

Briefing on the

**Handbook on the
Least Developed Country Category:
Inclusion, Graduation and Special Support Measures**

Third Edition

27 November 2018, 1:15 - 2:30 PM
UNHQ, Conference Room 8



United Nations
CDP
Committee for
Development Policy



CDP Committee for
Development Policy

Independent Experts Thinking Ahead



**Innovative and
practical policy advice
for a better world**

cdp.un.org

un.org/development/desa/dpad



- **CDP is a subsidiary body of ECOSOC**

- 24 experts serving in their personal capacity
- Expertise covers economic, social and environmental fields
- Geographic and gender balance

- **Main functions**

- Advises ECOSOC on its annual theme and on emerging issues
- Conducts the triennial review of LDCs
- Maintains and reviews LDC criteria

Structure

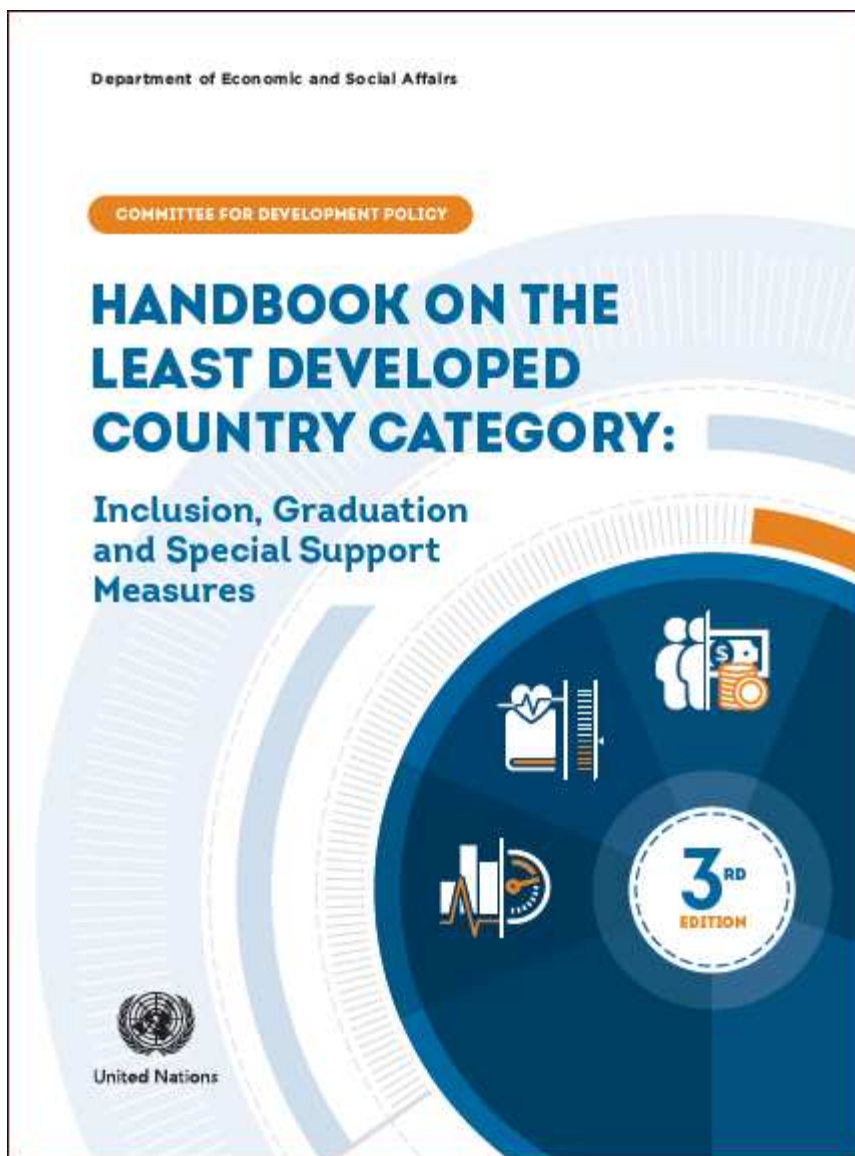
1. Purpose of the Handbook
2. LDC category and procedures
3. International support measures
4. LDC criteria



Purpose of the publication

- Information dissemination (E/1998/ 46)
- Promote transparency and accountability
- Improve access to technical information
- Increase awareness of the LDC category
 - Facts, methodologies and processes
 - LDC-specific support measures
 - Preparation for graduation



