

# International Support Measures for the Least Developed Countries

Tomás González

Office of the High Representative for the LDCs, LLDCs and SIDS (UN-OHRLLS)

# International policy framework

- Four programmes of action
  - Istanbul Programme of Action
  - Midterm Review of the Istanbul Programme of Action
- Agenda 2030 for Sustainable Development and the SDGs
- AAAA
- SENDAI
- Paris
- UNCTAD XIV

# Support for graduation

- The main LDC-specific international support measures can be grouped under three categories:
  - Official Development Assistance (ODA)
  - Trade-related measures
  - Other measures (like travel support)
- These measures are available until actual graduation 3 years after the decision by the General Assembly that a country should graduate. They can be used to prepare for graduation.

For detailed information see the LDC portal: http://esango.un.org/ldcportal/

# Official Development Assistance

- The Istanbul Programme of Action (IPoA)
  - 0.15-0.2 percent of GNI commitments towards LDCs
- Concessional aid from OECD/DAC donors
  - The average grant element on the ODA to an LDC should be either 90% of ODA for a given donor to all LDCs or at least 86% of donor's commitment to each individual LDC over a period of 3 years.
  - In 2013/2014, the grant element as ratio of total ODA by OECD/DAC donors to LDCs reached 98.3%

# Official Development Assistance

• Net ODA receipts of Angola (USD, thousands)

2010	2011	2012	2013	2014
236.94	192.75	242.01	283.46	231.28

Net ODA DAC-donors

2010	2011	2012	2013	2014
151.56	118.12	132.97	143.71	92.37

• Net ODA receipts from multilateral organizations

2010	2011	2012	2013	2014
85.29	74.38	108.11	139.58	138.64

# Official Development Assistance

• Net ODA receipts as a % of GNI

2010	2011	2012	2013	2014
0.32%	0.21%	0.24%	0.25%	0.19%

#### Multilateral assistance

- Mainstreaming Toolkit of the Istanbul Programme of Action (IPoA)
  - 38 UN Entities include LDCs in their programme of work
- Several UN entities give particular attention to LDCs
  - UNCTAD
  - WTO
  - UNFCCC
  - OHRLLS
  - UNDP
    - For 2014-2017 at least 60% of TRAC-2 resources allocated to LDCs
  - UNCDF
  - EIF
  - WMO
  - [...]

## Multilateral assistance to the LDCs

- Trust-funds created by international organizations to support LDCs
  - GEF-LDCF aim to address the special needs of LDCs
  - UNFCCC LDC Fund
  - UNHCHR fund for LDCs and SIDS
- Technology Bank for the LDCs

#### Multilateral assistance to the LDCs

- Regional and multilateral organizations overwhelmingly allocate resources based on GNI p.c. and on creditworthiness for non-concessional finance
- Access to World Bank's IDA is based on GNI
  - Countries below a certain threshold are automatically eligible, regardless of their status

# General support to LDCs

- The United Nations provides financial support for the participation of representatives of LDCs in annual sessions of the General Assembly
- OHRLLS sponsor participants from LDCs to major UN Conferences on the Least Developed Countries
  - LDC-IV
  - Antalya
  - OHRLLS also facilitates the participation of national focal points to follow up on the IPoA
  - Ministerial meetings in Kathmandhu, Milan and Cotonou
  - Midterm Review of the IPoA
  - Meetings of national focal points of the IPoA
- Various UN bodies provide travel support for LDC participation in key intergovernmental meetings

# General support to LDCs

- Travel
- Scholarships
- Research grants

# Contributions to the budget of the UN

- The contributions of LDCs to the regular budget of the UN is capped to 0.01% of the budget of the organization regardless of national income or other factors determining a Member State assessment rate
- LDCs are entitled to 90% discount in their contributions to peacekeeping operations
- ILO, UNIDO, International Postal Union, have special rules regarding contributions to their budgets from LDCs

## Support for graduation from the LDC category

- Resolution 59/209
  - Set out a smooth transition strategy for countries graduating from the list of least developed countries in December 2004.
  - It established the process for graduation and invited graduating countries to prepare a transition strategy to adjust to the phasing out of LDC- specific support.
- Resolution 67/221
  - Requested the support of the United Nations Resident Coordinator as a facilitator of the consultative process and to assist
    graduating countries in their preparations of their transition strategy
  - Requested the provision of target assistance by the United Nations system in support of the formulation and implementation of the national transition strategy
  - The resolution reiterated the importance of ensuring that the graduation from the LDC category does not cause disruption in the country's development progress.
- Resolution 68/224
  - Requested all relevant organizations of the United Nations system, led by the Office of the High Representative, to extend
    necessary support to aspiring-to-graduate or graduating least developed countries in the elaboration of their graduation and
    transition strategies.

# **Smooth Transition Strategy**

- A successful transition needs to be based on the national smooth transition strategy elaborated as a priority by each graduating country, before actual graduation, under national leadership, involving all stakeholders of the IPoA
- The national smooth transition strategy should include a comprehensive and coherent set of specific and predictable measures that are in accordance with the priorities of the graduating country
- A consultative mechanism should be established by the graduating country, in cooperation with its bilateral and multilateral development and trading partners, to facilitate the preparation of the transition strategy and the identification of the associated actions and the negotiation of their duration and phasing out for a period appropriate to the development situation of the country.

# Thank you

Tomás González

gonzalezt@un.org

Office of the United Nations High-Representative for the LDCs, LLDCs and SIDS (UN-OHRLLS)

