



**United
Nations**

Department of
Economic and
Social Affairs

LDC Graduation process and the 2024 Triennial Review of the list of LDCs

Informal session of the WTO Sub-Committee on LDCs
13 December 2023

CDP Secretariat

About the Committee for Development Policy

Committee for Development Policy (CDP)

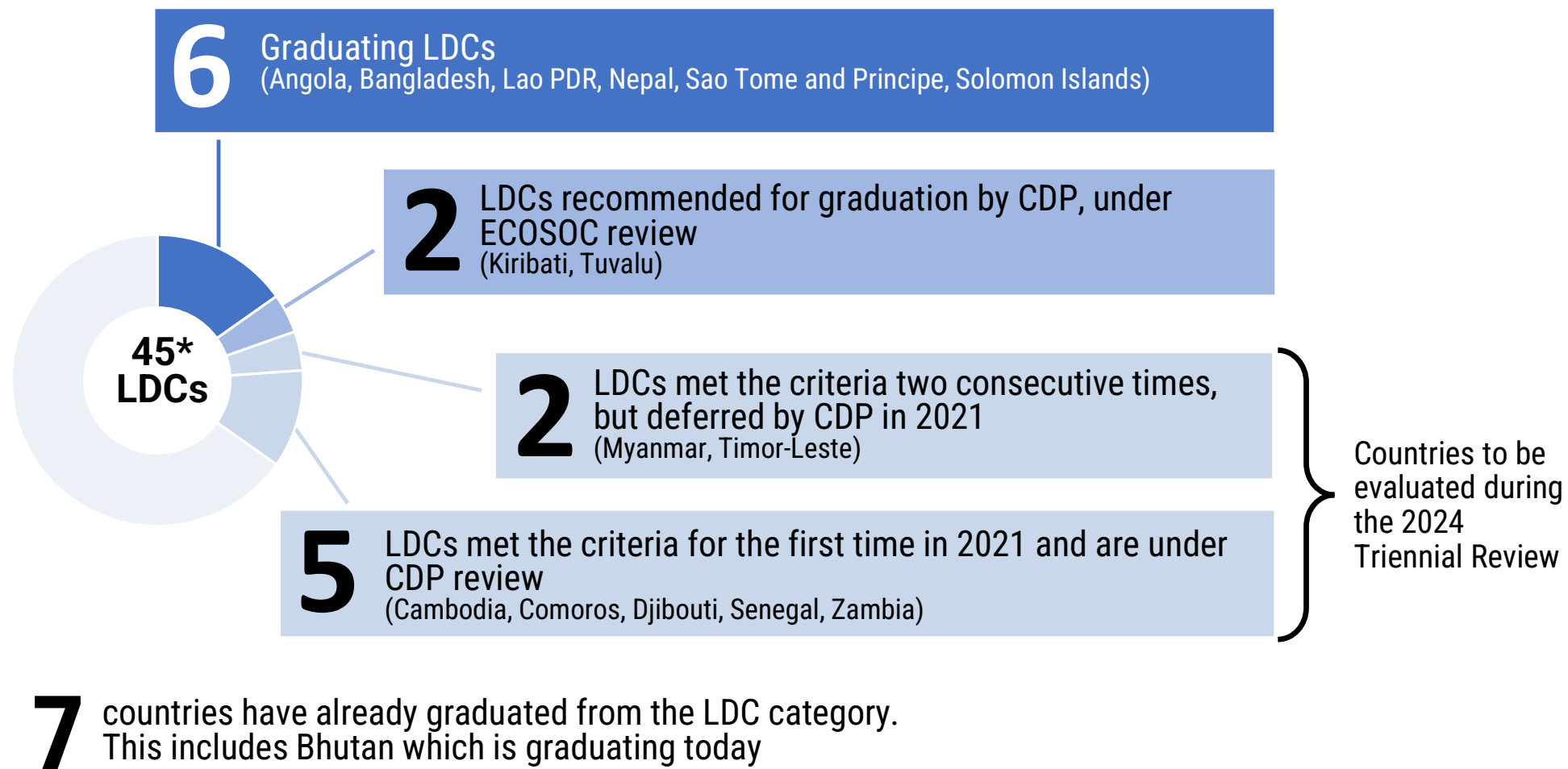
- Was established in 1965
- Is a subsidiary body of the Economic and Social Council (ECOSOC)
- Consists of 24 members serving in their personal capacity for three years
- Provides policy advice to ECOSOC
- Is mandated to periodically review the least developed country category



CDPs work on LDCs

- Reviews triennially the list of LDCs and recommends countries for inclusion to and graduation from the list
 - Core mandate of the CDP
- Develops and refines the criteria and procedures for identifying LDCs
 - Mandated activity
- Monitors graduating and graduated LDCs through the enhanced monitoring mechanism
 - Mandated activity
- Prepares special studies
 - Example: Impact of Coronavirus on LDCs