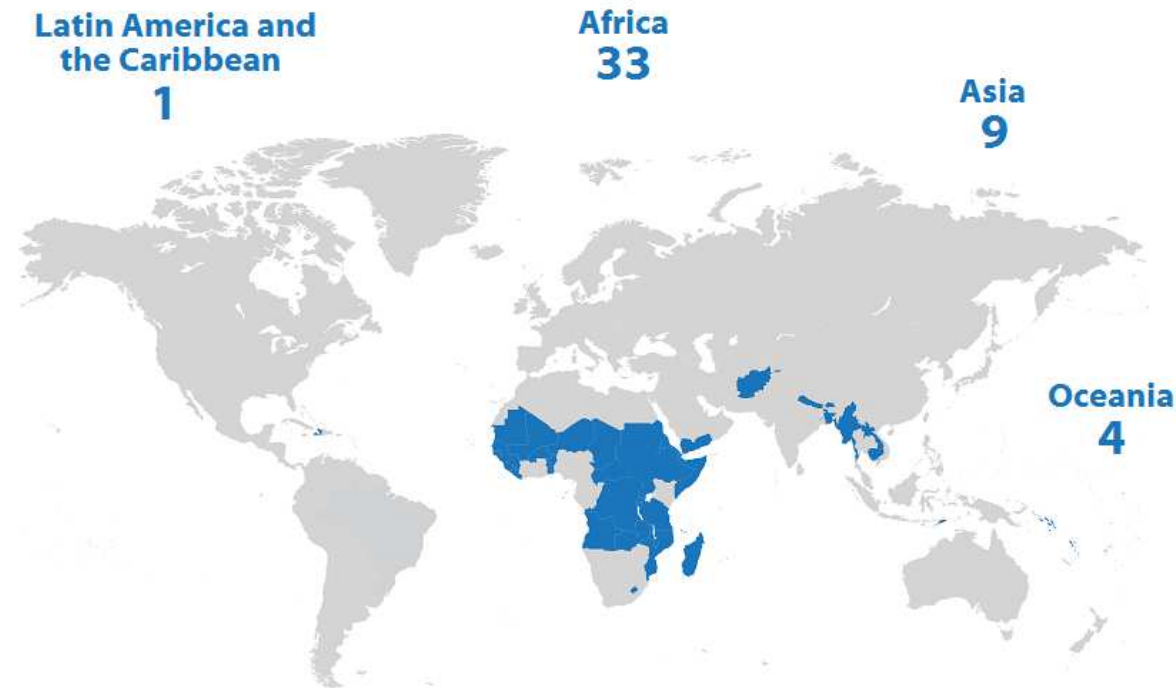


- Update of second edition (2015)
- Improved illustrations on procedures
- Updated information on support measures
- Reflect methodological changes in LDC criteria
- Updated with results of 2018 triennial review
- French version in preparation

✓ Also available from CDP website:
cdp.un.org

The LDC category

- LDCs are low-income countries suffering from the most severe structural impediments to sustainable development
- Category created in 1971
- Allows for special international support measures, beyond what is available for other developing countries



CDP and the LDCs

- CDP responsible for identifying countries as LDCs
 - Developing procedures and methods for identifying LDCs
 - Making recommendations for inclusion and graduation through triennial reviews (latest in 2018)
- Other CDP work on LDCs
 - Monitoring graduated and graduating countries
 - Analytical work on LDCs
 - CDP played a critical role in establishing the category
- Current activities
 - Multi-year (2017-2020) work programme on a comprehensive review of the LDC criteria
 - Proposals for improved assistance for graduated and graduating countries (March 2019)
 - Launch of graduation support platform (www.gradjet.org)

