



LDC5
5TH UNITED NATIONS
CONFERENCE ON THE
LEAST DEVELOPED COUNTRIES

**High-level Round Table 8: Supporting Sustainable and Irreversible Graduation
from the Least Developed Country Category**

9 March 2023, Doha time: 9 am to 12pm
Venue: Thematic Roundtables Hall

Summary of proceedings

Introduction:

- The 8th high-level roundtable focused on consensus-building and renewed and reinvigorated partnerships in support of LDCs to address their specific challenges and needs, in particular in the areas of trade, intellectual property rights and development financing. It underlined an urgency to mobilise additional international support to enhance their resilience to multiple shocks, prepare for graduation and accelerate the achievement of the SDGs.
- Statements delivered by the two esteemed co-chairs, keynote speaker, four panelists and lead discussant representing of LDC member states, development partners, regional organisations, United Nations, UN Committee for Development Policy and civil society allowed for a range of perspectives and offered profound insights and new ideas on support for sustainable and irreversible graduation. More than twenty interventions including thirteen from Member States – seven of whom are LDCs, five international and regional agencies and two civil society organisations during the interactive debate, and the presence of more than 260 participants added richness to the discussion.

Key Takeaways

- More LDCs are meeting the graduation criteria and determined to move up and out of the LDC category. We need to ramp up our efforts to help all LDCs graduate.

- Graduation is not an end in itself and transition is not always smooth. In the coming years, the graduation pathway will be riddled with added crises, increasing global economic uncertainties, escalating climate and disaster risks and vulnerabilities.
- For smooth transition, challenges of graduation as well as opportunities need to be analysed and addressed to make graduation irreversible and to accelerate development progress beyond graduation. Policy solutions should be evidence-based.
- Structural transformation through enhancing productivity which are closely linked to export and market diversification is critical.
- Safeguarding investments in social sectors building human capital, social protection and social resilience to shocks, are necessary.
- Accelerated efforts in having financing mechanisms for implementable smooth transition strategies are a priority. Mobilization of domestic resources and access to and efficient use of different forms of external finance need to be strengthened. Donors have a major responsibility in closing the LDCs financing gap and in diversifying sources of finance. Foreign Direct Investment (FDI) can play a critical role in reducing the financing gap and transfer technology and should be stepped up to contribute to the diversification strategies of LDCs. Budget support is equally important to address the financial impact of the current multiple crises.
- Given these challenges and needs of graduating and graduated countries, the demand for dedicated capacity development support on graduation that is country-led and tailored to country context is more urgent than ever.
- Such support should help graduating and graduated countries build resilience to effectively recover from current and future shocks and sustain progress – so that countries move out of the LDC category without any disruptions to their overall sustainable development –and in fact with more tools at their disposal to achieve the SDGs

Key Solution

- iGRAD (Sustainable Gradation Support Facility) is a concrete country-led partnership-based global solution included in the Doha Programme of Action to support graduating

and graduated countries make graduation from the LDC category sustainable and irreversible. It offers six well designed service offering lines responding to graduating and graduated countries' demands and needs.

- UN Resident Coordinators in graduating countries will play a crucial role in identifying the needs of these countries and coordinating support and ensuring, together with UN country teams they are well captured in the Common Country Assessments and Cooperation's Frameworks of all 46 LDCs.
- Regional integration for boosting trade and enhancing human capital can help countries make the best use of existing LDC-specific International Support Measures.
- Regional strategies and institutions play a pivotal role in supporting member countries to mobilise resources including general budget support and strengthening of social protection systems to address unsustainable debt, food security, climate change including related sea-level rise and natural hazard related disasters.

Key Recommendations

- iGRAD needs to be operationalized right now without delay. Development and trading partners of graduating and graduated countries are urged to support resource mobilization efforts to operationalise iGRAD.
- Sustainable graduation requires a long-term approach to critical challenges and should focus on the principles of effective development cooperation. Development partners need to align their assistance to graduating countries' priorities, strengthen institutions that are responsive and fit-for-purpose, build country capacity, foster structural transformation, improve competitiveness of domestic producers, reduce digital divide and promote international trade and foreign investment during and beyond graduation.
- Continued Official Development Assistance to meet financing gaps for attaining the Sustainable Development Goals and national development priorities and to make a shift towards sustainable development practices, noting our collective commitment to the 2030 Agenda for Sustainable Development in 2015.
- Continuation of International Support Measures beyond graduation reflected in a formal submission made to the World Trade Organization (WTO) for consideration, including

preferential market access and TRIPS waivers, particularly for pharmaceutical products for combating public health-related challenges and pandemics.

- Providing easy and flexible access to climate mitigation and adaptation finance on a concessional basis, including in the context of loss and damage, and continuation of technology transfer to LDCs after their graduation, as emphasized through the Conference of the Parties (CoP) process.
- Assurance of safe, orderly and regular migration with full respect for human rights, easy access to quality and affordable financial services, and technical support to ensure remittances can be used for long-term investment in productive sectors, such as micro-, small-, and medium-sized enterprises, for economic transformation and job creation in the LDCs.
- South-South-Cooperation, dialogue, knowledge exchange and country exchanges are an effective way for graduating countries to learn from each other and is to be strengthened and promoted.