The LDC category - as of December 13 2023



Graduation rules

LDC CRITERIA

CDP uses three criteria to identify LDCs:

- Gross national income (**GNI**) per capita
- Human assets index (**HAI**) measuring the level of human capital
- Economic and environmental vulnerability index (**EVI**) measuring structural vulnerability to economic and environmental shocks

BASIC GRADUATION RULES

- Country must meet graduation thresholds for **any two criteria**:
 - GNI and HAI
 - GNI and EVI
 - HAI and EVI
- Or **income-only exception**: GNI is three times the graduation threshold
- Criteria must be met at **two consecutive triennial reviews**
- **Not automatic**: additional information are taken into account
 - Graduation assessment, supplementary graduation indicators, country views
- Graduation becomes effective **after preparatory period** (exact date of graduation will be determined by the General Assembly based on CDP recommendation)

The graduation process

First eligibility finding at CDP triennial review: Country meets thresholds in 2 out of 3 LDC criteria

3 years or longer

Analysis and information gathering period

- Country, with UN support, builds knowledge and awareness of graduation process
- CDP Secretariat prepares graduation assessment based on vulnerability profile (UNCTAD), impact assessment (DESA)

CDP recommends country for graduation

6 months or longer

Decision period (CDP Plenary, ECOSOC, General Assembly)

- CDP recommendation based on LDC criteria and additional information
 - Meeting 2 out of 3 LDC criteria in two consecutive triennial reviews is necessary for a recommendation
 - Includes statement on length of preparatory period and suggestions for policy priorities and support needs
- CDP recommendation must be endorsed by ECOSOC and taken note of by General Assembly

UN General Assembly issues resolution (includes graduation date)

3 years or longer

Preparatory period (Preparing for graduation)

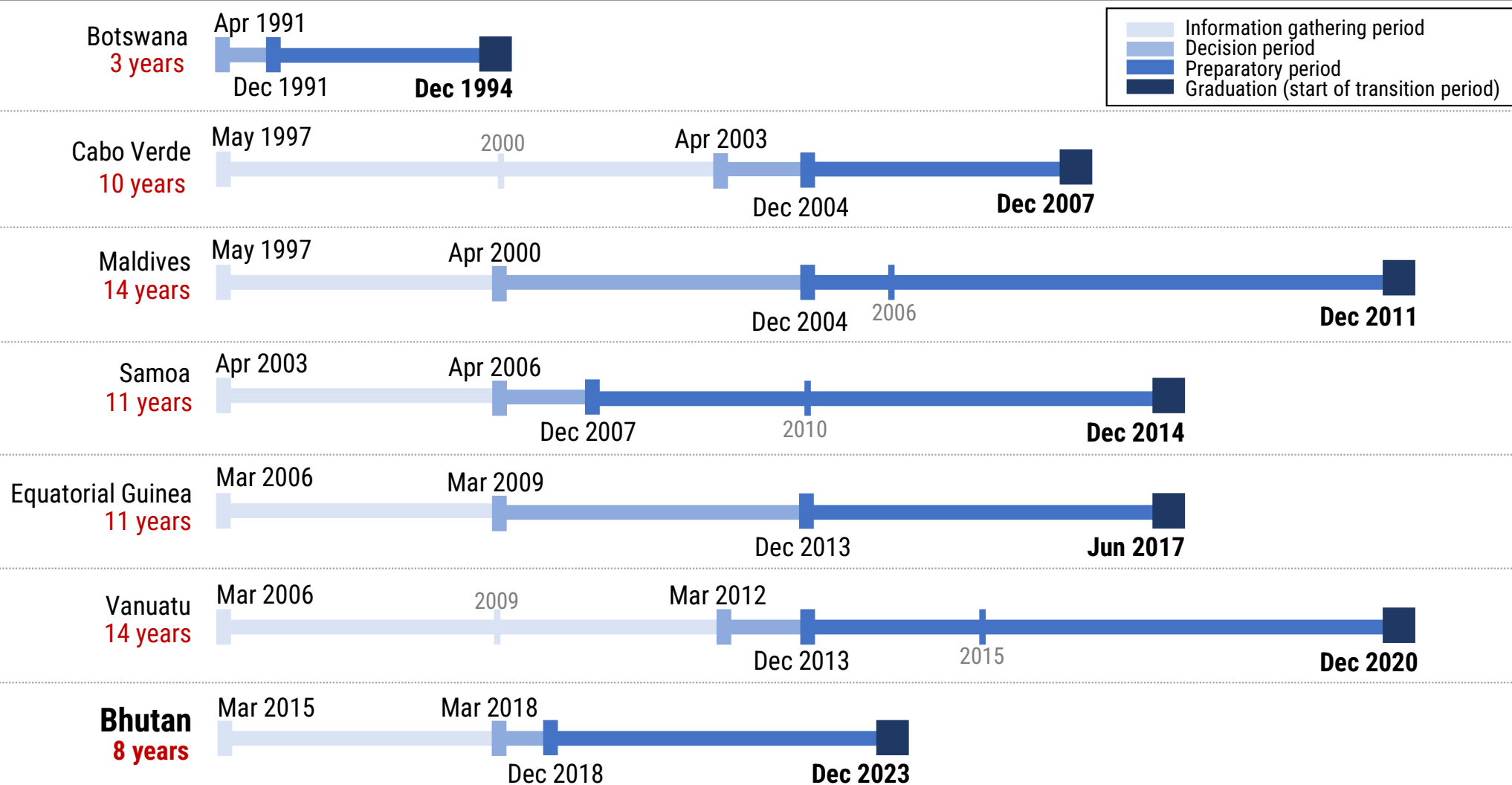
- Country prepares smooth transition strategy, UN support available
- CDP monitors country through enhanced monitoring mechanism