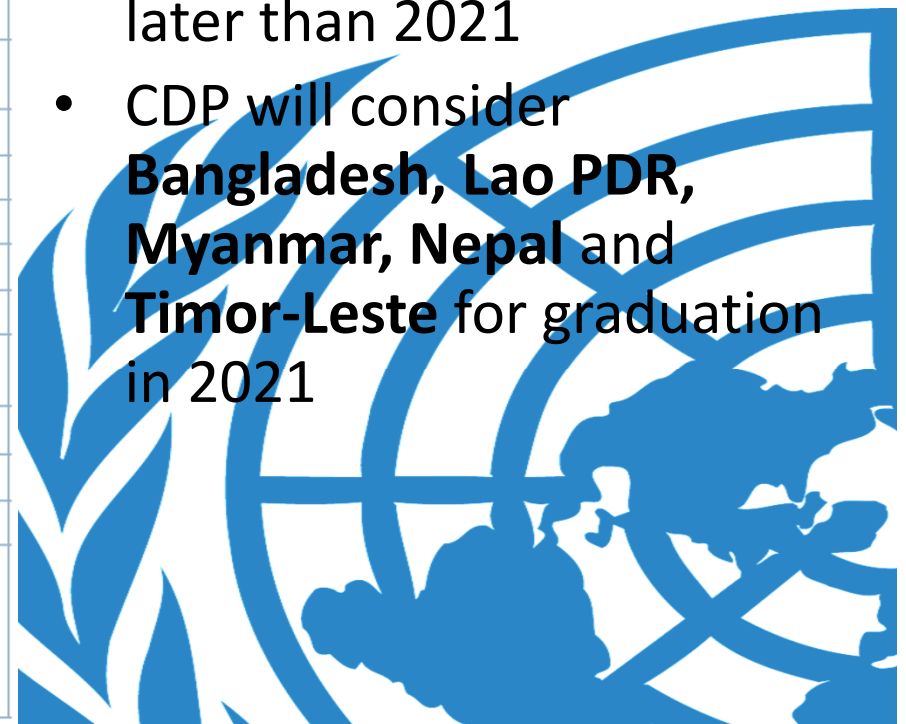


Currently: 47 countries are LDCs

Figure I.2
Inclusion into and graduation from the LDC category, as of the 2018 triennial review⁴

2021		→	<i>Angola</i>
2020		→	<i>Vanuatu</i>
2017		→	Equatorial Guinea
2014		→	Samoa
2012		←	South Sudan
2011		→	Maldives
2007		→	Cabo Verde
2003		←	Timor-Leste
2000		←	Senegal
1994		→	Botswana
1994		←	Angola, Eritrea
1991		←	Cambodia, Democratic Republic of the Congo, Madagascar, Solomon Islands, Zambia
1990		←	Liberia
1988		←	Mozambique
1987		←	Myanmar
1986		←	Kiribati, Mauritania, Tuvalu
1985		←	Vanuatu
1982		←	Djibouti, Equatorial Guinea , Sao Tome and Principe, Sierra Leone, Togo
1981		←	Guinea-Bissau
1977		←	Cabo Verde , Comoros
1975		←	Bangladesh, Central African Republic, Gambia
1971		←	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

- ECOSOC endorsed recommendation to graduate **Bhutan, Sao Tome and Principe and Solomon Islands**
- ECOSOC will make decision on **Kiribati and Tuvalu** no later than 2021
- CDP will consider **Bangladesh, Lao PDR, Myanmar, Nepal and Timor-Leste** for graduation in 2021

