

1. Vulnerabilities of LDCs as they
prepare for a smooth transition

2. 2024 Triennial Review of UN
Committee for Development Policy

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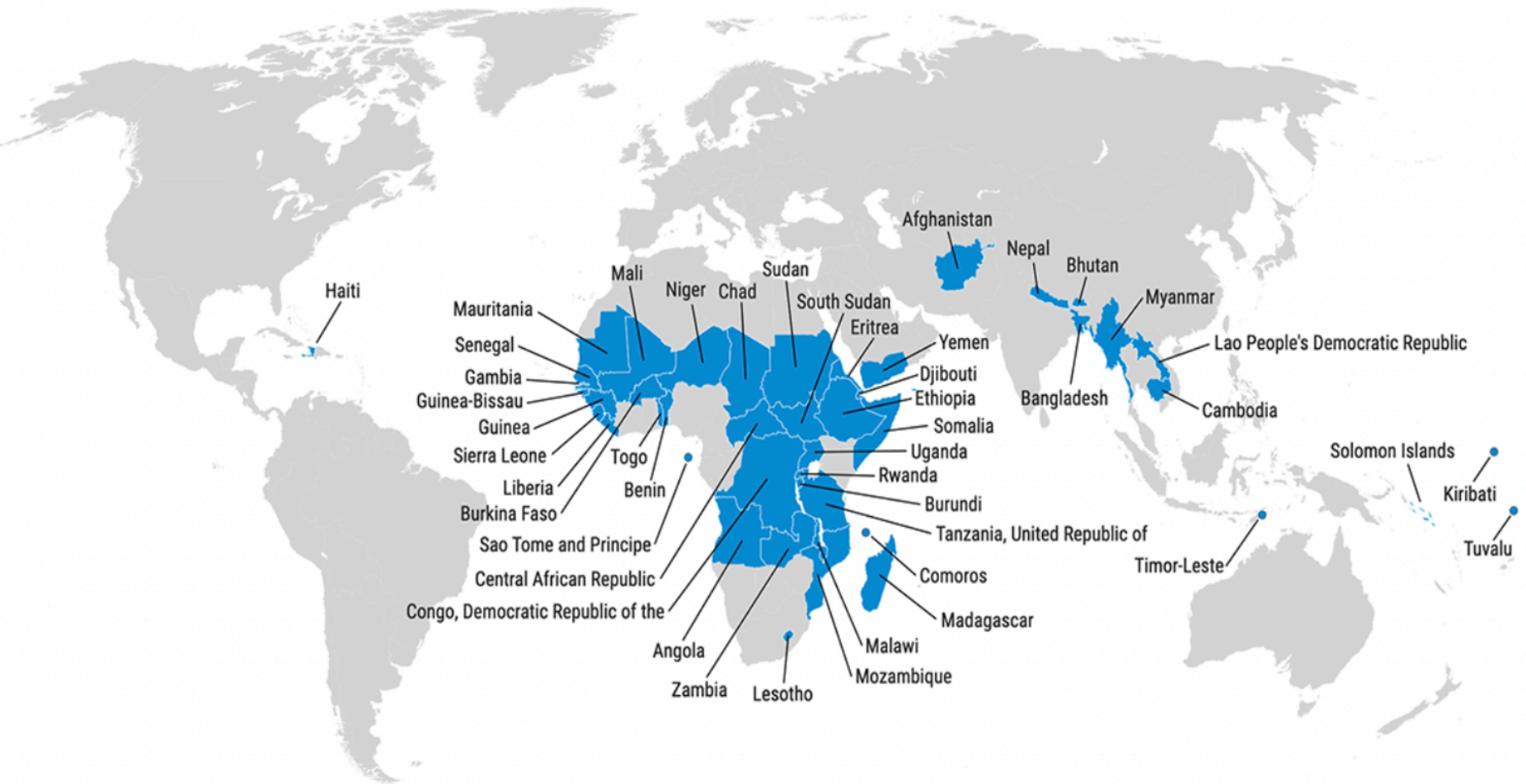
17 – 18 January 2023

WTO LDC Graduation Workshop

Least Developed Countries: Low-income countries that suffer from *most severe impediments to sustainable development*

Source: UNCTAD

Africa 33, Asia 9, Caribbean 1, Pacific 3



Identification of LDCs and graduation out of the LDC category

- Gross national income (GNI) per capita reflecting low-income aspect
- Two criteria reflect *key structural impediments*
 - i) low level of human assets (human assets index, HAI)
 - ii) high vulnerability to economic and environmental shocks (economic and environmental vulnerability index, EVI).

These LDC criteria are applied by CDP every three years to all Member States in developing regions, so that countries are identified for:

- i) inclusion in the LDC category
- ii) graduation from the LDC category

based on a comparison of their criteria scores with thresholds established by CDP

Note: **data matters** - in construction and application of indicators/indices

LDC Indicators - for inclusion in LDC category and graduation from LDC category

In bold: recent additions to the Indices

GNI per capita	Human assets index (HAI)	Economic and environmental vulnerability index (EVI)
	<ul style="list-style-type: none">▶ Under-five mortality rate▶ Prevalence of stunting▶ Maternal mortality ratio▶ Gross secondary school enrolment ratio▶ Adult literacy rate▶ Gender parity index of gross secondary school enrolment	<ul style="list-style-type: none">▶ Remoteness and landlockedness▶ Merchandise export concentration▶ Share of agriculture, forestry and fishing in GDP▶ Instability of exports of goods and services▶ Share of population in low elevated coastal zones▶ Share of population living in drylands▶ Victims of disasters▶ Instability of agricultural production

Criteria provide an overview of manifestations of vulnerability and structural impediments to smooth transition

