



UN-OHRLLS

UNITED NATIONS OFFICE OF THE HIGH REPRESENTATIVE FOR THE
LEAST DEVELOPED COUNTRIES, LANDLOCKED DEVELOPING
COUNTRIES AND SMALL ISLAND DEVELOPING STATES

Consultative Meeting on Accelerating Progress Towards Graduation from the LDC Category

28-29 June 2018
Glen Cove, New York

Concept Note

I. Background

The bold vision and strategy for sustainable development charted out by the international community in the Istanbul Programme of Action (IPoA) provides a framework for building the productive capacities of the Least Developed Countries. Progress has been made in the implementation of the IPoA in several key priority areas. Access to ICT and sustainable energy has increased significantly, which, together with the operationalization of the Technology Bank for LDCs, will increase progress towards sustainable development.

The IPoA set the ambitious goal of enabling half of the least developed countries to meet the criteria for graduation by 2020. The 2018 triennial review by the Committee for Development Policy was an historic occasion for the LDC category with a total of 12 LDCs meeting the criteria.

Yet, graduation is only one step in the path towards sustainable development and continued, long term growth. The countries that are on track for graduation need to keep the momentum and continue making progress. With an increasing number of countries meeting the criteria for graduation, more attention should be given to the smooth transition of countries graduating from LDC status, consistent with their transition strategy, taking into account each country's particular development situation. Vulnerability to external shocks, both economic and environmental, will remain even after graduation and will require targeted support. Also, lessons learned from graduated countries can be beneficial for the countries on track for graduation but also for those LDCs that are farther behind.

Despite the progress made, significant challenges persist for the remaining countries. Structural transformation has been slow; expedited action is required by all stakeholders to accelerate the implementation of the IPoA. Countries not yet eligible for graduation will need support to fast-track their progress. Addressing current weaknesses and opportunities for growth in the areas of energy, information and communication technologies, and science, technology, and innovation will aid the structural transformation of LDCs, and allow them to accelerate their progress towards graduation.

The average access to electricity across LDCs hovered as low as 44% in 2016. Expanding access has been hindered by high connection costs, unreliable or unavailable grid electricity, low population density (especially in rural areas), high leakage, high operational costs that pose challenges for utilities and consumers ability to pay, low demand from productive users and lack of investment. Achieving the global goals on energy in LDCs will require creating enabling environments for private sector investment, and the promotion of attractive project pipelines. This will also require well-functioning institutions, policy and regulatory reforms to help build credibility with investors, effectively scaling-up private investments, and leveraging public resources for country-level implementation.

Similarly, increased investment in information and communication technologies would help address the structural challenges that LDCs face. Broadband Internet offers significant benefits for LDCs; it is a transformational tool that can help these countries overcome vulnerabilities, grow their economies and enhance the livelihoods of their citizens. However, LDCs continue to lag behind in the area of science, technology, and innovation. The inauguration of the Technology Bank in June 2018 marked a turning point for the strengthening of the STI in LDCs. The Technology Bank will create the opportunities to foster development of national and regional innovation ecosystems that can attract outside technology, and the creation of homegrown research and innovation that can be taken to market.

II. **Objective**

The key objective of the meeting is to discuss the progress towards graduation from the LDC category and the importance of graduation support. The meeting will also elaborate on the key accelerators for structural transformation and how countries who have not met the criteria for graduation can fast-track their progress. There will be special focus on information and communication technology and sustainable energy. The priority is to make sure that no country is left behind and that those in front can help those behind.

III. **Format**

The meeting will comprise of a working dinner on Thursday, 28 June, and a full day of thematic working sessions on Friday, 29 June, including presentations on specific topics followed by interactive dialogue among all meeting participants.

The meeting will be organised by OHRLLS. Permanent Representatives of LDCs and Friends of LDCs, UN system and selected experts will be invited.

V. **Key Guiding Questions**

Session 1 - Progress towards sustainable graduation of LDCs: Opportunities and challenges

- What are the opportunities and challenges for LDCs that are impacting their progress towards sustainable graduation?

- How to cope with the phasing out of all LDC specific benefits after graduation?
- How can a country prepare for graduation in a way that reduces dependence on external support measures?
- What are the areas development partners should focus on in preparation for graduation?

Session 2 - Graduation support: smooth transition and beyond

- How can the support to graduated countries be strengthened to ensure smooth transition?
- What are the lessons learned from past graduation support that would help current graduating countries?
- What are the current weaknesses in graduation support for the LDCs and how can they be addressed?

Session 3 - Accelerating the implementation of the Istanbul Programme of Action: focus on ICT and sustainable energy

- How can access to sustainable energy and ICT act as accelerators for sustainable development in LDCs? What are the best practices in this regard?
- What are the possible financing alternatives to cover the huge energy and infrastructure investment needs of LDCs?
- How can ICT and energy policies foster employment and trade in LDCs?