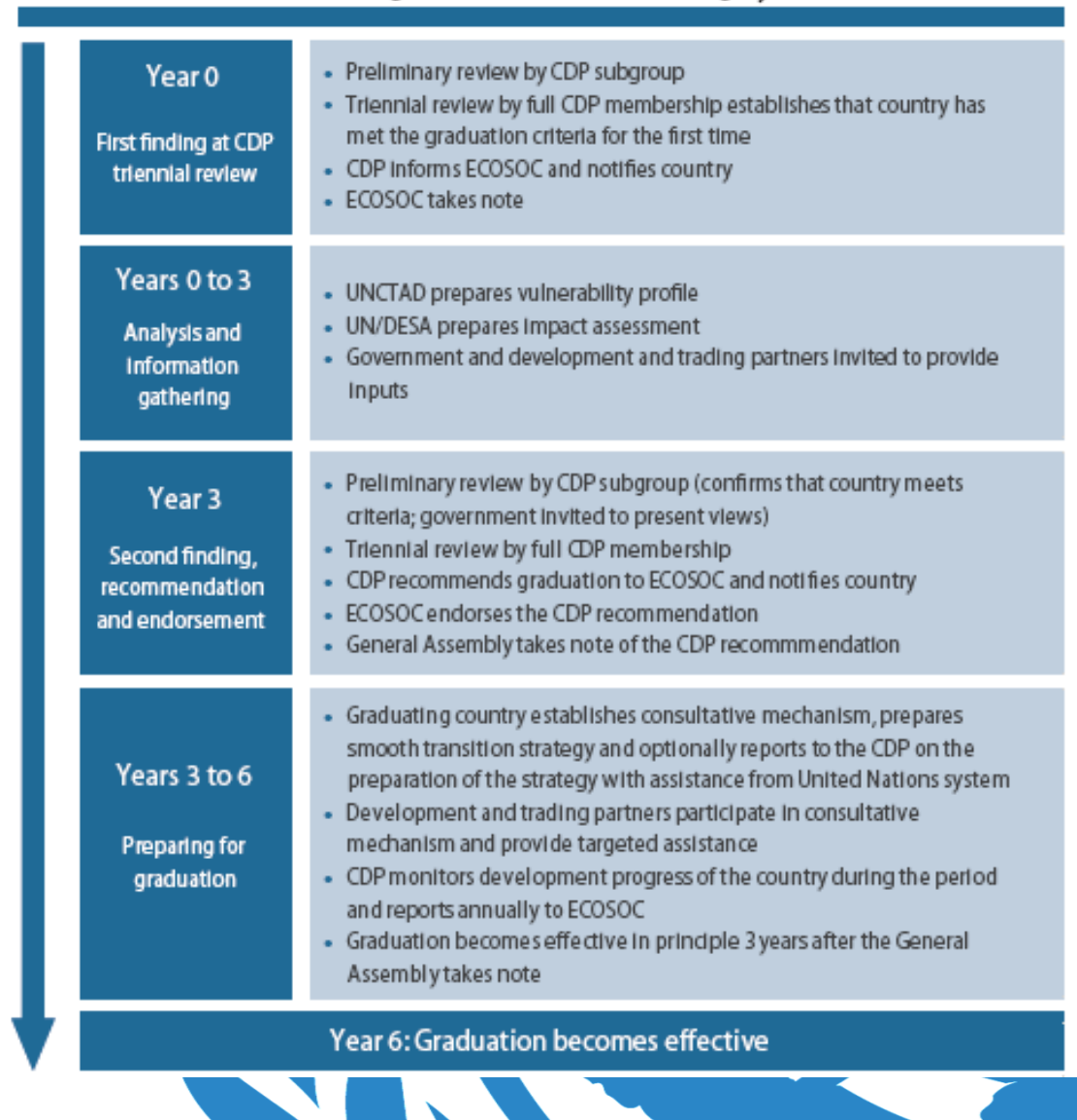


Graduation procedures

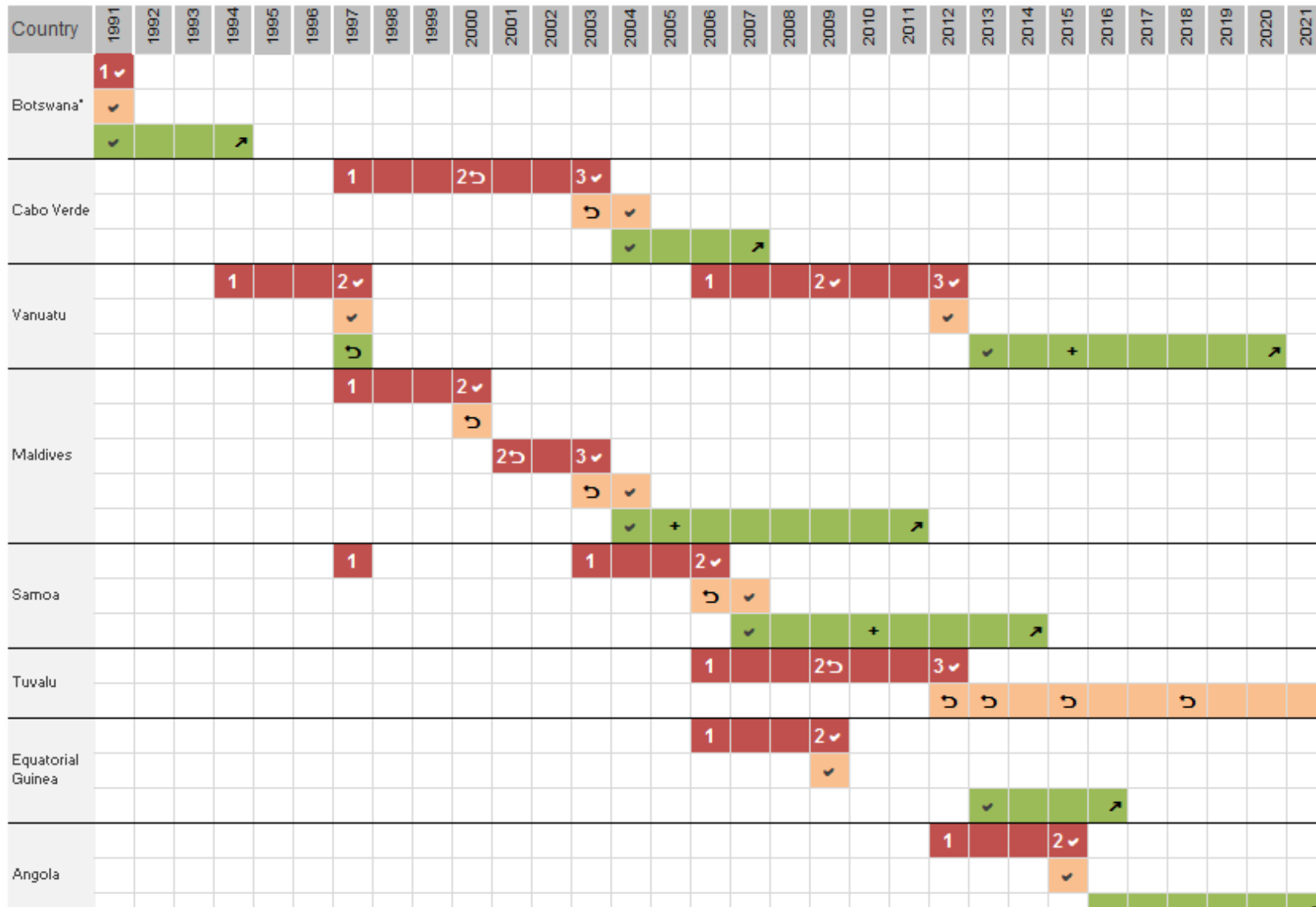
- Multi-stage process
- Multiple actors
- Based on rigorous methodology
- Objective: no country to fall back into the category