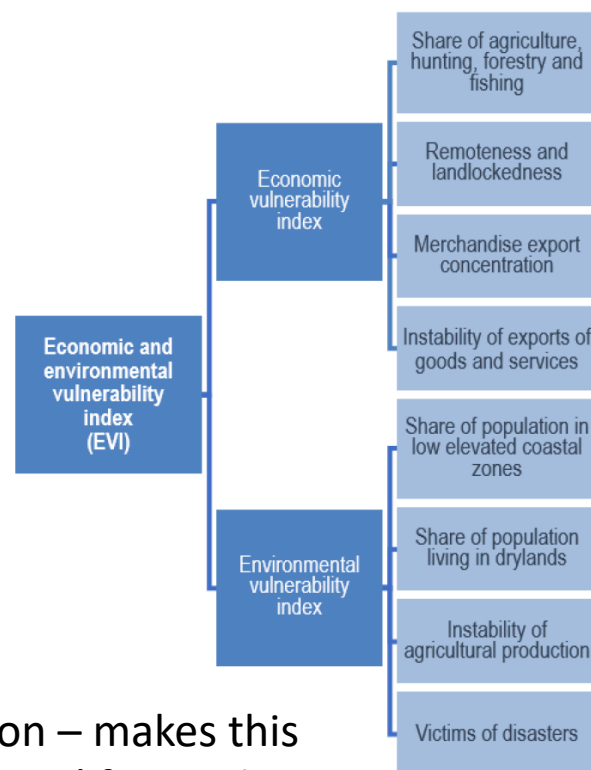
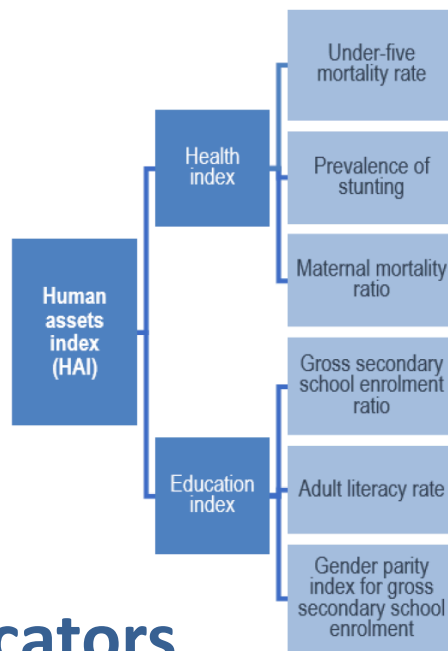
Composition of HAI

❖ All HAI indicators carry a weight of 1/6

Composition of EVI

❖ All EV indicators carry a weight of 1/8

Gross National Income (GNI) per capita



Structure of the Indices

Note: Use of Supplementary Indicators (UNDESA)

Challenges with income only criterion – makes this susceptible to providing ‘false positives’ for graduation.

Work programme of CDP – discussion about use of ‘income only’ graduation rule

LDC Vulnerability in the context of smooth transition

Vulnerability Profiles by UNCTAD, work of UNECA, WTO – other institutions of UN

Structural features of economy and society

- i) geography, geo-political configurations
 - ii) degree of informality in the economy (micro enterprises), the role of small and medium-sized enterprises
 - iii) **inequality and exclusion** (access matters eg access to finance, opportunities, education)
 - iv) gender imbalance
 - v) intersectoral connections and linkages (resilience or vulnerability)
- supplementary indicators prepared by UN DESA, as well as other structural features of relevance for a graduating LDCs especially if the STS is being prepared after being identified as eligible for graduation a first time but before the second eligibility (indicators include eg GINI coefficient, econ growth, productive capacity index of UNCTAD)
 - Work of CDP (LDC sub-group on Indicators, data, best practice in development)

Structural vulnerabilities

- Structural impediments – eg remoteness, landlockedness, SIDS - role of infrastructure development (necessary but not sufficient – need policy and regulatory capacity; **trade facilitation** and elimination of non-tariff barriers; digital economy developments (digital trade solutions and opportunities) to address/compensate for some of these vulnerabilities
- Power asymmetries (bargaining/negotiating challenges)
- **Climate-related vulnerabilities** – coastal regions, drought/flood vulnerability, agri impacts

Vulnerability to external shocks

- Pandemic/COVID 19 – trade, pharma etc shocks
- **Debt vulnerability**
- **Climate (responses by LDC trade partners - domestic regulation)**
- War in Ukraine - highlights the vulnerability in agric/food production, food trade and food systems
- Growth/recession matters (impacting demand for exports from LDCs)

Productive capacity and trade vulnerabilities

Productive capacity-related vulnerabilities **underpin** many trade-related vulnerabilities

- Development and diversification of productive capacity (addressing commodity dependence, lack of diversification/**resilience**) – *role of industrial policy and related policies*
- Foreign direct investment (securing long-term commitments)
- Skills and technology (importance of transformation in education/skills development)
- Infrastructure (hard and soft/regulatory – energy and digital)
- Participation in regional and global value chains
- Role of services in agric/manufacturing competitiveness (access to capacity, policy/regulatory/institutional capacity)

- Digital economy developments - the 21st century economy is **digital** (infrastructure, policy, regulatory vulnerabilities) – importance of e.g. digital governance, competition policy (access to platforms/cost of connectivity/data. Governance gaps at multilateral level – brings specific vulnerabilities in terms of fragmented regimes - JSI (E-commerce) – lack of participation by African LDCs
- Digital trade – digitally ordered trade (e-commerce – needs trade facilitation) and digitally delivered trade

- Productive capacity development and diversification - essential for successful trade performance (reduce commodity dependence and **vulnerability** to global market developments, commodity cycles) and for **sustainable development** (addressing key development indicators such as unemployment, inclusion and access to economic opportunities)

Importance of structural transformation – AfCFTA as a framework for industrialisation

Productive Capacities Index

UNCTAD - used as supplementary indicator

Note: Sources of
Vulnerability in
Composition of the PCI



Human capital

Human capital captures the education, skills and health conditions possessed by population, and the overall research and development integration in the texture of society through the number of researchers and expenditure on research activities. The gender dimension is reflected by the fertility rate which at each increase reduces human capital score.



Natural capital

Natural capital estimates the availability of extractive and agricultural resources, including rents generated from the extraction of the natural resource, less the cost of extracting the resource. To capture commodity dependence, natural capital decreases as the material intensity increases.



Energy

This category measures the availability, sustainability and efficiency of power sources. For this reason, it is composed by use and access to energy, losses in distribution and renewability of energy components and sources, and includes the GDP generated by each unit of oil to highlight further the importance of optimal energy systems.



Transport

Transport measures the capability of a system to take people or goods from one place to another. It is defined as the capillarity of roads and railway network and air connectivity.



Information and Communication Technology (ICT)

Information and Communication Technology estimates the accessibility and integration of communication systems within the population. It includes fixed line and mobile phones users, internet accessibility and server security.



Institutions

Institutions aim at measuring political stability and efficiency through its regulatory quality, effectiveness, success in fighting criminality, corruption and terrorism, and safeguard of citizens' freedom of expression and association.



Private sector

Private sector is defined by the ease of cross-border trade, which includes time and monetary costs to export and import, and the support to business in terms of domestic credit, velocity of contract enforcement and time required to start a business.



Structural Change

Structural change refers to the movement of labour and other productive resources from low-productivity to high-productivity economic activities. This shift is currently captured by the sophistication and variety of exports, the intensity of fixed capital and the weight of industry and services on total GDP. Structural change can also happen within a given sector provided that binding constraints in a particular sector are identified and effectively addressed.

