenary (both voluntary)

CDP:
• Confirms eligibility (second finding) recommends graduation

ECOSOC:
• Takes action on CDP recommendation

General Assembly:
• Takes note of CDP recommendation. Graduation to take place in 3 years

Prepare transition

Post-graduation
Graduating country:
- Establishes consultative mechanism, with development and trading partners, to facilitate preparation of a transition strategy.
- **Strategy goals**: to adjust to phasing out of LDC-specific ISMs & identify actions.
- Reports to CDP on preparation of strategy

UNDP
- Facilitator of consultative group
- Support preparation transition strategy.

Partners
- Phasing out ISMs according to country’s development situation.

UN
- Targeted assistance and capacity building to support formulation & implementation of transition strategy

CDP
- Monitors development progress.
- Reports to ECOSOC.

Need for information & coordination
Post graduation - implement transition strategy

Year 6: GRADUATION

Graduated country
- Implements and monitors strategy
- Concise annual reports to CDP (3 years after graduation & during 2 triennial reviews thereafter).

Partners
- No abrupt reductions, phase out according to country’s needs.

CDP
- Monitors development progress.
- Reports to ECOSOC (3 years after graduation & during 2 triennial reviews thereafter).

Coordination
Task force

Coordination
- International entities
- Follow up with partners
  - Ad-hoc v. Package of benefits

Advice
Research & promote opportunities
- Creditworthiness
- Access to capital markets
- Develop & promote benefits package
- South – South collaboration

Information

Reports
- Transition strategy
- Impact Assessments
- Vulnerability profiles
- Monitoring reports

LDC ISM Portal
- Type of LDC-specific support

GradJet Toolkit
- Graduation assistance
THANK YOU!