Figure I.5

Process and minimal timeline for graduation from the LDC category

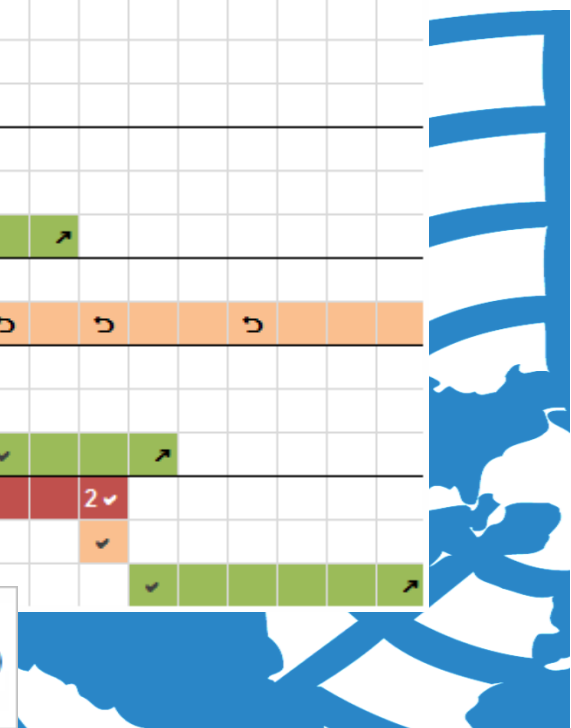


Graduation experiences: timelines



■ CDP actions
■ ECOSOC actions
■ GA actions

1 - criteria met for the first time; 2 - criteria met for the second time; 3 - criteria met for third time
 D - deferred decision/consideration
 ✓ - graduation recommended (by CDP); recommendation endorsed (by ECOSOC); recommendation noted (by GA)
 + - extension of transition period (GA)
 A - graduation effective



International support measures

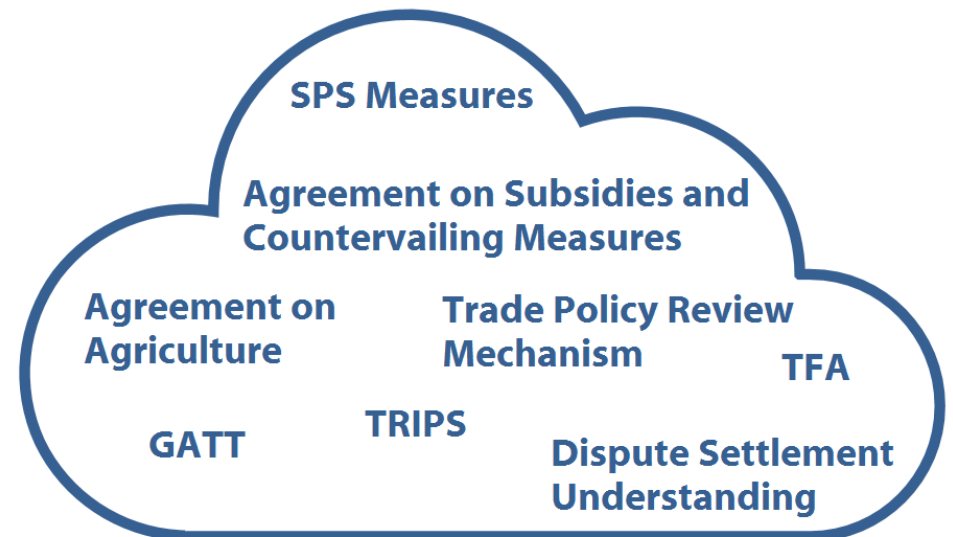
- International trade
- Development cooperation
- Participation in the United Nations and other forums