Vulnerability of graduating LDCs: trade-related



Preferential market access for goods



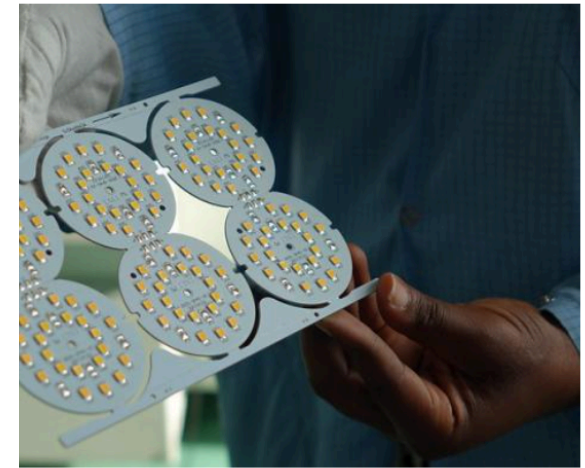
Preferential treatment for services and service suppliers



Special treatment regarding obligations and flexibilities under WTO rules



Trade-related technical assistance and capacity-building



Special treatment regarding obligations and flexibilities under regional agreements

Specific trade-related vulnerabilities

Market access – for goods and services

Nature/extent of vulnerability will depend on trade profile:

- export concentration: market and merchandise/services (commodity dependent, or services dependent eg tourism)
- preference utilisation rates (LDC update of market access opportunities)
- non-tariff-related vulnerabilities (many manifestations of NTBs, including standards, Rules of Origin)
- productive capacity/diversification (**capacity to trade and to meet increasingly complex market access requirements eg private standards, Green Deal etc**)

Regional Trade Agreements (e.g. African Continental Free Trade Area – treatment of LDCs: note tariff phase-down time frames..... level of ambition is same for all)

Links between trade and industrial development (economy-wide) – AfCFTA as Framework for Africa's industrialisation

Trade facilitation agenda in the AfCFTA (draws extensively on the WTO TFA): 4 Annexes to the Protocol on Trade in Goods; role of services in trade facilitation, digitisation

AfCFTA and Global Trade Context

AfCFTA not only about intra-Africa trade and development, also about changing the nature and the way Africa trades with global partners – industrialisation is important to reduce LDC vulnerabilities – trade facilitation is essential to promote cross-border value chains, integration into global value chains. Trade facilitation has a **multiplier effect**.

Governing Principles of the AfCFTA: Article 5 of Agreement establishing the AfCFTA

Voice of LDCs in AfCFTA



The Agreement shall be governed by the following principles:

- Driven by Member States of the African Union
- RECs' Free Trade Areas (FTAs) as building blocs for AfCFTA
- ***Variable geometry, flexibility and special and differential treatment***
- Transparency and disclosure of information
- Preservation of the *acquis*
- Most-Favoured-Nation (MFN) and National Treatment
- Reciprocity
- Substantial liberalisation
- Consensus in decision-making
- Best practices in the RECs, in the State Parties and International Conventions binding the African Union

WTO Rules – losing flexibilities

POCKET EDITION

Trade impacts of LDC graduation

Matters related to the
WTO agreements



Preparing for smooth transition

- Vulnerability assessment (generic and specific sources of vulnerability)
- **National development strategy** must be the anchor for the STS
Requires buy-in across economy and society – inclusive processes are important
- Technical and Institutional capacity
- Finance – diversification of financial sources (capacity building to diversity financial portfolio)
- Lead Agency? Institutional anchors matter

Support to prepare the STS and to support its implementation is available

Smooth Transition Strategy can mitigate the potential shocks of graduation – providing affirmation and support for a sustainable development path

CDP continues to monitor development progress and implementation of the transition strategy annually for three years after graduation, then at the two successive triennial reviews

Graduation and STS - integrated in national development strategy

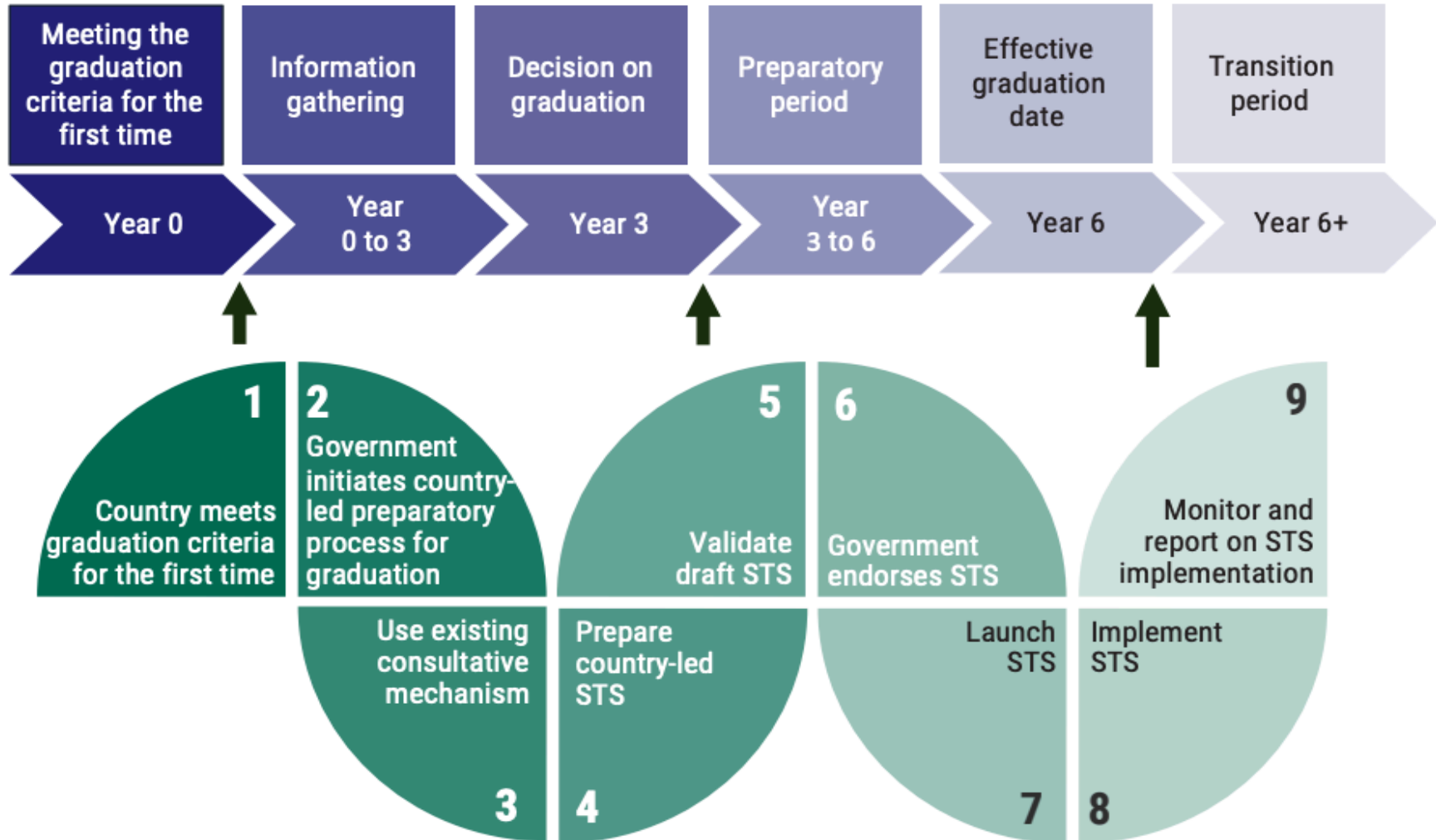
- Finance (diversification of sources of finance)
- Capacity Building to diversify sources of finance
- Debt – debt service and management

