



LDC5
5TH UNITED NATIONS
CONFERENCE ON THE
LEAST DEVELOPED COUNTRIES

High-level Thematic Round Table 8

Supporting Sustainable and Irreversible Graduation from the Least Developed Country Category

March 9, 2023

Doha time: 09:00 - 12:00

Thematic Roundtables Hall

Concept Note

#LDC5

Twenty LDCs have reached the graduation thresholds since the adoption of the Istanbul Programme of Action (IPoA) in 2011, which represents important progress. However, this falls short of the IPoA target of half of the LDCs to meet the graduation criteria. Four countries have graduated since 2011, another seven have been designated to graduate between now and 2026, while another nine have met the graduation criteria at least once.

At its 2021 triennial review, the Committee for Development Policy (CDP) recommended a longer preparatory period of five years for the graduating LDCs, as well as continuous monitoring of the impacts of the pandemic over the coming years and at the next CDP review in 2024.¹ Obviously, there are multidimensional challenges and external shocks, which stand in the way of smooth transition of the LDCs that are at different stages of graduation. The simultaneous loss of LDC-specific support measures compounded by the negative economic impacts of the COVID-19 pandemic, war in Ukraine and worsening macroeconomic outlook, are sources of major concern for countries on the graduation track. Smooth transition strategies and development planning and financing processes need to address such shocks. Adequate support by development and trading partners, as well as the UN system, will be essential to ensure that graduation is sustainable.

As currently, almost all of the Asia-Pacific LDCs are in the graduation process, more focus needs to be put on the challenges that African LDCs are facing for reaching the graduation thresholds. These are closely related to their structural impediments like low human capital and high economic and environmental vulnerability, which need to be addressed through the full implementation of the Doha Programme of Action.

Graduating and graduated countries at different stages of their development need country-specific support to address their distinct challenges and needs. Their multi-dimensional vulnerabilities stem not only from being LDCs but for many also from being landlocked developing countries (LLDCs) or small island developing states (SIDS).

Support needs to be strengthened to ensure that graduation leads to sustained economic growth and prosperity. Further incentives should be developed such as an enhanced programme of support to address the specific vulnerabilities of the graduating countries, including through private sector development and investment promotion and building of resilience.

The Doha Programme of Action aims to enable 15 additional LDCs to meet the criteria for graduation by 2031. Thus, it advocates for improving the scope and use of smooth transition measures and incentives for all graduating least developed countries and providing specific support measures to recently graduated countries for making the graduation sustainable and irreversible.

Development and trading partners and the United Nations system should continue their support for the implementation of smooth transition strategies so as to avoid any abrupt reductions in either ODA, LDC specific trade preferences, special and differential treatments, Aid for Trade or other technical and financial assistance.

Enhanced coordinated UN support, for example through the inter-agency task force on LDC graduation, has also been called for. A critical component of such support is dedicated capacity development in the form of policy and technical advisory services, that is incentive-based, time-bound and tailored for each country's needs including responding to possible crises or disasters they may face.

¹ Report of the Committee for Development Policy (E/2021/33, Supplement No. 13)

However, such dedicated capacity development support is currently missing.

Country-specific, partnership-based global support offered through iGRAD (Sustainable Graduation Support Facility) in the [Doha Programme of Action](#) can be a key steppingstone for graduating and graduated countries to achieve the 2030 Sustainable Development Agenda and its Goals in the last mile. It aims to help countries that are either: i) assessed as eligible for graduation the first time and those close to meeting the graduation threshold; or ii) countries graduating and graduated from LDC status after 2019 - to adjust their preparation for graduation in the wake of the coronavirus (Covid-19), Ukraine war and future external shocks, and to build greater resilience for a smooth transition in the next decade and beyond iGRAD offers six main Service Offering Lines (SOLs): 1) Addressing the loss of existing LDC-specific international support measures (ISMs); 2) Improving the ability of graduating and graduated LDCs to access non-LDC-specific support; 3) Preparing and implementing smooth transition strategy (STS); 4) Assistance in accessing financing transition and beyond; 5) Facilitating South-South Cooperation, dialogue and sharing country as well as region-specific knowledge and experience; and 6) Ensuring effective participation in the monitoring process of the CDP.

It calls for a reinvigorated forward looking global partnership with an imperative role for the international community to fully resource the support needed by graduating and graduated countries. Such support should provide the necessary tools for sustainable graduation and the building of resilience to future economic, environmental and social shocks and enhanced monitoring, so that graduation is irreversible. It requires the urgent attention and support of key development and trading partners and the wider international community.

Objective

This round table focuses on consensus-building to renew and reinvigorate partnerships. The need to mobilize additional international support and actions in support of LDCs to enhance their resilience to multiple shocks, prepare for graduation and accelerate the achievement of the Sustainable Development Goals.

Guiding Questions: Speakers, panelists and participants when intervening should be guided by the following five pertinent questions:

1. What major challenges of graduating and graduated LDCs need to be addressed for ensuring smooth transition as well as sustainable and irreversible graduation?
2. What platforms and mechanisms can be utilized by graduating and graduated countries to share good practices for ensuring sustainable and irreversible graduation?
3. What specific actions can the international community take to improve the adequacy and effectiveness of existing international support measures that target the needs of graduating and graduated countries in the areas of trade, productive capacity, flexible implementation of intellectual property protection regimes and financing for development?
4. What are some emerging opportunities for new ways of building resilience, especially climate and disaster risk resilient infrastructure and de-risking development financing? How are development partners responding to support graduating and graduated countries?
5. How can the monitoring mechanism be further enhanced by the UN Committee for Development Policy and the international community to effectively monitor any disruptions to

the progress of graduating and graduated countries and provide immediate assistance to respond to crises and shocks?