International trade

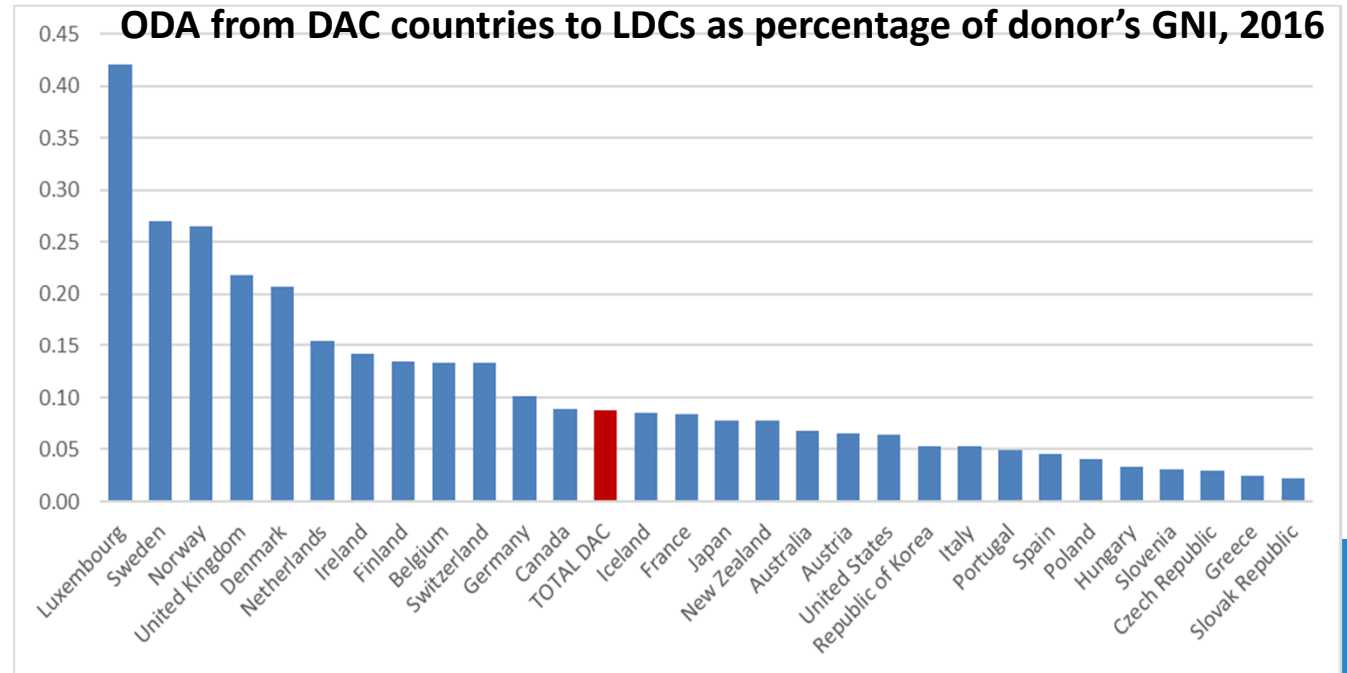


- Duty-free, quota-free (DFQF) access in 17 trading partners
- Often with preferential rules of origin
- Special and differential treatment for LDCs in 8 WTO agreements
- Guidelines to facilitate accession to WTO



Development cooperation

Official
development
assistance



LDC exclusive mechanisms

- LDC Fund under UNFCCC
- Enhanced integrated framework
- LDC Technology Bank
- UN Capital Development Fund
- IDLO/UN-OHRLLS Investment Support Programme



LDC criteria and indicators

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



GNI
per capita



Human
assets index
(HAI)

- Percentage of population undernourished
- Under-five mortality rate
- **Maternal mortality ratio**

- Gross secondary school 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 agricultural production
- Instability of exports of goods and services

LDC criteria in the Handbook

- Data sources
- Methodologies
- Sample calculations
- Visualizations

Figure III.2
Composition of the HAI: selected countries, 2018 triennial review

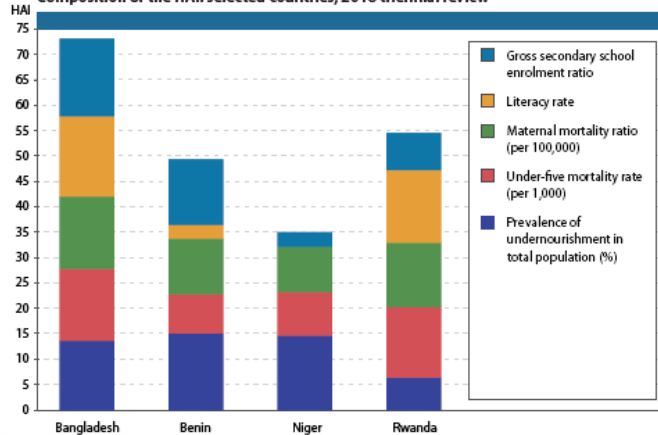


Figure III.5
Bangladesh: countries included in the calculation of the remoteness indicator, 2018 triennial review