LDC IV – Fourth UN Conference on LDCs

Integrating LDC graduation and STS into a country's development strategy

UN Inter-Agency Task Force (IATF) on LDC graduation established by OHRLLS in late 2017: aim to create awareness and political support for graduating LDCs for other countries to better understand the challenges faced by graduating countries, post-graduation; coordination of support by UN entities

Timeline for transition



Support for smooth transition

Various UN entities provide specific support to the graduation processes of LDCs, in the form of training, workshops, studies and support for the development of smooth transition strategies

UNDESA in collaboration with the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (OHRLLS) has developed iGRAD (Sustainable Graduation Support Facility) a country-led, partnership-based, global facility, to assist LDCs move up and out from the category, transition smoothly and achieve sustainable and irreversible graduation. iGRAD is a contribution of the CDP to the Fifth United Nations Conference on Least Developed Countries (LDC5) and Doha Programme of Action (DPoA). It will be pivotal to fulfil commitments to graduating and graduated LDCs in the new decade of action.



iGRAD has 6 main service offering lines (SOLs):

- SOL1: Addressing the loss of existing LDC-specific international support measures (ISMs).
- SOL2: Improving the ability of graduating and graduated LDCs to access non-LDC-specific support.
- SOL3: Preparing and implementing smooth transition strategy. (see the guidance note on smooth transition strategies [here](#); also in Bengali, French, Lao, Nepali, Portuguese).
- SOL4: Assistance in Accessing Financing Transition and Beyond.
- SOL5: Facilitating South-South Cooperation, dialogue and sharing country as well as region-specific knowledge and experience.
- SOL6: Ensuring effective participation in the monitoring process of the CDP.

Eligibility to access iGRAD services is tied to meeting the graduation threshold and an official request made to UNDESA and UNOHRLLS.

Support to graduating LDCs for smooth, sustainable transition

Development Partners: implementation support – financial and technical

WTO Members: extending differential treatment – as required, depending on development situation

WTO: technical assistance and training

Trade Partners: extending preferential market access

Committee for Development Policy: monitoring report to ECOSOC, - annually for 3 consecutive years, then at 2 triennial reviews (max 9 years)



Inter-agency Task Force on Graduation of LDCs

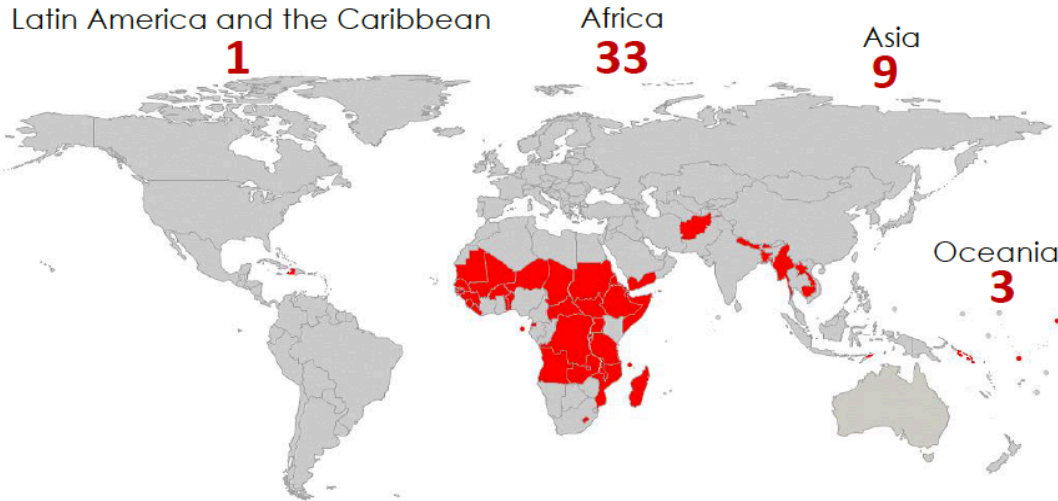
Ad hoc group of UN entities (established in 2017) to convene as required to provide coordinated support - across these entities to graduating and graduated LDCs



2024 Triennial Review of UN Committee for Development Policy – what to expect?

- Every three years the CDP reviews the **the list of LDCs** and to determine which meet the graduation criteria – next **Triennial Review in 2024**
- Within its mandate and following past practices, the CDP decided at its 2022 Plenary to include a review of the criteria in its 2022/2023 work programme, so that any refinements can be adopted at the 2023 CDP Plenary, communicated to countries and other stakeholders and applied at the 2024 Triennial Review. It established a LDC criteria workstream under its LDC subgroup to implement the LDC criteria review.
- If a country is found to meet the graduation criteria - CDP informs the government and the UN's Economic and Social Council (ECOSOC).
- Review is based on the quantitative criteria developed by the CDP - supplementary criteria - country-specific additional information
- Review of support to graduating countries through the sustainable graduation support facility - iGRAD

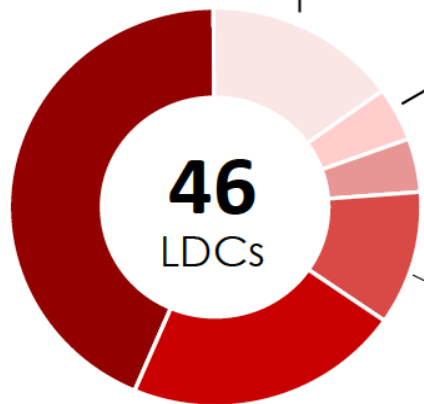
The LDC category after the 2021 triennial review



6 Countries already graduated from the LDC category:

- Botswana (1994)
- Cabo Verde (2007)
- Maldives (2011)
- Samoa (2014)
- Equatorial Guinea (2017)
- Vanuatu (2020)

7 Graduating LDCs



- 2** LDCs recommended for graduation by CDP, under consideration by ECOSOC
- 2** LDCs met the criteria two or more consecutive times, but deferred by CDP
- 5** LDCs met criteria for the first time and are under CDP review

10 LDCs met only one graduation threshold

Angola (2024)	💰		
Bangladesh (2026)	💰	👤	📈
Bhutan (2023)	💰	👤	📈
Lao PDR (2026)	💰	👤	📈
Nepal (2026)		👤	📈
São Tomé and Príncipe (2024)	💰	👤	📈
Solomon Islands (2024)	💰	👤	
Kiribati	💰	👤	
Tuvalu	💰	👤	
Myanmar	💰	👤	📈
Timor-Leste	💰	👤	
Cambodia	💰	👤	📈
Comoros	💰	👤	
Djibouti	💰		
Senegal	💰	👤	
Zambia	💰	👤	

