



Background Note

Project on “New assistance measures for graduating Belt and Road Least Developed Countries (LDCs) toward the achievement of Agenda 2030”

BACKGROUND

Target countries: Bangladesh, Cambodia, Lao PDR, Myanmar, Nepal and Timor-Leste
Project duration: 1 November 2018 – 31 October 2022 (4 years)
Executing Entity: United Nations Department of Economic and Social Affairs (DESA)
Funding Source: 2030 Agenda for Sustainable Development Sub-Fund of the UN Peace and Development Fund, established with a contribution from the Government of China

Twelve least developed countries (LDCs) are in the formal graduation process and at different stages of leaving the category in the coming years, more than doubling the number that have left the category in the 47 years since it was formed. Many of these potential graduates are concerned about losing access to the international support measures (ISMs) provided by the international community. After graduation, in some cases after a transition period, countries stand to forego access to specific international support measures in trade, official development assistance and other areas such as travel support and reduced budgetary contributions to the UN. The loss of these benefits and perceived impacts on the development process discourages some graduating LDCs, most of which are along the Belt and Road, from leaving the category. LDC graduation and assistance for LDCs are mentioned in ‘Transforming our world: the 2030 Agenda for Sustainable Development’ approximately 44 times, particularly with a view to ‘leaving no-one behind’. Support for LDCs after they leave the category is an important way of helping these countries meet the Sustainable Development Goals (SDGs) by 2030.

This project is conducted by the Economic Analysis and Policy Division (EAPD) of DESA. It will work with governments, UN entities and development and trading partners in six Asia-Pacific countries along the Belt and Road—five of which are in the formal graduation process and one of which (Cambodia) is close to the graduation threshold—to develop and apply a set of proposals for post-graduation assistance. Some of these will be specific to the country concerned and some more generic and applicable in different countries. The proposals will partly aim at mitigating the potential impact of forfeiting existing ISMs – such as the eventual loss of duty-free, quota-free market access under the European Union “Everything But Arms” initiative – and will partly take the form of fresh measures to assist with the new development landscape following graduation, such as new infrastructure investment to support trade diversification. The project links with recommendations made by the Committee for Development Policy (CDP) at its 2019 session aimed at improving support for graduated and graduating LDCs, including a consolidated UN graduation assessment and country-level graduation task team.



OBJECTIVE

The project aims to strengthen the national capacity of the six possible LDC graduates along the Belt and Road to move beyond graduation. Specifically, it aims to

- Identify targeted assistance measures (Expected Accomplishment 1); and
- Strengthen policy frameworks and institutional arrangements for the adoption and use of these measures (Expected Accomplishment 2).

PROJECT ACTIVITIES AND MAJOR DELIVERABLES

1. **Country analysis and survey** in each country of existing or new support measures of greatest interest and importance to national stakeholders. The survey and analysis would be designed and drafted by an international consultant and targeted and conducted by national consultants in each country, working closely with the government and UN Country Team. The analysis is expected to form an important part of country-level input to the graduation assessment or equivalent reports for each country. Tentative timescale: second half 2019 and first half 2020.
2. **Country-level meetings on graduation support** that would discuss findings of the survey, validate the graduation assessment or equivalent reports for each country, and identify actions needed to integrate recommendations into the country's development plans and those of international development and trade partners. Tentative timescale: second half 2020.
3. **Training and other capacity building** in the target countries aimed at supporting them to access and use the new measures and to incorporate them into national planning processes. Tentative timescale: 2021-2022.
4. **Communication of new assistance measures** among a broader group of LDCs, for instance as a new module into the **Gradjet online graduation platform** (www.gradjet.org), and dissemination of project findings in various national and international forums. Tentative timescale: 2021-2022.

DESA FOCAL POINTS

Mr. Namsuk Kim, Projects Coordinator, EAPD, UN-DESA, Email: kimnamsuk@un.org | Tel: +1 (212) 963 4737

Mr. Charles Davies, Programme Officer, EAPD, UN-DESA, Email: davies6@un.org | Tel: +1 (917) 367 6310