Figure III.6
Composition of the EVI, selected countries, 2018 triennial review

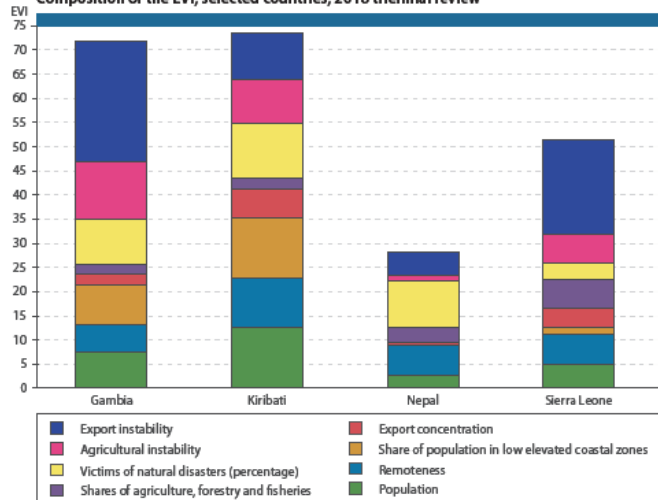
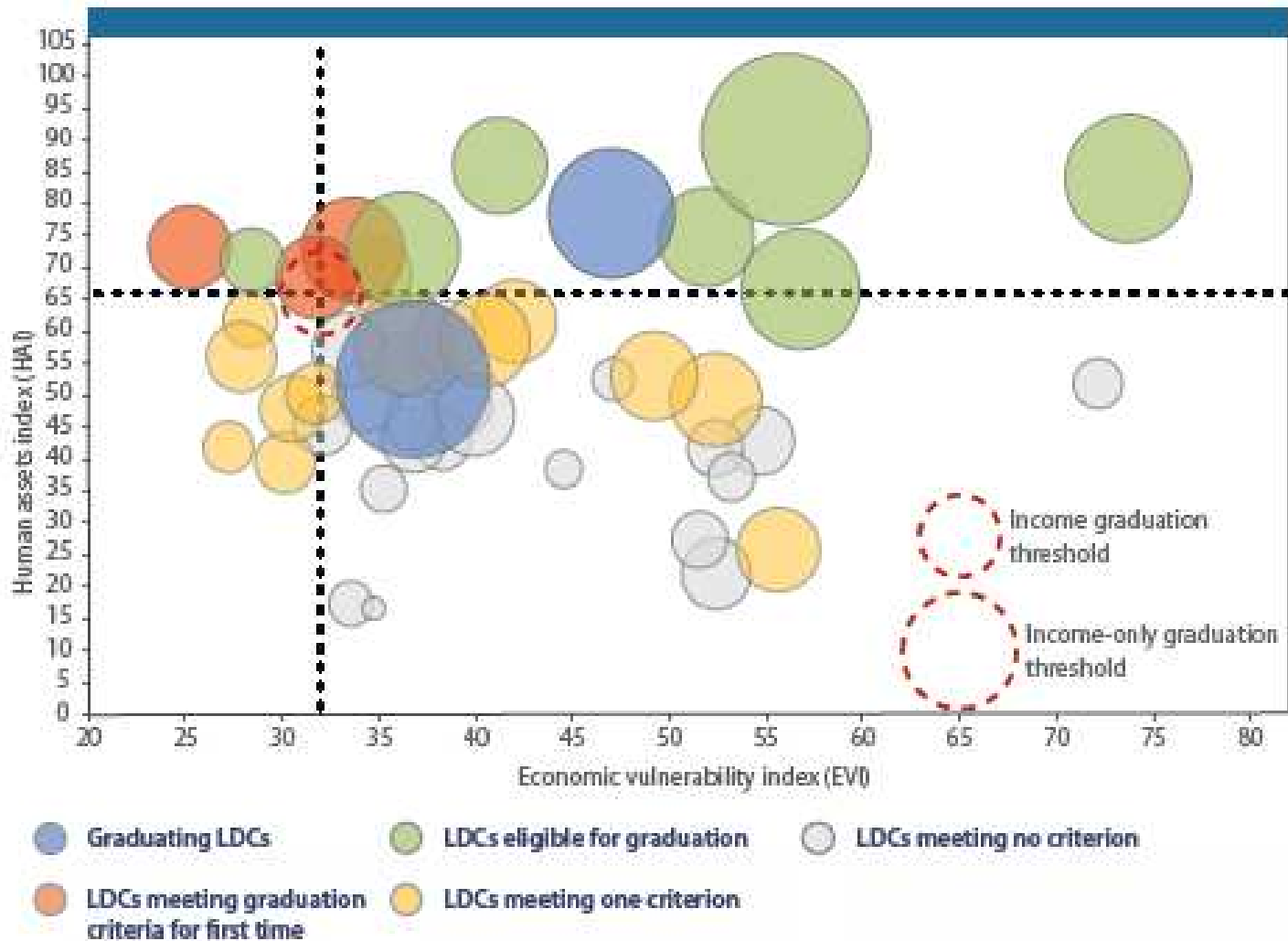