💰 Per capita GNI: 2021 graduation threshold: \$1222 or above
 👤 HAI: 2021 graduation threshold: 66 or above
💰 Per capita GNI: 2021 income-only threshold: \$2444 or above
 📈 EVI: 2021 graduation threshold: 32 or below

Graduation Update

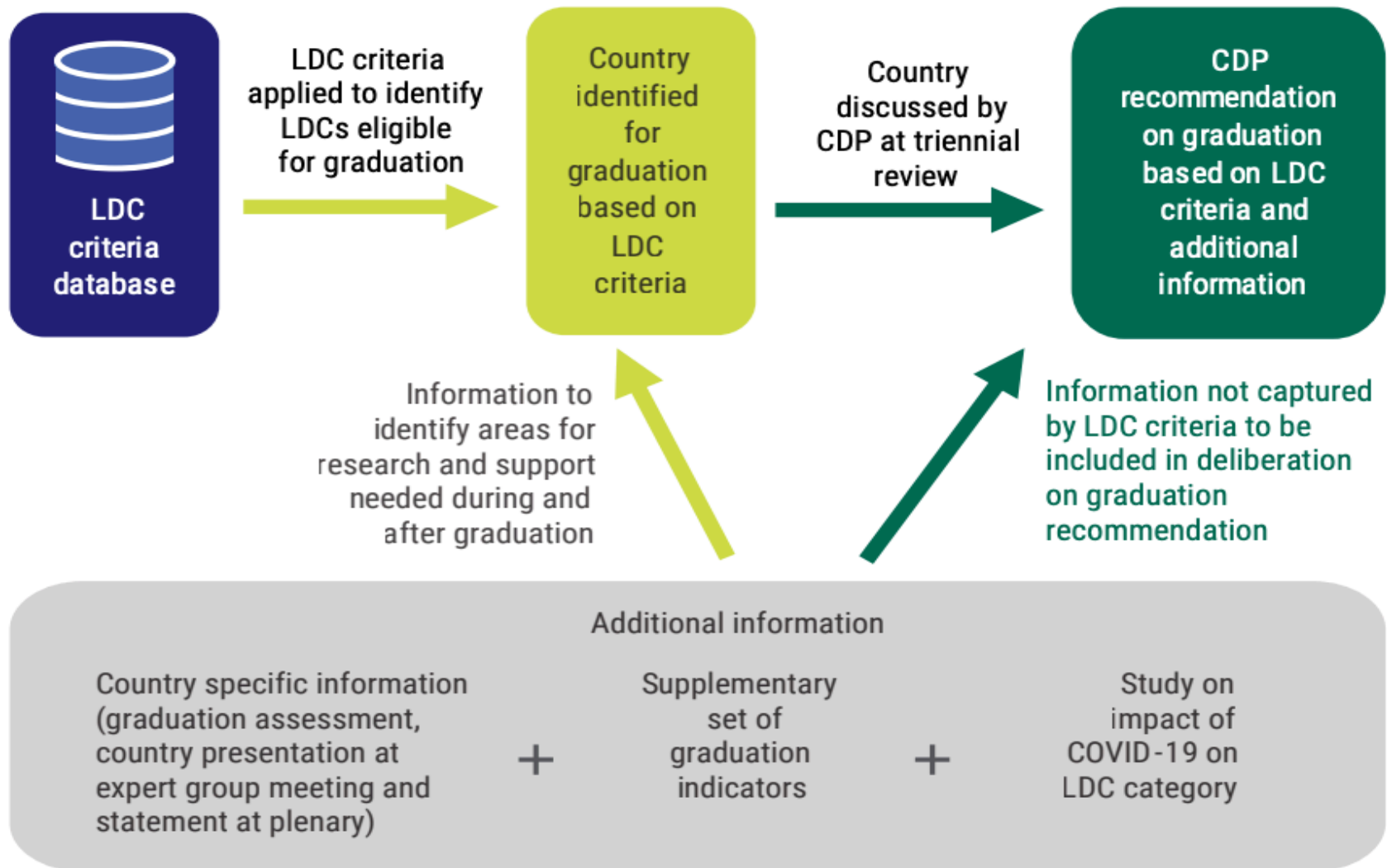
16 LDCs at different stages of graduation process

- Bhutan: to graduate on 13 Dec 2023
- Angola: to graduate on 12 Feb 2024
- Solomon Islands: to graduate on 13 Dec 2024
- Sao Tome and Principe: to graduate on 13 Dec 2024
- Bangladesh: to graduate on 24 Nov 2026
- Lao PDR: to graduate on 24 Nov 2026
- Nepal: to graduate on 24 Nov 2026

Other LDCs in the graduation stream

- Cambodia (met criteria for first time 2021)
- Comoros (met criteria for first time 2021)
- Djibouti (met criteria for first time 2021)
- Senegal (met criteria for first time 2021)
- Zambia (met criteria for first time 2021)
- Kiribati (recommended for graduation by CDP)
- Tuvalu (recommended for graduation by CDP)
- Myanmar (deferred to 2024 by CDP)
- Timor-Leste (deferred to 2024 by CDP)

2021 Triennial Review: LDC criteria and additional information (note - COVID impact)



LDC criteria and preparation for the Triennial Review

LDC Sub-group in the CDP

- i) **Monitoring:** LDCs that have graduated, are to graduate and in the pipeline for graduation (more generally - development trends/shocks, new challenges/vulnerabilities at global, regional and national levels)
- ii) **Criteria review,** with recommendations to be considered and adopted by the CDP at 2023 Plenary. Revised criteria and procedures will be implemented at the 2024 Triennial Review of the LDC category

Ongoing review and refinement of the criteria –current situation

After a comprehensive review in 2020, the CDP has refined the LDC graduation criteria so that currently, LDCs must meet a HAI of 66 or above, an EVI of 32 or below, a GNI per capita of US\$1,230 or above (US\$2,460 for an income only criterion), across two triennial reviews to qualify for graduation

LDC Handbook

https://www.un.org/development/desa/dpad/document_cdp/books/



Handbook on the Least Developed Country Category: Inclusion, Graduation and Special Support Measures – Fourth Edition

Enhanced Monitoring Mechanism

PURPOSE

Enhance monitoring of graduating and recently graduated countries to achieve smooth transition

- Improved annual monitoring
- Crisis response process
- Strengthened support under the monitoring

Strong support for enhanced monitoring mechanism (EMM) by ECOSOC and General Assembly, through DPoA