GRADUATION (country is removed from the list of LDCs)

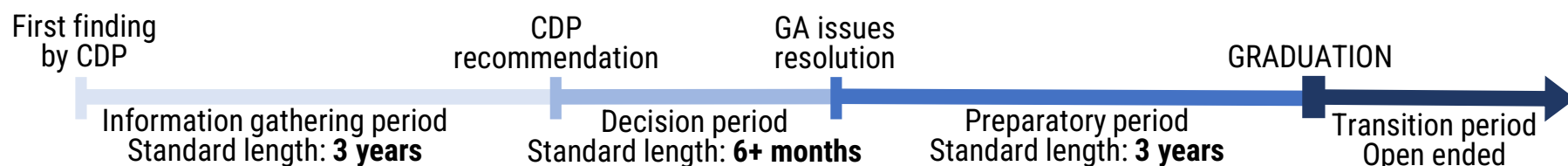
"Smooth transition" period

- Country implements its smooth transition strategy, with support by UN and development and trading partners
- LDC specific support measures are phased out, depending on partner
- CDP monitoring continues for 7-9 years

Length of graduation process – graduated countries



Length of graduation process of countries in the graduation process



Cambodia	2021			
Comoros	2021			
Djibouti	2021			
Senegal	2021			
Zambia	2021			
Myanmar	2018, 2021			
Timor-Leste	2015, 2018, 2021			
Kiribati	2012, 2015	2018		
Tuvalu	2006, 2009	2012		
Angola*	2012	2015	Feb 2016, Feb 2021	<i>Scheduled Feb 2024</i>
Bangladesh	2018	2021	Nov 2021	<i>Scheduled Nov 2026</i>
Lao PDR	2018	2021	Nov 2021	<i>Scheduled Nov 2026</i>
Nepal	2015, 2018	2021	Nov 2021	<i>Scheduled Nov 2026</i>
Sao Tome and Principe	2015	2018	Dec 2018	<i>Scheduled Dec 2024</i>
Solomon Islands	2015	2018	Dec 2018, Aug 2023	<i>Scheduled Dec 2027</i>

* GA expected to defer graduation to a later date



Types of LDC-specific International Support Measures (ISMs)

International support for LDCs: What changes with graduation?



Trade

- Preferential market access
- Special and differential treatment – WTO, regional agreements
- Capacity-building



Financial and technical cooperation

- LDC-specific instruments
- Consideration of LDCs in development cooperation policies/strategies



Support for participation in international organizations/ processes

- Caps and discounts on contributions to UN budgets
- Support for travel
- Training, advocacy, ...

- What support measures are there specifically for LDCs?
- Does/how does the country use them?
- Are there “smooth transition” periods (time-bound extensions or phase-outs)?
- Are there alternative measures/schemes/programmes for countries that are no longer LDCs?
- Is there graduation-specific support, besides LDC-specific international support?

Graduation process

(Year 6) GRADUATION (country is removed from the list of LDCs)

“Smooth transition” period

- Country implements its smooth transition strategy
- LDC specific support measures are phased out, depending on partner
- CDP monitoring continues for 7-9 years

GA Smooth transition resolutions (59/209 & 67/221)

- Development and trading partners to consider extending to the graduated country trade preferences previously made available as a result of LDC status, or reducing them in a phased manner in order to avoid their abrupt reduction;
- Invites all members of the WTO to consider extending to a graduated country, as appropriate, the existing special and differential treatment and exemptions available to least developed countries for a period appropriate to the development situation

iGRAD (Sustainable Graduation Support Facility)



Country-led
partnership-based
global platform of concrete support
to graduating and graduated LDCs
to make graduation sustainable
and irreversible



What is iGRAD?