Table III.3
Bangladesh and Nepal: calculation of the remoteness indicator, 2018 triennial review

	Bangladesh	Nepal*
Calculated minimum average distance (km)	4,205	4,097
Logarithm transformation Largest avg. distance = 10,300 Smallest avg. distance = 2,000	$100 \times \frac{\ln(4,205) - \ln(2,000)}{\ln(10,300) - \ln(2,000)}$	$100 \times \frac{\ln(4,108) - \ln(2,000)}{\ln(10,300) - \ln(2,000)}$
Remoteness value	45.34	43.75
Adjustment for landlocked countries landlocked = 100 all other = 0	$0.85 \times 45.34 + 0.15 \times 0$	$0.85 \times 43.75 + 0.15 \times 100$
Adjusted remoteness value	38.54	52.19

2018 triennial review results

Figure III.7
Results of the 2018 triennial review



Country snapshots

- Two page summaries of 2018 review for all LDCs
- Available on CDP webpage (cdp.un.org)
- Position in relation to graduation thresholds
- Link to country specific reports and resolution



LDC status

	Inclusion: 1971
	Graduation: Recommended for graduation by the CDP and endorsed by ECOSOC; GA resolution forthcoming

Reports and resolutions

	Inclusion
	CDP report: 1971
	GA resolution: A/RES/2768(XXVI)
	Graduation
	CDP reports: 2015, 2018
	ECOSOC resolution: E/RES/2018/27
	Impact assessment: 2018
	Vulnerability profile: 2018
	Country statement: 2018 CDP EGM statement
	Country presentation: 2018 CDP EGM presentation

Key figures*

* Data from the 2018 triennial review

Gross national income (GNI) per capita*

	Value: \$2,401	
	Thresholds	
	Inclusion: \$1,025 or below	
	Graduation: \$1,230 or above	
	Income-only: \$2,460 or above	

Human assets index (HAI)*

	Value: 72.9		
	Thresholds		
	Inclusion: 62.0 or below		
	Graduation: 66.0 or above		
HAI indicators*			
	Under-five mortality rate		Gross secondary school enrolment ratio
	Value: 32.4		Value: 84.2
	Index: 86.4		Index: 82.4
	Source: UN IAG for Child Mortality Estimation		Source: UNESCO
	Percentage of population undernourished		Adult literacy rate
	Value: 20.0		Value: 57.0
	Index: 75.0		Index: 42.7
	Source: FAO		Source: UNESCO
	Maternal mortality rate		
	Value: 148.0		
	Index: 88.0		
	Source: UN IAG for Maternal Mortality		

Economic vulnerability index (EVI)*

	Value: 36.3		
	Thresholds		
	Inclusion: 36.0 or above		
	Graduation: 32.0 or below		
EVI indicators*			
	Population		Share of population in low elevated coastal zones
	Value: 797,765		Value: 0.0
	Index: 74.3		Index: 0.0
	Source: UN/DESA, Population Division		Source: CIESIN
	Remoteness		Instability of exports of goods and services
	Value: 51.8		Value: 12.6
	Index: 52.3		Index: 25.3
	Source: CDP		Source: UN/DESA, Statistics Division
	Merchandise export concentration		Victims of natural disasters
	Value: 0.37		Value: 0.146
	Index: 31.2		Index: 44.4
	Source: UNCTAD		Source: EM-DAT
	Share of agriculture, forestry and fishing in GDP		Instability of agricultural production
	Value: 17.5		Value: 8.7
	Index: 28.0		Index: 38.9
	Source: UN/DESA, Statistics Division		Source: FAO





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