TIMELINE

2022

CDP **customizes EMM** for each country in **2022**

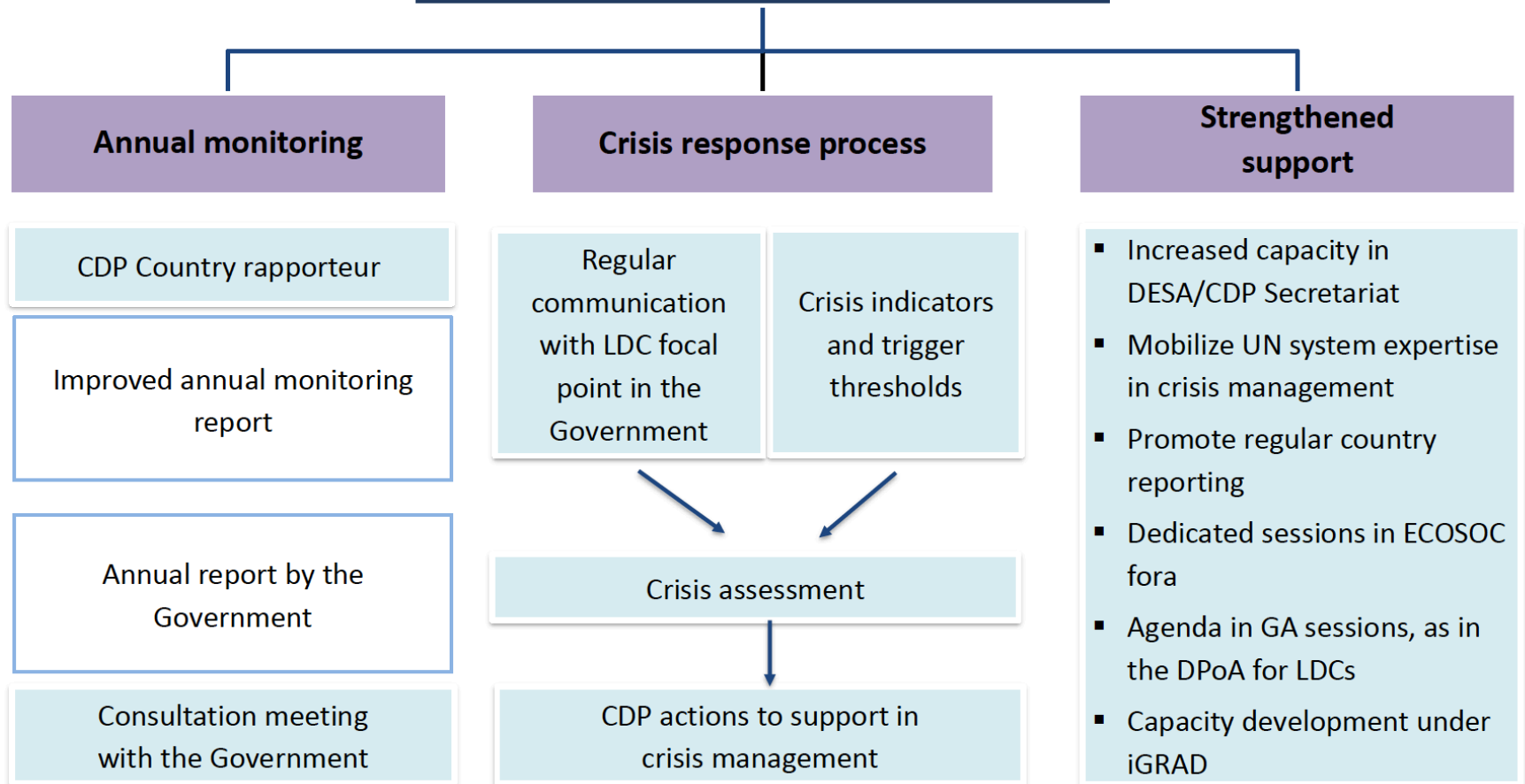
2023

Full implementation of EMM for all graduating and recently graduated countries in **2023**

2024

Review the implementation of EMM and suggest improvements in **2024** at the plenary