- Country-led, partnership-based support through diverse partners and considers COVID and triple crises recovery
- iGRAD is measure of support under the [Doha Program of Action \(DPoA\)](#)
- iGRAD is one of 5 key deliverables of LDC5

Six Main Service Offering Lines

1. Addressing loss of ISMs
2. Accessing support that is not LDC-specific
3. Preparing and implementing smooth transition strategy
4. Accessing finance
5. South-South cooperation dialogue
6. Support for effective participation in CDP monitoring process



Textiles and clothing in Asian graduating LDCs

CHALLENGES AND OPTIONS



Epingalert.org

What is ePing?

Free online platform provides up-to-date information on changes in trade product requirements;

Information provided through notification **email alert** tailored to users' interest. Avoids information overflow (more than 5,000 SPS/TBT notifications circulated per year);

Global reach: platform to discuss/ask questions, share information nationally and internationally.

Why ePing?

In LDCs there is often a general **lack of information** about product requirements, which constitutes a barrier to trade;

National information flows on SPS and TBT measures are non-existent or fragmented and often do not reach public sector, producers and exporters in LDCs;

Trade export product **requirements on the rise**. Challenging to keep track.

ePing users

Over 23,000 users from 185 countries;

Almost half of registered users are from the public sector, 40% from the private sector and the remainder from NGOs, academia.

Who is behind ePing?

A tripartite collaboration:

WTO (Depository of TBT and SPS notifications)

ITC (Contact with SMEs and trade related web tools)

DESA (Contact with LDCs, developed pilot ePing system)

ePing mobile phone app

Available in app stores (iOS and Android)

Resources on LDC graduation and LDC support measures

LDC Handbook:
<https://bit.ly/2021-LDC-handbook>



LDC website: <https://bit.ly/CDP-LDCs>

The screenshot shows the United Nations Department of Economic and Social Affairs website. The main navigation bar includes 'Home', 'About Us', 'Our Work', 'Resources', 'News & Events', and 'Contact Us'. Below this, there's a section for 'Least Developed Countries (LDCs)' with a grid of links: 'LDCs at a Glance', 'LDC Data', 'International Support Measures', 'Criteria for Identification of the LDCs', 'Inclusion into the LDC Category', 'Graduation from the LDC Category', 'Smooth transition and graduation preparation', 'History and changes', 'LDC Resources', 'Impact of war in Ukraine on LDCs', and 'COVID-19 and the LDCs'. On the right, there's a 'COVID-19 AND THE LDCs' section with a link to 'South-South Exchange on Preparing Smooth Transition Strategies: Graduating cohort of 2021'. At the bottom, there's a 'V O I C E' logo.

LDC Portal: <https://www.un.org/ldcportal>

The screenshot shows the LDC Portal website. The header includes the United Nations logo and the title 'LDC Portal - International Support Measures for Least Developed Countries'. Below the header is a navigation bar with links: 'Home', 'Trade-related support for LDCs', 'Financial and technical cooperation', 'Support for LDC participation in international forums', 'Support for LDC graduation (Gradnet)', 'Organizations', 'LDC Library', 'LDC News and Events', and 'About'. The main content area is divided into several sections. On the left, there's a section titled 'International support measures (ISMs) for least developed countries' with a paragraph explaining the LDC category and a link to 'About LDCs: definition, criteria, profiles, official documents (CDP website)'. Below this are two images: 'Trade-related support for LDCs' showing a ship and 'Financial and technical cooperation' showing hands holding a smartphone. On the right, there's a section titled 'About LDCs: definition, criteria, profiles, official documents (CDP website)' with a link to 'The UN Least Developed Country cat...'. Below this is a section titled 'LDC5 5TH UNITED NATIONS CONFERENCE ON THE LEAST DEVELOPED COUNTRIES' with a link to 'Latest and upcoming'. The 'Latest and upcoming' section lists several events: 'Fifth United Nations Conference on the Least Developed Countries (LDC5) Part II: new plans and partnerships for delivery of the DPOA' (05 March 2023), 'Harnessing Nationally Determined Contributions to tackle loss and damage in Least Developed Countries - IIED' (26 August 2022), 'New UK Developing Countries Trading Scheme' (18 August 2022), 'South-South Exchange on Preparing Smooth Transition Strategies: Graduating cohort of 2021' (18 August 2022), and 'Developing Countries Trading Scheme: government policy response - Policy Paper, United Kingdom Department for'.



Thank you

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LDC Portal: <https://www.un.org/ldcportal>