Enhanced Monitoring Mechanism

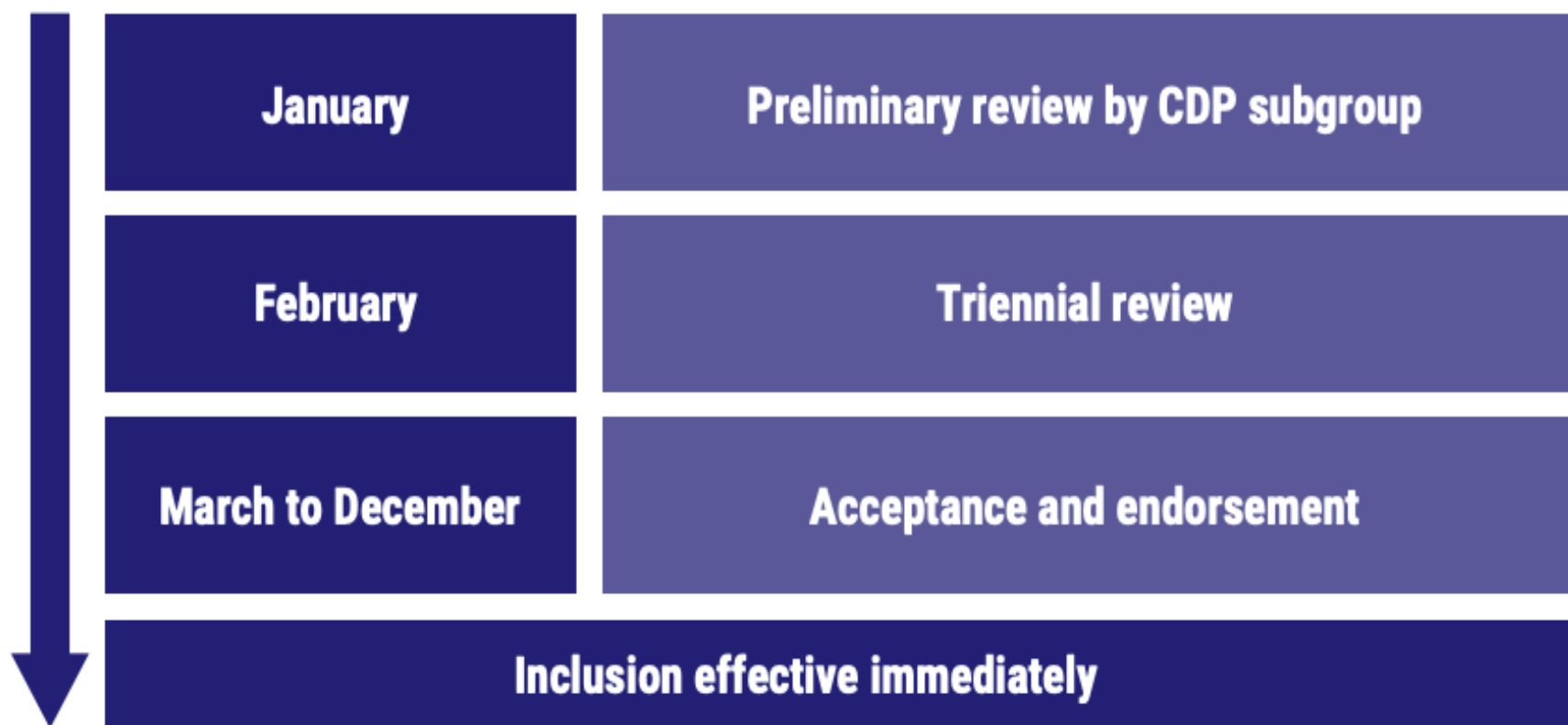


Preparing for the Triennial Review

- Graduation assessments: Cambodia, Comoros, Djibouti, Senegal and Zambia (country rapporteurs in LDC sub-group and UN country teams provide feedback, vulnerability reviews - UNCTAD)
- To be presented at the Plenary (Feb 2023) and updated over the year, when documentation on Myanmar and Timor-Leste (decisions on graduation was deferred to 2024) will also be updated
- Specific focus studies on e.g. impact for Cambodia, Djibouti, Senegal and Zambia – of losing LDC-specific TRIPS flexibilities, and the new UK Developing Country Trading Scheme
- CDP Plenary - end Feb 2022, 5th UN Conference on LDCs (Doha)


Challenges with income only criterion – makes this susceptible to providing ‘false positives’ for graduation. Work programme of CDP – proposal not to use ‘**income only**’ graduation rule as from 2024

Process for inclusion in LDC category



Source: Adapted from the report of the Committee for Development Policy on its ninth session (19–23 March 2007) (*Official Records of the Economic and Social Council, 2007, Supplement No. 13 (E/2007/33)*), endorsed by the Economic and Social Council in its resolution 2007/34.

LDC Graduation Process



Meeting of the graduation criteria for the first time
Year 0

CDP establishes at triennial review that country has met the graduation criteria for the first time

Information gathering
Year 0 to 3

Country initiates preparations for possible graduation with international community support

Decision on graduation
Year 3

CDP recommends country for graduation, ECOSOC endorses and General Assembly takes note of the recommendation

Preparatory period
Years 3 to 6

Country prepares for graduation and smooth transition with international community support

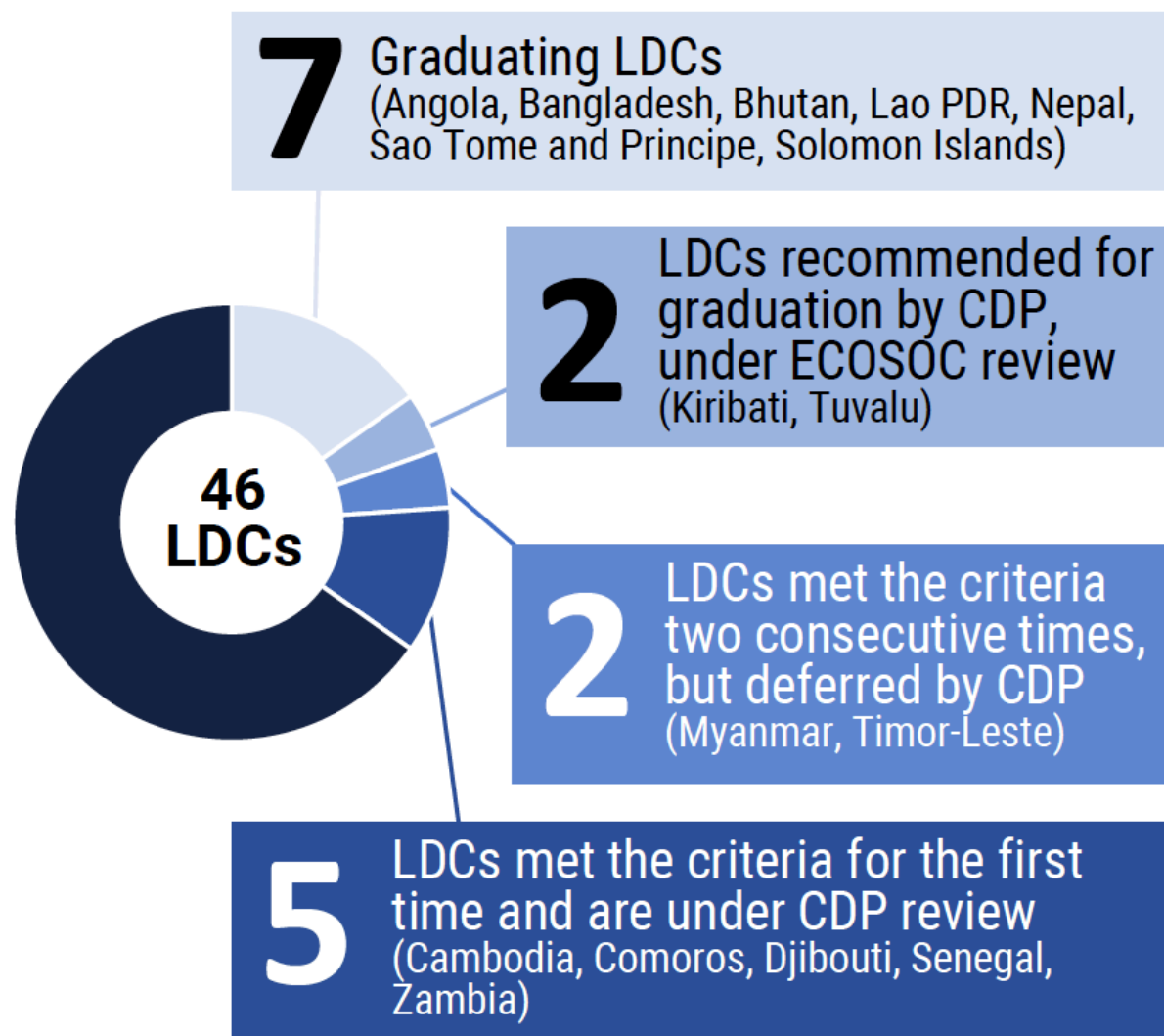
Effective graduation date
Year 6

Transition period
Years 6+

Country implements smooth transition strategy; phasing out of LDC-specific measures

CDP briefing to ECOSOC (Nov 2022)

Source: CDP



Conclusions

2024 Triennial Review will take place within a particularly challenging development context for LDCs

- Climate crisis
- COVID-19 impact
- Debt crisis and LDCs
- Global economic situation – recession?
- Trade and industrial development context (global geo-political shifts – implications e.g. for food security, food import dependency, food trade and food systems; scope of industrialization by LDCs). Distributional impacts
- Digital economy developments

Decisions about graduation (based on assessment – proposed changes to indicators, supplementary indicators, specificities of LDCs – and support for smooth transition) will carry much weight for the future development trajectories of LDCs, with regional and global impacts



Annex: WTO Flexibilities for LDCs

WTO Agreements, provisions and support

Agreement	Provisions, related decisions and instruments
Understanding on the Balance-of-Payments Provisions of the General Agreement on Tariffs and Trade (GATT)	<ul style="list-style-type: none"> LDCs can use simplified procedures when invoking trade restrictions for balance-of-payment reasons (paragraph 8 and 9).
Agreement on Agriculture and Decisions:	<ul style="list-style-type: none"> LDCs are exempt from undertaking commitments in agriculture (Art. 15.2). LDCs and NFIDCs have special flexibilities under the Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on LDCs and NFIDCs (Art. 16). <p><i>Related:</i></p> <ul style="list-style-type: none"> <i>LDCs are required to notify the WTO less frequently on their domestic support (every 2 years, while other WTO members are required to do so on an annual basis) (Decision G/AG/2 of the Committee on Agriculture, on Notification requirements and formats).</i> <i>The adoption of the Nairobi Decision on Export Competition in 2015 with a view to eliminate agricultural export subsidies offered LDCs and NFIDCs a more favourable treatment: i) LDCs and NFIDCs can provide certain agricultural export subsidies until 2030; ii) LDCs and NFIDCs enjoy longer repayment periods for export financing support iii) LDCs and NFIDCs can benefit from the monetization of international food aid to redress food deficit requirements or to address insufficient agricultural production that give rise to chronic hunger and malnutrition.</i>

LDCs in WTO

Trade-Related Aspects of Intellectual Property Rights (TRIPS)

- Under Art. 66.1, LDCs benefitted from an 11-year transition period to implement the TRIPS agreement. The original transition period ended in 2006 and has since been extended three times, with the latest extension set until 1 July 2034 or the date of graduation from the LDC category, whichever is first.

Related: In addition to the general transition period LDCs also benefit from the transition period for pharmaceutical products (Doha Ministerial Declaration on TRIPS and public health). This period has been extended twice with the latest extension lasting until 1 January 2033 or until the date of graduation from the LDC status, whichever comes first. LDCs are exempt from providing protection for pharmaceutical patents, from providing the possibility of filing mailbox applications and from granting exclusive marketing rights.

- Developed country members are to provide incentives to encourage the transfer of technology to LDCs (Article 66.2)

Related: Developed country members are required to submit annual reports on actions taken or planned pursuant to their commitments under Article 66.2. For more information, see the [e-TRIPS section on Reports by Developed Country Members on the implementation of TRIPS Art. 66.2 \(re. Technology Transfer to LDCs\)](#)

- The TRIPS amendment, which entered into force in 2017, allows the use of compulsory licensing for export of pharmaceuticals to countries with limited manufacturing capacity (Art. 31 bis).
 - A developing country member or LDC that produces or imports pharmaceuticals under compulsory licences and which is party to a regional trade agreement (RTA) in which at least half of the members are LDCs can export the pharmaceuticals to other members of the RTA that share the same health problem without any further notification under the system.
 - When notifying its need for a pharmaceutical, an importing WTO member is required to confirm that it has insufficient or no manufacturing capacity in the pharmaceutical sector. LDCs are exempt from that requirement as they are deemed to have insufficient manufacturing capacity.

Dispute settlement

- Particular consideration should be given to the special situation of LDCs in all stages of a dispute involving an LDC. Members should exercise due restraint in raising matters involving an LDC (Art. 24.1)
- LDCs may request use of the good offices, conciliation and mediation of the Director-General or the Chairman of the Dispute Settlement Body. (Art. 24.2)

Trade Policy Review Mechanism

- Greater flexibility is given to LDCs concerning the frequency of their reviews and particular attention is given to LDCs in the provision of technical assistance by the Secretariat (Annex C, WT/L/1014)
- At the request of developing country Members, and in particular LDCs, the WTO Secretariat is required to make available technical assistance, taking into account particular difficulties of LDCs in compiling their reports (Annex D).

Services and Trade Facilitation

General Agreement on Trade in Services (GATS)

- LDCs are given special priority with a view to increasing their participation in services trade, including through the liberalization of market access in sectors and modes of supply of export interest to them. LDCs are entitled to liberalize at a more cautious pace than other members (Art. IV:3).
- Negotiating guidelines were to establish modalities for the special treatment for LDCs under the provisions of Article IV:3 (Art. XIX:3).

Related:

- *In 2003, specific modalities for the treatment of LDCs were adopted during the Doha negotiations.*
- *In 2011, WTO members adopted the LDC Services Waiver, which allows members to provide preferential treatment to LDC services and service suppliers. It is currently valid until 2030.*

Agreement on Subsidies and Countervailing Measures

- LDCs are exempted from the prohibition of export subsidies (Art. 27.2 and Annex VII (a) of the Agreement)

Trade Facilitation Agreement (TFA)

- The S&D provisions in the TFA allow each LDC to determine when they will implement each of the individual provisions (category B and C) as well as those provisions for which they will need technical assistance and support for capacity building (category C). The TFA provides for longer timeframes for LDCs. For instance, the definitive implementation date for LDCs to submit category C commitments is 22 August 2022.
- The TFA allows LDCs to benefit from greater flexibility in extending implementation dates of category B or C commitments under the Early Warning Mechanism. (Article 17).
- The TFA allows LDCs to benefit from an automatic extension for shifting categories from B to C if the additional time does not exceed four years beyond the original notification date (Article 19).
- LDCs benefit from longer grace periods for dispute settlement: six years for category A commitments and eight years for category B and C (Article 20).

SPS and TBT

Sanitary and Phytosanitary (SPS) Measures

- WTO Members are to take particular account of LDCs in preparing and applying SPS measures (Art. 10).

Related:

- *The Standards and Trade Development Facility (STDF), which responds to the provisions of Article 9 on technical assistance, has a target of dedicating at least 40% of total project financing to LDCs or Other Low-Income Countries. In terms of co-financing, beneficiaries from LDCs and OLICs contribute at least 10% of the requested STDF contribution to a project, as opposed to 20% for lower-middle-income countries and 60% for upper-middle-income countries (STDF Operational Rules). In 2022, the STDF established a transition mechanism for countries graduated from LDC status, which allows for LDC graduates to continue to benefit from the "10% contribution requirement for LDCs" for a period of three years following graduation.*
- *The ePing notification alert system provides countries with timely access to notifications under the WTO Agreement on the Application of Sanitary and Phytosanitary Measures (SPS) and the WTO Agreement on Technical Barriers to Trade (TBT). It is available to all countries but especially geared towards meeting the needs of LDCs.*

Technical Barriers to Trade (TBT)

- WTO members are to give priority to the needs of LDCs when providing advice and technical assistance to other Members (Art.11).
- The TBT Committee is required to take into account special problems of LDCs in granting time-limited exceptions under the TBT Agreement (Art. 12.8).